

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

Withholding of Virginia 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 Virginia.

If you have not elected out of Federal income tax withholding, you CANNOT elect out of State income tax withholding unless: you elected "no withholding" for federal purposes; you incurred no income tax liability for last year and do not expect to incur a liability for this year; or you expect your Virginia adjusted gross income to be less than: (a) \$5,000, if single, \$8,000, if married, filing a joint return or \$4,000, if married, filing a separate return. However, you may elect to have state income tax withheld even if no Federal income tax is being withheld. Please complete the form VA-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

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

Non-Periodic Payments: If you do not elect out of Federal withholding, 4% of the taxable payment will be withheld.

Periodic and Non-Periodic Payments: If you elected out of Federal withholding, but want Virginia withholding, complete Line 3, below.

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.

**FORM VA-4P Virginia Withholding Exemption Certificate for
 Recipients of Pension and Annuity Payments**

SSN		NAME	
STREET ADDRESS			CONTRACT NUMBER
CITY	STATE	ZIP CODE	

Complete the applicable lines below:

- 1 If subject to withholding, enter the number of exemptions claimed on line 6 of the Personal Exemption Worksheet _____
2. Enter the amount of additional withholding requested _____
3. Enter the amount of voluntary withholding requested _____
4. I certify that I am not subject to Virginia withholding, either because I have elected "no withholding" for federal purposes, or I meet the conditions for exemption set forth in the instructions for Form VA-4P (Check here)

Signature _____

Date _____

FORM VA-4P

LINE BY LINE INSTRUCTIONS

PERSONAL EXEMPTION WORKSHEET

In order to compute the proper amount of Virginia income tax withheld, your payer must know the number of personal exemptions you are entitled to claim. The Personal Exemption Worksheet is designed to allow you to review all of the possible exemptions so that you can choose the appropriate number to report to your payer.

The types of exemptions listed on the worksheet correspond to the personal exemptions allowed when filing your Virginia Individual Income Tax Return (Form 760 or 760S). You may not claim more exemptions on Form VA-4P than you are entitled to claim on your income tax return, unless you have received written permission to do so from the Department of Taxation.

Line 1. You may claim one exemption for yourself if no one else claims you as a dependent on their income tax return. Otherwise, enter 0 on this line.

Line 2. If you are married, and your spouse does not claim an exemption for him/herself for purposes of Virginia income tax withholding, you may claim their exemption here. Typically, this occurs when one spouse either has no income, or is not subject to withholding.

Line 3. Virginia law allows an extra personal exemption for taxpayers who are age 65 or over. If you will be 65 or over by January 1, you may claim one exemption on Line 3(a). If you claim an exemption for your spouse on Line 2, and your spouse will also be age 65 or over by January 1, you may claim an additional exemption on Line 3(b).

Line 4. Virginia law also allows an additional personal exemption for those taxpayers who are legally blind for federal income tax purposes. If you are legally blind, you may claim an exemption on Line 4(a). If you claimed an exemption for your spouse on Line 2, and your spouse is legally blind, you may claim an exemption on Line 4(b).

Line 5. Enter the number of dependents you are allowed to claim on your income tax return. NOTE: A spouse is not a dependent.

Line 6. Add the number of exemptions claimed on Lines 1 through 5 of the worksheet. This is the total number of personal exemptions allowable for purposes of computing your Virginia income tax withheld.

Retain this worksheet for your records.

PERSONAL EXEMPTION WORKSHEET

- 1. If no one else can claim you as a dependent, enter "1" for yourself _____
- 2. If you are married and your spouse is not claimed on his/her own certificate, enter "1" _____
- 3. Exemptions for age
 - a) If you will be 65 or older on December 31, enter "1" _____
 - b) If you claimed an exemption on line 2 above and your spouse will be 65 or older on December 31, enter "1" _____
- 4. Exemptions for blindness
 - a) If you are legally blind enter "1" _____
 - b) If you claimed an exemption on line 2 and your spouse is legally blind, enter "1" _____
- 5. Enter the number of dependents you will claim on your income tax return (do not include your spouse) _____
- 6. Total exemptions (add lines 1 through 5) _____

You are not subject to Virginia withholding if you meet any of the following conditions:

- (a) You elected "no withholding" for federal purposes; or
- (b) You are not a resident of Virginia; or
- (c) You incurred no income tax liability for last year and do not expect to incur a liability for this year; or
- (d) You expect your Virginia adjusted gross income to be less than:
 - \$5,000, if single
 - \$8,000, if married, filing a joint return
 - \$4,000, if married, filing a separate return.

Sign Form VA-4P, cut at the line indicated, and file the completed form with your payer.