North Atlantic States
CARPENTERS ANNUITY FUND

Connecticut Office
10 Broadway
Hamden, CT 06518
Phone: 800-922-6026
Fax: 203-230-2457
carpentersfund.org

New York Office
270 Motor Parkway
Hauppauge, NY 11788
Phone: 631-952-9700
Fax: 631-952-9813
carpentersfund.org

Dear Annuity Fund Participant:

You have asked about applying for benefits from the North Atlantic States Carpenters Annuity Fund. The benefit application process requires you to receive numerous forms. Some (marked with an *) must be completed and returned and others (marked with **) are optional. Here is a list of what is enclosed:

*I. Application for Benefits. If you are applying for a benefit because of your disability, we need a copy of your Social Security Disability Award.

**II. Consent Form or Certification of No Spouse – we need one <u>or</u> the other if your Annuity account has ever held more than $5,000. IT MUST BE NOTARIZED AND A COPY OF YOUR SPOUSE'S PHOTO IDENTIFICATION IS REQUIRED..

**III. Certification of No Work – we need this if you are applying for a Break in Service distribution, whether for six (6) or twelve (12) months. IT MUST BE NOTARIZED.

**IV. Direct Rollover Form.

V. Income Tax cover letter.

VI. Notice called Your Rollover Options.

If you have questions about completing these forms, please call (800) 922-6026 toll free or (203) 281-5511. When we receive your <u>properly completed</u> forms, we will submit your application for approval at the next Board of Trustees meeting.

Applications must be received in the Connecticut Fund Office (10 Broadway, Hamden, CT 06518) no later than ______________________________. Checks will be mailed on or about the last week of _________________________.

North Atlantic States Carpenters Annuity Fund

January 2025

NORTH ATLANTIC STATES CARPENTERS ANNUITY FUND

I. APPLICATION FOR BENEFITS (TO BE COMPLETED BY PARTICIPANT)

(Please review the Explanation and Relative Value notice for information on the alternate forms of benefit which are available to you.)

Name of Member	Social Security No.	Local Union No.	Date of Birth

I hereby make application for annuity benefits from the North Atlantic States Carpenters Annuity Fund due to ( ) RETIREMENT, ( ) SIX (6) MONTH BREAK IN SERVICE (*50% of account ONLY*), ( ) TWELVE (12) MONTH BREAK IN SERVICE (*100% of Account*), ( ) IN-SERVICE DISTRIBUTION, ( ) SOCIAL SECURITY DISABILITY AWARD, ( ) QDRO. I understand that the amount of my benefits depends upon my distribution event noted above, the amount in my individual account (most recent valuation date balance is shown above). If I am eligible, I elect to receive my benefits in the form indicated below:

A. ☐ I wish to receive my annuity benefits in the form of a lump sum. (If the value of your benefits is $5,000 or less, this or Rollover are the only options available and the Consent of your spouse is not required.)

B. ☐ I wish to receive an in-service distribution in the amount of $____________. (net amount).

C. ☐ I wish to receive my annuity benefits in the form of monthly installments of $____________. (minimum $100)

D. ☐ Rollover (Application & Rollover form must be completed)

E. ☐ I wish to have the applicable value of my account applied to the purchase of a nontransferable annuity contract from an insurance company which will pay me a monthly benefit for my life. If I die before 120 payments have been made, my beneficiary will receive the remainder of the 120 monthly payments.

F. ☐ If the value of my annuity account exceeds $5,000 I wish to have my annuity benefits paid from a nontransferable annuity contract as a Joint and Survivor Annuity (*not available if QDRO*). Under Joint and Survivor Annuity I have selected the following survivor percentage for my spouse:

☐ 50% Option ☐ 75% Option ☐ 100% Option

*** **NOTE:** YOU MAY COMBINE A LUMP SUM (A) OR A ROLLOVER (C) WITH ANY OTHER OPTION.
IF YOU WISH TO RECEIVE THE JOINT AND SURVIVOR ANNUITY, PLEASE SUBMIT PROOF OF YOUR SPOUSE'S AGE AND A CERTIFICATE OF YOUR MARRIAGE WITH THIS FORM. IF YOU DO NOT SELECT (E) AND THE VALUE OF YOUR ANNUITY ACCOUNT EXCEEDS $5,000, EITHER THE CONSENT OF SPOUSE OR THE CERTIFICATION THAT YOU DO NOT HAVE A SPOUSE MUST BE COMPLETED ON THE REVERSE SIDE OF THIS FORM.

If you have elected either B or D above, please name the beneficiary below who is to receive any remaining payments due in the event of your death. This beneficiary designation revokes any prior beneficiary designation which you may have made. If you name more than one beneficiary, they will share equally.

Name of Beneficiary	Beneficiary's Address	Relationship

This application must be completed and signed at least 30 days and not more than 180 days prior to the commencement of your benefits. By signing this application you agree that: (i) all statements made on this Application and related papers are true, (ii) you have disclosed all instances in which you left covered employment to enter military service, (iii) you have reviewed the Explanation and Relative Value of Forms of Benefits furnished to you by the Annuity Fund, (iv) your benefit is based on your account value as of the end of the month before the date this application is approved or, if later, the date benefit payments will be made or begin, and (v) the Annuity Fund has the right to correct mistakes and recover any overpayments directly from you or by reducing your future benefits.

Must be completed by participant

Name (Please print)________________________

Signature ________________________

Current Address ________________________

____

Telephone and email ________________________

Date Signed ________________________

II. SPOUSAL CONSENT FORM

CONSENT OF SPOUSE (If the value of your annuity account(s) exceed $5,000, this Form must be completed if you have a spouse and have indicated that you do not wish to receive your benefits in the form of a 50% Joint and Survivor Annuity).

I HEREBY CONSENT TO MY SPOUSE'S ELECTION TO WAIVE AND REJECT THE 50% JOINT AND SURVIVOR ANNUITY. I ALSO CONSENT TO MY SPOUSE'S ELECTION TO RECEIVE THE FORM OF BENEFIT PAYMENT AND TO NAME THE BENEFICIARY(IES), BOTH AS SHOWN ON THE APPLICATION FOR BENEFITS SIGNED BY MY SPOUSE ON THE REVERSE SIDE. IN GRANTING THIS CONSENT, I HAVE REVIEWED THE EXPLANATION AND RELATIVE VALUE OF FORMS OF BENEFITS FURNISHED BY THE NORTH ATLANTIC STATES CARPENTERS ANNUITY FUND. I UNDERSTAND THE EFFECT OF MY SPOUSE'S REJECTION OF THE 50% JOINT AND SURVIVOR ANNUITY AND THE EFFECT OF HIS/HER ELECTIONS. I ACKNOWLEDGE THAT MY SPOUSE MAY REVOKE THIS WAIVER AND REJECTION AND ELECT THE 50% JOINT AND SURVIVOR ANNUITY, WITHOUT FURTHER CONSENT, BUT MAY NOT CHANGE THE BENEFICIARY(IES) SHOWN ON THE REVERSE SIDE OF THIS FORM WITHOUT MY CONSENT.

Print Participant Spouse Name: ____

Signature of Participant's Spouse: ____

Subscribed and sworn before me this ____________ day of ________________________________, 20___.

Notary Public ________________________________ My Commission Expires ________________

CERTIFICATION OF NO SPOUSE

I hereby certify and represent that I am not married, do not have a spouse, and will notify the Fund Office immediately if I marry before the effective date of my annuity benefits.

Signature of Participant: ____

Subscribed and sworn before me this ____________ day of ________________________________, 20___.

Notary Public ________________________________ My Commission Expires ________________

III. CERTIFICATION OF NO WORK – BREAK IN SERVICE DISTRIBUTIONS

I hereby certify and represent, under the applicable penalties for making a False Statement under Oath, with respect to my work in the last 6 or 12 months as noted in Section I, above, and currently, that

- I have not worked in Covered Employment*, and
- I have not worked in a jurisdiction bound by a reciprocal agreement requiring contributions to be transferred to the North Atlantic States Carpenters Annuity Fund, and
- I have not worked in Non-Covered Employment**.

*Covered Employment means working for a employer who is signatory to a collective bargaining agreement, if that work is the type for which Annuity Fund contributions must be or are made. Work for which Annuity Fund contributions are not due (such as work for a signatory contractor in a "management" position or for a signatory shop that contributes to the Oklahoma plan but not to the Annuity Fund) is not Covered Employment.
**Non-Covered Employment means working in any capacity for a non-signatory employer which employs carpenters or subcontracts carpentry work anywhere in North America OR being an officer, director, shareholder, full or part owner, partner, member, or principal of a non-signatory employer which employs carpenters or subcontracts carpentry work anywhere in North America.

Signed on: ____________, 20__ by ____
Signature of Participant

Subscribed and sworn to before me on ___________, 20__ by ________________________________
Signature of Notary Public

My commission expires on ______________, 20__

IV. NORTH ATLANTIC STATES CARPENTERS ANNUITY FUND DIRECT ROLLOVER FORM

NOTE: You should read the Notice called "Your Rollover Options" before you complete this Form. Also consult a tax advisor.

Your Name ____

Address ____

____

Social Security No. ______________________________

(Check One)

__________ I direct the Fund to rollover 100% of my distribution directly to an IRA or another qualified plan (if it accepts rollovers).

__________ I direct the Fund to rollover $_______________ directly to an IRA or another qualified plan (if it accepts rollovers). I direct the Fund to pay the balance of my distribution to me, reduced by income tax withholding (as required), in the form chosen on my Application for Benefits.

(You must complete this information)

Rollover is to a (check one) ____________ IRA ____________ Qualified Plan

Name of IRA Trustee or
Name of Qualified Plan ____

Mailing Address: ____

Account Number: ____

Your Contact and Phone Number: ____

I certify that the information above relates to an Individual Retirement Account, an Individual Retirement Annuity or an IRS-qualified plan that accepts rollovers. I agree that payment as directed above releases the Fund and its Trustees from any obligation or liability regarding benefit payments due to me.

____
Your Signature

Date: ____

Form **W-4P**

Department of the Treasury
Internal Revenue Service

Withholding Certificate for Periodic Pension or Annuity Payments

Give Form W-4P to the payer of your pension or annuity payments.

OMB No. 1545-0074

2025

Step 1: Enter Personal Information

(a) First name and middle initial | Last name | (b) **Social security number**

Address

City or town, state, and ZIP code

(c) ☐ **Single** or **Married filing separately**
☐ **Married filing jointly** or **Qualifying surviving spouse**
☐ **Head of household** (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)

TIP: Consider using the estimator at *www.irs.gov/W4App* to determine the most accurate withholding for the rest of the year if: you are completing this form after the beginning of the year; expect to receive your payments only part of the year; or have changes during the year in your marital status, number of pensions/jobs for you (and/or your spouse if married filing jointly), dependents, other income (not from jobs or pension/annuity payments), deductions, or credits. Have your most recent payment statements/pay stubs from this year available when using the estimator. At the beginning of next year, use the estimator again to recheck your withholding.

Complete Steps 2–4 ONLY if they apply to you; otherwise, skip to Step 5. See pages 2 and 3 for more information on each step, when to use the estimator at *www.irs.gov/W4App*, and how to elect to have no federal income tax withheld (if permitted).

Step 2: Income From a Job and/or Multiple Pensions/ Annuities (Including a Spouse's Job/ Pension/ Annuity)

Complete this step if you (1) have income from a job or more than one pension/annuity, or (2) are married filing jointly and your spouse receives income from a job or a pension/annuity. **See page 2 for examples on how to complete Step 2.**

Do **only one** of the following.

(a) Use the estimator at *www.irs.gov/W4App* for the most accurate withholding for this step (and Steps 3–4). If you or your spouse have self-employment income, use this option; **or**

(b) Complete the items below.

(i) If you (and/or your spouse) have one or more jobs, then enter the total taxable annual pay from all jobs, plus any income entered on Form W-4, Step 4(a), for the jobs less the deductions entered on Form W-4, Step 4(b), for the jobs. Otherwise, enter "-0-" . . . $

(ii) If you (and/or your spouse) have any other pensions/annuities that pay less annually than this pension/annuity, then enter the total annual taxable payments from all lower-paying pensions/annuities. Otherwise, enter "-0-" . . . . $

(iii) Add the amounts from items (i) and (ii) and enter the **total** here . . . . $

TIP: To be accurate, submit a new Form W-4P for all other pensions/annuities if you haven't updated your withholding since 2021 or this is a new pension/annuity that pays less than the other(s). Submit a new Form W-4 for your job(s) if you have not updated your withholding since 2019.

Complete Steps 3–4(b) on this form only if (b)(i) is blank **and** this pension/annuity pays the most annually. Otherwise, do not complete Steps 3–4(b) on this form.

Step 3: Claim Dependent and Other Credits

If your total income will be $200,000 or less ($400,000 or less if married filing jointly):

Multiply the number of qualifying children under age 17 by $2,000 $

Multiply the number of other dependents by $500 . . . . . . $

Add other credits, such as foreign tax credit and education tax credits $

Add the amounts for qualifying children, other dependents, and other credits and enter the total here . . . . **3** $

Step 4 (optional): Other Adjustments

(a) Other income (not from jobs or pension/annuity payments). If you want tax withheld on other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, taxable social security, and dividends . **4(a)** $

(b) Deductions. If you expect to claim deductions other than the basic standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here . . . . **4(b)** $

(c) Extra withholding. Enter any additional tax you want withheld from **each payment** . **4(c)** $

Step 5: Sign Here

Your signature (This form is not valid unless you sign it.) **Date**

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about any future developments related to Form W-4P, such as legislation enacted after it was published, go to *www.irs.gov/FormW4P*.

Purpose of form. Complete Form W-4P to have payers withhold the correct amount of federal income tax from your periodic pension, annuity (including commercial annuities), profit-sharing and stock bonus plan, or IRA payments. Federal income tax withholding applies to the taxable part of these payments. Periodic payments are made in installments at regular intervals (for example, annually, quarterly, or monthly) over a period of more than 1 year. Don't use Form W-4P for a nonperiodic payment (note that distributions from an IRA that are payable on demand are treated as nonperiodic payments) or an eligible rollover distribution (including a lump-sum pension payment). Instead, use Form W-4R, Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions, for these payments/distributions. For more information on withholding, see Pub. 505, Tax Withholding and Estimated Tax.

Choosing not to have income tax withheld. You can choose not to have federal income tax withheld from your payments by writing "No Withholding" on Form W-4P in the space below Step 4(c). Then, complete Steps 1(a), 1(b), and 5. Generally, if you are a U.S. citizen or a resident alien, you are not permitted to elect not to have federal income tax withheld on payments to be delivered outside the United States and its territories.

Caution: If you have too little tax withheld, you will generally owe tax when you file your tax return and may owe a penalty unless you make timely payments of estimated tax. If too much tax is withheld, you will generally be due a refund when you file your tax return. If your tax situation changes, or you chose not to have federal income tax withheld and you now want withholding, you should submit a new Form W-4P.

When to use the estimator. Consider using the estimator at *www.irs.gov/W4App* if you:

1. Are submitting this form after the beginning of the year;

2. Have social security, dividend, capital gain, or business income, or are subject to the Additional Medicare Tax or Net Investment Income Tax;

3. Receive these payments or pension and annuity payments for only part of the year; or

4. Have changes during the year in your marital status, number of pensions/jobs for you (and/or your spouse if married filing jointly), number of dependents, or changes in your deductions or credits.

TIP: Have your most recent payment statements/pay stubs from this year available when using the estimator to account for federal income tax that has already been withheld this year. At the beginning of next year, use the estimator again to recheck your withholding.

Self-employment. Generally, you will owe both income and self-employment taxes on any self-employment income you (or you and your spouse) receive. If you do not have a job and want to pay these taxes through withholding from your payments, use the estimator at *www.irs.gov/W4App* to figure the amount to have withheld.

Payments to nonresident aliens and foreign estates. Do not use Form W-4P. See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities, and Pub. 519, U.S. Tax Guide for Aliens, for more information.

Tax relief for victims of terrorist attacks. If your disability payments for injuries incurred as a direct result of a terrorist attack are not taxable, write "No Withholding" in the space below Step 4(c). See Pub. 3920, Tax Relief for Victims of Terrorist Attacks, for more details.

Specific Instructions

Submit a **separate Form W-4P** for each pension, annuity, or other periodic payments you receive.

Step 1(c). Check your anticipated filing status. This will determine the standard deduction and tax rates used to compute your withholding.

Step 2. Use this step if you have at least one of the following: income from a job, income from more than one pension/annuity, and/or a spouse (if married filing jointly) that receives income from a job/pension/annuity. The following examples will assist you in completing Step 2(b).

Example 1. Taylor, a single filer, is completing Form W-4P for a pension that pays $50,000 a year. Taylor also has a job that pays $25,000 a year. Taylor has no other pensions or annuities. Taylor will enter $25,000 in Step 2(b)(i) and in Step 2(b)(iii).

If Taylor also has $1,000 of interest income, which they entered on Form W-4, Step 4(a), then they will instead enter $26,000 in Step 2(b)(i) and in Step 2(b)(iii). They will make no entries in Step 4(a) on this Form W-4P.

Example 2. Casey, a single filer, is completing Form W-4P for a pension that pays $50,000 a year. Casey does not have a job, but receives another pension for $25,000 a year (which pays less annually than the $50,000 pension). Casey will enter $25,000 in Step 2(b)(ii) and in Step 2(b)(iii).

If Casey also has $1,000 of interest income, then they will enter $1,000 in Step 4(a) of this Form W-4P.

Example 3. Sam, a single filer, is completing Form W-4P for a pension that pays $50,000 a year. Sam does not have a job, but receives another pension for $75,000 a year (which pays more annually than the $50,000 pension). Sam will not enter any amounts in Step 2.

If Sam also has $1,000 of interest income, they won't enter that amount on this Form W-4P because they entered the $1,000 on the Form W-4P for the higher paying $75,000 pension.

Example 4. Alex, a single filer, is completing Form W-4P for a pension that pays $50,000 a year. Alex also has a job that pays $25,000 a year and another pension that pays $20,000 a year. Alex will enter $25,000 in Step 2(b)(i), $20,000 in Step 2(b)(ii), and $45,000 in Step 2(b)(iii).

If Alex also has $1,000 of interest income, which they entered on Form W-4, Step 4(a), they will instead enter $26,000 in Step 2(b)(i), leave Step 2(b)(ii) unchanged, and enter $46,000 in Step 2(b)(iii). They will make no entries in Step 4(a) of this Form W-4P.

If you are married filing jointly, the entries described above do not change if your spouse is the one who has the job or the other pension/annuity instead of you.

CAUTION

Multiple sources of pensions/annuities or jobs. *If you (or if married filing jointly, you and/or your spouse) have a job(s), do NOT complete Steps 3 through 4(b) on Form W-4P. Instead, complete Steps 3 through 4(b) on the Form W-4 for the job. If you (or if married filing jointly, you and your spouse) do not have a job, complete Steps 3 through 4(b) on Form W-4P for* ***only*** *the pension/annuity that pays the most annually. Leave those steps blank for the other pensions/annuities.*

Step 3. This step provides instructions for determining the amount of the child tax credit and the credit for other dependents that you may be able to claim when you file your tax return. To qualify for the child tax credit, the child must be under age 17 as of December 31, must be your dependent who generally lives with you for more than half the year, and must have the required social security number. You may be able to claim a credit for other dependents for whom a child tax credit can't be claimed, such as an older child or a qualifying relative. For additional eligibility requirements for these credits, see Pub. 501, Dependents, Standard Deduction, and Filing Information. You can also include **other tax credits** for which you are eligible

Specific Instructions *(continued)*

in this step, such as the foreign tax credit and the education tax credits. Including these credits will increase your payments and reduce the amount of any refund you may receive when you file your tax return.

Step 4 (optional).

Step 4(a). Enter in this step the total of your other estimated income for the year, if any. You shouldn't include amounts from any job(s) or pension/annuity payments. If you complete Step 4(a), you likely won't have to make estimated tax payments for that income. If you prefer to pay estimated tax rather than having tax on other income withheld from your pension, see Form 1040-ES, Estimated Tax for Individuals.

Step 4(b). Enter in this step the amount from the Deductions Worksheet, line 6, if you expect to claim deductions other than the basic standard deduction on your 2025 tax return and want to reduce your withholding to account for these deductions. This includes itemized deductions, the additional standard deduction for those 65 and over, and other deductions such as for student loan interest and IRAs.

Step 4(c). Enter in this step any additional tax you want withheld from **each payment**. Entering an amount here will reduce your payments and will either increase your refund or reduce any amount of tax that you owe.

Note: If you don't give Form W-4P to your payer, you don't provide an SSN, or the IRS notifies the payer that you gave an incorrect SSN, then the payer will withhold tax from your payments as if your filing status is single with no adjustments in Steps 2 through 4. For payments that began before 2025, your current withholding election (or your default rate) remains in effect unless you submit a new Form W-4P.

Step 4(b)—Deductions Worksheet *(Keep for your records.)*

1	Enter an estimate of your 2025 itemized deductions (from Schedule A (Form 1040)). Such deductions may include qualifying home mortgage interest, charitable contributions, state and local taxes (up to $10,000), and medical expenses in excess of 7.5% of your income	1	$
2	Enter: • $30,000 if you're married filing jointly or a qualifying surviving spouse • $22,500 if you're head of household • $15,000 if you're single or married filing separately	2	$
3	If line 1 is greater than line 2, subtract line 2 from line 1 and enter the result here. If line 2 is greater than line 1, enter "-0-"	3	$
4	If line 3 equals zero, and you (or your spouse) are 65 or older, enter: • $2,000 if you're single or head of household. • $1,600 if you're married filing separately. • $1,600 if you're a qualifying surviving spouse or you're married filing jointly and one of you is under age 65. • $3,200 if you're married filing jointly and both of you are age 65 or older. Otherwise, enter "-0-". See Pub. 505 for more information	4	$
5	Enter an estimate of your student loan interest, deductible IRA contributions, and certain other adjustments (from Part II of Schedule 1 (Form 1040)). See Pub. 505 for more information	5	$
6	**Add** lines 3 through 5. Enter the result here and in **Step 4(b)** on Form W-4P	6	$

Privacy Act and Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to provide this information only if you want to (a) request federal income tax withholding from pension or annuity payments based on your filing status and adjustments; (b) request additional federal income tax withholding from your pension or annuity payments; (c) choose not to have federal income tax withheld, when permitted; or (d) change a previous Form W-4P. To do any of the aforementioned, you are required by sections 3405(e) and 6109 and their regulations to provide the information requested on this form. Failure to provide this information may result in inaccurate withholding on your payment(s). Failure to provide a properly completed form will result in your being treated as a single person with no other entries on the form; providing fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. commonwealths and territories for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The average time and expenses required to complete and file this form will vary depending on individual circumstances. For estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.

Department of Revenue Services
State of Connecticut
(Rev. 12/24)

Form CT-W4P 2025

Withholding Certificate for Pension or Annuity Payments

Purpose: Form CT-W4P is for Connecticut resident recipients of pensions, annuities, and certain other deferred compensation, to tell payers the correct amount of Connecticut income tax to withhold. Read the instructions on Page 2 before completing this form.

New Effective January 1, 2025, new legislation no longer requires payers to withhold income tax from certain retirement income distributions. Payers are still required to withhold income tax from lump sum distributions. A "lump sum distribution" is defined as any distribution greater than $5,000 or more than 50% of the payee's entire account balance, whichever is less. Payees may request the payer to withhold income tax withholding by completing Form CT-W4P.

Instructions for payees requesting payers to withhold income tax from distributions or payees receiving lump sum distributions:

Step 1: (Required) Select the filing status and description of income from the chart below that best matches your situation. Enter the corresponding Withholding Code on Line 1.

Step 2: (Optional) To see the amount of tax that will be withheld monthly, see the *Monthly Connecticut Withholding Calculator* in **myconneCT** at **portal.ct.gov/DRS-myconneCT**.

Step 3: (Optional) To increase or decrease the amount that will be withheld, enter an additional amount on Line 2, or a reduction amount on Line 3.

Instructions for Nonperiodic Payments, such as an on demand distribution: Do **not** use the chart below. Either enter *Withholding Code* "E" on Line 1 which will result in $0 withholding; **or** enter *Withholding Code* "E" on Line 1 and a dollar amount on Line 2 for a specific amount to be withheld. If neither of these options are indicated, your payer will withhold at 6.99%.

Married Filing Jointly	Withholding Code
Our expected combined annual gross income is **less** than or equal to $24,000 **or** no withholding is necessary (i.e., withholding from other income source).	E
My spouse **has** income subject to withholding and our expected combined annual gross income is **greater** than $24,000 and less than or equal to $100,500.	A
My spouse **does not** have income subject to withholding and our expected combined annual gross income is **greater** than $24,000.	C
My spouse **has** income subject to withholding and our expected combined annual gross income is **greater** than $100,500.	D
I have significant other income and wish to avoid having too little tax withheld.	D

Qualifying Surviving Spouse	Withholding Code
My expected annual gross income is **less** than or equal to $24,000 **or** no withholding is necessary (i.e., withholding from other income source).	E
My expected annual gross income is **greater** than $24,000.	C
I have significant other income and wish to avoid having too little tax withheld.	D

Married Filing Separately	Withholding Code
My expected annual gross income is **less** than or equal to $12,000 **or** no withholding is necessary (i.e., withholding from other income source).	E
My expected annual gross income is **greater** than $12,000.	A
I have significant other income and wish to avoid having too little tax withheld.	D

Single	Withholding Code
My expected annual gross income is **less** than or equal to $15,000 **or** no withholding is necessary (i.e., withholding from other income source).	E
My expected annual gross income is **greater** than $15,000.	F
I have significant other income and wish to avoid having too little tax withheld.	D

Head of Household	Withholding Code
My expected annual gross income is **less** than or equal to $19,000 **or** no withholding is necessary (i.e., withholding from other income source).	E
My expected annual gross income is **greater** than $19,000.	B
I have significant other income and wish to avoid having too little tax withheld.	D

Submit completed form to the payer of your pension or annuity, **not** DRS.

Department of Revenue Services
State of Connecticut

Withholding Certificate for Pension or Annuity Payments

2025 Form CT-W4P

Complete the following applicable lines.

1. Withholding Code: See instructions above. .... 1. ______
2. Additional withholding amount per payment, if any. .... 2. $ ______
3. Reduced withholding amount per payment, if any. .... 3. $ ______

First name MI Last name	Social Security Number
Home address (number and street, apartment number, suite number, PO Box)	Claim or identification number (if any) of your pension or annuity contract
City/town State ZIP code	

Declaration: I declare under penalty of law that I have examined this certificate and, to the best of my knowledge and belief, it is true, complete, and correct. I understand the penalty for reporting false information is a fine of not more than $5,000, imprisonment for not more than five years, or both.

Payee's signature	Date

Form CT-W4P Instructions

Payee General Instructions

Form CT-W4P, *Withholding Certificate for Pension or Annuity Payments*, is for Connecticut resident recipients of pension, annuities and certain other deferred compensation subject to Connecticut income tax. Form CT-W4P provides your payer with the necessary information to withhold the requested amount of Connecticut income tax from your pension or annuity payment to ensure that you will not be underwithheld or over withheld.

Distributions subject to Connecticut income tax include taxable distributions from the following: an employer pension, an annuity, a profit-sharing plan, a stock bonus, a deferred compensation plan, an individual retirement arrangement (IRA), an endowment and a life insurance contract. Non-taxable distributions (for example, most distributions from Roth 401(k) or Roth IRA accounts) are not subject to Connecticut income tax.

Connecticut uses the federal definition for periodic and nonperiodic payments.

Periodic and Nonperiodic Payments: Excluding Lump Sum Distributions: Payers of taxable pension or annuity distributions are not required to deduct and withhold the income tax from such distributions. Payees may request the payer to deduct and withhold an amount from such distributions by completing Form CT-W4P. The income tax withheld is calculated using the same method that an employer uses to determine the amount to withhold from wages.

Determining your withholding code: When completing Form CT-W4P, you must first determine your withholding code. Your withholding code is based on the filing status you expect to report on your Connecticut income tax return and the statement that best describes your annual gross income.

Your annual gross income is your total income from all sources. In calculating your total income from all sources, you may deduct 100% of the income received from certain pensions and annuities, such as from a defined benefit plan, 401(k), 403(b) plans as follows:

- For single, married filing separately, or head of household filers with federal adjusted gross income (AGI) for the taxable year of less than $75,000. For federal adjusted gross income at least $75,000 but less than $100,000, the deduction is gradually phased out until it is fully phased out at $100,000 for these filers.
- For married filing jointly or qualifying surviving spouse filers with federal adjusted gross income (AGI) for the taxable year of less than $100,000. For federal adjusted gross income at least $100,000 but less than $150,000, the deduction is gradually phased out until it is fully phased out at $150,000 for these filers.
- *In the case of the IRA deduction (other than Roth IRAs), the deduction calculated above applies to 50% of the IRA income.*

For more information, see **Informational Publication 2025(7),** *Is My Connecticut Withholding Correct?*

- If you receive payments from the Teachers' Retirement System, exclude 50% of the amounts received. If your federal AGI is below the applicable threshold you may claim either the teachers' pension subtraction modification or the pension and annuity subtraction modification, whichever is greater.

Lump Sum Distributions: Withholding is required, unless any portion of the lump sum distribution was previously subject to tax (distribution from Roth 401(k) or Roth IRA accounts), or the lump sum distribution is a trustee-to-trustee transfer or is a direct roll over in the form of a check made payable to another qualified account.

If you receive a Lump Sum Distribution and do not want to have income tax withheld, do not use the chart on Page 1. Enter Withholding Code "E" on Line 1 resulting in $0.00 withholding.

Failure to give your payer a properly completed Form CT-W4P for lump sum distributions will result in 6.99% withholding from your payment(s).

Form CT-W4P will remain in effect until you submit a new one. You should complete a new Form CT-W4P if you would like the payer to withhold a different amount or your tax situation changes, such as your filing status.

Check Your Withholding

You may be underwithheld if any of the following apply:

- You have more than one source of income;
- If your filing status is married filing jointly and you or your spouse, or both, have more than one source of income; **or**
- You have substantial other income such as interest, dividends or capital gains.

If you are underwithheld, you should consider adjusting your withholding or making estimated payments using **Form CT-1040ES**, *Estimated Connecticut Income Tax Payment Coupon for Individuals*.

If you owe $1,000 or more in Connecticut income tax over and above what has been withheld from your income for the prior taxable year, you may be subject to interest on the underpayment at the rate of 1% per month or fraction of a month.

To help determine if your withholding is correct, see **Informational Publication 2025(7),** *Is My Connecticut Withholding Correct?*

Payer Instructions

Lump Sum Distributions: For any payee who does not complete Form CT-W4P, for a lump sum distribution, you are required to withhold at the highest marginal rate of 6.99% without allowance for exemption from any taxable distribution.

Periodic and Non-Periodic Distribution – Excluding Lump Sum Distributions: For any payee who does not complete Form CT-W4P, no amount shall be withheld.

For additional instructions, see **Informational Publication 2025(8),** *Connecticut Tax Guide for Payers of Nonpayroll Amounts*.

V. WITHHOLDING AND OTHER TAX MATTERS

Dear Applicant:

You may want to consult with your tax advisor or other financial professional. The Trustees and Fund Office cannot give tax advice on particular situations. Keep in mind that it is smart to be prepared for your tax obligations and you may incur tax penalties if you do not have enough withheld from your distribution.

INCOME TAX WITHHOLDING

Amounts distributed from the Annuity Fund are taxed as ordinary income, unless they represent a return of already-taxed voluntary contributions.

Under certain circumstances, you may defer payment of taxes by "rolling over" all or part of a lump sum payment or certain installment payments to an IRA or other qualified plan.

An IRS form 1099 will be issued for all distributions, even those that are rolled over.

All annuity payments and death benefits payable under the plan in excess of minimum levels set by the IRS are subject to Federal income tax withholding. In some cases – for example, lump sum payments to you or your spouse and certain installments to you or your spouse – withholding is mandatory at a level of 20% unless all or part of the distribution is directly rolled over to an IRA or other qualified plan. In other cases – for example, IRS required minimum distributions and hardship withdrawals – you may elect income tax withholding.

Here are some general rules about income tax withholding that may apply to you:

1. 20% federal tax must be withheld from all lump sum distributions. You have no choice.
2. 6.99% Connecticut state tax must be withheld from all lump sum distributions you receive in hand, but certain special rules apply if you elect a rollover *or* are receiving all, or a portion, of your voluntary account (if you have one). Connecticut state tax must be withheld from any monthly distributions you receive at a rate based on your completed Form CT-W4P, if applicable, and relevant Connecticut withholding tables. You have no choice.
3. 10% federal tax will be withheld from hardship withdrawals unless you make a different election.
4. 10% federal tax will be withheld from Required Minimum Distributions unless you make a different election.
5. 20% federal tax must be withheld from installment payments if they will be made for fewer than 10 years.
6. 10% federal tax will be withheld from installment payments if they will be made for 10 or more years unless you make a different election.
7. Nothing (0%) will be withheld from a loan, as a loan is not treated as a distribution unless certain other events occur (for example, such loan is not paid back on a timely basis).

If federal withholding is optional, you, your spouse or beneficiary may elect not to have taxes withheld from monthly benefits by filing an IRS Form W-4P or the Fund's withholding election form with the Fund Office. As Connecticut income tax withholding is mandatory on distributions from the Annuity Fund, Connecticut residents are normally required to complete a Connecticut Form CT-W4P.

Your election will become effective as soon as possible after the Fund Office receives your forms. You may alter an election on a prospective basis at any time by simply filing a new form with the Fund Office.

Attached is a Notice called "Your Rollover Options" published by the IRS that covers the details of the federal tax rules that may apply to your Annuity Fund distribution. You may want to share this with your tax advisor.

PENALTIES FOR EARLY DISTRIBUTION

A distribution – including a hardship withdrawal – before you reach age 59-½ may result in an extra tax equal to 10% of the amount of the distribution. This penalty is not imposed in certain circumstances, such as if:

- The early distribution is made on account of your death, or
- You work steadily through age 55 and then receive a distribution, or
- You are totally and permanently disabled, or
- The payment is to an alternate payee as required by a QDRO.

Payments under the Joint and Survivor Annuity will not incur the penalty. Other exemptions may apply to early retirement.

Again, you may want to consult with your tax advisor or other financial professional, and review the Notice called "Your Rollover Options," before electing to receive any distribution from the plan.

DISTRIBUTIONS OF VOLUNTARY CONTRIBUTIONS AND EARNINGS

When you are entitled to a distribution from your Account, you will be asked to make a separate election regarding your Voluntary Account assuming you have one.

If you do not make a specific Voluntary Account election, your general election will control payments from your Regular and Voluntary Accounts. Voluntary contributions will not be taxed when distributed – since they were made with after-tax dollars – but earnings on those voluntary contributions will be taxable.

The law requires the Fund to allocate a proportionate share of each benefit payment into taxable and nontaxable amounts, if applicable. This will be reported to you and the IRS as of the end of each calendar year on the appropriate government form.

NORTH ATLANTIC STATES CARPENTERS ANNUITY FUND

YOUR ROLLOVER OPTIONS

You are receiving this notice because all or a portion of a payment you are receiving from the NORTH ATLANTIC STATES CARPENTERS ANNUITY PLAN (the "Plan") is eligible to be rolled over to an IRA or an employer plan. This notice is intended to help you decide whether to do such a rollover.

This notice describes the rollover rules that apply to payments from the Plan that are **not** from a designated Roth account (a type of account with special tax rules in some employer plans, but not this Plan, the North Atlantic States Carpenters Pension Plan or the North Atlantic States Carpenters Guaranteed Annuity Plan). If you ever receive a payment from a designated Roth account in another plan, you will be provided a different notice for that payment, and the plan administrator or the payor will tell you the amount that is being paid from each account.

Rules that apply to most payments from the Plan are described in the "General Information About Rollovers" section. Special rules that only apply in certain circumstances are described in the "Special Rules and Options" section.

GENERAL INFORMATION ABOUT ROLLOVERS

How can a rollover affect my taxes?

You will be taxed on a payment from the Plan if you do not roll it over. If you are under age 59 ½ and do not do a rollover, you will also have to pay a 10% additional income tax on early distributions (generally, distributions made before age 59 ½), unless an exception applies. However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10% additional income tax will not apply if those payments are made after you are age 59 ½ (or if an exception to the 10% additional income tax applies).

What types of retirement accounts and plans may accept my rollover?

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, IRAs are not subject to spousal consent rules, and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

How do I do a rollover?

There are two ways to do a rollover. You can do either a direct rollover or a 60-day rollover.

If you do a direct rollover, the Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

If you do not do a direct rollover, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. Generally, you will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes. This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under age 59 ½ (unless an exception applies).

How much may I roll over?

If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from the Plan is eligible for rollover, except:

- Certain payments spread over a period of at least 10 years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Required minimum distributions after age 70 ½ (if you were born before July 1, 1949), after age 73 (if you were born after June 30, 1951), or after death
- Hardship distributions
- Corrective distributions of contributions that exceed tax law limitations
- Loans treated as deemed distributions (for example, loans in default due to missed payments or payments not made on a timely basis)
- Cost of life insurance paid by the Plan

The Fund Office can tell you what portion of a payment is eligible for rollover.

If I don't do a rollover, will I have to pay the 10% additional income tax on early distributions?

If you are under age 59 ½, you will have to pay the 10% additional income tax on early distributions for any payment from the Plan (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the payment not rolled over.

The 10% additional income tax does not apply to the following payments from the Plan:

- Payments made after you retire from the carpentry trade in Connecticut, Rhode Island or New York if you will be at least age 55 in the year you retire
- Payments that start after you retire from the carpentry trade in Connecticut, Rhode Island or New York if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary)
- Payments made if you retire due to disability
- Payments after your death
- Corrective distributions of contributions that exceed tax law limitations
- Payments made directly to the government to satisfy a federal tax levy
- Payments made under a qualified domestic relations order (QDRO)
- Payments up to the amount of your deductible medical expenses (without regard to whether you itemize deductions for the taxable year)
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days, and
- Payments excepted from the additional income tax by federal legislation relating to certain emergencies and disasters.

If I do a rollover to an IRA, will the 10% additional income tax apply to early distributions from the IRA?

If you receive a payment from an IRA when you are under age 59 ½, you will have to pay the 10% additional income tax on early distributions on the part of the distribution that you must include in income, unless an exception applies. In general, the exceptions to the 10% additional income tax for early distributions from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

- There is no exception for payments after retirement (this is sometimes referred to as a "separation from service") that are made after age 55.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a Spouse or former Spouse).
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have retired.

Additional exceptions apply for payments from an IRA, including

- Payments for qualified higher education expenses
- Payments up to $10,000 used in a qualified first-time home purchase, and
- Payments for health insurance premiums after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

Will I owe State income taxes?

This notice <u>does not</u> describe any State or local income tax rules (including withholding rules).

SPECIAL RULES AND OPTIONS

If your payment includes after-tax contributions

After-tax contributions included in payment are not taxed. If you receive a partial payment of your total benefit, an allocable portion of your after-tax contributions is included in the payment, so you cannot take a payment of only after-tax contributions. However, if you have pre-1987 after-tax contributions maintained in a separate account, a special rule may apply to determine whether the after-tax contributions are included in a payment. In addition, special rules apply when you do a rollover, as described below.

You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (in order to determine your taxable income for later payments from the IRAs). If you do a direct rollover of only a portion of the amount paid from the Plan and at the same time the rest is paid to you, the portion directly rolled over consists first of the amount that would be taxable if not rolled over. For example, assume you are receiving a distribution of $12,000, of which $2,000 is after-tax contributions. In this case, if you directly roll over $10,000 to an IRA that is not a Roth IRA, no amount is taxable because the $2,000 amount not directly rolled over is treated as being after-tax contributions. If you do a direct rollover of the entire amount paid from the Plan to two or more destinations at the same time, you can choose which destination receives the after-tax contribution.

Similarly, if you do a 60-day rollover to an IRA of only a portion of a payment made to you, the portion rolled over consists first of the amount that would be taxable if not rolled over. For example, assume you are receiving a distribution of $12,000, of which $2,000 is after-tax contributions, and no part of the distribution is directly rolled over. In this case, if you roll over $10,000 to an IRA that is not a Roth IRA in a 60-day rollover, no amount is taxable because the $2,000 amount not rolled over is treated as being after-tax contributions.

You may roll over to an employer plan all of a payment that includes after-tax contributions, but only through a direct rollover (and only if the receiving plan separately accounts for after-tax contributions and is not a governmental section 457(b) plan). You can do a 60-day rollover to an employer plan of part of a payment that includes after-tax contributions, but only up to the amount of the payment that would be taxable if not rolled over.

If you miss the 60-day rollover deadline

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. Under certain circumstances, you may claim eligibility for a waiver of the 60-day rollover deadline by making a written self-certification. Otherwise, to apply for a waiver from the IRS, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs).*

If you have an outstanding loan that is being offset

If you have an outstanding loan from the Plan, your Plan benefit may be offset by the amount of the loan, typically when the loan is in default due to missed or untimely payments or a separate distribution event. The loan offset amount is treated as a distribution to you at the time of the offset. Generally, you may roll over all or any portion of the offset amount. Any offset amount that is not rolled over will be taxed (including the 10% additional tax on early distributions, unless an exception applies). You may roll over offset amounts to an IRA or an employer plan (if the terms of the employer plan permit the plan to receive plan loan offset rollovers).

How long you have to complete the rollover depends on what kind of plan loan offset you have. If you have a qualified plan loan offset, you will have until your tax return due date (including extensions) for the tax year during which the offset occurs to complete your rollover. A qualified plan loan offset occurs when a plan loan in good standing is offset because your employer plan terminates, or because you have a severance from the carpentry trade in Connecticut, Rhode Island or New York pursuant to Plan rules. If your plan loan offset occurs for any other reason (such as a failure to make level loan repayments on a timely basis that results in a deemed distribution), then you have 60 days from the date the offset occurs to complete your rollover.

If you were born on or before January 1, 1936

If you were born on or before January 1, 1936 and receive a lump sum distribution that you do not roll over, special rules for calculating the amount of the tax on the payment might apply to you. For more information, see IRS Publication 575, *Pension and Annuity Income.*

If you roll over your payment to a Roth IRA

If you roll over a payment from the Plan to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. In general, the 10% additional income tax on early distributions will not apply. However, if you take the amount rolled over out of the Roth IRA within the 5-year period that begins on January 1 of the year of the rollover, the 10% additional income tax will apply (unless an exception applies).

If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 59 ½ (or after your death or disability, or as a qualified first-time homebuyer distribution of up to $10,000) and after you have had a Roth IRA for at least 5 years. In applying this 5-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)* and IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs).*

You cannot roll over a payment from the Plan to a designated Roth account in another employer's plan, and our Plan does not contain designated Roth accounts.

If you are not a Plan participant

Payments after death of the participant. If you receive a distribution after the participant's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions does not apply, and the special rule described under the section "If you were born on or before January 1, 1936" applies only if the participant was born on or before January 1, 1936.

If you are a surviving Spouse. If you receive a payment from the Plan as the surviving Spouse of a deceased participant, you have the same rollover options that the participant would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA.

An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59 ½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 70 ½ (if you were born before July 1, 1949) or age 73 (if you were born after January 1, 1951).

If you treat the IRA as an inherited IRA (which means an IRA you inherit as a beneficiary of a deceased participant), payments from the IRA will not be subject to the 10% additional income tax on early distributions. However, if the participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the participant would have been age 70 ½ (if the participant was born before July 1, 1949) or age 73 (if the participant was born after January 1, 1951).

If you are a surviving beneficiary other than a Spouse. If you receive a payment from the Plan because of the participant's death and you are a designated beneficiary other than a surviving Spouse, the only rollover option you have is to do a direct rollover to an IRA which you establish for the purpose of receiving the rollover (and this IRA will be treated as an inherited IRA). Payments from the inherited IRA will not be subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited IRA.

Payments under a qualified domestic relations order (QDRO). If you are the Spouse or former Spouse of the participant who receives a payment from the Plan under a QDRO, you generally have the same options and the same tax treatment that the participant would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). However, payments under the QDRO will not be subject to the 10% additional income tax on early distributions.

If you are a nonresident alien

If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, the Plan is generally required to withhold 30% of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax refund by filing Form 1040NR and attaching your Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, *U.S. Tax Guide for Aliens*, and IRS Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*.

Other special rules

If a payment is one in a series of payments for less than 10 years, your choice whether to make a direct rollover will apply to all later payments in the series (unless you make a different choice for later payments).

If your payments for the year are less than $200, the Plan is not required to allow you to do a direct rollover and is not required to withhold for federal income taxes. However, you may do a 60-day rollover.

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information on special rollover rights related to the U.S. Armed Forces, see IRS Publication 3, *Armed Forces' Tax Guide*. You also may have special rollover rights if you were affected by a federally declared disaster (or similar event), or if you received a distribution on account of a disaster. For more information on special rollover rights related to disaster relief, see the IRS website at www.irs.gov.

FOR MORE INFORMATION

You may wish to consult with a professional tax advisor before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, *Pension and Annuity Income*; IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*; IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*; and IRS Publication 571, *Tax-Sheltered Annuity Plans (403(b) Plans)*. These publications are available from a local IRS office, on the web at www.irs.gov, or by calling 1-800-TAX-FORM.