

# Using the New W4



The new W4 applies to any newly added employee on or after January 1, 2020 or any employee that makes changes to their W4 on or after January 1, 2020.



Specific questions can be directed to the IRS website: <https://www.irs.gov/newsroom/faqs-on-the-2020-form-w-4>

The steps below assist in what values on the new W4 apply to what fields on the 001 federal record. The highlighted fields indicate what values may need something entered (based the employee's completed W4).

Type Federal Tax	Rate Type Tax tables	Rate 0.0000
Pay Cycle Every pay of the month (even third pay)	Additional With Holding 0.00	Marital Status Single
Number Of Exemptions	Pension Plan Automatically check the pension plan box based on retirement	
<b>New W-4 As Of 2020</b>		
<input checked="" type="checkbox"/> Use New W-4	Filing Status Head of Household	<input checked="" type="checkbox"/> Two Like Jobs
Annual Dependent Amount	Annual Other Income	Annual Deduction Amount

1. First check the box to 'Use New W-4' field.
2. Based on the box checked in 1c, enter the coordinating filing status in the 'Filing Status' field.



Single or Married filing separately = Single or Married Filing Separately  
Married filing jointly = Married Filing Jointly or Qualifying Widow(er)  
Head of household = Head of Household

- (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.)

3. Based on the box in Step 2c, enter Y or N in the 'Two Like Jobs' field.



Box in 2c is checked = Check the 'Two Like Jobs' box  
Box in 2c is not checked = Do not check the 'Two Like Jobs' box

**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](http://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.

4. Based on the value in Step 3, enter that amount in the 'Annual Dependent Amount' field.

<b>Step 3:</b> If your income will be \$200,000 or less (\$400,000 or less if married filing jointly):			
<b>Claim Dependents</b>	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 . . . . .	<b>3</b>	\$

5. Based on the value in Step 4a, enter that amount in 'Annual Other Income' field.

Add the amounts above and enter the total here . . . . .		<b>3</b>	\$
<b>Step 4 (optional): Other Adjustments</b>	<b>(a) Other income (not from jobs).</b> 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 . . . . .	<b>4(a)</b>	\$

6. Based on the value in Step 4b, enter that amount in the 'Annual Deduction Amount' field.

<b>Adjustments</b>	<b>(b) Deductions.</b> 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 . . . . .	<b>4(b)</b>	\$
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7. Based on the value in Step 4c, enter that amount in the 'Additional With Holding' field.

<b>(c) Extra withholding.</b> Enter any additional tax you want withheld each pay period . . . . .	<b>4(c)</b>	\$
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