

Federal W-4

Last Modified on 02/16/2024 9:39 am 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.

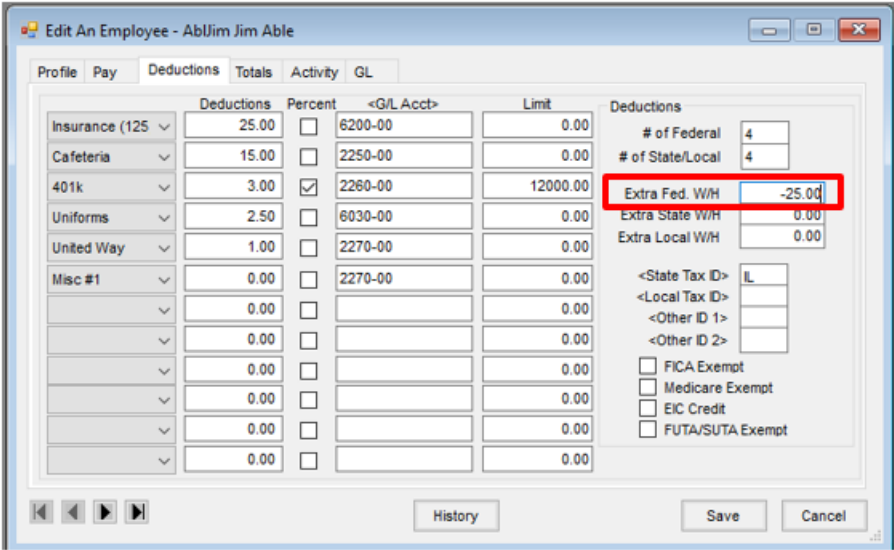
Step 1: Enter Personal Information – Enter the employee name, address, social security number and filing status.

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.



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