

# IA W-4P INSTRUCTIONS

## ELIGIBILITY REQUIREMENTS:

A partial exemption is provided to qualified Iowa residents receiving pensions, annuities, self-employed retirement benefits, deferred compensation, and other retirement benefits. To qualify you must be 55 years of age or older, disabled or a surviving spouse or other survivor of an individual who would have qualified for the partial exemption in the tax year. To be considered disabled you must be receiving the retirement income on the basis of a documented disability or you must meet federal or state criteria for disability. **Social Security benefits are not covered by this exemption.** Federal Civil Service annuitants who want Iowa tax withheld from Federal pensions should call the Office of Personnel Management, Annuitant Express Hot-Line 1-800-409-6528.

## ELECTIONS TO HAVE IOWA TAX WITHHELD:

An Iowa resident may elect to have Iowa tax withheld on the annual taxable amount, exempting \$5,000. A taxpayer who files a joint Iowa tax return with a spouse may exclude up to \$10,000 from the annual taxable amount. If no election is made, you will automatically be given a \$5,000 exemption. If you are receiving retirement income from more than one source, you are still only entitled to claim a maximum \$5,000/\$10,000 exemption.

## CLAIMING NO EXEMPTION:

If this box is checked, Iowa income tax will be withheld on the entire amount of taxable benefits received.

## WITHHOLDING RATES:

Payers have the option of withholding at the rate of 5% or using the published withholding formulas or withholding tables.

## SUBMISSION OF IA W-4P:

Return the completed form to the company that provided it to the taxpayer. The taxpayer's election will remain in effect until the taxpayer completes a new certificate. Withholding agents will retain the completed certificate as required under Iowa rule 701-38.3(2).



IOWA  
department of Revenue and Finance

***Iowa W-4P***

## ***Withholding Certificate for Pension or Annuity Payments***

Name \_\_\_\_\_ SS # \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

Are you an Iowa resident .....  Yes  No

**Iowa income tax can be withheld only for Iowa residents.**

I elect **not to have** income tax withheld from my pension/annuity .....

NOTE: If you are an Iowa resident and the taxable portion of your annual distribution is greater than \$5,000 (\$10,000 joint Iowa filers), Iowa tax must be withheld if federal tax is being withheld.

I elect **to have** Iowa income tax withheld from my pension/annuity at a rate of 5% (or based on the published withholding formulas if the payer so elects). Select one of the following:

- claiming no exemption (see instructions) .....
- exempting \$5,000 in benefits each year .....
- exempting \$10,000 in benefits each year (joint state filers only) .....

Additional amount, if any, to be withheld from each benefit payment (whole dollars): \$ \_\_\_\_\_ **.00**

See instructions for eligibility requirements.