

# IRS 2020 Form W-4

TAKES EFFECT ON  
JANUARY 1, 2020

**The NEW 2020 Form W-4 has been finalized and released by the Internal Revenue Service.**

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## Brief Overview

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The 2020 IRS Form W-4, *Employee's Withholding Certificate*, is very different from previous versions. This is the result of federal tax law changes that were made in 2018. The most significant change is that withholding allowances are no longer used to request adjustments in an employee's withholding. **The Internal Revenue Service (IRS) is not requiring all employees to complete the revised form and has designed the withholding tables so that they will work with both the new and prior year forms.** However, certain employees will be required to use the new form: those hired in 2020 and anyone who makes withholding changes during 2020.

While the IRS does not require all employees to complete the revised form, it is recommended that employees perform a "paycheck checkup" to see if they need to make adjustments to their current withholding. To conduct the checkup, individuals can use the IRS's Tax Withholding Estimator ([www.irs.gov/W4App](http://www.irs.gov/W4App)). The estimator should be updated to account for the 2020 tax tables in early January. **Please note: if employees do not submit a new form, withholding will continue based on their previously submitted form.**

Before completing the 2020 Form W-4, employees should read the instructions that are included with the form. Steps 1 and 5 are required. Steps 2, 3, and 4 are optional, but completing them will help ensure that the federal income tax withholding will more accurately match each individual's tax liability. Step 1 is for 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 to be withheld); and Step 5 is the signature verification.

The IRS suggests that individuals who are concerned about reporting income from multiple jobs or income from other sources use the withholding estimator.

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## Next steps: How to prepare for the 2020 Form W-4

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Review the IRS 2020 Form W-4 and FAQs to prepare for implementation of the 2020 Form W-4 and related employee questions. Share this information with others in your organization who answer employee questions.

### Additional Resources

For additional information, visit:

- [2020 IRS Form W-4](https://www.irs.gov/pub/irs-pdf/fw4.pdf) and instructions, or <https://www.irs.gov/pub/irs-pdf/fw4.pdf>
- [FAQs on the draft 2020 Form W-4](https://www.irs.gov/newsroom/faqs-on-the-draft-2020-form-w-4), or <https://www.irs.gov/newsroom/faqs-on-the-draft-2020-form-w-4>
- [2020 IRS Publication 15-T](https://www.irs.gov/pub/irs-dft/p15t--dft.pdf), or <https://www.irs.gov/pub/irs-dft/p15t--dft.pdf>
- [Understanding the 2020 Form W-4 and How to Use it to Calculate Withholding](https://www.irsvideos.gov/Webinars/UnderstandingThe2020FormW4AndHowToUseItToCalculateWithholding), or <https://www.irsvideos.gov/Webinars/UnderstandingThe2020FormW4AndHowToUseItToCalculateWithholding>

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