



Introduction

The Internal Revenue Service has released a new design and options for the 2020 W-4 Employee's Withholding Certificate form. The reason for the new design is to accurately determine the withholding using straightforward questions and less complicated worksheets. The form will be mandatory for all those hired after 1/1/2020, and any employee changing their withholding after 1/1/2020.

Internal Revenue Service

The Internal Revenue Service <u>www.irs.gov</u> has added a <u>Frequently Asked Questions</u> page to their website.

Here is a copy of the newly redesigned 2020 W-4:

Enter Personal Information	e	(b) So ▶ Does	2020 ocial security number
Enter Personal Information	ddress tity or town, state, and ZIP code	► Does	
Personal Information	Sity or town, state, and ZIP code	name	
(➤ Does your name mat name on your social se card? If not, to ensure y credit for your earnings, SSA at 800-772-1213 or www.ssa.gov.		on your social security If not, to ensure you ge or your earnings, contact 800-772-1213 or go to
	Single or Married filing separately Married filing jointly (or Qualifying widow(eri)) Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for you see 2–4 ONLY if they apply to you; otherwise, skip to Step 5. See page 2 for more information from withholding, when to use the online estimator, and privacy.		
Step 2: Multiple Jobs or Spouse Works	Complete this step if you (1) hold more than one job at a time, or (2) are married filing also works. The correct amount of withholding depends on income earned from all of the Do only one of the following.		
	(a) Use the estimator at www.irs.gov/W4App for most accurate withholding for this step (and Steps 3-4); or		
	(b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; or		
	(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 ▶ □		
	TIP: To be accurate, submit a 2020 Form W-4 for all other jobs. If you (or your spouse income, including as an independent contractor, use the estimator.	e) hav	e self-employmen
	s 3–4(b) on Form W-4 for only ONE of these jobs. Leave those steps blank for the other job e if you complete Steps 3–4(b) on the Form W-4 for the highest paying job.)	s. (Yo	our withholding wil
Step 3:	If your income will be \$200,000 or less (\$400,000 or less if married filing jointly):		
Claim Dependents	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	\$
Step 4 (optional): Other	(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)	\$
Adjustments	(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)	\$



Tax Information

Effective 1/1/2020, the **Tax Information** screen in iSolved will change to accommodate the new withholding statuses. The Employee Self-Service > Tax Updates wizard will also change, along with **Quick Hire** and the **New Hire Wizard**. Here are the steps to complete the updated W-2 information.

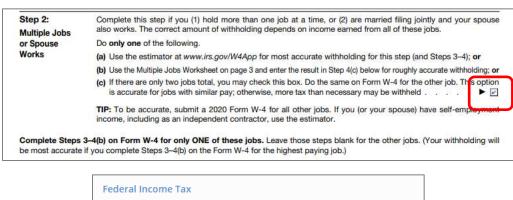
1. Navigate to Employee Management > Employee Pay > Tax Information.



2. Change the **Filing Status** to match what was selected in the step above (c).

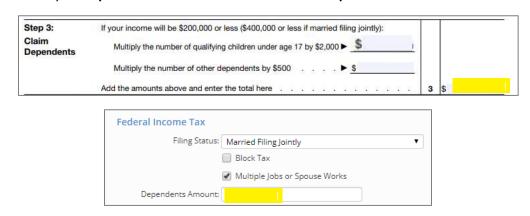


3. If there is a check box in **Step 2**, please check the "Multiple Jobs or Spouse Works" box under **Federal Income Tax**.





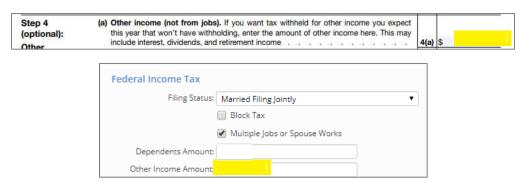
4. The entry in Step 3 of the 2020 W-4 is entered under Dependents Amount.



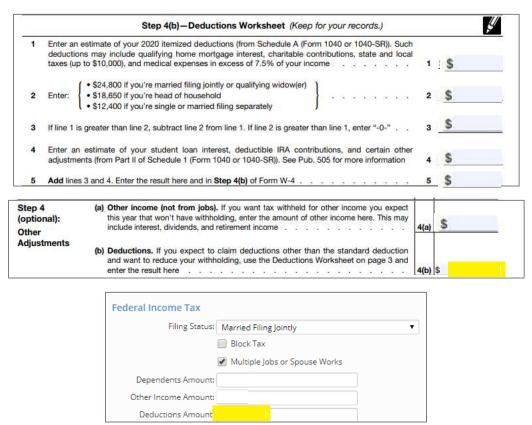


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5. There are three entries on the W-4 that may or may not be completed by the employee. If completed, enter the amounts for **Step 4 (a)** under **Other Income Amount**.



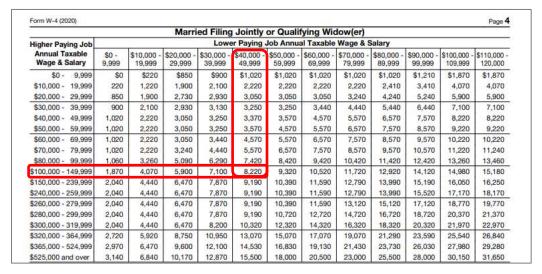
6. If there is an entry under **Step 4 (b)**, enter under **Deductions Amount**. The information for Step 4 (b) will be calculated on page 3 using the Deductions Worksheet.

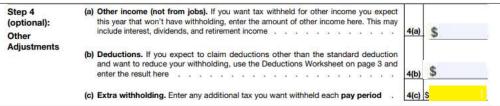


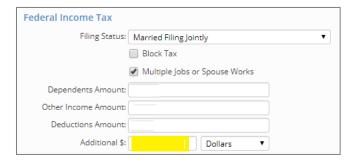


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7. If there is an entry in **Step 4 (c)**, enter it under **Additional Dollars**. The amount on Step 4 (c) may come from the Worksheet on page 4 of the W-4 titled with each Filing Status or based on the employee's request. Here is an example:







8. Click on **Save** once all entries are complete.