Notice Regarding California Personal Income Tax Withholding From Monthly Retirement Benefits

Applies to California Residents Only

The following information only applies to you if you are a resident of the State of California. In addition to being taxed at the Federal level, your Retirement Benefit may also be taxed at the State level.

Monthly Retirement Benefits Exceeding the Minimum Amount Listed on Current State of California Tax Withholding Tables

If your monthly Retirement Benefit exceeds the minimum amount listed on the current State of California Tax Withholding Tables, we are required under State Regulations to withhold California Personal Income Tax from your Retirement Benefit.

Important: Once you have submitted a Withholding Election Form, we will continue to withhold taxes in accordance with your election and the current California State Tax Withholding Tables that are in effect. The California State Tax Withholding Tables may change at any time.

Monthly Retirement Benefits Under the Minimum Amount Listed on Current State of California Tax Withholding Tables

If your monthly Retirement Benefit is less than the minimum amount listed on current State of California Tax Withholding Tables, we will not withhold any California Personal Income Tax, unless you have elected to have tax withheld.

Important: Once you have submitted a Withholding Election Form, we will continue to withhold taxes in accordance with your election and the current California State Tax Withholding Tables that are in effect. The California State Tax Withholding Tables may change at any time.

Possible Effect of Insufficient Withholding

Withholding is simply a method of paying taxes. It does not increase or decrease the total amount of your tax liability. If your total income is high enough to require you to pay income taxes, but you do not have enough tax withheld from your monthly Retirement Benefit payments, you may be responsible for payment of estimated tax. You may be subject to penalties under the estimated tax laws if your withholding and estimated tax payments are not sufficient.

How to Make a Withholding Election or Change Your Withholding Election

To make your election, complete the back of this Form and return it to the Trust Fund Office. As a reminder, the Plan cannot refund any tax it withholds from your Retirement Benefit. Your withholding election will remain in effect until you file a new Withholding Election Form which automatically revokes your previous election. If you wish to change your election in the future, you can request a new Form from the Trust Fund Office, or obtain one from our website: www.ncpttf.com.

CAUTION: If you do not submit a California State Tax Withholding Election Form, the Plan must withhold on payments as if you are married claiming three (3) withholding allowances. Generally, this means that tax will be withheld if your pension or annuity is at least $3,040 a month.

Generally forms received by the 20th of the month will be processed for the following month.

Reporting of California Personal Income Tax Withheld

We are required to report your total annual Retirement Benefit amount to the California State Franchise Tax Board. The taxes withheld from your monthly Retirement Benefit payments during the year will be reported on a Form 1099-R (Distributions from Pensions, Annuities, Retirement, or Profit-Sharing Plans), which will be mailed to you in January of the following year.

Payments to Non-California Residents

Federal law prohibits states from taxing retirement income received by non-resident individuals. Therefore, no California State Income Tax is to be withheld from pension recipients who reside outside of California.

Questions About Your California Personal Income Tax Withholding

If you have a question about how much you should withhold, please consult a tax advisor. You may also visit www.edd.ca.gov for the most current IRS Tax Withholding Table. The Trust Fund Office cannot provide any tax counseling.
**California State Tax Withholding Election Form**

Instructions

- Please first read the information on the reverse side of this Form.
- Complete, sign, and return this Form to make a California State Tax Withholding Election.

**IMPORTANT:** This Form revokes any prior California State Tax Withholding Election Form previously submitted. Also, THIS FORM WILL NOT CHANGE YOUR FEDERAL TAX WITHHOLDING ELECTION.

### SECTION 1: Payee Information

Please complete the following:

<table>
<thead>
<tr>
<th>Name</th>
<th>Last 4 digits of SSN xxx-xx-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address</td>
<td>Street or PO Box</td>
</tr>
<tr>
<td>Home Phone # (______)</td>
<td>Cell Phone # (______)</td>
</tr>
<tr>
<td>Email Address</td>
<td></td>
</tr>
</tbody>
</table>

### SECTION 2: California Personal Income Tax Withholding Election

**A. Please check only one box:**

- ☐ **I do not want** California Personal Income Tax withheld from my monthly Retirement Benefit.  
  *Do not complete Subsection B. below.*

  OR

- ☐ **I do want** California Personal Income Tax withheld from my monthly Retirement Benefit. This election will remain in effect until I revoke it in writing by completing a new California State Tax Withholding Election Form.  
  *Complete Subsection B. below.*

**B. If you have elected to have California State Tax withheld, you can have it withheld one of two ways.**  
Please check only one box:

- ☐ According to the number of allowances and withholding status (single or married) you elect and designate below. The amount withheld will be determined by the tax tables published by the State of California.
  
  - **Marital Status:** ☐ Single ☐ Married  
  - **Total number of allowances** (0-10) you are claiming ____________  
  - **Optional:** Additional amount, if any, you want withheld: Withhold $_____.00 from each payment.

  OR

- ☐ Ten percent (10%) of the Federal Income Tax Withholding amount.

**Signature** ___________________________  
**Date** ___________________________

Return the completed and signed Form to:  
NCPTTF  
935 Detroit Avenue, Suite 242A  
Concord, CA 94518-2501  
Fax: 925/356-8938  
Email: tfo@ncpttf.com