



New Roads

January 2012

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RETIREE TAX REMINDERS for 2011 FILING YEAR

Each year at this time, CCCERA reminds retirees about their right to increase, decrease, start or stop federal and/or state income tax withholding from their monthly retirement benefit at any time.



Changes can be made any time by filing the form with CCCERA. Changes received before the 20th of each month will be effective the following month.

You are not required to have federal tax withheld from your monthly payments; **however, if you choose to exempt yourself from withholding, you must pay any required taxes through other sources, such as quarterly estimates and deposits.**

If your withholding and estimated tax payments do not adequately meet your tax liabilities, penalties under the estimated tax rules may apply.



If your current withholding arrangements are appropriate, they will remain in effect. No action is required.



If you would like to change your withholding amounts, the *Federal Withholding Certificate for Pension Payments/State of California Withholding Certificate for Pension or Annuity Payments* form can be mailed to you from our office, picked up in person, or printed from our website, www.cccera.org.

This forms allows you to:

- Discontinue federal/state income tax withholding from your monthly retirement allowance.
- Choose to withhold federal/state income tax based on:
 - 1) a set number of allowances,
 - 2) a specific marital status,
 - 3) a specific amount withheld from your monthly pension payment.



There is also an option to withhold an additional amount from each monthly pension payment, if you choose.



How About State Taxes?

Monthly payments made to CCCERA retirees **living in California are subject to California income tax**. CCCERA payments to retirees **living outside California may not be subject to California income tax**, but benefits may be subject to other state taxes. It is a good idea to check with a tax professional or State Department of Revenue for current information on your individual tax situation.

ELECTRONIC FUNDS TRANSFER DATES FOR 2012

- **RELIABLE AND WELL TESTED.**
- **YOUR CHECK IS NEVER LOST IN THE MAIL.**
- **EFT AUTOMATICALLY DEPOSITS YOUR FUNDS INTO YOUR ACCOUNT.**



Find out why thousands of your fellow retirees use Electronic Funds Transfer to receive their monthly pension benefit. There are no security risks, since EFT uses the same personal information your bank already has.

Call the Retirement Office at 925.521.3960 for more information. You can request the form you need to sign up for EFT. You can also go to our website and download the form, plus more information about Electronic Funds Transfer. Why not give it a try?

On the last working day of the month, CCCERA will electronically deposit your check into the financial institution of your choice. Keep in mind your bank may not post these funds until the next *banking* day.



January	→	February 1st
February		March 1st
March		April 2nd
April		May 1st
May		June 1st
June		July 2nd
July		August 1st
August		September 4th
September		October 1st
October		November 1st
November		December 3rd
December	→	January 2, 2013

To verify when your bank posts funds to your account, contact your bank to determine when the funds are available.



CCCERA office hours are
 8 a.m. - Noon, 12:30 p.m. - 5 p.m.,
 Monday through Friday. Counselors
 are available by phone
 9 a.m. - Noon, 12:30 p.m. - 4 p.m.
 After business hours,
 voicemail is available
 to take your messages
 24 hours a day at
 925.521.3960.

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