

# OPERATING ENGINEERS PENSION TRUST

## CALIFORNIA STATE TAX WITHHOLDING INFORMATION

Dear Participant:

California Assembly Bill 127 requires that, starting in 1987, the Fund must withhold California state income tax from your monthly pension payment unless you tell us, in writing, that you do not want us to withhold the tax.

However, under special rules provided in the law, if your monthly benefit is less than \$1,400.00 we will not withhold state income taxes unless you ask us to.

You are advised that penalties may be incurred under the estimated tax payment rules if the payments of estimated tax are not adequate and sufficient tax is not withheld from your pension payment.

To make it easy for you to respond, just complete the form on the reverse side of this Notice and return it to the Fund Office.

If your benefit is at least \$1,400.00 a month and you do not instruct us otherwise, we will begin withholding state income taxes from your benefits. As required by the law, we will determine how much to withhold based on IRS tables for income tax withheld from wages, and assume that you are married and entitled to three exemptions.

If you want us to withhold a different amount, you must complete the withholding certificate on the reverse side of this letter.

Whether you have to pay California state income tax depends on the total amount of your taxable income. This is an important individual financial decision on which you may want to consult with a qualified tax advisor.

You can revoke or change your decision on withholding at any time by filing new forms with the Administrative Office.

If you have any questions, you should call or write the Fund Office.

BOARD OF TRUSTEES  
Operating Engineer Pension Trust

OPERATING ENGINEERS PENSION TRUST

**CALIFORNIA STATE TAX WITHHOLDING ELECTION FORM**

(Read the reverse side before you complete this form.)

**Indicate which Option you want by marking the appropriate box below:**

**1. Your Monthly Pension Check:**

	Do <b>not</b> withhold California state income tax from my pension.
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	Please withhold California state income tax from my pension.
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If you chose to have taxes withheld, complete the following:

Marital Status: Single [ ] Married [ ]

Total number of exemption allowances claimed \_\_\_\_\_

OR

The exact amount to be withheld from each pension payment:

\$ \_\_\_\_\_

NOTE: Until and unless we receive a withholding certificate from you showing something different, we will assume you are married and entitled to three exemptions, in order to compute the amount of tax that will be withheld from your benefit payment.

\_\_\_\_\_  
Date Signed

\_\_\_\_\_  
Your Signature

\_\_\_\_\_  
Print your Name

\_\_\_\_\_  
Your Social Security Number

**Even if you elect not to have California state income tax withheld, you may be liable for payment of state income tax on your pension. You may also be subject to tax**

**penalties under the estimated tax payment rules if your payments of estimated tax and withholding, if any, are not adequate.**