

NEW HAMPSHIRE RETIREMENT SYSTEM

ANNUAL RE-NOTIFICATION OF OPTIONS CONCERNING FEDERAL INCOME TAX WITHHOLDING ON MONTHLY RETIREMENT BENEFITS

This notice is being provided to you in accordance with Federal regulations which require the New Hampshire Retirement System (“the Retirement System”) to notify you every year of your right to **change** your Federal income tax withholding, **if you choose to make changes**. The most recent Form W-4P which you have filed with the Retirement System automatically remains in effect, unless you file a new Form W-4P. Therefore, **no action is required on your part unless you want to change** the level at which Federal income tax is currently being withheld from your benefit.

If Federal income tax is being withheld from the retirement benefits you are receiving from the Retirement System **AND** (1) you do not wish to have taxes withheld **OR** (2) you wish to increase or decrease the amount of Federal income tax which is to be withheld from your retirement benefits, you must complete a Form W-4P and return it to:

New Hampshire Retirement System
54 Regional Drive
Concord, New Hampshire 03301-8507

However, if you elect to have no Federal income taxes withheld or if you do not have enough Federal income tax withheld from your retirement benefits, you may be responsible for payment of estimated tax. You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are not sufficient. If you need assistance in estimating your tax, you should consult with the IRS or your tax advisor. The Retirement System cannot assist you in computing your estimated Federal income tax.

If Federal income tax is not being withheld from your retirement benefits because you have elected not to have withholding apply and you now wish to revoke that election and have Federal income taxes withheld from your retirement benefits, you must complete a Form W-4P and return it to the Retirement System at the address shown above.

If you have never filed a Form W-4P with the Retirement System or if you file a W-4P with conflicting or missing information, the amount of Federal income tax which will be withheld from your retirement benefits will be computed as if you were a married individual claiming three withholding allowances.

REMEMBER: DO NOT SUBMIT A FORM W-4P UNLESS YOU WANT TO CHANGE THE INSTRUCTIONS YOU HAVE PREVIOUSLY PROVIDED TO THE RETIREMENT SYSTEM CONCERNING WITHHOLDING FEDERAL INCOME TAX FROM YOUR RETIREMENT BENEFITS.

You may obtain a Form W-4P on the IRS Internet website at www.irs.gov, the Retirement System website at <http://www.nhrs.org/pdfs/fw4p.pdf>, by calling the IRS at **1-800-TAX-FORMS**, by contacting your local IRS office, or by contacting the Retirement System at 1-877-600-0158 extension 3671.