

New England Teamsters & Trucking Industry Pension Fund

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IMPORTANT NOTICE

MASSACHUSETTS STATE WITHHOLDING TAX

Dear Pensioner:

The Commonwealth of Massachusetts through its State Revenue Enhancement Protection Law, Chapter 233 of the Acts of 1983, requires the Fund to withhold State Income Tax from pensions in accordance with its provisions or be subject to penalty.

On the reverse side of this letter, you will find State FORM M-4P. Please read the instructions carefully and complete the form where indicated. In order to have Massachusetts income tax withheld from your monthly check, you must do the following:

1. Mark the total number of exemptions in box on Line 4.
2. If you want additional tax withheld, please specify the exact dollar amount on Line 5. (The amount specified will be added to the calculated amount based on the number of exemptions shown in Line 4.)

NOTE: If you completed IRS FORM W-4P and elected to have no Federal Income Tax withheld from your pension, there will be no State Income Tax withheld unless you specifically request us to do so. Therefore, it is not necessary for you to return this FORM M-4P if you elect not to have any Federal Income Tax withholding.

IF YOU HAVE NOT RETURNED IRS FORM W-4P AND DO NOT RETURN A COMPLETED FORM M-4P, WE WILL BE REQUIRED TO WITHHOLD 5.3% OF YOUR MONTHLY BENEFIT FOR MASSACHUSETTS INCOME TAX. THIS SAME MANDATORY WITHHOLDING WILL BE APPLIED IF YOU ELECT TO HAVE FEDERAL INCOME TAX WITHHELD FROM YOUR CHECK AND DO NOT RETURN FORM M-4P.

If you have any questions on the above, please do not hesitate to contact us. If you have any questions concerning income taxes in general, please contact the Massachusetts Department of Revenue or your local I.R.S. office.

FORM M-4P

MASSACHUSETTS WITHHOLDING EXEMPTION CERTIFICATE FOR PENSION, ANNUITY AND OTHER PERIODIC AND NONPERIODIC PAYMENTS

Rev. 1/08



Print full name Social Security no. Print home address City State Zip

Send this form to the payer of your pension or other subject payment.

HOW TO CLAIM YOUR WITHHOLDING EXEMPTIONS

- 1. Your personal exemption. Write the figure "1." If you are age 65 or over or will be before next year, write "2"
2. If married and if exemption for spouse is allowed, write the figure "4." If your spouse is age 65 or over or will be before next year and if otherwise qualified, write "5." See Instruction C.
3. Write the number of your qualified dependents. See Instruction D.
4. Add the number of exemptions which you have claimed above and write the total
5. Additional withholding per pay period under agreement with employer \$
A. Check if you will file as head of household on your tax return.
B. Check if you are blind. C. Check if spouse is blind and not subject to withholding.
D. Check if you are exempt from Massachusetts income tax withholding because your legal residence (domicile) is elsewhere and your pension is from certain pension plans (see instruction E).

I certify that the number of withholding exemptions claimed on this certificate does not exceed the number to which I am entitled.

Date Signed

THIS FORM MAY BE REPRODUCED

THE COMMONWEALTH OF MASSACHUSETTS • DEPARTMENT OF REVENUE

The Massachusetts income tax withholding provisions apply to pension, annuity and other periodic and nonperiodic payments made to those who have not elected to be exempt from the U.S. income tax withholding provisions.

A. Number. If you claim more than the correct number of exemptions, civil and criminal penalties may be imposed. You may claim a smaller number of exemptions. If you do not file a certificate, Massachusetts withholding will be based on "0" exemptions.

If you expect to owe more income tax than will be withheld, you may either claim a smaller number of exemptions or enter into an agreement with your payer to have additional amounts withheld.

You should claim the total number of exemptions to which you are entitled to prevent excessive overwithholding — unless you have a significant amount of other income.

If you or your spouse are claiming exemptions under Massachusetts withholding from other income (such as employment), do not claim the same exemptions from this income.

B. Changes. You may file a new certificate at any time if the number of exemptions increases. You must file a new certificate within 10 days if the number of exemptions previously claimed by you decreases. For example, if during the year your dependent son's income indicates that you will not provide over half of his support for the year, you must file a new certificate.

C. Spouse. If your spouse is not working or if she or he is working but not claiming the personal exemption or the age 65 or over exemption, generally you may claim those exemptions in line 2. However, if you are planning to file separate annual tax returns, you should not claim withholding exemptions for your spouse or for any dependents that will not be claimed on your annual tax return.

If claiming a wife or husband, write "4" in line 2. Using "4" is the withholding system adjustment for the \$4,400 exemption for a spouse.

D. Dependent(s). You may claim an exemption in line 3 for each individual who qualifies as a dependent under the Federal Income Tax Law. In addition, if one or more of your dependents will be under age 12 at year end, add "1" to your dependents total for line 3.

E. Payments not subject to tax Under Title 4 of the United States Code, section 114, payments to nonresidents of Massachusetts from certain pension plans are not subject to tax.

If you elect not to have U.S. income tax withholding apply to pensions, other periodic and nonperiodic payments in the future, Massachusetts law provides that Massachusetts withholding will cease on such payments.

If you have income not subject to withholding, you are urged to have additional amounts withheld to cover your tax liability on such income. See line 5.