

# Federal W-4

Last Modified on 03/04/2026 1:21 pm CST

Beginning in 2020, the federal government W-4 includes the standard allowances built into the tax tables. There is no longer a separate standard withholding allowance. Therefore, setting the # of Federal deductions on the *Deductions* tab of the *Employee Profile* will have no effect on the calculation for Federal Withholding.

Employees or employers needing clarification on the W-4 form should consult their tax advisor. Once the W-4 is completed, set up the employee accordingly in Agvance.

**Note:** The payroll tax tables available for download into Agvance at *Accounting / Setup / Payroll / Payroll Tax Tables* using the **Import Fed, FICA, Medicare Info from Web** button are the standard withholding rate schedules for the 2019 W-4 form or earlier and the 2020 W-4 form with Step 2 box C NOT checked.

The 2020 W-4 form has 5 Steps. Steps 2-4 are optional and should only be completed if they apply.

**Step 1: Enter Personal Information** – Enter the employee name, address, social security number and filing status.

**Step 2: Multiple Jobs or Spouse Works** – Only complete if the employee holds more than one job at a time or is married filing jointly and their spouse also works.

**Note:** If an employee has filled out the 2020 W-4 form and checked box C in Step 2, please contact SSI Support for further discussion.

**Step 3: Claim Dependents** – Optionally, calculate dependents claimed.

**Step 4: Other Adjustments** – Optionally include Other income (not from jobs), Deductions, and/or Extra withholding. The federal withholding amount may be adjusted based on information completed in steps 3 and 4 of the W-4 by entering the appropriate amount in the *Extra Federal W/H* box found on the *Deductions* tab of the employee in *Accounting / File / Open / Employees*. Entering the amount as a positive number increases the amount withheld or a negative amount decreases the amount withheld.

The screenshot shows a software window titled "Edit An Employee - AblJim Jim Able" with a "Deductions" tab selected. The window contains a table of deductions and a panel of additional settings. The "Extra Fed. W/H" field is highlighted with a red box and contains the value "-25.00".

Deductions	Percent	<G/L Acct>	Limit
Insurance (125)	25.00	<input type="checkbox"/> 6200-00	0.00
Cafeteria	15.00	<input type="checkbox"/> 2250-00	0.00
401k	3.00	<input checked="" type="checkbox"/> 2260-00	12000.00
Uniforms	2.50	<input type="checkbox"/> 6030-00	0.00
United Way	1.00	<input type="checkbox"/> 2270-00	0.00
Misc #1	0.00	<input type="checkbox"/> 2270-00	0.00
	0.00	<input type="checkbox"/>	0.00
	0.00	<input type="checkbox"/>	0.00
	0.00	<input type="checkbox"/>	0.00
	0.00	<input type="checkbox"/>	0.00
	0.00	<input type="checkbox"/>	0.00
	0.00	<input type="checkbox"/>	0.00

**Deductions**

# of Federal: 4  
# of State/Local: 4

Extra Fed. W/H: -25.00  
Extra State W/H: 0.00  
Extra Local W/H: 0.00

<State Tax ID>: IL  
<Local Tax ID>:  
<Other ID 1>:  
<Other ID 2>:

FICA Exempt  
 Medicare Exempt  
 EIC Credit  
 FUTA/SUTA Exempt

History Save Cancel

**Step 5: Sign Here** – The Employee's signature and date are required.