

New Roads

A Newsletter for CCCERA Retiree Members

INCOME TAX REMINDERS FOR 2014 FILING YEAR

As we enter the 2014 tax filing season, CCCERA wants to remind retirees about their right to increase, decrease, start or stop federal and/or state income tax withholding from their monthly retirement benefit. These changes can be made at any time during the year.

You are not required to have federal tax withheld from your monthly payments; however, if you choose to exempt yourself from withholding, you may need to pay any required taxes through other methods, such as quarterly installments.

Changes can be made any time by filing the *Withholding Certificates for Pension Payments Form* with CCCERA. This form allows you to:

- Discontinue federal/state income tax withholding from your monthly retirement allowance.
- Withhold federal/state income tax based on a set number of allowances, a specific marital status, and a specific amount withheld from your monthly pension payment (state filing only).
- Withhold an additional amount from each monthly pension payment.

Changes received before the 20th of each month will be effective the following month. If your current withholding arrangements are good, they will remain in effect and no action will be required. If your withholding and estimated tax payments do not adequately meet your tax liabilities, penalties under the estimated tax rules may apply.

If you would like to change your withholding amounts, the *CCCERA Withholding Certificates for Pension Payments Form* can be mailed to you from our office, picked up in person, or printed from our website, cccera.org.

What 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's a good idea to check with a tax professional or State Department of Revenue for information on your individual tax situation. CCCERA cannot give personal tax advice to members.

Did You Receive Two 1099R Tax Forms?

There are two reasons why you may receive two 1099R Tax Forms for the 2014 tax year:

- You turned 59 ½ during 2014 — one 1099R reflects the payments to you for part of the year that you were under 59 ½ and the second 1099R reflects the payments to you for part of the year that you were over 59 ½.
- You retired under the age of 59 ½ and returned to work for your employer within 90 days of your retirement date for part of the year.



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Business Hours:

Monday - Friday, 9 a.m. - 4 p.m.
 (Closed daily for lunch, Noon - 12:30 p.m.)

CCCERA's voicemail system is available 24 hours a day. Please note that verbal instructions cannot be accepted or acted upon for transactions, applications for benefits and disbursement requests.

Appointments can be made to discuss your specific situation. Group counseling is also available to all members but is particularly helpful for members planning to retire within five years. Sessions are held frequently throughout the year. Call CCCERA for more information.

DEPOSIT YOUR RETIREMENT BENEFITS QUICKER

Want to save a trip to the bank? Set up a direct deposit for your monthly retirement benefit. Your monthly pension check will be automatically deposited into your bank, credit union, savings or loan account. Funds are deposited on the first working day of the next month (see chart to right).

To set up a direct deposit, call CCCERA to request an *Electronic Funds Transfer Form*. This form must be returned by the 20th of the month. If you choose to deposit your funds to a checking account, a voided check must be included.

On the pay date following the receipt of your completed *Electronic Funds Transfer Form*, a test deposit will be sent to your bank. If there are no issues, your benefits will be deposited into your bank account the next month and each month thereafter. A *Deposit Advice Form* will be mailed every month notifying you of each deposit.

If you wish to make changes to your direct deposit, you will need to submit a new *Electronic Funds Transfer Form*. If you would like to stop your direct deposit, you will need to notify CCCERA in writing.

Retirement Benefit Pay Dates for 2015	
January	February 2
February	March 2
March	April 1
April	May 1
May	June 1
June	July 1
July	August 3
August	September 1
September	October 1
October	November 2
November	December 1
December	January 4, 2016