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**Note:** *Current MCASF Local 725 Pension Fund retirees and beneficiaries who do not wish to make changes to their federal tax withholding elections are not required to file a new form.*

**Pembroke Pines, FL** – To match individuals' withholding instructions to changes in tax law, the IRS has redesigned tax withholding forms for both monthly pensions and annuities.

The revised Form W-4P (Withholding Certificate for Periodic Pension or Annuity Payments) includes substantial changes to the federal tax withholding elections available. Use of this form was optional for tax year 2022, however the IRS requires that the new forms must be used beginning January 1, 2023.

MCASF Local 725 Pension Fund participants retiring on or after January 1, 2023, must use the revised Form W-4P.

MCASF Local 725 Pension Fund retirees and beneficiaries who already receive monthly benefit payments and who do not wish to make changes to their federal tax withholding elections are not required to file a new form. Retirees and beneficiaries may change their withholding option at any time by submitting a new W-4P to Benefit Services.

A major change to the W-4P form is that filers will no longer be able to adjust their withholding by electing a specific number of withholding allowances. Previously, federal tax withholding calculations for pensions and other eligible periodic payments were based on the filing status (married or single) and number of withholding allowances reported. The revised form has new input fields for increasing or decreasing the amount to withhold, including fields for tax credits and deductions.

While the calculation method is more complex, the IRS maintains that, when completed correctly, the new form will more accurately approximate the amount of tax due at the end of the year.

## SUMMARY OF CHANGES FOR IRS FORM W-4P

1. You may now select one of the following marital status options:

Single or Married filing separately  
Married filing jointly or Qualifying widow(er)  
Head of household

2. Captures income from multiple jobs/pensions/annuities.



3. Claim dependent and other credits in this section.

4. Other Adjustments. In this section, you may select extra withholding that is in addition to the calculated withholding based on the income & deductions you have entered into the form.

Please note that MCASF Local 725 Pension Fund is required to withhold federal income tax from your payments, if you do not have an election already on file or have not completed a new election file then the default withholding is Single with no adjustments in steps 2 through 4.

If you choose to not have income tax withheld, you may indicate “no withholding” under Step 4(c) in the blank space above Step 5 which is the signature section.

See IRS Publication 15-T at [irs.gov](https://www.irs.gov/pub/irs-pdf/p15t.pdf) for more information: <https://www.irs.gov/pub/irs-pdf/p15t.pdf>

If you need additional assistance in estimating your tax, you should consult with a tax advisor or the IRS. Benefit Services cannot assist you in computing your estimated federal income tax.

Please be advised that, if you elect to have no federal income taxes withheld or if you do not have sufficient federal income tax withheld from your retirement benefits, you may be responsible for payment of estimated tax.