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IMPORTANT INFORMATION

Unit 6 members;

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CCPOA is not in a position to give tax advice, and is providing this notice strictly for your information.

As part of the budget "fix" California has enacted a tax acceleration law. Beginning November 1, 2009 the State will be withholding State taxes at a rate 10% higher than the current amount withheld. This is an increase of 10% to your tax withholding amount, but does not increase your annual tax liability, in effect, a loan to the State.

For example, if an employee's current monthly State tax withholding is \$200; this change would increase that amount to \$220 resulting in a net decrease to take home pay of \$20. Thus, assuming this individual's tax status remained unchanged, this example employee would pay an additional \$240 over twelve months toward the annual tax liability, therefore increasing the refund due or decreasing the amount owed.

We have attached the legislation for your convenience ([here](#)).

If you wish to make changes to your tax withholding you must file a Form DE 4 Employee's Withholding Allowance Certificate at your personnel office.

The State Employment Development Department (EDD) website, www.edd.ca.gov, also has information regarding this issue.

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Chuck