

**ARIZONA
State Income Tax Withholding Election Notice
for Qualified Periodic Pension and Annuity Payments**

Periodic and non-periodic pension or annuity payments to Arizona residents are not subject to state income tax withholding. However, you may request withholding from your periodic payments by completing the Arizona Form A-4P below and returning it to the following address or fax it to (888) 499-4315.

The Prudential Insurance Company of America
P.O. Box 5370
Scranton, PA 18507

(800) 621-1089

The amount of Arizona State income tax to be withheld is a percentage of your Federal income tax withholding. Withholding is restricted to those percentages shown on Arizona Form A-4P. Additional withholding or alternate percentages are not allowed.

Since the withholding of Arizona State income tax is based upon a percentage of Federal income tax, no state tax withholding is permitted if you do not have Federal income tax withheld.

If you do not want state income tax withheld from your pension or annuity payments, do not return this form.

Your election will become effective with the payment that is due at least one month after our receipt of the election and will remain in effect until you change or revoke it. You may change or revoke your election by filing another election form with us. Copies can be obtained from the above address.

Please note that withholding is a method of paying taxes. It does not increase or decrease the total amount of taxes you must pay. Penalties may be incurred under the estimated tax payment rules if sufficient tax is not paid either through withholding, estimated taxes, or both.

DETACH AND RETURN THIS CERTIFICATE TO THE ADDRESS ABOVE. KEEP THE TOP PORTION FOR YOUR RECORDS.

**ARIZONA FORM
A-4P**

**Annuitant's Request for Voluntary
Arizona Income Tax Withholding**

Type or print clearly			
Last Name	First	Middle initial	Social security number
Home address (number and street)			Annuity contract claim or identification number
City, state, and ZIP code			Telephone Number

Annuitant's Voluntary Arizona Income Tax Withholding Options (choose only one).

- I hereby elect to have Arizona income taxes withheld from my annuity or pension payments as authorized by ARS § 43-404. I choose to have Arizona withholding at the rate of (check only one box):
 10% 19% 23% 25% 31% 37% of the federal tax withheld.
- I hereby elect to terminate my prior election for voluntary Arizona income tax withholding from my annuity or pension payments as authorized by ARS § 43-404.

I certify that I have made the percentage election marked above.

SIGNATURE _____

DATE _____

GENERAL INSTRUCTIONS

Who May Use Form A-4P

A person who receives an annuity or pension may use this form to elect voluntary Arizona income tax withholding. Arizona withholding is a percentage of the amount of federal income tax withheld from the pension or annuity payment. Therefore, you may elect voluntary Arizona income tax withholding at the applicable percentage rates only if you have federal income tax withheld from the pension or annuity payment.

“Annuity” means any amount paid to an individual as a pension or annuity, but only to the extent that the amount is includible in the Arizona gross income of that individual. "An amount paid as a pension or annuity" is an amount received as an annuity under the provisions of the Internal Revenue Code.

You may NOT elect to have Arizona income tax withheld from nonperiodic payments, lump sum distributions, or individual retirement account distributions, that do not meet the definition of annuity listed above.

You also may NOT elect to have Arizona income tax withheld from Social Security pensions, Veteran's Administration annuities, or Railroad Retirement pensions.

Where to Send Form A-4P

Send Form A-4P to the payor of your annuity or pension. Do not send Form A-4P to the Arizona Department of Revenue.

Duration of Voluntary Arizona Withholding Election

The payor of your pension or annuity will withhold Arizona income tax from your payments until you notify the payor to terminate Arizona withholding.

How to Terminate a Voluntary Arizona Withholding Election

You may terminate your voluntary Arizona withholding election at any time. You may use the Form A-4P to terminate Arizona withholding or you may send a written notice to the payor of your pension or annuity requesting termination of withholding.

Statement of Income Tax Withheld

The payor of your pension or annuity will provide you with a form that lists the total amount of your pension or annuity payments and the total amount of Arizona income tax withheld from these payments for the calendar year 2004. The payor of your pension or annuity will provide this form to you in early 2005.