

THE REDESIGNED W-4

NEW Form W-4

Form W-4
Department of the Treasury
Internal Revenue Service

Employee's Withholding Certificate

▶ Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay.
▶ Give Form W-4 to your employer.
▶ Your withholding is subject to review by the IRS.

OMB No. 1545-0074
2020

Step 1: Enter Personal Information

(a) First name and middle initial	Last name	(b) Social security number
Address		▶ Does your name match the name on your social security card? If not, to ensure you get credit for your earnings, contact SSA at 800-772-1213 or go to www.ssa.gov .
City or town, state, and ZIP code		
(c) <input type="checkbox"/> Single or Married filing separately <input type="checkbox"/> Married filing jointly (or Qualifying widow(er)) <input type="checkbox"/> Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)		

Complete Steps 2-4 ONLY if they apply to you; otherwise, skip to Step 5. See page 2 for more information on each step, who can claim exemption from withholding, when to use the online estimator, and privacy.

Step 2: Multiple Jobs or Spouse Works

Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs.

Do **only one** of the following.

(a) Use the estimator at www.irs.gov/W4App for most accurate withholding for this step (and Steps 3-4); **or**

(b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; **or**

(c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld

TIP: To be accurate, submit a 2020 Form W-4 for all other jobs. If you (or your spouse) have self-employment income, including as an independent contractor, use the estimator.

Step 3: Claim Dependents

If your income will be \$200,000 or less (\$400,000 or less if married filing jointly):

Multiply the number of qualifying children under age 17 by \$2,000 ▶ \$ _____

Multiply the number of other dependents by \$500 ▶ \$ _____

Add the amounts above and enter the total here **3** \$ _____

Step 4 (optional): Other Adjustments

(a) **Other income (not from jobs).** If you want tax withheld for other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, dividends, and retirement income **4(a)** \$ _____

(b) **Deductions.** If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here **4(b)** \$ _____

(c) **Extra withholding.** Enter any additional tax you want withheld each pay period **4(c)** \$ _____

Starting in 2020, the IRS is requiring the use of a redesigned Form W-4, Employee's Withholding Certificate.

Old Form W-4

Separate here and give Form W-4 to your employer. Keep the worksheet(s) for your records.

Form W-4
Department of the Treasury
Internal Revenue Service

Employee's Withholding Allowance Certificate

▶ Whether you're 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.

OMB No. 1545-0074
2019

1 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. <small>Note: If married filing separately, check "Married, but withhold at higher Single rate."</small>
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 800-772-1213 for a replacement card. ▶ <input type="checkbox"/>
5 Total number of allowances you're claiming from the applicable worksheet on the following pages		
6 Additional amount, if any, you want withheld from each paycheck		6 \$ _____
7 I claim exemption from withholding for 2019, 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
(This form is not valid unless you sign it.) ▶

8 Employee's name and address (Employer: Complete boxes 8 and 10 if sending to IRS and complete boxes 8, 9, and 10 if sending to State Director of New Hires.)	9 First date of employment	10 Employer identification number (EIN)
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For Privacy Act and Paperwork Reduction Act Notice, see page 4. Cat. No. 10220Q Form W-4 (2019)

Step 1. Demographics

Your personal information, such as name and address. The new W-4 introduces a new filing status – **Head of Household**.

Allowances

Because of recent changes in the tax code, the withholding allowances section that appeared in the prior revision of the W-4 was removed in the redesign.

Step 2. Multiple Jobs

This section is for individuals who hold more than one job at a given time or who have a filing status of **Married, filing jointly** and the spouse is also employed.

Step 3. Dependents

If you are claiming any dependents, such as children, complete this section. In the previous revision, you would simply enter the number of allowances. In the redesign, you will use the number of dependents to calculate a dollar amount.

Step 4. Other Adjustments

Complete this section if you have other income outside of your job(s), such as interest or dividends; have non-standard deductions (e.g. student loan interest) you are claiming; or want to have additional tax withheld from your paycheck.

W4 FAQs

QUESTION: Why is there a new Form W-4?

ANSWER: The IRS redesigned Form W-4 as a result of the Tax Cuts and Jobs Act (TCJA) passed in 2017. According to the IRS, the new design "reduces the form's complexity and increases the transparency and accuracy."

QUESTION: Where are the withholding allowances?

ANSWER: Withholding allowances were tied to personal exemptions. Because of changes in the tax code, you can no longer claim personal exemptions. As such, the withholding allowances were removed from Form W-4.

QUESTION: Do employees need to submit a new Form W-4?

ANSWER: No. Employees are not required to re-submit Form W-4 because of the redesign. Employers should continue to withhold tax based on the information provided on the employee's most recently submitted Form W-4.

QUESTION: What if an employee hired prior to 2020 wants to make changes to their withholding amounts.

ANSWER: Employees should use the new Form W-4 with regards to wages paid in 2020 and later.

QUESTION: Where can I get more information?

ANSWER: To learn more about the Form W-4 redesign, including a downloadable copy of the new form, please visit eccapayroll.com/w4redesign.