

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

Withholding of Massachusetts State income tax is required from the taxable portion of periodic and non-periodic payments of pensions, annuities and other deferred income to residents of Massachusetts.

If you file an election not to have Federal income tax withheld from your payment(s), you will automatically be treated as having elected out of state income tax withholding. If you have not elected out of Federal income tax withholding, you CANNOT elect out of State income tax withholding. However, you may elect to have state income tax withheld even if no Federal income tax is being withheld. Please complete the Massachusetts Form M-4P below and return 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

If you have not elected out of Federal withholding, withholding will be calculated using the percentage of wages method. If you do not return this form, and you have not elected out of Federal income tax withholding, Massachusetts state income tax will be withheld as if you claimed "zero" exemptions.

**If you have elected out of Federal income tax withholding and do not want State income tax withheld, you need not return this form.**

If you have elected out of Federal withholding and you want state tax withheld, you may elect to have any flat amount or percentage withheld, or you may have us compute your withholding using the percentage of wages method. 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.

Rev. 8/02



**FORM M-4P MASSACHUSETTS WITHHOLDING EXEMPTION CERTIFICATE FOR PENSION, ANNUITY AND OTHER PERIODIC AND NONPERIODIC PAYMENTS**

Print full name ..... Social Security No .....

Print home address ..... City ..... State ..... Zip Code .....

**HOW TO CLAIM YOUR WITHHOLDING EXEMPTION CERTIFICATE**

**Send this form to the payer of your pension or other subject payment.**

1. Your personal exemption. Write the figure "1". If you are age 65 or over or will be before next year, write "2" .....
2. If married and if exemption for spouse is allowed, write the figure "4". If your spouse is age 65 or over or will be before the next year and if otherwise qualified, write "5". See Instruction C .....
3. Write the number of your qualified dependents. See instruction D .....
4. Add the number of exemptions which you have claimed above and write the total .....
5. Additional withholding per pay period under agreement with employer \$ \_\_\_\_\_
  - A.  Check if you will file as head of household on your tax return.
  - B.  Check if you are blind.                      C.  Check if spouse is blind and not subject to withholding.
  - D.  Check if you are exempt from Massachusetts income tax withholding because your legal residence (domicile) is elsewhere and your pension is from certain pension plans (see instruction E).

I certify that the number of withholding exemptions claimed on this certificate does not exceed the number to which I am entitled.

Date ..... Signed .....

**THIS FORM MAY BE REPRODUCED**

## THE COMMONWEALTH OF MASSACHUSETTS • DEPARTMENT OF REVENUE

The Massachusetts income tax withholding provisions apply to pension, annuity and other periodic and nonperiodic payments made to those who have not elected to be exempt from the U.S. income tax withholding provisions.

**A. Number.** If you claim **more** than the correct number of exemptions, civil and criminal penalties may be imposed. You may claim a smaller number of exemptions. If you do not file a certificate, Massachusetts withholding will be based on “0” exemptions.

If you expect to owe more income tax than will be withheld, you may either claim a smaller number of exemptions or enter into an agreement with your payer to have additional amounts withheld.

You should claim the total number of exemptions to which you are entitled to prevent excessive overwithholding — unless you have a significant amount of other income.

**If you or your spouse are claiming exemptions under Massachusetts withholding from other income (such as employment), do not claim the same exemptions from this income.**

**B. Changes.** You may file a new certificate at any time if the number of exemptions **increases**. You **must** file a new certificate within 10 days if the number of exemptions previously claimed by you **decreases**. For example, if during the year your dependent son’s income indicates that you will not provide over half of his support for the year, you must file a new certificate.

**C. Spouse.** If your spouse is not working or if she or he is working but not claiming the personal exemption or the age 65 or over exemption, generally you may claim those exemptions in line 2. However, if you are planning to file separate annual tax returns, you should not claim withholding exemptions for your spouse or for any dependents that will not be claimed on your annual tax return.

If claiming a wife or husband, write “4” in line 2. Using “4” is the withholding system adjustment for the \$3,850 exemption for a spouse.

**D. Dependent(s).** You may claim an exemption in line 3 for each individual who qualifies as a dependent under the Federal Income Tax Law. In addition, if one or more of your dependents will be under age 12 at year end, add “1” to your dependents total for line 3.

**E. Payments not subject to tax.** Under Title 4 of the United States Code, section 114, payments to nonresidents of Massachusetts from certain pension plans are not subject to tax.

If you elect not to have U.S. income tax withholding apply to pensions, other periodic and nonperiodic payments in the future, Massachusetts law provides that Massachusetts withholding will cease on such payments.

**If you have income not subject to withholding, you are urged to have additional amounts withheld to cover your tax liability on such income.**

**See line 5.**