



IAM NATIONAL
PENSION FUND

To: IAM National Pension Fund Plan Benefit Recipients

From: Board of Trustees of the IAM National Pension Fund

Date: December 29, 2020

Re: Reminder Regarding Federal Tax Withholding

If you are a Benefit Recipient of the IAM National Pension Fund, you were given the opportunity to choose whether you want federal income tax withheld from your pension payments when you began receiving them. Yearly, the Fund Office issues a notice to Benefit Recipients to remind them they may change their federal tax withholding status at any time.

Please read the following information carefully and contact our office if you have any questions about the information contained in this notice or need assistance with completing a new Form W-4P (Withholding Certificate for Pension or Annuity Payments) to change your tax withholding.

The Tax Equity and Fiscal Responsibility Act of 1982 requires an annual reminder of your right to change your withholding status on your pension. **IF YOU DO NOT WISH TO CHANGE YOUR CURRENT WITHHOLDING STATUS, NO ACTION IS REQUIRED BY YOU.**

Your original choice on withholding will remain in effect until you file a new Form W-4P with the Fund Office. You may log on to our online portal at <https://ipass.iamnpf.org> to update your tax withholding or download a Form W4-P at <https://www.iamnpf.org/benefit-recipients/tax-information>. If you make a change, it will be effective the first of the month that is at least 30 days after we receive the form.

It is important to note the amount of the 2020 federal tax being withheld from your payments may change because the withholding tables have changed.

Tax withholding on your benefit payments is one way for you to pay a portion of your income tax. If not enough tax is being withheld from your total taxable income for the year, you may have to pay estimated taxes during the year or a tax penalty at the end of the year. Of course, whether or not you have to pay federal income tax depends on the total amount of your taxable income, not just on your benefit payments from the Plan. Remember, for many 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 adviser.