

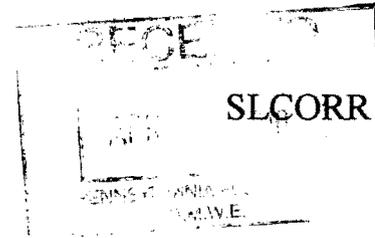


Brotherhood of Maintenance of Way Employees Division of the International Brotherhood of Teamsters

Freddie N. Simpson
President

Perry K. Geller, Sr.
Secretary-Treasurer

April 1, 2010



All Lodge Secretary-Treasurers and
BMWED National Division Convention Delegates

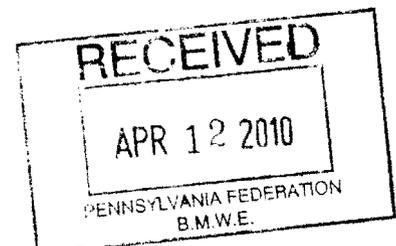
Re: Processing of payroll and expenses for 2010 National Division Convention Delegates

The purpose of this letter is to describe the payroll service offered by National Division and to explain how Lodge Secretary-Treasurers should reimburse Convention delegates for lost wages and out-of-pocket expenses. As the National Division Convention in June is fast approaching, it is suggested that those lodges who plan on sending a delegate to the Convention allow National Division to process any payment of lost wages that may be due the delegate. By utilizing the National Division payroll service, you will ensure proper reporting and withholding of all federal, state, local and railroad retirement taxes. The number of days, (if any), that the delegate will be reimbursed for lost wages should be decided by the lodge in advance of the Convention.

For those lodges wishing to utilize this service, you only need to submit to National Division a completed Form ES-1 and Form W-4 (enclosed) for the Convention delegate. Form ES-1 must be approved for payment by either the lodge presidents or secretary-treasurers' signature in the lower right hand corner of the form. The total wages and employer portion of railroad retirement taxes will be charged to the lodge's account at National Division. If the wages and taxes exceed the amount of the lodge's dues income for the quarter, a letter will be sent to the lodge secretary-treasurer requesting reimbursement. **If the lodge prefers to pay a delegate's lost wages directly out of the local lodge account, all tax withholding and reporting requirements will be the responsibility of the lodge secretary-treasurer as outlined in the National Division Manual for Lodge Secretary-Treasurers.**

Because of the large number of Convention delegates for whom National Division will be processing wage payments, it will be necessary for each lodge secretary-treasurer to reimburse their delegate's expenses directly from the lodge's checking account. It is extremely important that you impress upon the delegate the importance of obtaining receipts for expenditures.

20300 Civic Center Drive, Suite 320
Southfield, MI 48076
Telephone 248.948.1010 Facsimile 248.948.7150
www.bmwe.org

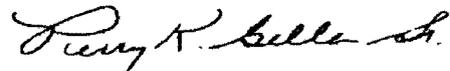


Although it is unreasonable to expect that a receipt can be obtained for every expense that a delegate may incur, **failure to obtain receipts should be minimal.** Before any Convention expenses are reimbursed, you must make sure that the delegate provides you with sufficient receipts to substantiate them. **You will be required to produce the receipts for expenses paid to the Convention delegate the next time your lodge is audited by National Division.**

In those cases where a lodge advances funds to the delegate for expenses, you must insist that after the Convention the delegate provide you with sufficient receipts for actual expenses incurred and that any remaining portion of the advance be promptly returned to you for deposit back into the lodge account. Only actual expenses of the Convention delegate should be paid by the lodge, even though the lodge may have approved a larger (maximum) amount prior to the Convention. **If the lodge intends to pay for such things as spousal travel or other expenses that are in addition to the normal expenditures of the delegate, approval must be clearly documented in the lodge minutes of meeting prior to the convention.**

If you have any questions concerning the above, contact Staff Assistant Steve Mocher at (800) 848-8830, extension 604.

Fraternally,



Secretary-Treasurer

Enclosure

cc: Mr. F. N. Simpson
General Chairmen

SMM:adw
opeiu-42

Form W-4 (2010)

Purpose. Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay. Consider completing a new Form W-4 each year and when your personal or financial situation changes.

Exemption from withholding. If you are exempt, complete only lines 1, 2, 3, 4, and 7 and sign the form to validate it. Your exemption for 2010 expires February 16, 2011. See Pub. 505, Tax Withholding and Estimated Tax.

Note. You cannot claim exemption from withholding if (a) your income exceeds \$950 and includes more than \$300 of unearned income (for example, interest and dividends) and (b) another person can claim you as a dependent on his or her tax return.

Basic instructions. If you are not exempt, complete the **Personal Allowances Worksheet** below. The worksheets on page 2 further adjust your withholding allowances based on itemized deductions, certain credits, adjustments to income, or two-earners/multiple jobs situations.

Complete all worksheets that apply. However, you may claim fewer (or zero) allowances. For regular wages, withholding must be based on allowances you claimed and may not be a flat amount or percentage of wages.

Head of household. Generally, you may claim head of household filing status on your tax return only if you are unmarried and pay more than 50% of the costs of keeping up a home for yourself and your dependent(s) or other qualifying individuals. See Pub. 501, Exemptions, Standard Deduction, and Filing Information, for information.

Tax credits. You can take projected tax credits into account in figuring your allowable number of withholding allowances. Credits for child or dependent care expenses and the child tax credit may be claimed using the **Personal Allowances Worksheet** below. See Pub. 919, How Do I Adjust My Tax Withholding, for information on converting your other credits into withholding allowances.

Nonwage income. If you have a large amount of nonwage income, such as interest or dividends, consider making estimated tax

payments using Form 1040-ES, Estimated Tax for Individuals. Otherwise, you may owe additional tax. If you have pension or annuity income, see Pub. 919 to find out if you should adjust your withholding on Form W-4 or W-4P.

Two earners or multiple jobs. If you have a working spouse or more than one job, figure the total number of allowances you are entitled to claim on all jobs using worksheets from only one Form W-4. Your withholding usually will be most accurate when all allowances are claimed on the Form W-4 for the highest paying job and zero allowances are claimed on the others. See Pub. 919 for details.

Nonresident alien. If you are a nonresident alien, see Notice 1392, Supplemental Form W-4 Instructions for Nonresident Aliens, before completing this form.

Check your withholding. After your Form W-4 takes effect, use Pub. 919 to see how the amount you are having withheld compares to your projected total tax for 2010. See Pub. 919, especially if your earnings exceed \$130,000 (Single) or \$180,000 (Married).

Personal Allowances Worksheet (Keep for your records.)

A Enter "1" for yourself if no one else can claim you as a dependent **A** _____

B Enter "1" if: {

- You are single and have only one job; or
- You are married, have only one job, and your spouse does not work; or
- Your wages from a second job or your spouse's wages (or the total of both) are \$1,500 or less.

_____ **B** _____

C Enter "1" for your spouse. But, you may choose to enter "-0-" if you are married and have either a working spouse or more than one job. (Entering "-0-" may help you avoid having too little tax withheld.) **C** _____

D Enter number of dependents (other than your spouse or yourself) you will claim on your tax return **D** _____

E Enter "1" if you will file as head of household on your tax return (see conditions under Head of household above) **E** _____

F Enter "1" if you have at least \$1,800 of child or dependent care expenses for which you plan to claim a credit **F** _____

(Note. Do not include child support payments. See Pub. 503, Child and Dependent Care Expenses, for details.)

G **Child Tax Credit** (including additional child tax credit). See Pub. 972, Child Tax Credit, for more information.

- If your total income will be less than \$61,000 (\$90,000 if married), enter "2" for each eligible child; then less "1" if you have three or more eligible children.
- If your total income will be between \$61,000 and \$84,000 (\$90,000 and \$119,000 if married), enter "1" for each eligible child plus "1" additional if you have six or more eligible children.

_____ **G** _____

H Add lines A through G and enter total here. (Note. This may be different from the number of exemptions you claim on your tax return.) ► **H** _____

For accuracy, complete all worksheets that apply. {

- If you plan to itemize or claim adjustments to income and want to reduce your withholding, see the **Deductions and Adjustments Worksheet** on page 2.
- If you have more than one job or are married and you and your spouse both work and the combined earnings from all jobs exceed \$18,000 (\$32,000 if married), see the **Two-Earners/Multiple Jobs Worksheet** on page 2 to avoid having too little tax withheld.
- If neither of the above situations applies, stop here and enter the number from line H on line 5 of Form W-4 below.

----- Cut here and give Form W-4 to your employer. Keep the top part for your records. -----

Form W-4 Department of the Treasury Internal Revenue Service	<h2 style="margin: 0;">Employee's Withholding Allowance Certificate</h2> <p style="margin: 0;">► Whether you are entitled to claim a certain number of allowances or exemption from withholding is subject to review by the IRS. Your employer may be required to send a copy of this form to the IRS.</p>	OMB No. 1545-0074 2010
1 Type or print your first name and middle initial. _____ Last name _____		2 Your social security number _____
Home address (number and street or rural route) _____		3 <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Married, but withhold at higher Single rate. Note. If married, but legally separated, or spouse is a nonresident alien, check the "Single" box.
City or town, state, and ZIP code _____		4 If your last name differs from that shown on your social security card, check here. You must call 1-800-772-1213 for a replacement card. ► <input type="checkbox"/>
5 Total number of allowances you are claiming (from line H above or from the applicable worksheet on page 2) _____		5 _____
6 Additional amount, if any, you want withheld from each paycheck _____		6 \$ _____
7 I claim exemption from withholding for 2010, and I certify that I meet both of the following conditions for exemption. <ul style="list-style-type: none"> • Last year I had a right to a refund of all federal income tax withheld because I had no tax liability and • This year I expect a refund of all federal income tax withheld because I expect to have no tax liability. If you meet both conditions, write "Exempt" here ► 7 _____		
Under penalties of perjury, I declare that I have examined this certificate and to the best of my knowledge and belief, it is true, correct, and complete.		
Employee's signature (Form is not valid unless you sign it.) ► _____		Date ► _____
8 Employer's name and address (Employer: Complete lines 8 and 10 only if sending to the IRS.) _____		9 Office code (optional) _____
		10 Employer identification number (EIN) _____