



MEMORANDUM

Payroll

DATE: January 8, 2020

TO: All Staff

FROM: Sandra Meda-Walker
Payroll Supervisor

SUBJECT: **NEW 2020 INTERNAL REVENUE SERVICE (IRS) FORM W-4**

The 2020 IRS Form W-4, *Employee's Withholding Certificate*, is very different from previous versions, due to the federal tax law changes that took place in 2018. The Internal Revenue Service (IRS) is **not** requiring all employees complete the revised form and has designed the withholding tables so that they will work with both the new and prior year forms. Certain employees, however, will be required to use the new form: those hired in 2020 and those who make withholding changes during 2020.

The Los Angeles County Office of Education (LACOE) maintains the payroll system that our district utilizes. Because the changes to the new Form W-4 are so dramatic, programming and extensive testing will be necessary before the changes can be implemented in the HRS payroll system. Because of this, employees completing the new 2020 Form W-4 will be required to complete the 2019 version in the interim. When programming changes are implemented, our district payroll department will input your 2020 Form W-4 withholding selections into the payroll system.

Even though the IRS does not require all employees to complete the revised form and even if your tax situation has not changed, 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, it is helpful to have a copy of your most recent pay stub and tax return. It is likely that the estimator will be updated with 2020 tax tables in early January. **Please note, if you do not submit a new form, withholding will continue based on your previously submitted form.**

If you decide to complete and submit the 2020 Form W-4, please 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); and Step 5 is where you sign the form. **We are not tax advisors, we encourage you to contact your tax preparer or use the links provided to assist you.**

The IRS takes your privacy seriously and suggests that, if you are worried about reporting income from multiple jobs in Step 2 or other income in Step 4(a), you 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.

The IRS has also published Frequently Asked Questions that you may find helpful as you complete the form (<https://www.irs.gov/newsroom/faqs-on-the-draft-2020-form-w-4>).