United States

IRS Tax Withholding Estimator Live for 2023 Tax Year

20 January 2023

Report from our correspondent Sanya Shah

The US Internal Revenue Service (IRS) advises (IR-2023-10, 19 January 2023) taxpayers to use the Tax Withholding Estimator to review and adjust their 2023 withholding in order to avoid unanticipated tax bills when filing their income tax return next year. The Tax Withholding Estimator is an online tool which assists taxpayers in determining whether they have too much, or too little, income tax withheld on their earned wages. The online tool is available in both English and Spanish.

Income taxes are pay-as-you-go and are generally paid throughout the year as income is received via withholding from pay-checks, pension payments, Social Security benefits or certain other government payments. In cases where too little tax is withheld, the Tax Withholding Estimator assists taxpayers in determining the correct income tax amount they should have withheld from their pay-check. Taxpayers are able to use the estimate to change their withholding amount and submit a new Form W-4, Employee's Withholding Certificate, to their employer.

Alternatively, taxpayers may make estimated tax payments for the following year using IRS Direct Pay or the Treasury Department's Electronic Federal Tax Payment System (EFTPS). For information on other payment options, visit Pay Online. If paying by check, taxpayers should ensure checks are payable to the "United States Treasury."

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