

Sample Notice to Employees

RE: New IRS Form W-4 for 2020

Dear Employee:

The IRS has announced significant improvements to the IRS Form W-4, *Employee's Withholding Certificate*, for 2020. The new form and revised withholding calculations could affect your tax withholding and year-end refund or tax due amounts when you file your annual income tax return.

Unless you would like to make changes for 2020, you **are not required** to submit a new Form W-4. If you do not submit a new Form W-4, withholding will continue to be based on the most recent Form W-4 that you provided. However, even if your tax situation has not changed, we recommend that you perform a "paycheck checkup" to see if you need to adjust your current withholding. To conduct the checkup, 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.

If you decide to complete 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).
- Step 5 is where you sign the form.

If you have any questions, please contact _____ at _____.

Attachments: 2020 Form W-4 with instructions and "What is Your Situation?" frequently asked questions