



















# New W-4 for 2020

- ▶ **There are no longer a number of allowances that an employee claims**
- ▶ Steps 1- 5 on the W-4 should be completed by the Employee
- ▶ Steps 1 and 5 are required and Steps 2, 3, and 4 are optional
- ▶ Step 1 asks for demographic information and SSN of employee (required)
- ▶ Step 2 deals with employees who have multiple jobs, or who have a spouse that works. (optional)
- ▶ Step 3 deals with dependents that are converted in dollars. (optional)
- ▶ Step 4 is for employees that want more/less withheld to cover other taxable income/deductions. (optional)
- ▶ Step 5 is where the employee signs the form (required); **If the form is not signed**, it is considered to be invalid and you should apply the default withholding rule: **single filer status with no other adjustment**.
- ▶ If an employee is exempt from federal income taxes, they should write exempt in Step 4 at the bottom.