

PLUMBERS AND STEAMFITTERS LOCAL No. 7  
BENEFIT FUNDS

18 AVIS DRIVE  
LATHAM, NEW YORK 12110-4879  
(518) 785-3440

December 20, 2022

Re: **Federal Income Tax and Withholding**

To Retirees and Beneficiaries:

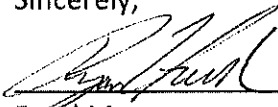
As you may recall, you have been given an option to choose whether you want Federal income tax withheld from your pension. **\*\*\*Your original choice on withholding will remain in effect until you file a new withholding election form with the Fund Office.** You have the right to change your withholding at any time. This means that if you are currently having Federal income tax withheld, you may, at a later date, elect not to have Federal income tax deducted from your monthly benefit. If you are not having Federal income tax withheld, you may later choose to have the Fund Office withhold Federal income tax.

**\*\*\*You may notice a change in the amount of your pension check beginning January 2023 because of new IRS tax withholding requirements.** If you wish to change your current withholding status, you must file a new withholding election form (IRS Form W-4P) with the Fund Office. You may obtain a copy of IRS Form W-4-P from the IRS website: [www.irs.gov](http://www.irs.gov).

**\*\*\*No action is required by you unless you wish to make a change in your withholding status.**

Withholding is one way for you to pay a portion of your income tax. If no tax or not enough tax is withheld from your benefits, you may have to pay estimated taxes during the year or pay a tax penalty at the end of the year. Of course, whether you have to pay Federal income tax on your pension depends on the total amount of your taxable income. Remember, for some people social security benefits are not taxable. Your decision on withholding is an important one. You may wish to discuss it with a qualified tax advisor.

Sincerely,

  
Fund Manager