



New 2020 W-4 Form

Straight from the IRS [FAQs](#) on the new 2020 W-4 Form Employee's Withholding Certificate.

- The new design reduces the form's complexity and increases the transparency and accuracy of the withholding system. While it uses the same underlying information as the old design, it replaces complicated worksheets with more straightforward questions that make accurate withholding easier for employees.
- Allowances are no longer used for the redesigned Form W-4 to increase transparency, simplicity, and accuracy. In the past, the value of a withholding allowance was tied to the amount of the personal exemption. Due to changes in law, currently you cannot claim personal exemptions or dependency exemptions.
- Employees who have submitted Form W-4 in any year before 2020 are **not required** to submit a new form merely because of the redesign. Employers will continue to compute withholding based on the information from the employee's most recently submitted Form W-4.

Escape Setup for New 2020 W-4 Form

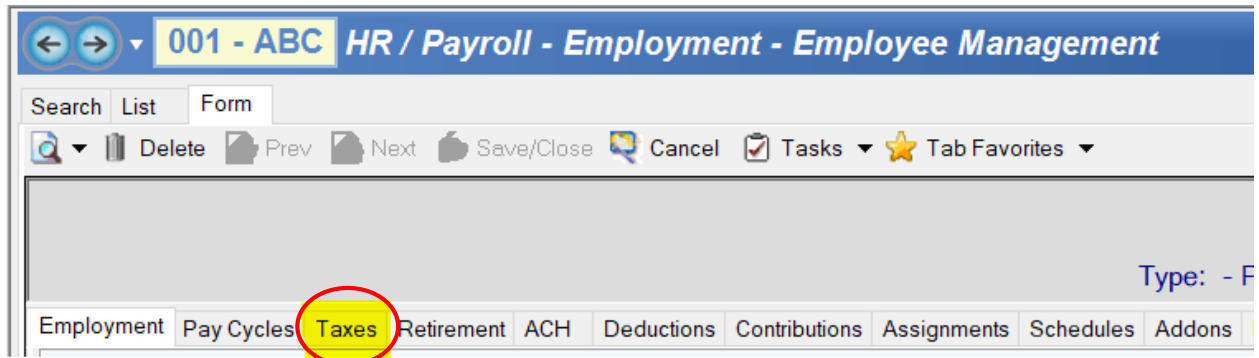
The Escape changes made to the software to accommodate the [new 2020 Federal W-4](#) form released this calendar year are now available in the Production Database.

Recap of the changes to the new W-4 form:

- Elimination of Federal Allowances
- New Filing Status for Head of Household
- New Multiple Jobs indicator
- New fields for Dependent Amounts, Other Income, and Deductions
- New Withholding Rate Schedules if Multiple Jobs Indicator is checked
- Separate [calculations](#) for Pre-2020 W-4 forms and 2020 and later forms (the system will continue supporting the old FIT calculations for pre 2020 forms)

New Look for Employee Management Taxes Tab

The tax tab in the Employee Management has changed with the 20.01 release. Depending on the value in the 'W-4 Form' field (Pre 2020 or 2020 and later), certain fields in section 2, Federal Withholding Setup, may or may not be editable.



Here is the new look of the Taxes tab. See Example next page.

| 2 - Federal Withholding Setup | |
|-------------------------------|-----------------------|
| W-4 Form | 2 (2020 and later) |
| Federal Marital Status | H {Head of Household} |
| Federal Exemptions | |
| Multiple Jobs | Yes |
| Federal Dependent Amount | 1,000.00 |
| Federal Other Income | 2,000.00 |
| Federal Deduction Amount | 500.00 |
| Federal Extra Amount | 0.00 |
| Federal Extra Percent | 0.00 |

Employee Portal Tax Changes

If your district is accepting electronic W-4 forms using our V5 Employee Online portal this activity has been updated to reflect the new 2020 W-4 form fields.

001 - ABC HR / Payroll - Employment - Employee Management

Search List Form

Delete Prev Next Save/Close Cancel Tasks Tab Favorites

Employment Pay Cycle **Taxes** Retirement ACH Deductions Contributions Assignments Schedules

1 - General Tax Setup
2 - Federal Withholding Setup

| | | |
|----------------------------|---------------------------------|------------------------------|
| 2020 W-4 Form | W-4 Form | 2 {2020 and later} |
| Step 1 (c) | Federal Marital Status | H {Head of Household} |
| Forms prior to 2020 | Federal Exemptions | |
| Step 2 | Multiple Jobs | Yes |
| Step 3 | Federal Dependent Amount | 1,000 |
| Step 4 | Federal Other Income | 2,000 |
| Step 4 | Federal Deduction Amount | 500 |
| Step 4 (c) | Federal Extra Amount | 0.00 |
| | Federal Extra Percent | 0.00 |

Form W-4 **Employee's Withholding Certificate** OMB No. 1545-0074

▶ 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.

2020

Step 1: Enter Personal Information

(a) First name and middle initial Last name (b) Social security number

Address

City or town, state, and ZIP code

(c) Single or Married filing separately
 Married filing jointly (or Qualifying widow(er))
 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.)

▶ 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.

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.

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 jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs.

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) have self-employment income, including as an independent contractor, use the estimator.

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** \$

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)** \$