



January 24, 2018

SBCERA Retirees and Payees Federal Tax Withholding

Following enactment of the tax reform bill that was signed into law on December 22, 2017, we understand that you may have questions about taxes and your SBCERA benefit. Here are some questions we expect to receive, and the responses we can provide at this time:

Q: How will the new tax law impact me?

A: SBCERA payees may see a change in their federal income tax withholding amount. For some, the withholding change may be significant. Any federal withholding changes on your SBCERA benefit are in accordance with the 2018 federal withholding tables published by the Internal Revenue Service (IRS) and have been verified by SBCERA.

However, given that everyone has a different tax situation, it is important to keep in mind that your monthly withholding amount may not be commensurate with the total annual amount you owe in taxes.

If you have questions as to how the new tax law will affect your specific tax situation, including whether or not your tax withholding amount is optimal to meet your future tax obligation, you may wish to contact a qualified tax advisor. SBCERA is unable to provide individual tax analysis or advice.

Q: When will withholding changes take effect?

A: SBCERA has implemented the IRS withholding changes, which will be reflected on January 2018 benefit payments.

Q: I want to adjust my withholding. What should I do?

A: Irrespective of the new tax law, if you receive a benefit from SBCERA and wish to make changes to your tax withholding, you can do so at any time by mailing SBCERA a completed and signed [Tax Withholding Election form](#). If you would like us to look up your existing withholding elections on file, please do not hesitate to contact us.