

Dear Lehman Faculty and Staff:

As you are aware, the retroactive pay and prospective increases provided under the recently negotiated union contract between the City University of New York and the Professional Staff Congress (PSC) has been scheduled for payment. They are scheduled to be paid in the January 19, 2017 paycheck. *There will be an announcement shortly about the payment of the salary increases, and retroactive pay for members of the Blue Collar and White Collar Coalition of Unions.*

Tax implications:

Your retroactive amount is lumped together with your regular pay. The total gross amount will be taxed as regular salary. While we are unable to provide detailed instructions on how to fill out tax forms, we can provide the following general information to assist in making any changes:

- The deadline to submit any changes for Federal, State and Local taxes for the January 19th pay day, the W4 and IT2104 is due in HR **no later than December 29th, 2016 by 3PM**. There are no exceptions to this deadline due to OSC processing times.
- Generally speaking, the higher the number of dependents, the lower the amount of taxes taken out. Please speak with a tax advisor for more information regarding number of dependents.
- Forms must be completely filled out and signed; otherwise the taxes are defaulted to “Single” with “0” allowances, which is the highest possible tax rate.
- **Appointments are not needed to drop off tax forms in HR.**
- If changes are made to tax forms, a new form is required to change it back to your regular withholding status; it is not done automatically.

The office of Human Resources cannot give you any form of tax advice. We hope the above information will be helpful in making your decisions regarding the retroactive payment. Tax forms can be found on our website and are available in the HR office. Thank you.