

**ARIZONA LABORERS, TEAMSTERS AND CEMENT MASONS
LOCAL No. 395 PENSION TRUST FUNDS**

PENSION TRUST FUND
(Defined Benefit)

ADMINISTRATIVE OFFICE

ANNUITY TRUST FUND
(Defined Contribution)

2400 W. Dunlap Ave., Suite 250
Phoenix, AZ 85021
(602) 249-3582

January 2006

Annual Reminder
Income Tax Withholding to
U.S. Citizen Recipients
of Periodic Payments
Living in the United States

Dear Retiree/Beneficiary:

This notice is to advise you that you may change the amount of federal income tax withheld from your monthly pension benefit payments. Due to a change in the withholding tax tables, the amount of federal tax being withheld will be reduced. We will stop withholding income tax from your pension benefit payments if you have not requested withholding and your monthly payments are less than \$1,480.

Your original withholding election will remain in effect until you file a new election or withholding certificate. If you would like to change your withholding, please contact this office for the necessary form or use a W-4P, which is available from the IRS. If you make a change, it will be implemented the first day of the month that is at least 30 days after we receive the completed form.

Whether you have to pay federal income tax on your benefits depends on the total amount of your taxable income. Your decision on withholding is important because if no tax or not enough tax is withheld from your benefits, you may have to pay estimated taxes during the year or a tax penalty at the end of the year. Therefore, you may wish to discuss this with a qualified tax advisor.

Please contact the Plan office if you have any questions.

Board of Trustees