

Withholding Certificate for Pension or Annuity Payments

Purpose. Form W-4P is for U.S. citizens, resident aliens, or their estates who are recipients of pensions, annuities (including commercial annuities), and certain other deferred compensation. Use Form W-4P to tell payers the correct amount of federal income tax to withhold from your payment(s). You also may use Form W-4P to choose (a) not to have any federal income tax withheld from the payment (except for eligible rollover distributions, or payments to U.S. citizens delivered outside the United States or its possessions) or (b) to have an additional amount of tax withheld.

pages 3 and 4. Your previously filed Form W-4P will remain in effect if you do not file a Form W-4P for 2010.

What do I need to do? Complete lines **A** through **G** of the **Personal Allowances Worksheet**. Use the additional worksheets on page 2 to further adjust your withholding allowances for itemized deductions, adjustments to income, any additional standard deduction, certain credits, or multiple pensions/more-than-one-income situations. If you do not want any federal income tax withheld (see *Purpose* above), you can skip the worksheets and go directly to the Form W-4P below.

Your options depend on whether the payment is periodic, nonperiodic, or an eligible rollover distribution, as explained on

Sign this form. Form W-4P is not valid unless you sign it.

Personal Allowances Worksheet (Keep for your records.)

| | | | |
|----------|--|----------|---|
| A | Enter "1" for yourself if no one else can claim you as a dependent | A | |
| B | Enter "1" if: <ul style="list-style-type: none"> • You are single and have only one pension; or • You are married, have only one pension, and your spouse has no income subject to withholding; or • Your income from a second pension or a job, or your spouse's pension or wages (or the total of all) is \$1,500 or less. | B | |
| C | Enter "1" for your spouse . But, you may choose to enter "-0-" if you are married and have either a spouse who has income subject to withholding or you have more than one source of income subject to withholding. (Entering "-0-" may help you avoid having too little tax withheld.) | C | |
| D | Enter number of dependents (other than your spouse or yourself) you will claim on your tax return | D | |
| E | Enter "1" if you will file as head of household on your tax return | E | |
| F | Child Tax Credit (including additional child tax credit). See Pub. 972, Child Tax Credit, for more information. <ul style="list-style-type: none"> • If your total income will be less than \$61,000 (\$90,000 if married), enter "2" for each eligible child; then less "1" if you have three or more eligible children. • If your total income will be between \$61,000 and \$84,000 (\$90,000 and \$119,000 if married), enter "1" for each eligible child plus "1" additional if you have six or more eligible children | F | |
| G | Add lines A through F and enter total here. (Note. <i>This may be different from the number of exemptions you claim on your tax return.</i>) | G | 0 |

For accuracy, **complete all worksheets that apply.**

- If you plan to **itemize or claim adjustments to income** and want to reduce your withholding, see the **Deductions and Adjustments Worksheet** on page 2.
- If you have more than one source of income subject to withholding or a spouse with income subject to withholding **and** your combined income from all sources exceeds \$18,000 (\$32,000 if married), see the **Multiple Pensions/More-Than-One-Income Worksheet** on page 2 to avoid having too little tax withheld.
- If **neither** of the above situations applies, **stop here** and enter the number from line G on line 2 of Form W-4P below.

----- Cut here and give Form W-4P to the payer of your pension or annuity. Keep the top part for your records. -----

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▶ For Privacy Act and Paperwork Reduction Act Notice, see page 4.

| | | |
|---|-----------|---|
| Type or print your first name and middle initial. | Last name | Your social security number |
| Home address (number and street or rural route) | | Claim or identification number (if any) of your pension or annuity contract |
| City or town, state, and ZIP code | | |

Complete the following applicable lines.

| | |
|---|-------------------------------|
| 1 Check here if you do not want any federal income tax withheld from your pension or annuity. (Do not complete lines 2 or 3.) | <input type="checkbox"/> |
| 2 Total number of allowances and marital status you are claiming for withholding from each periodic pension or annuity payment. (You may also designate an additional dollar amount on line 3.) | 0 |
| Marital status: <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Married, but withhold at higher "Single" rate | (Enter number of allowances.) |
| 3 Additional amount, if any, you want withheld from each pension or annuity payment. (Note. <i>For periodic payments, you cannot enter an amount here without entering the number (including zero) of allowances on line 2.</i>) | \$ |

Your signature ▶

Date ▶

Deductions and Adjustments Worksheet

Note. Use this worksheet **only** if you plan to itemize deductions or claim certain credits or adjustments to income.

| | | | |
|--|----|----|---|
| 1 Enter an estimate of your 2010 itemized deductions. These include qualifying home mortgage interest, charitable contributions, state and local taxes, medical expenses in excess of 7.5% of your income, and miscellaneous deductions | 1 | \$ | |
| 2 Enter: $\left\{ \begin{array}{l} \$11,400 \text{ if married filing jointly or qualifying widow(er)} \\ \$8,400 \text{ if head of household} \\ \$5,700 \text{ if single or married filing separately} \end{array} \right\}$ | 2 | \$ | |
| 3 Subtract line 2 from line 1. If zero or less, enter "-0-" | 3 | \$ | |
| 4 Enter an estimate of your 2010 adjustments to income and any additional standard deduction. (See Pub. 919), | 4 | \$ | |
| 5 Add lines 3 and 4 and enter the total. (Include any credit amounts from <i>Worksheet 6</i> in Pub. 919.) | 5 | \$ | |
| 6 Enter an estimate of your 2010 income not subject to withholding (such as dividends or interest) | 6 | \$ | |
| 7 Subtract line 6 from line 5. If zero or less, enter "-0-" | 7 | \$ | |
| 8 Divide the amount on line 7 by \$3,650 and enter the result here. Drop any fraction | 8 | | |
| 9 Enter the number from the Personal Allowances Worksheet , line G, page 1 | 9 | | 0 |
| 10 Add lines 8 and 9 and enter the total here. If you use the Multiple Pensions/More-Than-One-Income Worksheet , also enter this total on line 1 below. Otherwise, stop here and enter this total on Form W-4P, line 2, page 1. | 10 | | 0 |

Multiple Pensions/More-Than-One-Income Worksheet

Note. Complete only if the instructions under line G, page 1, direct you here. This applies if you (and your spouse if married filing a joint return) have more than one source of income subject to withholding (such as more than one pension, or a pension and a job, or you have a pension and your spouse works).

| | | | |
|--|---|--|---|
| 1 Enter the number from line G, page 1 (or from line 10 above if you used the Deductions and Adjustments Worksheet). | 1 | | 0 |
| 2 Find the number in Table 1 below that applies to the LOWEST paying pension or job and enter it here. However , if you are married filing jointly and the amount from the highest paying pension or job is \$65,000 or less, do not enter more than "3." | 2 | | |
| 3 If line 1 is more than or equal to line 2, subtract line 2 from line 1. Enter the result here (if zero, enter "-0-") and on Form W-4P, line 2, page 1. Do not use the rest of this worksheet | 3 | | 0 |

Note. If line 1 is **less than** line 2, enter "-0-" on Form W-4P, line 2, page 1. Complete lines 4-9 below to calculate the additional withholding amount necessary to avoid a year-end tax bill.

| | | | |
|--|---|----|---|
| 4 Enter the number from line 2 of this worksheet | 4 | | 0 |
| 5 Enter the number from line 1 of this worksheet | 5 | | 0 |
| 6 Subtract line 5 from line 4 | 6 | | 0 |
| 7 Find the amount in Table 2 below that applies to the HIGHEST paying pension or job and enter it here | 7 | \$ | |
| 8 Multiply line 7 by line 6 and enter the result here. This is the additional annual withholding needed | 8 | \$ | |
| 9 Divide line 8 by the number of pay periods remaining in 2010. For example, divide by 12 if you are paid every month and you complete this form in December 2009. Enter the result here and on Form W-4P, line 3, page 1. This is the additional amount to be withheld from each payment | 9 | \$ | |

Table 1

Table 2

| Table 1 | | | | Table 2 | | | |
|---|-----------------------|---|-----------------------|--|-----------------------|--|-----------------------|
| Married Filing Jointly | | All Others | | Married Filing Jointly | | All Others | |
| If wages from LOWEST paying pension or job are - | Enter on line 2 above | If wages from LOWEST paying pension or job are - | Enter on line 2 above | If wages from HIGHEST paying pension or job are - | Enter on line 7 above | If wages from HIGHEST paying pension or job are - | Enter on line 7 above |
| \$0 - \$7,000 | 0 | \$0 - \$6,000 | 0 | \$0 - \$65,000 | \$550 | \$0 - \$35,000 | \$550 |
| 7,001 - 10,000 | 1 | 6,001 - 12,000 | 1 | 65,001 - 120,000 | 910 | 35,001 - 90,000 | 910 |
| 10,001 - 16,000 | 2 | 12,001 - 19,000 | 2 | 120,001 - 185,000 | 1,020 | 90,001 - 165,000 | 1,020 |
| 16,001 - 22,000 | 3 | 19,001 - 26,000 | 3 | 185,001 - 330,000 | 1,200 | 165,001 - 370,000 | 1,200 |
| 22,001 - 27,000 | 4 | 26,001 - 35,000 | 4 | 330,001 and over | 1,280 | 370,001 and over | 1,280 |
| 27,001 - 35,000 | 5 | 35,001 - 50,000 | 5 | | | | |
| 35,001 - 44,000 | 6 | 50,001 - 65,000 | 6 | | | | |
| 44,001 - 50,000 | 7 | 65,001 - 80,000 | 7 | | | | |
| 50,001 - 55,000 | 8 | 80,001 - 90,000 | 8 | | | | |
| 55,001 - 65,000 | 9 | 90,001 - 120,000 | 9 | | | | |
| 65,001 - 72,000 | 10 | 120,001 and over | 10 | | | | |
| 72,001 - 85,000 | 11 | | | | | | |
| 85,001 - 105,000 | 12 | | | | | | |
| 105,001 - 115,000 | 13 | | | | | | |
| 115,001 - 130,000 | 14 | | | | | | |
| 130,001 and over | 15 | | | | | | |