STATEMENT FOR RECIPIENTS OF ANNUITIES, 1972 PROFIT-SHARING DISTRIBUTIONS, ETC.

			ANNUITIES	AND PENSIONS					
	Federal income	An			For disability retirees under				
	tax withheld	Gross amount	Taxable amount. Net of a exclusion (wh	beneficiary's death benef en applicable)		mount reportable ages or salary	Amount ex	cludable as sick pay	
_	RECIPIENT'S social secur	rity number ►		I		PROFIT-SHARI	NG DISTRII	BUTIONS	
				This is or is n	<u></u>		le amount	noid no	
				a. Gross amount at d (Sum of columns l		b. Capital gain. total distributions	(For c. 0	rdinary income	
					Excludable o	r Tax Deferred A	nounts		
				d. Net employee contributions	e. Life insurance element	f. Net unrealized preciation in ployer's securi	l ap- g. U. em- B	.S. Retiremen onds or Annuit ontracts ¹	
	PAID TO Recipient's na	ame, address and ZIP code.		¹ Face amount (for rocol, d amounts, H amount taxable as	owever, if value	of annuity is currer			
•	Form W-2P Departm	nent of the Treasury—Internal	Revenue Service			PAYER: See inst	ructions on	back of copy D	
1	PAID BY Name, address.	, ZIP code, and identifying nu	mber.	STATEMENT PROFIT-SHAF		PIENTS OF A		_	
	*			AND PENSIONS					
	Federal income	An	nuity or pension payment	S	For disa	bility retirees und	ler normal i	retirement age	
	tax withheld Gross amount Taxable amount. Net of			beneficiary's death benef en applicable)		mount reportable ages or salary	Amount ex	cludable as sick pa	
_	RECIPIENT'S social secur	rity number ▶				PROFIT-SHARII	NG DISTRI	BUTIONS	
i		-		This is or is n	<u> </u>		le amount	paid as	
				(Sum of columns		b. Capital gain. total distributions	(For c. O	rdinary income	
				Excludable or Tax Deferred Amounts					
				d. Net employee contributions	e. Life insurance element	f. Net unrealized preciation in ployer's securi	em- B	.S. Retirement onds or Annuity ontracts ¹	
	PAID TO Recipient's na	ame, address and ZIP code.		1 Face amount (for a col. d amounts. H amount taxable as	owever, if value	of annuity is currer	annuity cont	tracts) in excess of odistributee, enter	
•	Form W—2P Departm	nent of the Treasury—Internal	Revenue Service			PAYER: See inst	ructions on	back of copy D.	
1						PIENTS OF A BIBUTIONS, ET		^{s,} 19 72	
ı	PAID BY Name, address,	, ZIP code, and identifying nu			Copy A—I	or Internal R	evenue S	ervice Center	
		1	ANNUITIES nuity or pension payment	AND PENSIONS	Fordisa	bility retirees und	ler normal	retirement age	
	Federal income tax withheld	Gross amount	Taxable amount. Net of a		it Gross a	mount reportable ages or salary		cludable as sick pa	
	RECIPIENT'S social secur	rity number >		RETIREME	NT PLAN AND	PROFIT-SHARII	NG DISTRII	BUTIONS	
				This is _ or is not _ a total distribution.					
				a. Gross amount at distribution date. (Sum of columns b through g)					
						b. Capital gain. total distributions	only.)	rdinary income	
				d Net employee	Excludable of Life insurance	r Tax Deferred A		.S. Retiremen	
				d. Net employee contributions	e. Life insurance element	preciation in ployer's securi	em- B	onds or Annuity	
	PAID TO Recipient's name, address and ZIP code.			¹ Face amount (for a col. d amounts. H amount taxable as	owever, if value	of annuity is curren			

STATEMENT FOR RECIPIENTS OF ANNUITIES, 1972.

PAID BY				Сору В-	To be filed wit if tax was wit	h recipient's tax return hheld		
1		ANNUITIES A	AND PENSIONS					
Federal income	Ann	uity or pension payments				er normal retirement age		
tax withheld	Gross amount	Taxable amount. Net of a b exclusion (whe		it Gross ar as wa	nount reportable iges or salary	Amount excludable as sick pay		
RECIPIENT'S social secur	ity number ►				PROFIT-SHARIN	G DISTRIBUTIONS		
	This is or is r							
			a. Gross amount at d (Sum of columns		b. Capital gain. total distributions o	(For c. Ordinary income		
				Excludable o	r Tax Deferred An	nounts		
			d. Net employee contributions	e. Life insurance element	f. Net unrealized preciation in ployer's securit	em- Bonds or Annuity		
please give th	ying number is not shown abo e payer the correct number. nent of the Treasury—Internal		Face amount (for col. d amounts. H amount taxable as	owever, if value	of annuity is curren	annuity contracts) in excess of tly taxable to distributee, enter		
PAID BY		ANNUITIES /		RING DISTR	PIENTS OF AN IBUTIONS, ET —To be filed wit if tax was wit	「C. 」し せまた th recipient's tax return		
	Ann	uity or pension payments	S	For disal	bility retirees und	er normal retirement age		
Federal income tax withheld	Gross amount	Taxable amount. Net of a t exclusion (whe	peneficiary's death bene en applicable)	fit Gross as wa	mount reportable ages or salary	Amount excludable as sick page		
RECIPIENT'S social secur	rity number ►		RETIREMENT PLAN AND PROFIT-SHARING DISTRIBUTIONS					
	<u>-</u>		This is _ or is a	not 🗌 a total				
			a. Gross amount at distribution date. (Sum of columns b through g)		b. Capital gain. (For c. Ordinary income total distributions only.)			
					r Tax Deferred An			
			d. Net employee contributions	e. Life insurance element	f. Net unrealized preciation in ployer's securit	em- Bonds or Annuity		
	ying number is not shown about payer the correct number.	ove or is incorrectly shown,	¹ Face amount (for col. d amounts. H amount taxable as	owever, if value	of annuity is curren	annuity contracts) in excess outly taxable to distributee, enter		
Form W-2P Departr	ment of the Treasury—Internal	Revenue Service		RING DISTR	PIENTS OF AR BIBUTIONS, ET To be filed wit if tax was wit	「C. 」し ご I 		
		ANNUITIES A	AND PENSIONS					
Federal income	Ann	uity or pension payment	s	For disa	bility retirees und	er normal retirement age		
tax withheld	Gross amount	Taxable amount. Net of a lexclusion (who	beneficiary's death bene en applicable)	fit Gross a as wi	mount reportable ages or salary	Amount excludable as sick pa		
RECIPIENT'S social secur	rity number >	,	RETIREME		PROFIT-SHARIN	NG DISTRIBUTIONS		
			a. Gross amount at		Taxabl	le amount paid as		
			(Sum of columns	b through g)	b. Capital gain. total distributions o	(For c. Ordinary income only.)		
				Excludable o	r Tax Deferred Ar	mounts		
			d. Net employee contributions	e. Life insurance element	f. Net unrealized preciation in ployer's securi-	em Bonds or Annuit		
	iying number is not shown ab se payer the correct number.	ove or is incorrectly shown,	¹ Face amount (for col. d amounts. h amount taxable as	lowever, if value	of annuity is curren	annuity contracts) in excess on the taxable to distributee, ente		

STATEMENT FOR RECIPIENTS OF ANNUITIES, 1972 PROFIT-SHARING DISTRIBUTIONS, ETC.

¹ Face amount (for retirement bonds) or cash value (for annuity contracts) in excess of col. d amounts. However, if value of annuity is currently taxable to distributee, enter amount taxable as ordinary income, col. c.

1		ANNUITIES A	ND PENSIONS						
Annuity or pension paym					For disability retirees under normal retirement age				
Federal income tax withheld	Gross amount	Taxable amount. Net of a b exclusion (whe	eneficiary's death ben n applicable)	efit		Gross amount reportable as wages or salary		Amount excludable as sick pa	
RECIPIENT'S social secui	rity number >		RETIREMI	ENT	PLAN AND	PROFIT-SHARIN	NG DI	STRIBUTIONS	
		This is or is not a total o			istribution.				
			a. Gross amount at (Sum of columns			Taxable amount paid as			
			(02 0. 0			 b. Capital gain. total distributions of 	(For only.)	c. Ordinary income	
				E	cludable or	Tax Deferred Ar	mount	s	
			d. Net employee contributions		fe insurance ement	f. Net unrealized preciation in ployer's securi	em-	g. U.S. Retirement Bonds or Annuit Contracts 1	
PAID TO If the identif	ying number is not shown abo e payer the correct number.	ove or is incorrectly shown,	Face amount (for col. d amounts. amount taxable as	Howev	er, if value o	of annuity is currer	annuit	y contracts) in excess of able to distributee, enter	
orm W—2P Departm	ent of the Treasury—Internal E					IENTS OF A Ibutions, et		TIES, 19 72	
PAID BY			PROFIT-SHA	MIN	G DISTR			recipient's record	
		ANNUITIES A	AND PENSIONS						
Federal income	Ann	uity or pension payments						mal retirement age	
tax withheld	Gross amount	Taxable amount. Net of a been exclusion (whe		efit		nount reportable ges or salary	Amo	unt excludable as sick p	
RECIPIENT'S social secu	rity number ►	·				PROFIT-SHARII	NG DI	STRIBUTIONS	
			This is or is not a total distribution.						
			a. Gross amount at distribution date. (Sum of columns b through g) Taxable amount paid as b. Capital gain. (For c. Ordinary inc						
						total distributions only.)		c. Ordinary income	
			Excludable or Tax Deferred Amounts			s g. U.S. Retiremen			
			d. Net employee contributions		ife insurance lement	f. Net unrealized preciation in ployer's securi	em-	Bonds or Annuit Contracts 1	
PAID TO If the identif	ying number is not shown ab e payer the correct number.	ove or is incorrectly shown,		Howev	er, if value o	of annuity is currer		y contracts) in excess of able to distributee, ente	
	nent of the Treasury—Internal I	Revenue Service	STATEMENT Profit-sh <i>a</i>	r fo Nrin	OR RECIP IG DISTR	100110140, 1		TIES, ¶ 972	
PAID BY		ANNUITIES	AND PENSIONS			Сору С	-101	recipient s record	
	Δnn	uity or pension payments			For disat	oility retirees und	der no	rmal retirement age	
Federal income tax withheld	Gross amount	Taxable amount. Net of a beautiful exclusion (who	eneficiary's death ber	efit		nount reportable ges or salary	Amo	ount excludable as sick p	
RECIPIENT'S social secu	rity number ►	ı	RETIREM	ENT	PLAN AND	PROFIT-SHARI	NG D	STRIBUTIONS	
					This is or is not a total distribution.				
			a. Gross amount at distribution date. (Sum of columns b through g) b. Capital gain. (For total distributions only.)				ount paid as c. Ordinary income		
				E	xcludable o	r Tax Deferred A	mount		
			d. Net employee contributions		ife insurance lement	f. Net unrealized preciation in	em-	g. U.S. Retirement Bonds or Annui Contracts 1	

Instructions

Regular Annuities and Pensions.—For purposes of the filing requirement, regular (non-disability) annuity or pension payments (or disability pensions made after retirement age) are includable in gross income only to the extent of the annual taxable amount.

Disability Annuities and Pensions.—If you are a disability retiree drawing an annuity or pension as a result of prior employment and you have not yet attained normal retirement age, the entire amount of your pension is reportable as wage or salary income, on Form 1040, but you are entitled to claim the adjustment for the sick pay exclusion. If you receive amounts attributable to your own contributions or your own premiums through an accident or health plan, or insurance, these amounts are tax-exempt. See Publication 522, Adjustments to Income for Sick Pay, for "Other Sickness and Injury Benefits."

Retirement Plan and Profit-sharing Distributions:

Total Distributions.—Certain lump-sum distributions paid within one year on the employee's termination of work or death from a "qualified plan" are classed as "total distributions." If the distribution you receive is a total distribution: (a) A portion of the distribution may qualify

for long-term capital gain treatment. This portion is reportable on Schedule D (Form 1040); (b) The portion taxable as ordinary income is eligible for a special "7 times 14%%" averaging rule. This portion should be reported on Form 1040 under Miscellaneous Income and identified as "retirement plan (or profit sharing) lump-sum distribution: ordinary income portion." If you use this special averaging, attach a schedule to the Form 1040 showing your tax computation; (c) in the event the distribution consists in part of securities of your employer's corporation, the net unrealized appreciation in these securities is tax deferred until you sell the securities.

Net Employee Contributions.—The amounts contributed or considered contributed by the employee (less non-taxable amounts previously distributed to him) are not taxable.

Life Insurance Element.—If you are the beneficiary of a deceased employee, the portion of the distribution which represents life insurance proceeds to the extent it exceeds the cash value of the insurance contract is not taxable.

U.S. Retirement Bonds.—You are not currently taxed on any U.S. Retirement Bonds that may be distributed to you, but the income from these bonds will be taxable (to the extent they exceed the amount you contributed) when you redeem the bonds.

Annuity Contracts.—Generally, the annuity contract is not taxable when distributed. Taxation is deferred until receipt of annuity payments.

Death Benefit Exclusion.—If you receive an annuity or retirement (or profit sharing) plan distribution as the beneficiary of a deceased employee (or deceased disability retiree who died prior to attaining retirement age) you may be entitled to a "death benefit exclusion" of up to \$5,000.

Taxable amounts shown for retirement plan and profit-sharing distributions (but not for annuities) are without regard to this exclusion. Allocate the exclusion between capital gain and ordinary income (blocks b and c) and include the reduced amounts on your Form 1040.

Note: (1) If the distribution is not a total distribution, no portion qualifies for capital gain treatment. Identify the ordinary income amount on Form 1040 under Miscellaneous Income as "Retirement plan (or profit sharing) distribution"; the special averaging provision moreover does not apply. (2) Many of the tax rules briefly described above are not applicable or differ in the case of self-employed individuals (including owner-employees) and their beneficiaries, for example, the use of "5 times 20%" in lieu of "7 times 142%" averaging rule and the non-applicability of the death benefit exclusion.

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STATEMENT FOR RECIPIENTS OF ANNUITIES, 1972 PROFIT-SHARING DISTRIBUTIONS, ETC.

PAID BY		ANNIHITIES A	ND PENSIONS			Copy D-	For payer	
	An	nuity or pension payments		For disal	oility retirees und	er normal retire	ment age	
Federal income tax withheld Gross amount Taxable amount. Ne		Taxable amount. Net of a b exclusion (whe	eneficiary's death benefit	Gross amount reportable as wages or salary		Amount excludable as sick pay		
RECIPIENT'S social securit	ty number ▶ │		RETIREMENT	PLAN AND	PROFIT-SHARIN	G DISTRIBUTION	ons	
		This is or is not a total distribution.						
			a. Gross amount at dist (Sum of columns b t			le amount paid a		
					b. Capital gain. total distributions o	(For c. Ordinary	y income	
				Excludable o	r Tax Deferred Ar			
				Life insurance element	f. Net unrealized preciation in ployer's securi	em- Bonds	Retirement or Annuity ts ¹	
PAID TO			Face amount (for reticular col. d amounts. Howe amount taxable as ord	ever, if value o	of annuity is curren	annuity contracts) tly taxable to distr	in excess of ributee, enter	
			STATEMENT F PROFIT-SHARII			rc. Li	972	
PAID BY		ANNUUTIES	AND PENSIONS			Copy D-	For payer	
	An	nuity or pension payments		For disa	oility retirees und	er normal retire	ment age	
Federal income tax withheld	Gross amount	Taxable amount. Net of a beaclusion (whe	eneficiary's death benefit	Gross ar	nount reportable ages or salary	Amount excludate		
RECIPIENT'S social securi	ty number ►	1	RETIREMENT PLAN AND PROFIT-SHARING DISTRIBUTIONS					
				a total				
			a. Gross amount at dis (Sum of columns b t	tribution date. hrough g)	b. Capital gain. total distributions			
				Excludable o	r Tax Deferred Amounts			
				Life insurance element	f. Net unrealized preciation in ployer's securi	em- Bends	Retirement or Annuity ts ¹	
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		ANNUITIES A	AND PENSIONS					
Federal income	Ar	nuity or pension payments	3	For disa	bility retirees und			
tax withheld	Gross amount	Taxable amount. Net of a texture exclusion (whe	en applicable)	as wa	mount reportable ages or salary	Amount excludat		
RECIPIENT'S social securi	ty number ►		RETIREMENT This is or is not		PROFIT-SHARII	NG DISTRIBUTI	ONS	
			a. Gross amount at dis (Sum of columns b t	tribution date.				
				Excludable o	r Tax Deferred A	mounts		
				Life insurance element	f. Net unrealized preciation in ployer's secur	g. U.S. em- Bonds	Retiremen or Annuit ts 1	
PAID TO			¹ Face amount (for ret col. d amounts. How amount taxable as ord	ever, if value	of annuity is currer	annuity contracts) itly taxable to dist) in excess o tributee, ente	

· To Payer:

Beginning in 1973:

- ► Form W-2(P) will be used only to report annuity and pension payments.
- New Form 1099-R will be used to report retirement plan and profit-sharing distributions.

Forms W-2P Must be Furnished.-

- A. To the Internal Revenue Service:
- 1. When annuity, profit-sharing payments, etc., of \$600 or more, during the calendar year, are made to any one payee (for payments to owner-employees, see regulations under Section 6047), or
- 2. When tax has been withheld on these payments.
 - B. To the Recipient:

When tax has been withheld.

Copies B and C must be given to the recipient on or before January 31 following the calendar year if the recipient is receiving payments at

the close of such year, or within 30 days after the last payment, if payments are terminated before the close of such year.

To assist payees in determining the taxable amounts reportable on their income tax returns, you may complete all applicable blocks if information is available; otherwise, you need show only the gross amount paid and tax withheld (if any) on the Form W-2P.

However, employers who complete (or whose trustees or payers complete) all applicable blocks a through g, regardless of amounts, will satisfy the employee communication requirements of Regulation 1.402(a)-2(f).

You may give Form W-2P to the Internal Revenue Service and recipient even if you paid less than \$600 and no tax had been withheld.

Magnetic Tape Reporting.—You may use magnetic tape to furnish information required by Form W-2P. To do so, see Revenue Procedure 71–20 available from any Internal Revenue Service Center.

Filing Forms W--2P.—Copy A of Forms W--2P must be filed with Form W-3P.

☆ U.S. GOVERNMENT PRINTING OFFICE: 1972-O-418-017

items Not Reported on Form W-2P.—Form W-2P is not applicable to:

- 1. Annuities and pensions wholly tax-exempt under the law; for example, social security pensions and Veterans Administration payments,
- 2. Periodic or other distributions effected by a trustee (non-employee plan) that are of a nature reportable on Form 1041 and Schedule E (Form 1041); and
- 3. Certain types of retired pay, which although they may be designated as pensions, constitute salary income reportable on Form W-2 and subject to the regular employee tax withholding rules—for example, military retired pay and payments to certain judiciary officials.

Special Rules for Annuity and Retirement Payments.—You may want to advise payees who may be affected, of some of the special rules for annuity and retirement payments—for example,

- 1. The applicability of the section 101(b) death benefit exclusion of up to \$5,000; and
- 2. Tax consequences resulting from the recipient's subsequent sale of securities received in a retirement or profit-sharing distribution.

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- 2. When tax has been withheld on these payments.
 - B. To the Recipient:

When tax has been withheld.

Copies B and C must be given to the recipient on or before January 31 following the calendar year if the recipient is receiving payments at the close of such year, or within 30 days after the last payment, if payments are terminated before the close of such year.

To assist payees in determining the taxable amounts reportable on their income tax returns, you may complete all applicable blocks if information is available; otherwise, you need show only the gross amount paid and tax withheld (if any) on the Form W–2P.

However, employers who complete (or whose trustees or payers complete) all applicable blocks a through g, regardless of amounts, will satisfy the employee communication requirements of Regulation 1.402(a)-2(f).

You may give Form W-2P to the Internal Revenue Service and recipient even if you paid less than \$600 and no tax had been withheld.

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Forms W-2P Must be Furnished.-

- A. To the Internal Revenue Service:
- 1. When annuity, profit-sharing payments, etc., of \$600 or more, during the calendar year, are made to any one payee (for payments to owner-employees, see regulations under Section 6047), or
- When tax has been withheld on these payments.
 - B. To the Recipient:

When tax has been withheld.

Copies B and C must be given to the recipient on or before January 31 following the calendar year if the recipient is receiving payments at

the close of such year, or within 30 days after the last payment, if payments are terminated before the close of such year.

To assist payees in determining the taxable amounts reportable on their income tax returns, you may complete all applicable blocks if information is available; otherwise, you need show only the gross amount paid and tax withheld (if any) on the Form W-2P.

However, employers who complete (or whose trustees or payers complete) all applicable blocks a through g, regardless of amounts, will satisfy the employee communication requirements of Regulation 1.402(a)-2(f).

You may give Form W-2P to the Internal Revenue Service and recipient even if you paid less than \$600 and no tax had been withheld.

Magnetic Tape Reporting.—You may use magnetic tape to furnish information required by Form W-2P. To do so, see Revenue Procedure 71-20 available from any Internal Revenue Service Center.

Filing Forms W-2P.—Copy A of Forms W-2P must be filed with Form W-3P.

Items Not Reported on Form W-2P.—Form W-2P is not applicable to:

- Annuities and pensions wholly tax-exempt under the law; for example, social security pensions and Veterans Administration payments,
- 2. Periodic or other distributions effected by a trustee (non-employee plan) that are of a nature reportable on Form 1041 and Schedule E (Form 1041); and
- 3. Certain types of retired pay, which although they may be designated as pensions, constitute salary income reportable on Form W-2 and subject to the regular employee tax withholding rules—for example, military retired pay and payments to certain judiciary officials.

Special Rules for Annuity and Retirement Payments.—You may want to advise payees who may be affected, of some of the special rules for annuity and retirement payments—for example,

- 1. The applicability of the section 101(b) death benefit exclusion of up to \$5,000; and
- 2. Tax consequences resulting from the recipient's subsequent sale of securities received in a retirement or profit-sharing distribution.