FEDERAL W-4 FORM

JOB AID PY-12

PY

The purpose of this Job Aid is to describe the process for the updated 2020 Federal W-4 Form in Infotype 0210, as well as an overview of the form.

Background Information

The Internal Revenue Service (IRS) is requiring individuals who want to change their withholdings on or after 12/24/2019, or individuals hired after 12/24/2019, to complete the updated 2020 Federal W-4 Form. Individuals who want to continue their current withholdings do not have to submit an updated form.

Completing the Form

Employee's need to read the instructions included with the updated W-4 form before completing it. These instructions and form can be found at the end of this document. The federal W-4 form is also available on the IRS website. If the employee has additional questions about the W4 form, refer them to the IRS Frequently Asked Questions on the W-4 form. Please do not provide tax advice to employees.

The following section reviews steps of the Federal W4 Form.

Step 1: (**Enter Personal Information**) This step is for the employee to enter their personal information. First, they will enter their first name and middle initial. Then their last name and address with the city, state, and zip code. In Step 1-part b, they will enter their social security number. In part c they will select their filing status.
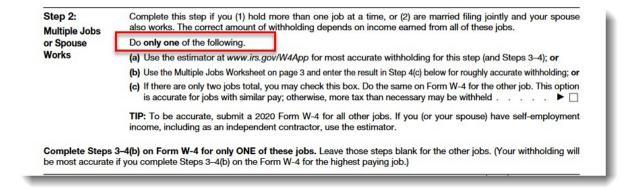
Step 2: (***Multiple Jobs or Spouse Works***) This step should be completed ONLY if it applies to the employee. Step 2 provides the employee with three options; however, the employee should choose ONLY one option.
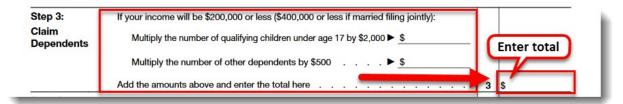
> Option (a): Use the IRS's Tax Withholding Estimator to estimate the most accurate withholding for Step 2 and Steps 3-4.

> Option (b): Use the Multiple Jobs Worksheet on page 3 of the Federal W-4 form and enter the result in Step 4.

> Option (c): If only two jobs are held, you can check this box. This option is most accurate for jobs similar in pay; otherwise, more tax than necessary may be withheld.
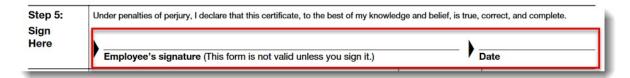

Step 3: (***Claim Dependents***) This step is used to claim tax credits for dependents. The employee will follow the steps to gather information for the total tax credit for dependents, then enter the information on line 3.
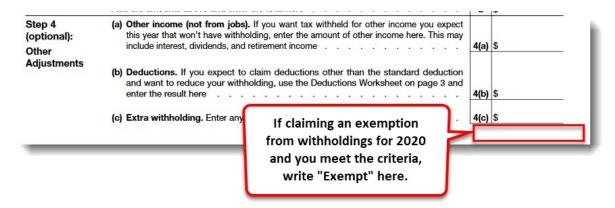

Step 4: (***Optional: Other Adjustments***) This step is used to calculate other income, claim itemized deductions, or withhold additional taxes each pay period.
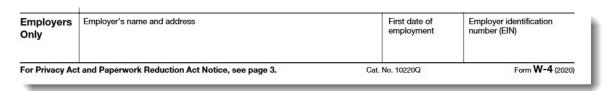
Step 5: (*Sign Here*) The employee must sign the form. The form is not valid unless it is signed and dated. If the form is returned on paper, the employee must turn in a signed and dated original form. If the form is completed through ESS they may use an electronic signature.

Step 5: Sign Here	Under penalties of perjury, I declare that this certificate, to the best of my knowledge and belief, is true, correct, and complete.
	▶ _____ Employee's signature (This form is not valid unless you sign it.) ▶ Date

Claim Exemption: You may claim an exemption from withholding for 2020 if you meet both of the following conditions: you had no federal income tax liability in 2019 and you expect to have no federal income tax liability in 2020. To claim exemption from withholding, certify that you meet both conditions above by writing "Exempt" on Form W-4 in the space below Step 4(c). Then, complete Steps 1a, 1b, and 5. Do not complete any other Steps.

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	4(c) $

> If claiming an exemption from withholdings for 2020 and you meet the criteria, write "Exempt" here.

Employers Only: The employer should enter the agency name, employee's 1st date of employment, and the agency tax ID.

Employers Only	Employer's name and address	First date of employment	Employer identification number (EIN)

For Privacy Act and Paperwork Reduction Act Notice, see page 3.   Cat. No. 10220Q   Form **W-4** (2020)

Infotype 0210 Changes

Federal withholdings infotype 0210 underwent changes on 12/24/2019 to reflect the new IRS Form. When entering in employee information or verifying a record, it is important to review all five areas as well as the employee information in the header. The following sections discuss the important areas to review and how to validate that information with a submitted W-4 form.
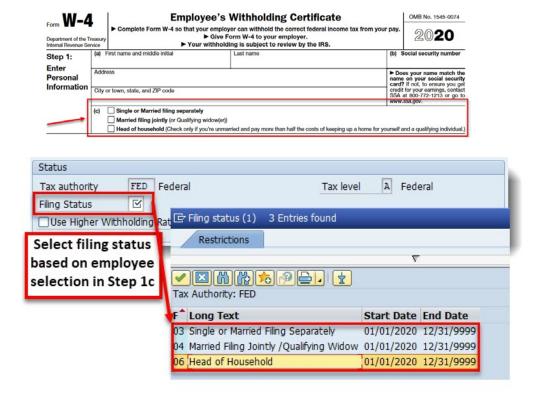
Header

- o The Validity date should be active and start date should match the date on the signed W-4 form.

Status

- o Tax authority and Tax Level should indicate FED.
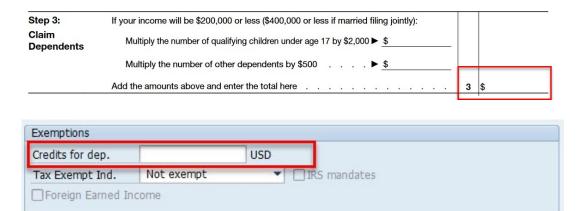- o Filing status should reflect the employee selection made on Step 1(c) of the W-4 form

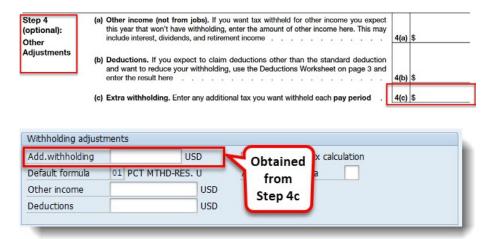o Check the Use Higher Withholding Rates Schedule if the employee selected Step 2(c)

Exemptions

o The total amount in the W-4 Form Step 3 should be entered in the Credits for dep. field.
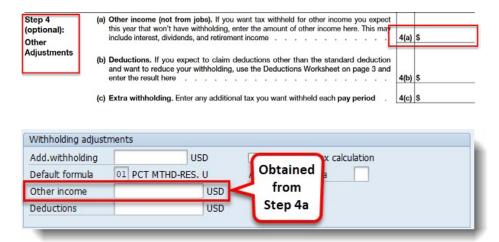o The amount should be entered as dollars and must be $500 or more.

Withholding adjustments

- o If the employee completed Step 4(c) with an additional amount they want withheld; enter this amount in the Add. Withholding field.

- o If the employee entered in any other income not from a job in Step 4(a), the amount would be entered in the Other income field.

o If the employee listed any deductions on Step 4(b), then that information is entered in the Deductions field.