

In an effort to make accurate income tax withholding easier for employees, the IRS has modified Form W-4 (Employee Withholding Certificate). The new form is to be used effective January 1, 2020. Key points regarding the new form are:

- As of January 1, 2020, newly hired employees must complete the new form.
- Current employees are not required to complete a new form if they are satisfied with current tax withholding. We are able to compute withholding based on information from the employees' most recently submitted Form W-4.
- If current employees choose to adjust their withholding, any adjustments made after January 1, 2020 must be made using the new form.
- The 2020 Form W-4 is on a single full page followed by instructions, worksheets and tables. The new W-4 includes a process with five possible steps for declaring additional income so employees can adjust their withholding more accurately. Withholding allowances have been eliminated on the form. The five steps are:
  - **Step 1** - Enter personal information
  - **Step 2** - Indicate multiple jobs or if spouse works
  - **Step 3** - Claim dependents
  - **Step 4** - Make other adjustments for
    - Investment and retirement income
    - Deductions other than the standard deduction
    - Extra withholdings
  - **Step 5** - Signature
- The only required steps required to submit a new form are Step 1, where the personal information such as name and filing status is entered and Step 5, where the form is signed.
- If Steps 2, 3 or 4 apply you may choose to provide the information. This will allow the withholding to more accurately match your tax liability. However, you may use Step 4 to make the adjustment without providing the additional information.
- The IRS has provided a Tax Withholding Estimator to help with the completion of the new Form W-4. The following link will direct you to the estimator <https://www.irs.gov/individuals/tax-withholding-estimator>

You will be responsible for making any adjustments to your withholdings using the new Form W-4 and updating the Tax Information section within the Employee Profile section of LINQ Time Keeper module.

For additional information you may visit FAQs on the 2020 Form W-4 on the IRS Website <https://www.irs.gov/newsroom/faqs-on-the-2020-form-w-4>.