Military Retired Pay and Federal Tax Withholding

- Military retired pay is subject to Federal taxes.
- Most military retirees are not eligible to claim exempt from withholding of federal taxes.
- Having little or no federal tax withheld from retired pay could result in additional Penalties and Interest.
- Use Form W-4 (not Form W-4P) for federal tax withholding on military retirement pay.
- For more information, please refer to IRS Publication 505, Tax Withholding and Estimated Tax.

For help with your Form W-4 use the search engine on www.irs.gov and input the word "calculator". Click on "IRS Withholding Calculator" and fill in the information that applies to you.

