Form W-4 Guide

Beginning January 1, 2020, due to the changes to income tax withholding requirements outlined in the Tax Cuts and Jobs Act of 2017, all employers must use the redesigned Form W-4 for new employees. Employees who have submitted Form W-4 in any year before 2020 must use the new form only if they wish to adjust their withholding for any reason; otherwise, they are not required to submit a new form merely because of the redesign.

This guide walks users through the steps on the new Form W-4. For more information and instructions to to assist in completing the form, refer to the IRS Website.

Form W-4
Employee's Withholding Certificate

Form **W-4**

Department of the Treasury
Internal Revenue Service

▶ 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) ☐ Single or Married filing separately
☐ Married filing jointly (or Qualifying widow(er))
☐ 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.

Complete Steps 3–4(b) on Form W-4 for only ONE of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3–4(b) on the Form W-4 for the highest paying job.)

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)** | $ _____

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

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)

Note: The tax changes did away with Allowances, so there is not a box for Federal Dependents on the new Form W-4.

The new W-4 is laid out in five steps or sections.

Step 1 - Personal Information

The Personal Information section remains the same, with the exception of Step 1 (c), Marital Status.

Marital Status

The Marital Statuses have changed on the new Form W-4:

Marital Status 2020	Marital Status 2019
Single or Married Filing Separately	Single
Married Filing Jointly (or Qualifying widow(er))	Married
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.)	Married but withhold at higher Single rate **Note:** If married filing separately, check "Married, but withhold at higher Single rate."

Six new Marital Statuses have been added to Evolution to accommodate the redesigned form.

- Standard Single or Married filing separately (uses new calculation)
- Higher Single or Married filing separately (new calculation)
- Standard Married filing jointly (new calculation)
- Higher Married filing jointly (new calculation)
- Standard Head of household (new calculation)
- Higher Head of household (new calculation)

These statuses are now available to select in the **Federal Marital Status** field on the Employee - Employee - EE Entry screen, Tax Details section.

Note: If the Marital Status in the system shows as "Single" or "Married", the current [old] calculation applies, as the system continues to be able to calculate for employees with the original Form W-4 (and Marital Statuses) on file.

Step 2 - Multiple Jobs or Spouse Works

Complete Steps 2 - 4 only if you have more than one job at the same time, or are married filing jointly, and you and your spouse both work. For more information, refer to the instructions on the IRS Website.

Note: If Box (c) in Step 2 is checked, the marital statuses with "higher" in the name should be selected. If left unchecked, select from the martial statuses with "standard" in the name.

Step 3 - Claim Dependents

Add information here if you are completing Steps 2-4, and if your income will be $200,000 or less ($400,000 or less if married filing jointly). This step on the W-4 is titled "Claim Dependents" but if you read the instructions, this is where other tax credits can be entered as well. For more information, refer to the instructions on pages 2 and 3 of the .PDF on the IRS Website.

Enter the total amount in Box 3 in the **W-4 Total Dependents Tax Credit** field in the Tax Details section on the Employee - Employee - EE Entry screen.

Note: Due to the fact that there is no longer a box for Federal Dependents on the new Form W-4, the **Federal Dependents** field on this screen is only used for information from the "old" W-4s. For new entries based on the new tax regulations, enter a zero because it is a required field. The system does not consider a value other than 0 in the new calculations based on the new marital statuses.

Step 4 - (optional) Other Adjustments

Again, add information here only if you are completing Steps 2-4. For more information, refer to the instructions on pages 2 and 3 of the .PDF on the IRS Website.

Step 4(a) Other Income

Enter the amount in Box 4(a) in the **Other Income** field, in the Tax Details section on the Employee - Employee - EE Entry screen.

Step 4(b) Deductions

Enter the amount in Box 4(b) in the **Deductions** field, in the Tax Details section on the Employee - Employee - EE Entry screen.

Step 4(c) Extra Withholding

Enter the amount in Box 4(c) in the **Override Fed Tax Type and Override Fed Tax Value** fields, on the Employee - Employee - Federal tab screen.

Federal Taxation

Override Fed Tax Type *
Additional Amount ▾

Override Fed Tax Value

EIC
None ▾

FUI Rate Credit Override

Override Federal Minimum Wage

Use Effective Dates to Change Tax Statuses

EE Federal *
◉ Exempt   ○ Block   ○ Include

EE OASDI Exempt *
◉ Yes   ○ No

EE Medicare Exempt *
◉ Yes   ○ No

ER OASDI Exempt *
○ Yes   ◉ No

ER Medicare Exempt *
○ Yes   ◉ No

ER FUI Exempt *
○ Yes   ◉ No