

# NEW MEXICO PIPE TRADES TRUST FUNDS ADMINISTRATIVE OFFICES

HEALTH AND WELFARE TRUST FUND

6301 Indian School RD NE Suite  
Albuquerque, NM 87110

PENSION TRUST FUND

JOINT APPRENTICESHIP TRAINING FUND

877-624-6254  
FAX 505-884-7968

## NEW MEXICO PIPE TRADES PENSION PLAN B APPLICATION FOR HARDSHIP WITHDRAWAL

### INSTRUCTIONS

1. Print or type all information.
2. Answer all applicable questions to the best of your ability.
3. Remember to have your signature NOTARIZED.
4. If you are married, your spouse must also have his or her signature NOTARIZED.
5. Bring or mail your application to:

New Mexico Pipe Trades Pension Plan B  
6301 Indian School Suite 660  
Albuquerque, NM 87110

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### PERSONAL DATA

Name: \_\_\_\_\_  
(Please Print)      Last                                      First                                      Middle

Address: \_\_\_\_\_  
                                    No. & Street                                      City                                      State & Zip Code

SS#: \_\_\_\_\_      Date of Birth: \_\_\_\_\_

\_\_\_ Married \_\_\_ Not Married \_\_\_ Divorced\*      Phone No.: \_\_\_\_\_

\*\*\* If you checked divorced please provide a copy of your divorce decree.

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I request withdrawal of \$\_\_\_\_\_ of my elective contributions because I have the following immediate and heavy financial need:

1.  **Expenses of at least \$1,000 for medical care incurred on behalf of me, my spouse, or my dependents and which I am obligated to pay.** Neither I nor any of my dependents have received or have a right to receive reimbursement of these expenses from any of the following sources: any insurance; any private or public plan or program including but not limited to Social Security, the New Mexico Pipe Trades Health & Welfare Trust Fund, any single or multiemployer welfare benefit plan; my employer; or Workers' Compensation.

a. **Dependent** for purposes of this provision means any person defined as a dependent under Internal Revenue Code § 152. This includes your **children** who are less than 19 years of age, who are full-time students less than 24 years of age, or who are permanently disabled (under IRC § 22(e)(3)) of any age, if the child has not provided more than one-half of his or her own support and lives in the same place of abode as one or both parents. (Note: As of April 1, 2011, this description of dependent children is not the same as coverage for children until age 26 under the Health & Welfare Plan.) It also includes other relatives if the participant rightfully claims them as dependents on his or her tax returns. For example, if a participant's parent has gross income of less than the exemption amount defined in IRC § 151(d), the participant provides over one-half of the parent's support, and the participant claims the parent as a dependent for income tax purposes, the participant may claim the parent as a dependent for purposes of a hardship distribution for medical expenses.

b. **Proof of Dependency.** If the Fund Office does not already have it on file, please provide proof of dependency.

1. For a spouse, please provide a marriage certificate.
2. For a child or other dependent relative, please provide a copy of your latest tax return showing that you claim the person as a dependent.

c. **Proof of Medical Expenses.** Attach copies of the original bills from medical providers.

If you currently have medical coverage, please attach copies of the Explanation of Benefits forms that show the amounts for which you are responsible.

If you do not currently have medical coverage, please provide the Fund office with documentation of same, such as a certification from the Health and Welfare Plan that you are no longer covered under the Plan or, if you are no longer working under a Local Union 412 Collective Bargaining Agreement, a certification from your current employer that you do not have employer-provided coverage.

2.  **Payment of tuition, related educational fees, and room and board expenses, for the next 12 months of post-secondary education for me, my spouse, my child(ren), or my dependents** (as defined in Internal Revenue Code § 152 (without regard to the dependent's income, as provided in IRC § 152(d)(1)(B)), at an educational institution beyond the high school level. Children do not have to meet the definition of dependent in IRC § 152, nor do they have to be eligible as children under the New Mexico Pipe Trades Health & Welfare Plan.

Please attach copies of the following:

- a. Evidence of enrollment.
- b. If payment is for your spouse or a child, proof of the person's relationship to you (marriage certificate or birth certificate.)
- c. If payment is for a dependent who is not your spouse or child, please provide proof of dependency, including a copy of your latest tax return showing that you claim the person as a dependent.
- d. A bill, statement, or letter from the educational institution that specifies all of the expenses that you will incur over a 12-month period.
- e. Copies of any leases or agreements for off-campus housing including, if the housing is being shared with other individuals, a statement of your proportional share.

3.  **Costs directly associated with the purchase of my principal place of residence, excluding mortgage payments.**

Please attach proof of purchase, such as a copy of the Purchase Agreement. The Purchase Agreement may be contingent on the approval of this request for a hardship distribution.

4.  **Payments necessary to prevent my eviction from my principal place of residence or the foreclosure of the mortgage on that residence.**

Please attach copies of eviction or foreclosure notices showing at least two months of delinquency.

- a. If your home is rented, please provide a copy of the lease agreement. If you own your home, please provide a copy of your deed or real estate contract.
- b. If your eviction or foreclosure results from your failure to pay property taxes on your principal residence, please furnish copies of the delinquent tax bills for each delinquent year.

5.  **Payments necessary for burial or funeral expenses for my deceased parent, spouse, child(ren), or dependents** (as defined in Internal Revenue Code § 152, without regard to the dependent's income, as provided in IRC § 152(d)(1)(B)).

Please attach a copy of the decedent's death certificate and bills for burial and/ or funeral expenses. A parent need not be an IRC § 152 dependent for a burial/ funeral expense hardship distribution.

The bills provided to the Fund office must be in your name. If the name on the bills differs from yours, you must identify the individual. You must also provide a written explanation of how the cost was allocated among family members or other parties, with a cancelled check, credit card receipt, or other evidence of payment of the bill.

You may not receive a distribution of more than the amount that you actually paid.

6.  **Payments necessary for expenses incurred for the repair of damage to my principal residence that qualify for casualty deduction under Internal Revenue Code § 165** (determined without regard to whether the loss exceeds 10% of adjusted gross income). This includes loss for sudden events, such as fire, storm, theft or other casualty.

Please attach:

- a. Photographs of the casualty damage.
- b. Copies of invoices for the cost of repairs, as well as a brief description of how the damage occurred and what you are repairing. If the repairs have not yet been made, attach a copy of the contract or estimate for repair.
- c. A copy of the report that you filed with your homeowner's insurance company.
- d. A copy of your homeowner's insurance policy.
- e. If the damage to your property was a result of theft, please provide a copy of the police report.

## INCOME TAX WITHHOLDING ON HARDSHIP DISTRIBUTIONS.

The IRS permits the amount of the hardship distribution to be “grossed up” to include amounts needed to pay federal, state, and local income taxes or penalties reasonably anticipated to result from the distribution.

Please note that while a distribution for medical expenses can be made without regard to whether the expenses exceed 7.5% of the participant’s adjusted gross income, only the amount above 7.5% of Adjusted Gross Income (“AGI”) is exempt from the additional 10% tax of IRC § 72(t).

Alternate payees may apply for and receive hardship distributions as if they were participants as long as their account balances include elective contributions.

The hardship distribution you receive from the New Mexico Pipe Trades Pension Plan B is subject to Federal income tax withholding at a rate of 10% unless you elect not to have withholding apply.

Even if you elect not to have Federal income tax withheld, you are liable for payment of Federal income tax on the taxable portion of your distribution. You may also be subject to tax penalties under the estimated tax payment rules if your payment of estimated tax and withholding, if any, is not adequate. Any amount withheld will be credited against Federal income tax you may owe for the year. **You should consult your own tax advisor.**

You may elect not to have withholding apply to your distribution payment by checking box "A" below. Check box “B” if you do want Federal income tax withheld from your distribution. If you do not check either box by the date of your distribution, Federal income tax will be withheld from the taxable portion of your distribution.

- A.  I do not want to have Federal income tax withheld from my Hardship Withdrawal distribution.
- B.  I want to have Federal income tax withheld from my Hardship Withdrawal distribution.

If you are under age 59½, and the reason for the withdrawal is not for the payment of medical expenses, you will be required to pay an additional 10% nondeductible penalty tax on the distribution. The 10% penalty is imposed for early withdrawal from the Plan and is in addition to your regular income tax.

Return your completed election to: New Mexico Pipe Trades Pension Plan B  
4520 Montgomery Blvd. Ste. 1-A  
Albuquerque, NM 87109

The amount that I request is not in excess of the amount needed to satisfy my hardship need and is not reasonably available to me from other sources.

I understand that the amount I am allowed to withdraw is limited by Federal law to the amount of elective contributions in my account as of the date of distribution.

I further understand that I may neither make elective contributions into my account nor receive another hardship distribution for at least twelve months after receipt of the hardship distribution.

By signing below, I request that the Plan Administrator process this request in accordance with the choices indicated above. I also hereby certify, under penalty of perjury, that all of the above statements are true and correct to the best of my knowledge and that any documents that I have attached to this Application are authentic or are true copies of authentic documents. I understand that a false statement may disqualify me for a benefit, and that the Trustees will have the right to recover any payments made to me in reliance upon a false statement. I also understand that a false statement could result in criminal prosecution.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**STATE OF NEW MEXICO**            )  
  )**ss.**  
**COUNTY OF** \_\_\_\_\_ )

**SUBSCRIBED AND SWORN TO** before me this \_\_\_\_ day of \_\_\_\_\_,  
20\_\_ by \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_

