



2020 W-4 Memorandum

To: Eastern Washington University Faculty and Staff
From: EWU Payroll Office
Date: January 2, 2020
Subject: 2020 IRS Form W-4

Dear Colleagues,

The 2020 IRS Form **W-4, *Employee's Withholding Certificate***, is **very different** from previous versions and now reflects the federal tax law changes ("Tax Reform") that took place in 2018. Employees hired in 2020 and anyone making withholding changes during 2020 will be required to use the new form. The new Form W-4 is available at <https://www.irs.gov/pub/irs-pdf/fw4.pdf>

Even though the IRS does not require all existing employees to complete the new Form W-4, and even if your tax situation has not changed, the IRS recommends you consider performing a "paycheck checkup" to see if you need to adjust your current withholding to **avoid being under-withheld**. This is because the new tax law removes personal exemptions and increases the standard deduction amount.

To conduct the checkup, you can use the IRS's Tax Withholding Estimator at <https://www.irs.gov/individuals/tax-withholding-estimator>. You will need the most recent pay stub for yourself, and your spouse if you are married, information from other sources of income you may have, and your most recent income tax return. Your January 10th pay stub will be the first available stub for your "paycheck checkup" for 2020 so you may want to check this soon. If you find that you are over or under-withheld, you may submit a revised Form W-4 to the Payroll Office at SHW 322. **If you do not submit a new form, your withholding will continue based on your previously submitted form and you may find that your federal income tax withholding is less than your tax liability.** Withholding less than the amount owed at the end of a calendar year could result in the assessment of tax penalties by the IRS.

Before completing the 2020 Form W-4, please read the instructions that are included with the form in its entirety. You must complete Steps 1 and 5. Steps 2, 3, and 4 are optional, yet completing them will help ensure that your federal income tax withholding will more accurately match your tax liability.

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>.



If you have any questions about how you should be completing the form after reviewing the IRS instructions, please contact a tax professional; Payroll staff do not provide advice on tax matters.

Sincerely,

Eastern Washington University Payroll Office