

ILWU-PMA BENEFIT PLANS /

International Longshore & Warehouse Union –
Pacific Maritime Association www.benefitplans.org

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ILWU-PMA Pension Plan
ILWU-PMA Welfare Plan

ILWU-PMA Watchmen Pension Plan

December 21, 2017

TO: ILWU Watchmen Locals 26 and 75

FROM: Jacquie Gasparro, Manager, Pension Plans

**SUBJECT: INFORMATION FOR PENSIONERS
Medicare Part B Premium Reimbursement 2018
2017 IRS Form 1099-R**

Attached is information which will be mailed to the homes of all pensioners in December 2017. The 2017 1099-R tax forms will be mailed to the homes of all pensioners before January 31, 2018.

Attachments

cc: Area Welfare Director, Northern California
Area Welfare Director, Southern California

A copy of this memo can be downloaded at www.benefitplans.org

CALIFORNIA RESIDENTS ONLY The amount of State income tax withheld, if any, is shown in **Box 12** of Form 1099-R. Recipients will be required to attach Form 1099-R to their returns if California income tax withholding is shown in **Box 12**.

INFORMATION OFTEN REQUESTED BY TAX ADVISERS, LAWYERS, AND THE IRS

MEDICARE PART B PREMIUM REIMBURSEMENTS The Benefit Plans Office has been advised that under IRS regulations Medicare Part B premium reimbursements are not subject to income tax. Therefore, the amount reimbursed by the Benefit Plans Office for Medicare Part B premiums is not included on Form 1099-R.

All Pension Plan benefits are employer contributed, with no contribution by the longshoreman, ship clerk, walking boss/foreman, surviving spouse, alternate payee or watchman.

NOTE: THIS BULLETIN IS BEING DISTRIBUTED AS A MATTER OF CONVENIENCE AND IS NOT INTENDED AS TAX ADVICE. YOU SHOULD NOT RELY ON THIS BULLETIN AS TAX ADVICE. ALL QUESTIONS REGARDING TAXES OR TAXABILITY OF BENEFIT PAYMENTS SHOULD BE REFERRED TO YOUR INDIVIDUAL TAX ADVISER OR THE IRS.

<i>SAMPLE</i>		2017
Form 1099-R		OMB No. 1545-0119
CORRECTED (if checked) <input type="checkbox"/>		
1 Gross distribution	2a Taxable amount	Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.
	<i>SAMPLE</i>	
2b Taxable amount not determined <input type="checkbox"/>	Total distribution <input type="checkbox"/>	
PAYER'S name, street address, city, state and ZIP code		
<i>SAMPLE</i>		
PAYER'S Federal identification number		RECIPIENT'S identification number
3 Capital gain (included in box 2a)	4 Federal income tax withheld	5 Employee contributions/ Designated Roth contributions or insurance premiums
	<i>SAMPLE</i>	
6 Net unrealized appreciation in employer's securities	7 Distribution code(s)	8 Other <input type="checkbox"/> %
	IRA/SEP/SIMPLE	
9a Your percentage of total distribution	9b Total employee contributions	
RECIPIENT'S name and street address (incl. apt. no.), city, state and ZIP code		
<i>SAMPLE</i>		
10 Amount allocable to IRR within 5 years	11 1st year of desig. Roth contrib.	12 State tax withheld
13 State/Payer's state no.	14 State distribution	
15 Local tax withheld	16 Name of locality	17 Local distribution

THIS MAILING CONTAINS INFORMATION FOR PENSIONERS, SURVIVING SPOUSES AND ALTERNATE PAYEES UNDER THE ILWU-PMA PENSION PLAN OR THE ILWU-PMA WATCHMEN PENSION PLAN AND PENSIONERS AND BENEFICIARIES RECEIVING MEDICARE PART B REIMBURSEMENT UNDER THE ILWU-PMA WELFARE PLAN

For Pensioners and Beneficiaries receiving Medicare Part B Reimbursement under the ILWU-PMA Welfare Plan:

MEDICARE PREMIUM RATE

The Medicare Part B premium for 2018 will be \$109.00 per person for most members whose modified adjusted gross income does not exceed \$85,000 (\$170,000 for couples). Individuals whose modified adjusted gross income exceeds that amount, or who are Social Security recipients whose cost of living adjustment covers the increase in Medicare Part B premiums deducted from their Social Security benefits, are subject to higher premium amounts.

Pensioners and Beneficiaries whose monthly Medicare Part B premium is higher than the rate of \$109.00 must submit documentation annually to the Benefit Plans Office verifying the amount of their monthly premium so that they can be reimbursed. (Please note, new Pensioners and Beneficiaries may have a 2018 monthly Medicare Premium rate of \$134.00.)

If you receive a Medicare Part B reimbursement amount which you believe is incorrect, please contact the Benefit Plans Office immediately.

DISABLED PERSONS UNDER AGE 65

A disabled person under age 65 is entitled to Medicare coverage after the 24th month of his or her social security benefit entitlement. Under provisions of the Welfare Plan, eligible pensioners and their dependents and survivors under age 65 must notify the Benefit Plans Office when they become eligible for Medicare due to disability. **If you have not reported your own or your dependent's entitlement to Medicare -- do so now**, as this will allow us to reimburse your Medicare premium.

ALL PERSONS

The Benefit Plans Office must be notified about any of the events listed below:

- 1. CHANGE OF MARITAL STATUS** – Divorce, Marriage, Death of Spouse
(Record Change Forms are available at the ILWU locals or can be downloaded at www.benefitplans.org to report this change.)
- 2. CHANGE OF ADDRESS**
(Record Change Forms are available at the ILWU locals or can be downloaded at www.benefitplans.org to report this change.)
- 3. CHANGE OF MEDICARE STATUS**
(Contact the Benefit Plans Office to report this change.)
 - . Loss of Medicare Part B eligibility
 - . Medicare entitlement before age 65
 - . Part B premium paid by a third party (another Employer or a State Agency, e.g., Medicaid or Medi-Cal)