

EMPLOYES' RETIREMENT SYSTEM OF THE CITY OF MILWAUKEE ANNUITY AND PENSION BOARD 789 N WATER ST SUITE 300 MILWAUKEE WI 53202 IMPORTANT NOTICE TO ALL PENSIONERS

RE: Withholding from pensions under regulations issued by the Internal Revenue Service

Generally, the pension payments you receive from the Employes' Retirement System of the City of Milwaukee (ERS) are subject to Federal Income Tax withholding. You may request withholding on the basis of marital status with a number of allowances, a monthly flat dollar amount, or a combination of the two. Withholdings calculated on the basis of marital status and number of exemptions is based on the <u>taxable</u> portion of your monthly gross pension benefit.

You may elect to have no withholdings taken from your pension payments by returning a properly completed withholding election form to the Employes' Retirement System. Your election will remain in effect until you change it. You may change your withholding election at any time by completing and returning a new election form. Any change in your withholding election will be effective as soon as administratively feasible after it is received. Withholding election forms may be obtained from the ERS office or they may be downloaded from the ERS website (www.cmers.com).

If you do not have a withholding election form on file with ERS, Federal Income Tax will be withheld from the taxable portion of your pension as if you were married claiming three (3) allowances and Wisconsin Income Tax will not be withheld at all.

If, as a result of your election, you do not have enough Federal or Wisconsin Income Tax withheld, you may be responsible for quarterly payments of estimated tax. You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are not sufficient. *Any questions concerning this matter should be addressed to your local office of the Internal Revenue Service or the Wisconsin Department of Revenue.*

As required by the Wisconsin Department of Revenue, if you request that Wisconsin income tax be withheld from your pension in accordance with the withholding tables or designate a flat dollar amount, the amount withheld cannot be less than \$5.00 per month.

The ERS can only withhold state taxes for the State of Wisconsin. If your pension is subject to taxation in some other jurisdiction, you should check with the appropriate taxing agency for assistance concerning the taxability of your benefits and methods available to pay taxes if necessary.

If you are currently receiving a duty disability pension allowance, your pension allowance is currently exempt from Federal and Wisconsin Income Tax. However, federal regulations require that you still complete a tax withholding election form.

Due to the high volume of forms received each month, we cannot confirm by phone if we have received a particular withholding election form. If you want confirmation of receipt of this form, please enclose a stamped, self addressed envelope for this purpose.

Withholding Allowance Election Form for Pension/Annuity Payments

Please complete all information in this box including your daytime phone number in the event we have questions on this form.				
Type or print last name ↓	First name $ i$	Social Security Number	Area code, phone no. 4	
Home address (number and street or rural route) $\[Phi]$		Tax withholdings are calculated for each account separately. File one form for each account you wish to change:		
City/town/village, state, zip code ⊕		Benefit Account (check one) My Account Survivor of		

Federal Withholding Allowance Certificate				
If you have no current certificate on file and this is not completed, Federal Law requires us to withhold as if you were married with 3 allowances.				
Check one and only one of the following four options: If no boxes are checked, your current				
federal withholding allowance and status will remain unchanged (option 1).				
□ 1	1 This change is for Wisconsin only; leave my Federal status and allowances unchanged.			
OR				
□ 2	I do not wish to have any Federal taxes withheld from this pension or annuity			
OR				
□ 3	I wish to claim a marital status of □ Single (or married but withhold at single rate)			
	□ Married			
	I wish to claim to following number of allowances with the above marital status:			
	□ In addition, please withhold the following amount from each			
	monthly check\$			
OR				
□ 4	I wish to have the following flat dollar amount withheld from each			
	monthly check\$			

Wisconsin Withholding Allowance Certificate

If you have no current certificate on file and this is not completed, no Wisconsin taxes will be withheld.						
If you elect to have Wisconsin taxes withheld, a minimum of \$5.00 must be withheld per month.						
Check one and only one of the following four options: If no boxes are checked, your current						
Wisconsin withholding allowance and status will remain unchanged (option 1).						
□ 1	1 This change is for Federal only; leave my Wisconsin status and allowances unchanged.					
OR						
□ 2	I do not wish to have any Wisconsin taxes withheld from this pension or annuity					
OR						
□ 3	I wish to claim a marital status of □ Single (or married but withhold at single rate)					
	□ Married					
	I wish to claim to following number of allowances for the above marital status:					
	In addition, please withhold the following amount from each					
	monthly check\$					
OR						
□ 4	I wish to have the following flat dollar amount withheld from each					
	monthly check\$					

Your signature⇔	Date⇔