

THE ROMAN CATHOLIC
ARCHDIOCESE OF ATLANTA



Dear Employee,

The 2020 Federal Form W-4, *Employee's Withholding Certificate*, is very different from previous versions. This is due to the federal tax law changes that took place in 2018.

Who needs to complete the new form? Those hired starting January 1, 2020 and anyone who makes a withholding change going forward.

Does everyone need to complete a new form? No. Employees hired before January 1, 2020 do not need to fill out a new form unless they are making a change to their withholding election. The Internal Revenue Service (IRS) has designed the withholding tables so that they will work with both the new and prior year forms. **Note:** If you do not submit a new form, withholding will continue based on your previously submitted form.

What are some of the changes? Instead of entering your number of dependents, you will enter dollar amounts. Employees who work more than one job, and those who are married will answer questions about other income. This may seem like a lot at first, but keep in mind that you can always make changes after consulting a tax expert for assistance and by submitting a new completed form to your employer.

Tip: Even though it is not required for current employees to complete the revised form, we recommend you perform a "paycheck checkup" to see if you need to make adjustments to your current withholding. To conduct the checkup, you can use the IRS's Tax Withholding Estimator (www.irs.gov/W4App). To effectively use the estimator, you will need to gather a few documents, please visit the website for a complete list of these items.

Be sure to read the instructions that are included with the form. **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).
- **Step 5** is where you sign the form.

If you are concerned about reporting income from multiple jobs in Step 2 or other income in Step 4(a), you can 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 use the withholding estimator.

Although your payroll administrator and the archdiocesan HR staff cannot provide tax or legal advice, we encourage you to speak with a professional tax advisor if you have questions. You may also find helpful as you complete the form in the *Frequently Asked Questions* guide, published by the IRS found here (<https://www.irs.gov/newsroom/faqs-on-the-draft-2020-form-w-4>).