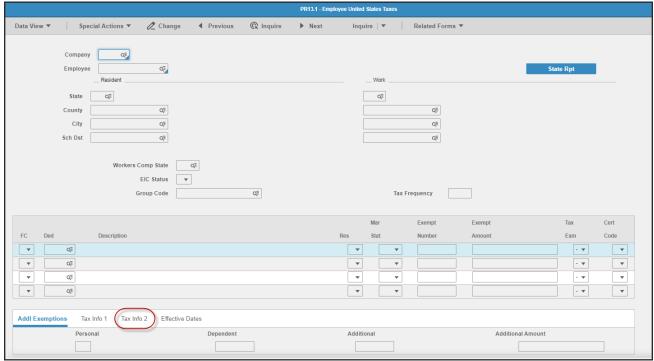
What changes have been made to accommodate the 2020 W-4 form?

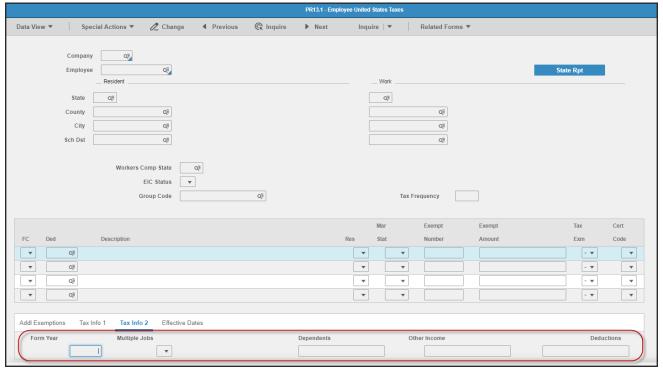
See notations for Phase Two updates

Based on the changes made to the 2020 W-4 form, several new fields have been added to the HRM system. The values for these fields will be stored in PRREGPARM. You may need to evaluate your security setup for the PRREGPARM table to ensure your employees have the proper access to update these fields.

A new tab was added to Employee United States Taxes (PR13.1) to accommodate the new fields on the 2020 W-4 form. You will find these new fields on the **Tax Info 2** tab:



The Tax Info 2 tab contains all the new fields for the 2020 W-4s



Employee United States Taxes (PR13.1) new field details:

Form Year (FLD-NBR=6001)

Because there is no requirement for existing employees to complete the 2020 W-4 field, the Form Year field is required to be passed to BSI so that the appropriate tax tables are used. The Form Year is sent to BSI to use the 2020 tax tables. If this is not passed (i.e. If no 2020 W-4 filled out, BSI will utilize other tax tables).

Multiple Jobs (FLD-NBR=6002)

Corresponds to Step 2 on the 2020 W-4. Yes/No field, if this box is checked, 'Yes' value would be selected.

Dependents (FLD-NBR=6003)

Corresponds to Step 3 on the 2020 W-4. Enter the combined dependent fields amount from the form.

Other Income (FLD-NBR=6004)

Corresponds to Step 4a on the 2020 W-4. Enter the amount of other income to be taxed.

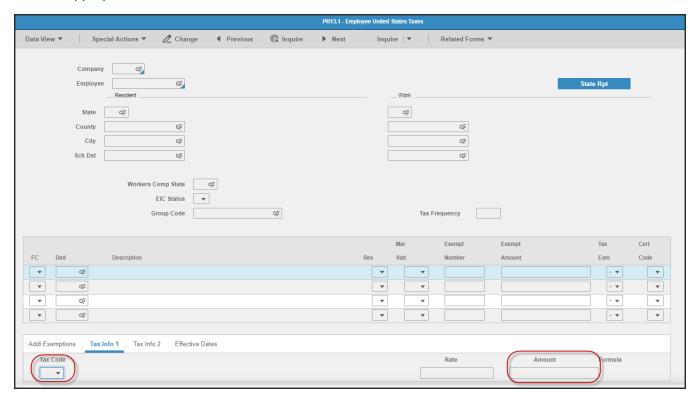
Deductions (FLD-NBR=6005)

Corresponds to Step 4b on the 2020 W-4. Enter the amount of deductions other than the standard deduction to reduce your withholding based on the Deductions Worksheet on page 3 of the W-4 form.

JT-1372162 UPDATE (separate from Phase Two JT): These fields are now able to successfully be stored to HRHISTORY

Additional Information:

Corresponding to Step 4c on the 2020 W-4, Extra Withholding Amount remains populated on the **Tax Info 1** tab with the appropriate Tax Code



Marital Status Values

For the 2020 W-4, the IRS changed the Martial Status values on the W-4 form.

There are now 5 valid values for 2020 marital status:

Single

Married Filing Separately

Married Filing Jointly

Qualifying Widower

Head of Household

**Note that the status of '02=Married' is no longer valid for 2020 and later, therefore employees may need to evaluate which of the new marital status values best suits their taxation needs.

BSI has adjusted the Marital Status values to accommodate for the new values on the 2020 W-4. These values exist on the PR13.1 as the following values:

- Single or Married Filing Separately
 - Status = 01-Single
 - Status = 03-Married Filing Separately
- Married Filing Jointly (or Qualifying Widower)
 - Status = 04-Married, Both Spouses Working
 - Status = 08-Widow or Widower
- Head of Household
 - Status = 06-Head of Household

Any option that has multiple values (i.e. Single or Married Filing Separately) will default to the first value when selecting in Employee Self Service (i.e. Single or Married Filing Separately will default to Single). These values can be changed on the PR13.1.

The Marital Status values and descriptions shown on the PR13.1 correspond to the values and descriptions provided by BSI and the Internal Revenue Service.

Exemptions

Exemptions are no longer valid for Tax Year 2020, however, because it is not mandatory for employees to fill out a 2020 W-4 the exemption field must remain. When an employee fills out a 2020 W-4 and had exemptions from prior years, that data will **not** be cleared out as it is valid historical data and is needed if retro payments are processed. However, changes have been made to hide this field's value when selecting Tax Withholding in Employee Self Service if a 2020 or later W-4 has been entered.

If a company wishes to clear out the Exemptions field, that can be done on PR13.1. You will want to ensure that you will not be making any retro payments to the employee prior to clearing out the field.

Because Infor is sending the Form Year=2020 to BSI as required, BSI will then ignore any fields that are sent from previous W-4s (i.e. Number of exemptions) so that data will not be used in any tax calculations.

Tax Calculations

All tax calculations are handled by BSI. In order to accurately calculate Federal taxes for 2020 W-4 information, you must be on **TaxFactory 10.0.w** with at least **Bulletin #179**.

HRM 2020 W-4 Phase Two Updates

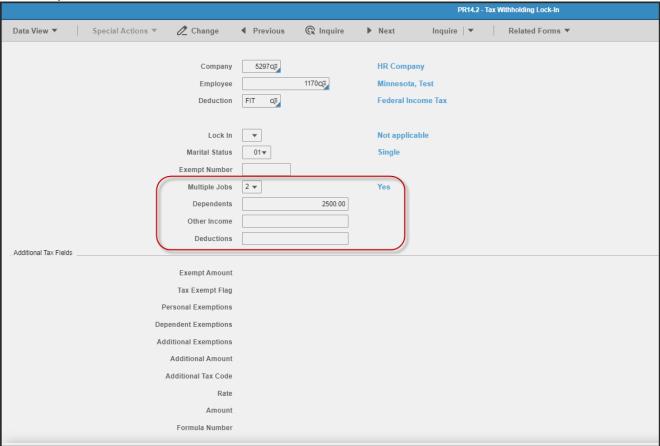
Due to the number of enhancements needing to be done after the IRS released the final 2020 W-4 version on December 5, 2019, the decision was made to release just basic W-4 processing in order to be available January 1, 2020.

The following updates are being released with HRM JT-1366801:

NOTE: Due to interdependencies between W-4 Phase 2 and TaxFactory 10.0.x updates, a DBREORG may be required when applying JT-1366801

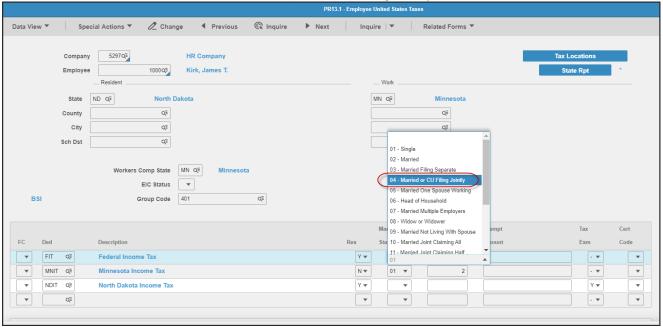
Tax Withholding Lock-in (PR14.2):

- Updated with 2020 W-4 fields

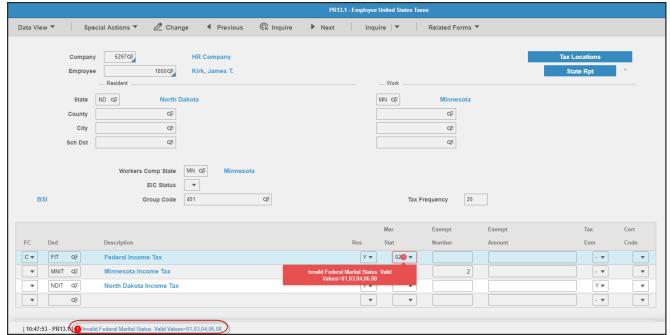


Employee United States Taxes (PR13.1):

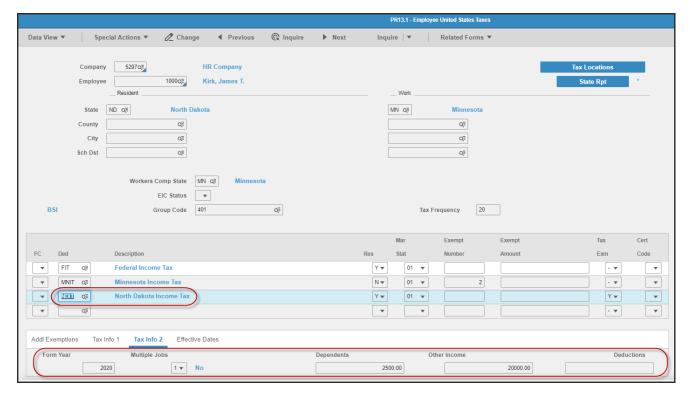
- 1) Change Marital Status = 04 description to align with BSI changes
 - a. 04=Married, Both Spouses Working
 - i. Now 04=Married or CU (civil union) Filing Jointly



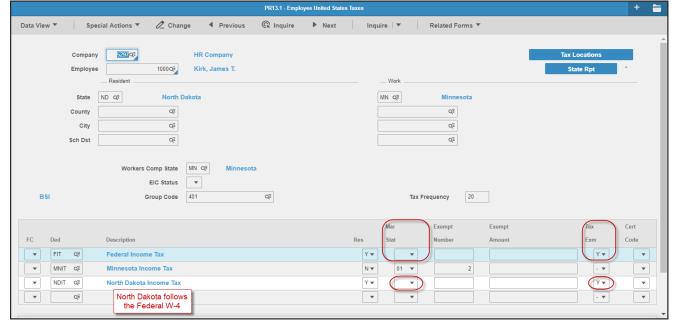
- 2) Marital Status on the Federal deduction will now only allow <u>valid</u> Federal Marital Status values to be entered for 2020 and beyond for the Federal Withholding deduction
 - a. Valid 2020 Federal values are: 01, 03, 04, 06, 08
 - i. When Form Year=2020 or later



- 3) Allow for the 2020 W-4 fields to be used by states
 - a. Meant to be used by those states that utilize the Federal W-4
 - i. Colorado, New Mexico, North Dakota, Utah (as of 03/2020)
 - b. If data is populated for states that do not use these fields, the data will be ignored

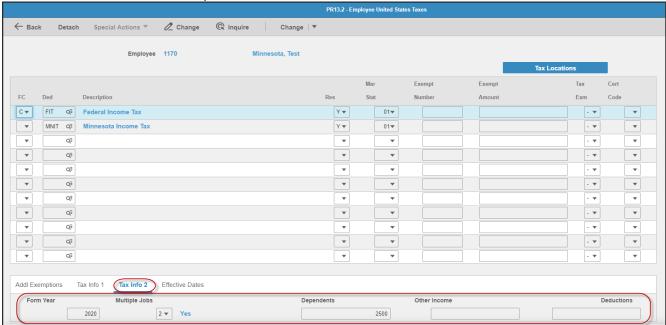


- 4) Allow blank Marital Status value if claiming 'Exempt'
 - a. When an employee claims 'Exempt', marital status can now be blank or contain a value
 - b. When claiming 'Exempt' in Employee Self Service, the default value will be blank but can be changed on PR13.1



Employee United States Taxes (PR13.2):

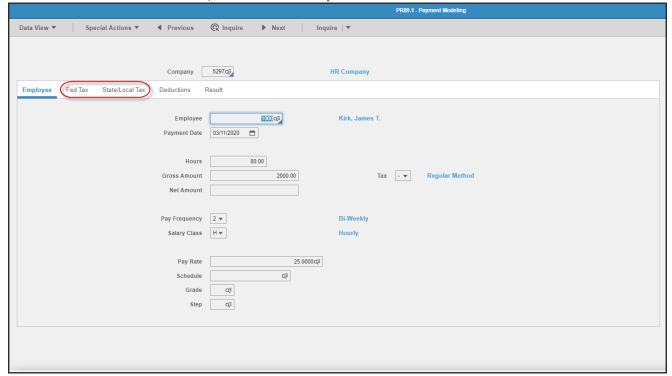
- 1) Updated with 2020 W-4 fields
 - a. Same functionality as is available on PR13.1



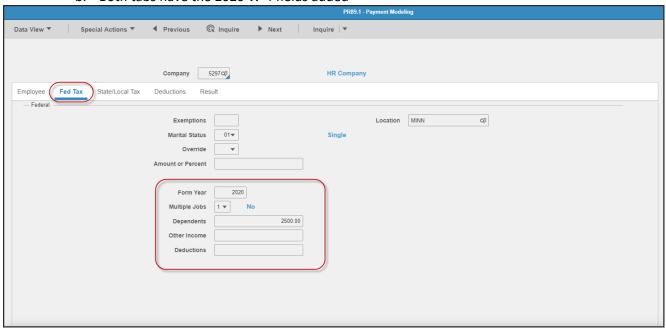
Payment Modeling (PR89):

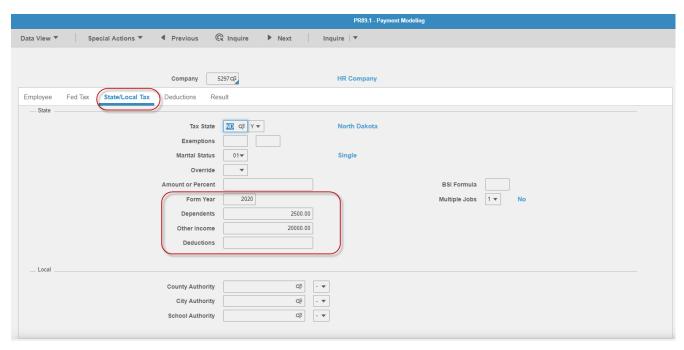
1) Updated to accommodate for the 2020 W-4 fields

a. Federal and State/Local have been separated into 2 tabs



b. Both tabs have the 2020 W-4 fields added





Payment Print (PR160) → PMTOUT <DEDS> Record:

1) 2020 W-4 fields added for both Federal and State

169-169	FED-RGP-MULTIPLE- JOBS	Multiple Jobs	Numeric 1 position	1=No, 2=Yes	
170-181	FED-RGP-DEPENDENTS	Dependents	Signed 11 positions 2 decimals		99999999999 where S = + or -
182-193	FED-RGP-OTHER-INCOME	Other Income	Signed 11 positions 2 decimals		99999999999 where S = + or -
194-205	FED-RGP-DEDUCTIONS	Deductions	Signed 11 positions 2 decimals		99999999999 where S = + or -
206-206	ST-RGP-MULTIPLE-JOBS	Multiple Jobs	Numeric 1 position	1=No, 2=Yes	
207-217	ST-RGP-DEPENDENTS	Dependents	Signed 11 positions 2 decimals		99999999999 where S = + or -
218-228	ST-RGP-OTHER-INCOME	Other Income	Signed 11 positions 2 decimals		99999999999 where S = + or -
229-239	ST-RGP-DEDUCTIONS	Deductions	Signed 11 positions 2 decimals		99999999999 where S = + or -

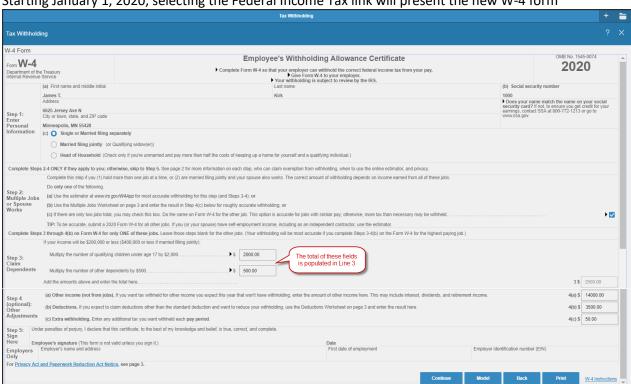
Employee Self Service Updates for 2020 W-4

As in prior years, Employee Self Service will display an electronic representation of the Federal W-4 form to be filled out. Once updated, the data is updated to PR13.1/PRREGPARM. Note that this is not a 'true' electronic form, simply an electronic representation of the Federal W-4 form.

When selecting the Tax Withholding bookmark under Employee Self Service > Pay, the initial screen will show the new 2020 W-4 fields and their values.



Starting January 1, 2020, selecting the Federal Income Tax link will present the new W-4 form

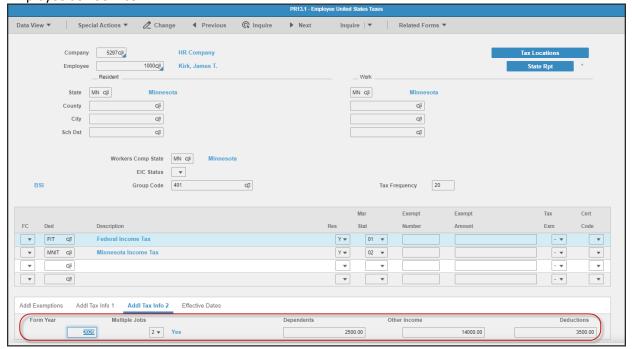


Once the new data is entered and Update is selected, the information will be updated to the initial screen



Employee United States Taxes (PR13.1) will also be updated

NOTE: The Form Year field will be automatically populated on the PR13.1 when changes are made via Employee Self Service



NOTE: The IRS has removed the "Exempt" field from the 2020 W-4. Per IRS instructions:

Exemption from withholding. You may claim 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. You had no federal income tax liability in 2019 if (1) your total tax on line 16 on your 2019 Form 1040 or 1040-SR is zero (or less than the sum of lines 18a, 18b, and 18c), or (2) you were not required to file a return because your income was below the filing threshold for your correct filing status. If you claim exemption, you will have no income tax withheld from your paycheck and may owe taxes and penalties when you file your 2020 tax return. To claim exemption from withholding, certify that you meet both of the 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. You will need to submit a new Form W-4 by February 16, 2021.

Infor provides an electronic representation of the W-4 form. Any employee wanting to claim exemption from withholding in 2020 would need to print the Employee Self Service form, write "Exempt" below Step 4(c) and have the change made directly on the Employee United States Taxes (PR13.1).

Employee Self Service PHASE TWO Updates (Part One):

Due to the number of enhancements needing to be done after the IRS released the final 2020 W-4 version on December 5, 2019, the decision was made to release just basic processing in order to be available January 1, 2020.

These Phase Two EMSS updates will be released in two parts in order to get the most urgently requested items release first.

The following items are being released with Employee and Manager Self Service updates **10.0.7.0.38** and **10.0.8.0.18**:

Previous Year Exemptions:

- 1) If a 2020 W-4 has been entered, the Number of Exemptions from prior years will be 'hidden'. The presence of "***" will indicate to the employee that there exists historical data for prior years
 - a. Because of interdependencies with S3 and BSI, at this time this will only affect the Federal Withholding
 - i. For those states that follow the Federal W-4, this functionality for State Withholding will be included in a future release



Step 3-Claim Dependents:

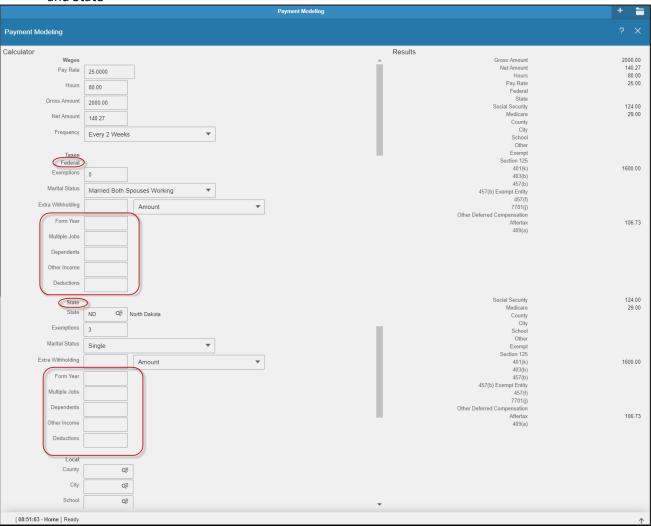
1) Step 3 values will be edited to ensure that amounts entered conform to the noted requirements





Payment Modeling:

1) Payment Modeling button has been updated to accommodate for the new W-4 fields for both Federal and State



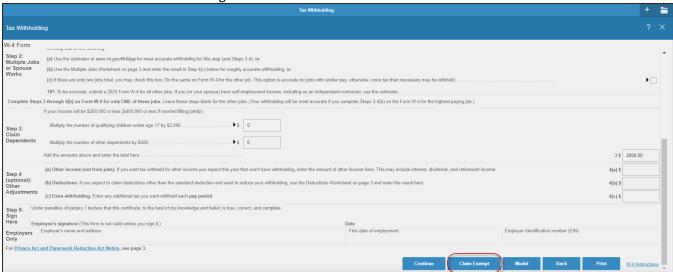
Employee Self Service PHASE TWO Updates (Part Two):

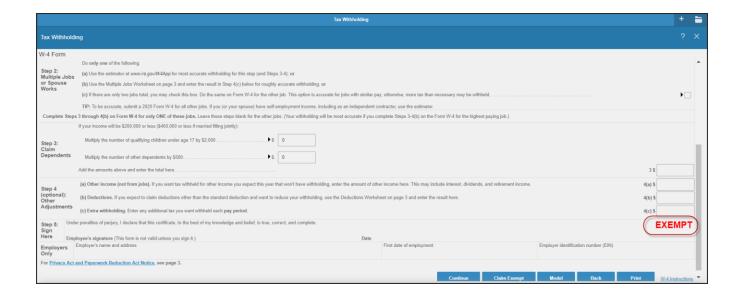
Due to the number of enhancements needing to be done after the IRS released the final 2020 W-4 version on December 5, 2019, the decision was made to release just basic processing in order to be available January 1, 2020. These Phase Two updates are released in two parts in order to get the most urgently requested items released first.

The following items are being released with Employee and Manager Self Service updates **10.0.7.0.39** and **10.0.8.0.19**:

Claiming Exempt:

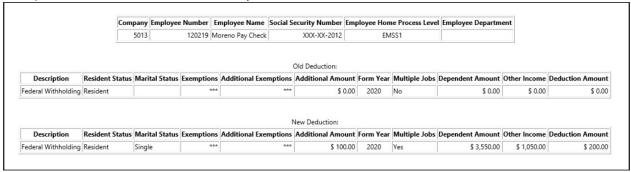
- 1) A button for claiming 'Exempt' is now available on the W-4
 - a. Works in conjunction with HS23 to show/hide button
 - b. When printing, will include the word 'EXEMPT' in the space below Step 4(c)
 - c. Marital Status will default to 'blank' when claiming exempt as per IRS instructions
 - i. Can be changed on PR13.1 if Marital Status is desired





Email Process Flow:

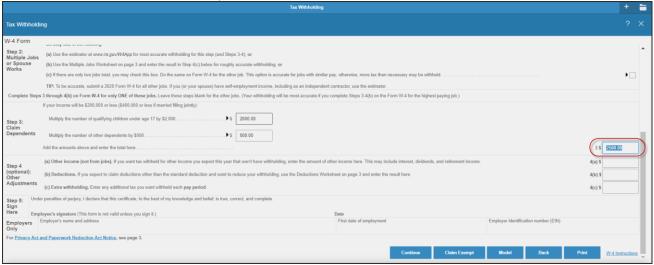
1) Email Process Flows have been updated for 2020 W-4 fields



Step 3-Claim Dependents:

- 1) Update Line 3 to be editable
 - a. Because Line 3 can include other tax credits in addition to the dependents (i.e. Education Tax credits, Foreign Tax credits, etc.), the field needs to be editable.

b. The total of the boxes for qualifying children and other dependents will continue to default into Line 3, but the ability to add additional tax credits to Line 3 is now available



State Withholding:

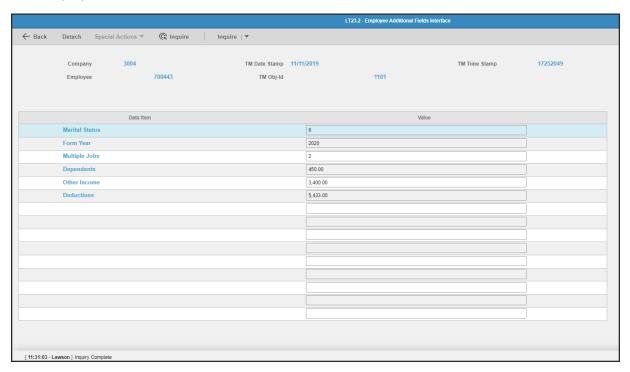
- 1) Add 2020 W-4 fields to the State Withholding to allow use by those states that utilize the Federal W-4
 - a. Not all will use these fields, therefore a note was added to remind employees to review individual state requirements
 - b. If data is populated for states that do not use these fields, the data will be ignored



Updates for GHR

As with current W-4 information, the new 2020 W-4 fields will be updated from GHR via the Employee Additional Fields Interface (LT23.2) screen (accessed via the "Addtl Fields" button from LT11).

Once populated on the LT23.2, the HRM Receiver Update (LT111) is run to update the employee's information onto Employee United States Taxes (PR13.1).



Patch Notes

Description	JT Number	Notes
2020 W-4 Phase 1	JT-1318839	
2020 W-4 Phase 2	JT-1366801	
Fix: PR13.1 data removed when PR14 date changed	JT-1418279	Occurs in Patch10 only
Employee and Manager Self Service		EMSS updates are cumulative, apply the latest available patch for EMSS version 10.0.7 or 10.0.8