

New 2020 Form W-4 Effective January 2020

The [2020 Form W-4](#), Employee's Withholding Certificate, is very different from previous versions. This is due to the federal tax law changes ([Tax Cuts and Jobs Act](#) signed on December 22, 2017) that took place in 2018.

The Internal Revenue Service (IRS) is not requiring all employees to complete the revised form and has designed the withholding tables so that they will work with both the new and prior year forms.

However, certain employees will be required to use the new form: those hired in 2020 and anyone who makes withholding changes during 2020. If you do not fill out the form, the employer is required to calculate your withholding as "Single", so the employer can withhold your taxes at the higher "Single" rate.

You must complete Steps 1 and 5. Steps 2, 3, and 4 are optional, but completing them will help ensure that your federal income tax withholding will more accurately match your tax liability. Step 1 is for your personal information; Step 2 is for households with multiple jobs; Step 3 is used to claim tax credits for dependents; Step 4 is for other adjustments (additional income such as interest and dividends, itemized deductions that exceed the standard deduction, and extra tax you want withheld); and Step 5 is where you sign the form.

The IRS takes your privacy seriously and suggests that, if you are worried about reporting income from multiple jobs in Step 2 or other income in Step 4(a), you check the box in Step 2(c) or enter an additional withholding amount in Step 4(c). To determine the additional withholding amount, you can the IRS's [Tax Withholding Estimator](#). The IRS has also published [Frequently Asked Questions](#) that you may find helpful.

Please note, Revolution Payroll cannot advise or offer tax advice to any employee on how to fill out the tax forms. Please contact your tax advisor for additional instructions.

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Summary of Changes Between the Older Form W-4 to the New 2020 Form W-4

Filing Status Changes:

- Married but withholding at higher single rate *eliminated*
- Head of Household option *added*

Withholding Allowances have been *eliminated*

New Multiple Jobs selection for higher rate withholding has been *added*

New optional employee calculated amount fields for:

- Dependent allowances
- Other income
- Deductions

REMINDER: All employees who have a 2019 or prior Form W-4 on file will not be required to submit a new 2020 Form W-4. If you want to make changes to your withholding after January 1, 2020, you will be required to fill out the new Form W-4. Employees hired in 2020 or after are required to fill out a new Form W-4 as well.

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Summary of Changes Cont.

Box 3 from the older form was used for your withholding selection. It has now been moved to Step 1(c) on the 2020 Form W-4. Please note that **Married but withholding at higher Single rate** has been removed and **Head of Household** has been added.

Form W-4 Department of the Treasury Internal Revenue Service		Employee's Withholding Allowance Certificate ▶ Whether you're entitled to claim a certain number of allowances or exemption from withholding is subject to review by the IRS. Your employer may be required to send a copy of this form to the IRS.		OMB No. 1545-0074 2019
1 Your first name and middle initial		Last name		2 Your social security number
Home address (number and street or rural route)		3 <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Married, but withhold at higher Single rate. Note: If married filing separately, check "Married, but withhold at higher Single rate."		
City or town, state, and ZIP code		4 If your last name differs from that shown on your social security card, check here. You must call 800-772-1213 for a replacement card. ▶ <input type="checkbox"/>		

Form W-4 Department of the Treasury Internal Revenue Service		Employee's Withholding Certificate ▶ 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) <input type="checkbox"/> Single or Married filing separately			
		<input type="checkbox"/> Married filing jointly (or Qualifying widow(er))		
		<input type="checkbox"/> 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.)		

Box 5 from the older form has now been eliminated and has been replaced by Step 3 on the 2020 Form W-4. This is a calculation that you will need to complete to request exemptions from your pay.

		2019 Form W-4	
5	Total number of allowances you're claiming (from the applicable worksheet on the following pages)	5	
6	Additional amount, if any, you want withheld from each paycheck	6	\$
7	I claim exemption from withholding for 2019, and I certify that I meet both of the following conditions for exemption. • Last year I had a right to a refund of all federal income tax withheld because I had no tax liability, and • This year I expect a refund of all federal income tax withheld because I expect to have no tax liability. If you meet both conditions, write "Exempt" here. ▶ 7		
Under penalties of perjury, I declare that I have examined this certificate and, to the best of my knowledge and belief, it is true, correct, and complete.			
Employee's signature		Date ▶	
(This form is not valid unless you sign it.) ▶			

		2020 Form W-4	
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 \$		

Box 6 on the older form was for additional money that you would like to have deducted out of your check each payroll. That has now been replaced with Step 4(c) on the 2020 Form W-4.

2019 Form W-4

5	Total number of allowances you're claiming (from the applicable worksheet on the following pages)	5	
6	Additional amount, if any, you want withheld from each paycheck	6	\$
7	I claim exemption from withholding for 2019, and I certify that I meet both of the following conditions for exemption. <ul style="list-style-type: none"> • Last year I had a right to a refund of all federal income tax withheld because I had no tax liability, and • This year I expect a refund of all federal income tax withheld because I expect to have no tax liability. If you meet both conditions, write "Exempt" here ▶ 7		

Under penalties of perjury, I declare that I have examined this certificate and, to the best of my knowledge and belief, it is true, correct, and complete.

Employee's signature
 (This form is not valid unless you sign it.) ▶

Date ▶

2020 Form W-4

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)	\$

Box 7 on the old form was used for employees who were claiming exempt for their federal taxes. This has now been replaced with Step 4(c).

2019 Form W-4

5	Total number of allowances you're claiming (from the applicable worksheet on the following pages)	5	
6	Additional amount, if any, you want withheld from each paycheck	6	\$
7	I claim exemption from withholding for 2019, and I certify that I meet both of the following conditions for exemption. <ul style="list-style-type: none"> • Last year I had a right to a refund of all federal income tax withheld because I had no tax liability, and • This year I expect a refund of all federal income tax withheld because I expect to have no tax liability. If you meet both conditions, write "Exempt" here ▶ 7		

Under penalties of perjury, I declare that I have examined this certificate and, to the best of my knowledge and belief, it is true, correct, and complete.

Employee's signature
 (This form is not valid unless you sign it.) ▶

Date ▶

2020 Form W-4

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)	\$

There are also two other options that you can select on the 2020 Form W-4. Both options are for employees who work multiple jobs. It would require you to fill out the information for additional deductions out of your paycheck.

Form W-4		Employee's Withholding Certificate		OMB No. 1545-0074
Department of the Treasury Internal Revenue Service		<p>► Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay.</p> <p>► Give Form W-4 to your employer.</p> <p>► Your withholding is subject to review by the IRS.</p>		
2020				
Step 1: Enter Personal Information	(a) First name and middle initial		Last name	(b) Social security number
	Address			<p>► 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.</p>
	City or town, state, and ZIP code			
	(c) <input type="checkbox"/> Single or Married filing separately <input type="checkbox"/> Married filing jointly (or Qualifying widow(er)) <input type="checkbox"/> 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.)			
<p>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.</p>				
Step 2: Multiple Jobs or Spouse Works		<p>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.</p> <p>Do only one of the following.</p> <p>(a) Use the estimator at www.irs.gov/W4App for most accurate withholding for this step (and Steps 3-4); or</p> <p>(b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; or</p> <p>(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 <input type="checkbox"/></p> <p>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.</p>		
<p>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.)</p>				
Step 3: Claim Dependents		<p>If your income will be \$200,000 or less (\$400,000 or less if married filing jointly):</p> <p>Multiply the number of qualifying children under age 17 by \$2,000 ► \$</p> <p>Multiply the number of other dependents by \$500 ► \$</p> <p>Add the amounts above and enter the total here 3 \$</p>		
Step 4 (optional): Other Adjustments		<p>(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) \$</p> <p>(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) \$</p> <p>(c) Extra withholding. Enter any additional tax you want withheld each pay period 4(c) \$</p>		

Please refer to the [IRS Instructions](#) or your tax advisor for more information.