

# NOTICE OF WITHHOLDING TAX CHANGES

## NOTICE TO ALL PENSION PLAN PARTICIPANTS

**RE: St. Josephs Health Services of Rhode Island Retirement Plan**

As some of you may already be aware, due to the recent tax bill that passed in December 2017, the Federal and State Withholding wage tables have changed. As a result of recent changes to State Withholding Wage tables, starting with the October 2018 benefit payments, certain Plan participants residing in New Jersey and Maryland who are currently receiving monthly benefit payments may see a change to their net monthly payment amount. The changes are as follows:

### New Jersey

A new withholding bracket has been established for participants who receive pension benefits exceeding \$5,000,000 annually. Participants whose annual benefit exceeds \$5,000,000 will be taxed at the new rate of 15.6%. Participants whose annual benefit does not exceed \$4,999,999.99 will be taxed at the current rates.

### Maryland

Maryland pensioners who receive more than \$1,200 monthly in gross taxable benefits may experience a decrease of \$1.00 or \$2.00 in withholding due to an increase in the maximum standard deduction from \$2,000.00 to \$2,250.00.

Thank you and I hope this information is helpful.

Very truly yours,

Stephen F. Del Sesto, Esq.  
Permanent Receiver of the Plan  
and not individually