

Withholding Certificate for Pension or Annuity Payments (Form W-4P) Instructions

These are the instructions for completing the *Withholding Certificate for Pension or Annuity Payments* (Form W-4P) for submission to the Indiana State Teachers' Retirement Fund for processing.

Accessing the Form

This is an IRS form available at <http://www.irs.gov/pub/irs-pdf/fw4p.pdf> or from a direct link on the *Forms* page of the TRF Web site at www.trf.in.gov. This form must be submitted for any of the following reasons:

- To designate federal income tax withholding for periodic payments (monthly benefit payments). This is Item 2 on the form. For nonperiodic payments (withdrawals), 20 percent is automatically withheld if distribution is from the ASA. Lump sum death settlements are taxed at a rate of 10 percent.
- To indicate that no federal income tax is to be withheld. The submitter of the form assumes all tax liability. Check the checkbox for Item 1 on the form.
- To specify an **additional amount** be withheld for federal income tax. This is Item 3 on the form. **Item 2 on the form also must be completed.**

Completing the Form

The areas highlighted in **yellow** are required for the Indiana State Teachers' Retirement Fund to correctly process your federal income tax withholding request.

The image shows Form W-4P (2011) with several areas highlighted in yellow and callout boxes. The form includes fields for name, address, Social Security Number, Pension ID Number, and marital status. Callouts indicate that the following fields are required:

- Marital status (with a note: "Required. Select the appropriate Marital status.")
- OMB No. 1545-0074 and the year 2011 (with a note: "Required if you do not want federal income tax withheld.")
- Signature and Date (with a note: "Required")
- Item 3 (Additional amount) (with a note: "Required if you want an additional amount withheld for federal income tax. This must be a whole flat (per IRS guidelines) dollar amount - no cents. It cannot be a percent.")

 A red box highlights the Marital status section, and a red box highlights the additional amount field on line 3.

TRF is unable to provide tax advice. If you have questions about your tax liability, contact a tax professional or the Internal Revenue Service (IRS) at (800) 829-1040. IRS hours of operation are Monday – Friday, 7 a.m. – 10 p.m. your local time.