

WITHHOLDING CERTIFICATE FOR PENSION OR ANNUITY PAYMENTS

Туре	or Print Your Full Name		Your Social Security Number				
Hom	e Address (Number and Street or Rural Route)	Claim or Identification Number (if any) of Your Pension or Annuity Contract					
City,	State and ZIP Code						
	nplete the following applicable lines: elect not to have income tax withheld from my pension or annu	uity. (Do	not complete lines 2, 3, or 4.)				
	want my withholding from each pension or annuity payment to shown below:) be figur	red using the number of allowances and marital status				
ć	a. Number of allowances you are claiming from the Regular Wit Worksheet A						
ł	p. Number of allowances from the Estimated Deductions Works	heet B) 2				
	SINGLE or MARRIED (with two or more incomes)	MARRIE	ED (one income) HEAD OF HOUSEHOLD				
	want the following additional amount withheld from each pensio amount here without entering the number (including zero) of allowanc						
	want this designated amount withheld from each pension or annuity p						
You	Ir Signature		Date				
—	Give the top part of this form to the payer of your per	Here nsion or a	annuity; keep the lower part for your records.				
PURPOSE OF FORM: Unless you elect otherwise, the law requires that California Personal Income Tax (PIT) be withheld from payments of pensions and annuities. The marital status and the withholding allowance claimed on your federal Form W-4P can be used to figure your state tax withholding.			A periodic payment is one that is includible in your income for tax purposes and that you receive in installments at regular intervals over a period of more than one full year from the starting date of the pension or annuity. The intervals can be annual, quarterly, monthly, etc. For example, if you receive a monthly pension or annuity payment and will continue				
	e DE 4P allows you to:	to receive payments for more than a year, the payments a					
(1)	Claim a different number of allowances for California PIT withholding than for federal income tax withholding.		iodic. However, distributions from an IRA that are payable on demand are treated as nonperiodic payments.				
(2)	Elect not to have California PIT withheld from your periodic, or nonperiodic, pension or annuity payments.	for	ere are some kinds of periodic and nonperiodic payments which you cannot use the DE 4P since they are already				
(3)	Elect to have California PIT withheld on periodic or nonperiodic payments based on:		ined as wages subject to PIT withholding. Your payer should able to tell you whether the DE 4P will apply.				
(4)	(a) The number of allowances and marital status specified.(b) A designated dollar amount.Change or revoke the DE 4P previously filed.	Your certificate is usually effective 30 days after you file t form. The certificate stays in effect until you change or revoke it.					
WITHHOLDING FROM PENSIONS AND ANNUITIES: Generally, withholding applies to payments made from pension, profit-sharing, stock bonus, annuity, and certain deferred compensation plans, from individual retirement arrangements (IRA), and from commercial annuities. Withholding also applies to property other than cash distributed.		METHODS OF WITHHOLDING: The payer can use one of the following three methods:					
		(1)	An amount determined by using the California Withholding Schedules. Payee completes lines 2 and 3 above.				
In compliance with federal law, California PIT is not to be withheld from pension recipients who reside outside of California. Periodic and nonperiodic payments from all of the items above are treated as wages for the purpose of withholding.			A dollar amount that you designate. Payee completes line 4 above. Ten percent of the amount of federal withholding				
			computed pursuant to Section 3405 of the Internal Revenue Code. Payee completes line 4 above.				

COMPLETING THE FORM: Fill in your name, address, Social Security number, and the identification number (if any) of the pension or annuity.

Line 1, Exemption from Withholding: Check this box if you do not want any PIT withheld from your payment. You do not have to give a reason for claiming the exemption from withholding.

Caution: Remember that there are penalties for not paying enough tax during the year, either through withholding or estimated tax payments. You may be able to avoid paying quarterly estimated tax to the Franchise Tax Board (FTB) by having enough tax withheld from your pension or annuity using the DE 4P.

Revoking the Exemption from Withholding: If you want to revoke your previously filed exemption from withholding for periodic and nonperiodic payments, file another DE 4P completing lines 1, 2, 3, or 4.

Line 2, Withholding Based on Specified Withholding Allowances: If you want withholding to be based on a specified number of allowances, write the number on this line and check the filing status box you want. The worksheets accompanying this form may be used to figure your withholding allowance.

Line 3, Multiple Pensions/More than One Income: Indicate additional amount to be withheld from each payment. You may use Worksheet C, accompanying this form, to determine the additional amount.

Line 4, Withholding a Designated Dollar Amount: Indicate dollar amount you want withheld on this line (in lieu of claiming withholding allowances).

INSTRUCTIONS — 1 — ALLOWANCES*

When determining your withholding allowances, you must consider your personal situation:

- Do you claim allowances for dependents or blindness?
- Will you itemize your deductions?
- Do you have more than one income coming into the household?

If you have a working spouse or more than one job or income, it would be best to figure the <u>total</u> number of allowances you are entitled to claim on all jobs using the worksheets from only one DE 4P. Allowances can then be claimed with one payer only, or split among payers.

WORKSHEET A REGULAR WITHHOLDING ALLOWANCES

A)	Allowance for yourself — enter 1	(A)	
B)	Allowance for your spouse (if not separately claimed by your spouse) — enter 1	(B)	
C)	Allowance for blindness — yourself — enter 1	(C)	
D)	Allowance for blindness — your spouse (if not separately claimed by your spouse) — enter 1	(D)	
E)	Allowance(s) for dependent(s) — do not include yourself or your spouse	(E)	
F)	Total — add lines (A) through (E) above	(F)	

INSTRUCTIONS - 2 - ADDITIONAL WITHHOLDING ALLOWANCES

If you expect to itemize deductions on your California income tax return, you can claim additional withholding allowances. Use Worksheet B to determine whether your expected estimated deductions may entitle you to claim one or more additional withholding allowances. Use last year's FTB Form 540 as a model to calculate this year's withholding amounts.

You may reduce the amount of tax withheld from your wages by claiming one additional withholding allowance for each \$1,000, or fraction of \$1,000, by which you expect your estimated deductions for the year to exceed your allowable standard deduction.

W	ORKSHEET B	ESTIMATED DEDUCTIONS	
1.	Enter an esti in the FTB Fe	mate of your itemized deductions for California taxes for this tax year as listed in the schedulo prm 540	es 1. \$
2.	Enter \$8,0 \$4,0	88 if unmarried head of household or qualifying widow(er) with dependent(s) 88 if married filing jointly with two or more allowances 44 if single, dual income, married, or married with multiple employers 44 if married filing separately or married with "0" or "1" allowance	2. \$
3.	Subtract line	2 from line 1, enter difference	3.\$
4.	Enter an esti	mate of your adjustments to income (alimony payments, IRA deposits)	4. \$
5.	Add line 4 to	o line 3, enter sum	5. \$
6.	Enter an esti	mate of your nonwage income (dividends, interest income, alimony receipts)	6. \$
7.	If line 5 is gr Subtract line	eater than line 6 (if less, see below); e 6 from line 5, enter difference	7.\$
8.	Divide the a Enter this nu	mount on line 7 by \$1,000, round any fraction to the nearest whole number mber on line 2 of the DE 4P. Complete Worksheet C, if needed.	8
9.	lf line 6 is gr Enter amour	reater than line 5; It from line 6 (nonwage income)	
10.	. Enter amour	t from line 5 (deductions)	
11.	. Subtract line <u>Complete W</u>	10 from line 9, enter difference <u>′orksheet C</u>	11.\$

*Wages paid to registered domestic partners will be treated the same for state income tax purposes as wages paid to spouses for California Personal Income Tax (PIT) withholding and PIT wages. This law does not impact federal income tax law. A registered domestic partner means an individual partner in a domestic partner relationship within the meaning of Section 297 of the Family Code. For more information, please call our Taxpayer Assistance Center at 888-745-3886.

1.	Enter estimate of total wages for tax year 2016
2.	Enter estimate of nonwage income (line 6 of Worksheet B) • • • • • • • • • • • • • • • • • •
3.	Add line 1 and line 2. Enter sum 3
4.	Enter itemized deductions or standard deduction (line 1 or 2 of Worksheet B, whichever is largest) ••••• 4.
5.	Enter adjustments to income (line 4 of Worksheet B)
6.	Add line 4 and line 5. Enter sum •••••••••••••••••••••••••••••••••••
7.	Subtract line 6 from line 3. Enter difference
8.	Figure your tax liability for the amount on line 7 by using the 2016 tax rate schedules below •••••• 8
9.	Enter personal exemptions (line F of Worksheet A x \$119.90) ••••••••••••••••••••••••••••••••••••
10.	Subtract line 9 from line 8. Enter difference
11.	Enter any tax credits. (See FTB Form 540)
12.	Subtract line 11 from line 10. Enter difference. This is your total tax liability • • • • • • • • • • • • • • • 12.
13.	Calculate the tax withheld and estimated to be withheld during 2016. Contact the payer to request the amount that will be withheld on your wages based on the marital status and number of withholding allowances you will claim for 2016. Multiply the estimated amount to be withheld by the number of pay periods left in the year. Add the total to the amount already withheld for 2016 • • • • • • 13.
14.	Subtract line 13 from line 12. Enter difference. If this is less than zero, you do not need to have additional taxes withheld
15.	Divide line 14 by the number of pay periods remaining in the year. Enter this figure on line 3 of the DE 4P •• 15

NOTE: Your payer is not required to withhold the additional amount requested on line 3 of your DE 4P. If your payer does not agree to withhold the additional amount, you may increase your withholdings as much as possible by using the "single" status with "zero" allowances. If the amount withheld still results in an underpayment of state income taxes, you may need to file quarterly estimates on Form 540-ES with the FTB to avoid a penalty.

THESE TABLES ARE FOR CALCULATING WORKSHEET C AND FOR 2016 ONLY

SINGLE OR MARRIED WITH DUAL EMPLOYERS					MARRIED F	ILING JOINT OR QU	JALIFYING V	VIDOW(ER) TA	XPAYERS
IF THE TAXABLE INCOME IS COMPUTED TAX IS			IF	IF THE TAXABLE INCOME IS			COMPUTED TAX IS		
OVER	BUT NOT OVER	OF AMOUNT OVER	PLUS*		OVER	BUT NOT OVER	OF AMOUNT OVER		PLUS*
\$0 \$7,850 \$18,610 \$29,372 \$40,773 \$51,530 \$263,222 \$315,866 \$526,443 \$1,000,000	\$7,850 \$18,610 \$29,372 \$40,773 \$51,530 \$263,222 \$315,866 \$526,443 \$1,000,000 and over	1.100% \$(2.200% \$7,850 4.400% \$18,610 6.600% \$29,372 8.800% \$40,773 10.230% \$51,533 11.330% \$263,222 12.430% \$315,866 13.530% \$526,443 14.630% \$1,000,000	\$86.35 \$323.07 \$796.60 \$1,549.07 \$2,495.69 \$24,151.78 \$30,116.35 \$56,291.07		\$0 \$15,700 \$37,220 \$58,744 \$81,546 \$103,060 \$526,444 \$631,732 1,000,000 1,052,886	\$15,700 \$37,220 \$58,744 \$103,060 \$526,444 \$1,000,000 \$1,052,886 and over		\$15,700 \$37,220 \$58,744 \$81,546 \$103,060 \$526,444 \$631,732 \$1,000,000	\$172.70 \$646.14 \$1,593.20 \$3,098.13 \$4,991.36 \$48,303.54
UNMARRIED HEAD OF HOUSEHOLD TAXPAYERS IF THE TAXABLE INCOME IS COMPUTED TAX IS									
OVER	BUT NOT OVER	OF AMOUNT OVER	PLUS*						
\$0 \$15,710 \$37,221 \$47,982 \$59,383	\$15,710 \$37,221 \$47,982 \$59,383 \$70,142	1.100% \$0 2.200% \$15,710 4.400% \$37,221 6.600% \$47,982 8.800% \$59,383) \$172.81 \$646.05 \$1,119.53	CAME WIT	'H YOUR LA	DETAILED INFORM IST CALIFORNIA I FROM WITHIN TH	NCOMÉ TA	X RETURN	RUCTIONS THAT OR CALL THE FTB 00-852-5711 (voic
\$70,142 \$357,981 \$429,578 \$715,962 \$1,000,000	\$357,981 \$429,578 \$715,962 \$1,000,000 and over	10.230% \$70,142 11.330% \$357,981 12.430% \$429,578 13.530% \$715,962 14.630% \$1,000,000	2 \$2,818.79 \$32,264.72 8 \$40,376.66 2 \$75,974.19	IF YOU ARI (Not Toll Fr		FROM OUTSIDE T	HE UNITEE) STATES	00-822-6268 (TTY 16-845-6500

*marginal tax

The DE 4P information is collected for purposes of administering the PIT law and under the authority of Title 22, of California Code of Regulations, and the Revenue and Taxation Code, including Section 18624. The Information Practices Act of 1977 requires that individuals be notified of how information they provide may be used. Further information is contained in the instructions that came with your last California income tax return.

Example for Worksheet C for the Year 2016

Payee estimates income from his or her pension to be \$1,500 a month and is claiming the standard deduction and single with one withholding allowance.

1.	Estimate annualized income (\$1,500 a month x 12 months). Enter on line 1.	1.	\$18,000.00
2.	Estimated nonwage income.	2.	\$ 8,000.00
3.	Add lines 1 and 2 and enter total on line 3.	3.	\$26,000.00
4.	Enter amount for single from line 2 of Worksheet B.	4.	\$ 4,044.00
5.	Enter adjustments to income shown on line 4 of Worksheet B.	5.	0.00
6.	Enter sum of lines 4 and 5.	6.	\$ 4,044.00
7.	Subtract line 6 from line 3 and enter difference on line 7.	7.	\$21,956.00
8.	Compute the tax liability for the amount on line 7.		
	Use the 2016 tables for single from Worksheet C under the entry covering \$21,956 (over \$18,610 but not over \$29,372). Compute 4.400% of the amount over \$18,610 ([$$21,956 - $18,610$] x 0.04400 = \$147.22). Add the marginal tax amount. Enter the total on line 13. Total	8.	\$ 470.29
9.	Enter the amount for one personal exemption on line 9 (1 \times \$119.90).	9.	\$ 119.90
10.	Subtract line 9 from line 8 and enter the difference on line 10.	10.	\$ 350.39
11.	Enter any tax credits that will be allowed for 2016 (see FTB Form 540).	11.	0.00
12.	Subtract line 11 from line 10 and enter the difference on line 12.	12.	\$ 350.39
13.	Calculate the tax withheld and estimated to be withheld during 2016. Withholding on the pension of \$1,500 a month claiming single with one withholding allowance based on the California withholding schedule for 2016 is $9.50 \times 12 = 114.00$. Enter that amount on line 13.	13.	\$ 114.00
14.	Subtract line 13 from line 12. Enter difference on line 14.	14.	\$ 236.39
15.	Divide line 14 by the number of pay periods remaining in the year. ($$236.39 \div 12 = 19.70)	15.	<u>\$ 19.70</u>

Enter \$19.70 on line 3 of the DE 4P.