



Tax Withholding Election

California Public Employees' Retirement System

| Section 1: Payee Information | | |
|--|---|---|
| Name (Last, First, Initial) | | CalPERS ID/SSN (Required) |
| Address | | Phone Number () |
| City | State | Zip Code |
| Please Specify Which Account(s) You Would Like This Election Applied To: | | |
| <input type="checkbox"/> Retirement – Your Own Account | <input type="checkbox"/> Death Benefit – Option Portion | <input type="checkbox"/> Survivor Continuance Benefit |
| <input type="checkbox"/> Community Property Benefit | <input type="checkbox"/> Other _____ | |

| Section 2: Federal Tax Withholding Election |
|---|
| <p>Complete the following applicable lines:</p> <p>1) Check here if you do not want any federal income tax withheld from your pension or annuity. (Do not complete line 2 or 3.) ▶ <input type="checkbox"/></p> <p>2) Marital status and total number of allowances you are claiming for withholding from each pension or annuity payment. (You may also designate an additional dollar amount on line 3.)</p> <p>Marital status: <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Married, but withhold at higher Single rate..... _____ (Must enter no. of allowances)</p> <p>3) Additional amount, if any, you want withheld from each pension or annuity payment..... \$ _____ (Note: You cannot enter an amount here without entering the number, including zero, of allowances on line 2.)</p> |

| Section 3: State Tax Withholding Election |
|--|
| <p>Complete the following applicable lines:</p> <p>1) Check here if you do not want any State income tax withheld from your pension or annuity. (Do not complete line 2, 3, or 4) ▶ <input type="checkbox"/></p> <p>2) Marital status and total number of allowances you are claiming for withholding from each pension or annuity payment. (You also may designate an additional dollar amount on line 3.)</p> <p>Marital status: <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Head of Household..... _____ (Must enter no. of allowances)</p> <p>3) Additional amount, if any, you want withheld from each pension or annuity payment..... \$ _____ (Note: You cannot enter an amount here without entering the number, including zero, of allowances on line 2.)</p> <p>4) I want this designated amount withheld from each pension or annuity payment..... \$ _____ (Do not complete lines 1, 2 or 3)</p> |

| Section 4: Signature and Date | |
|-------------------------------|-------|
| Signature: | Date: |

Tax Withholding Election—Instructions

Read these instructions before completing this form.
Print or type in dark ink. Initial all corrections.

PURPOSE: Use this form to tell CalPERS the amount of federal and state income tax to withhold from your benefit payments.

Complete the *Tax Withholding Election form* (my|CalPERS 1289) and submit it to CalPERS as soon as possible. Because your tax situation may change from year to year, you may want to recalculate your withholdings each year and submit a new form.

COMPLETING THIS FORM: To calculate the proper amount of tax withholding, use IRS Form W-4P (which has a worksheet and instructions) at irs.gov for your federal withholding, and EDD Form DE 4P at edd.ca.gov for your state withholding. If you do not want any federal or state tax withheld, skip the worksheets and go directly to the *Tax Withholding Election form* (my|CalPERS 1289).

California state income tax will not be automatically withheld from your benefit payment if you reside outside of California. If you do not live in California but think you may be liable for California state income tax, you may request CalPERS to withhold state income tax.

CHOOSING NOT TO HAVE INCOME TAX WITHHELD:
You (or in the event of death, your beneficiary or estate) can choose not to have federal income tax withheld from your payments that are not eligible for rollover.

CAUTION: There are penalties for not paying enough federal and state tax during the year, either through withholding or estimated tax payments. See IRS Publication 505, *Tax Withholding and Estimated Tax*, at irs.gov. It explains your estimated tax requirements and describes penalties in detail. You may be able to avoid quarterly estimated tax payments by having enough tax withheld from your benefit payment.

SECTION 1: MEMBER/PAYEE INFORMATION

Enter your full name, CalPERS ID or Social Security Number, mailing address, and telephone number. For an estate, enter the estate's Employer Identification Number instead of the Social Security Number. Choose the payment/s you want your withholding preferences applied to. You may complete a separate form if you want to elect different withholding amounts for different types of payments. Refer to your benefits application or warrant for account information.

SECTION 2 & 3: Federal Tax Withholding Election & State Tax Withholding Election

If you are receiving a lifetime monthly benefit, indicate your federal and state tax withholding preferences in this section. If you do not complete this section, CalPERS must withhold federal and state income tax from your monthly benefit payments as married claiming three withholding allowances.

To withhold federal income tax, you must indicate your marital status by checking the appropriate box and designate the number of withholding allowances.

You cannot designate a specific dollar amount to be withheld for federal tax. However, you may designate an *additional* dollar amount to be withheld. Use the IRS Form W-4P worksheet to calculate your federal tax withholding. If you do not want any federal income tax withheld, check the appropriate box.

If you want state income tax withheld, you must indicate your marital status by checking the appropriate box and designate the number of withholding allowances. You can also specify an additional dollar amount, if any. Use the EDD Form DE-4P at edd.ca.gov/pdf_pub_ctr/de4p.pdf to calculate state tax withholding. You may designate a dollar amount to withhold instead of claiming withholding allowances. If you do not want any state income tax withheld, check the appropriate box. If you want ten percent of the amount of federal withholding computed pursuant to Section 3405 of the Internal Revenue Code, complete line 4 in section 3 by writing 10%.

SECTION 4: REQUIRED SIGNATURE

Sign and date your form before submitting it to CalPERS. Your form will not be accepted without your signature and date.

Tax Withholding Election—Instructions

IMPORTANT INFORMATION

PAYMENTS TO FOREIGN PERSONS AND PAYMENTS DELIVERED OUTSIDE THE U.S.

For U.S. citizens and residents, federal tax withholding is required on monthly or lump-sum payments delivered to you outside the U.S. or its possessions. You cannot waive federal income tax withholding in this situation. See IRS Publication 505 at irs.gov for details.

For nonresident aliens, nonresident alien beneficiaries, and foreign estates, in the absence of a tax treaty exemption, monthly or lump-sum payments generally are subject to a 30 percent federal withholding tax on the taxable portion of payments from U.S. sources. See IRS Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*, and IRS Publication 519, *U.S. Tax Guide for Aliens*, at irs.gov.

If you are a foreign person, you should submit Form re, *Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding*, to CalPERS before receiving any payments.

ANNUAL STATEMENT OF FEDERAL INCOME TAX WITHHELD

By January 31 of next year (and each following year), CalPERS will furnish a statement to you on Form 1099-R showing the total amount of benefit payments and the total federal income tax withheld during the preceding year. If you are a foreign person who has provided CalPERS with Form W-8BEN, CalPERS instead will furnish a statement to you on Form 1042-S, *Foreign Person's U.S. Source Income Subject to Withholding*, by March 15 of the following year.

QUESTIONS

For information about federal tax withholding, contact the IRS at 800-829-1040 or visit irs.gov. For information about state tax withholding, visit the California Franchise Tax Board website at ftb.ca.gov.

Also read IRS Publication 575, *Pension and Annuity Income*, IRS Publication 919, *How Do I Adjust My Tax Withholding*, and FTB Publication 1005, *Pension and Annuity Guidelines*, or contact a qualified tax professional.

Find a tax withholding calculator at irs.gov/individuals to help determine your withholding allowances. Also see the allowance worksheets at irs.gov/pub/irs-pdf/fw4p.pdf and edd.ca.gov/pdf/pub_ctr/de4p.pdf.

Privacy Notice

The privacy of personal information is of the utmost importance to CalPERS. The following information is provided to you in compliance with the Information Practices Act of 1977 and the Federal Privacy Act of 1974.

Information Purpose

The information requested is collected pursuant to the Government Code (sections 20000 et seq.) and will be used for administration of Board duties under the Retirement Law, the Social Security Act, and the Public Employees' Medical and Hospital Care Act, as the case may be. Submission of the requested information is mandatory. Failure to comply may result in CalPERS being unable to perform its functions regarding your status.

Please do not include information that is not requested.

Social Security Numbers

Social Security numbers are collected on a mandatory and voluntary basis. If this is CalPERS' first request for disclosure of your Social Security number, then disclosure is mandatory. If your Social Security number has already been provided, disclosure is voluntary. Due to the use of Social Security numbers by other agencies for identification purposes, we may be unable to verify eligibility for benefits without the number.

Social Security numbers are used for the following purposes:

1. Enrollee identification
2. Payroll deduction/state contributions
3. Billing of contracting agencies for employee/ employer contributions
4. Reports to CalPERS and other state agencies
5. Coordination of benefits among carriers
6. Resolving member appeals, complaints, or grievances with health plan carriers

Information Disclosure

Portions of this information may be transferred to other state agencies (such as your employer), physicians, and insurance carriers, but only in strict accordance with current statutes regarding confidentiality.

Your Rights

You have the right to review your membership files maintained by the System. For questions about this notice, our Privacy Policy, or your rights, please write to the CalPERS Privacy Officer at 400 Q Street, Sacramento, CA 95811 or call us at **888 CalPERS** (or **888-225-7377**).