

Important Dues Notice

Update from BLET Tax Compliance department

CLEVELAND, January 11 — Internal Revenue Service regulations require the BLET National Division to inform its members that a certain portion of your National Division dues are not tax deductible as a miscellaneous itemized deduction on your personal tax returns.

According to the National Secretary-Treasurer's office, the portion of the National Division dues that is not subject to deduction as an Itemized Deduction on a Form 1040 tax return is 13.56 percent for 2011. In other words, 86.44 percent of your BLET National Division dues are tax deductible.

The 13.56 percent reflects expenses associated with political lobbying efforts by the BLET, which are not tax deductible.- BLE-T web site

So, how much did you pay in union dues in 2011?

Below is a breakdown of where your union dues go and how the IRS regulation mentioned above affects the deductibility of your dues. The difference in the amounts reflect action taken by our division to have the division absorb the \$.05 of local dues to round the amount to an even dollar amount starting in June, a \$1.00 increase by the National division in June and a \$1.00 dues increase by the GCA in July. In the case of our trainman, the national division also raised their dues by \$7.00 for the month of December and beyond. The first section below will be 100% of what an engineer and a trainman had deducted from their paycheck just for union dues, PAC (Political Action Contributions) contributions are not tax deductible and each member contributes a different amount. The second section will reflect the 13.56% non-deductible portion of the national dues mentioned above.

Section 1:

Engineer's full amount:

	National Dues	GCA Dues	NSLB Dues	Local Dues	Total
Jan. thru May (5)	\$37.00	\$33.00	\$6.00	\$31.05	\$107.05= \$535.25
June (1)	<u>\$38.00</u>	\$33.00	\$6.00	<u>\$31.00</u>	\$108.00= \$108.00
July thru December (6)	\$38.00	<u>\$34.00</u>	\$6.00	\$31.00	\$109.00= <u>\$654.00</u>
TOTAL union dues, not including PAC, paid by an engineer for the year					\$1297.25

Trainman's full amount:

	National Dues	GCA Dues	NSLB Dues	Local Dues	Total
Jan. thru May (5)	\$19.00	\$27.00	\$6.00	\$31.05	\$83.05= \$415.25
June (1)	<u>\$20.00</u>	\$27.00	\$6.00	<u>\$31.00</u>	\$84.00= \$ 84.00
July thru November (5)	\$20.00	<u>\$28.00</u>	\$6.00	\$31.00	\$85.00= \$425.00
December (1)	<u>\$27.00</u>	<u>\$28.00</u>	\$6.00	\$31.00	\$92.00= <u>\$ 92.00</u>
TOTAL union dues, not including PAC, paid by a trainman for the year					\$1016.25

Section 2: Reflecting national dues being reduced by 13.56% per IRS regulations.

Engineer's full amount:

	National Dues	GCA Dues	NSLB Dues	Local Dues	Total
Jan. thru May (5)	\$31.98	\$33.00	\$6.00	\$31.05	\$102.03= \$510.15
June (1)	\$32.85	\$33.00	\$6.00	\$31.00	\$102.85= \$102.85
July thru December (6)	\$32.85	\$34.00	\$6.00	\$31.00	\$103.85= <u>\$623.10</u>
TOTAL IRS reduced union dues, not including PAC, paid by an engineer for the year:					\$1236.10

Trainman's full amount:

	National Dues	GCA Dues	NSLB Dues	Local Dues	Total
Jan. thru May (5)	\$16.42	\$27.00	\$6.00	\$31.05	\$80.47= \$402.35
June (1)	\$17.29	\$27.00	\$6.00	\$31.00	\$81.29= \$ 81.29
July thru November (5)	\$17.29	\$28.00	\$6.00	\$31.00	\$82.29= \$411.45
December (1)	\$23.34	\$28.00	\$6.00	\$31.00	\$88.34= <u>\$ 88.34</u>
TOTAL IRS reduced union dues, not including PAC, paid by a trainman for the year:					\$983.43

Please consult your tax specialist for any questions regarding the tax deductibility of union dues and PAC contributions.

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