



IRS Releases 2018 Form W-4 for Federal Tax Withholdings

The IRS released a revised Federal Form W-4 which is attached to this email and can also be found at the IRS website: <https://www.irs.gov/pub/irs-pdf/fw4.pdf>.

An illustration of the changes between the 2017 W-4 Form and the 2018 W-4 Form:

2017 Form

Personal Allowances Worksheet (Keep for your records.)

A Enter "1" for yourself if no one else can claim you as a dependent **A** _____

B Enter "1" if: {
• You're single and have only one job; or
• You're married, have only one job, and your spouse doesn't work; or
• Your wages from a second job or your spouse's wages (or the total of both) are \$1,500 or less. } **B** _____

C Enter "1" for your spouse. But, you may choose to enter "-0-" if you are married and have either a working spouse or more than one job. (Entering "-0-" may help you avoid having too little tax withheld.) **C** _____

D Enter number of dependents (other than your spouse or yourself) you will claim on your tax return **D** _____

E Enter "1" if you will file as head of household on your tax return **E** _____

F Enter "1" if you have at least \$2,000 of child or dependent care expenses (including additional child tax credit). (Note: Do not include child support payments. See Pub. 972, Child Tax Credit, for more information.) **F** _____

G Child Tax Credit (including additional child tax credit). See Pub. 972, Child Tax Credit, for more information.
• If your total income will be less than \$70,000 (\$100,000 if married filing jointly), enter "4" for each eligible child.
• If your total income will be between \$70,000 and \$84,000 (\$100,000 and \$114,000 if married filing jointly), enter "3" for each eligible child.
• If your total income will be between \$84,000 and \$98,000 (\$114,000 and \$128,000 if married filing jointly), enter "2" for each eligible child.
• If your total income will be higher than \$98,000 (\$128,000 if married filing jointly), enter "1" for each eligible child.
• If your total income will be higher than \$200,000 (\$400,000 if married filing jointly), enter "-0-". **G** _____

H Add lines A through G and enter total here. (Note: This may be different from the total on your tax return.) **H** _____

2018 Form

Personal Allowances Worksheet (Keep for your records.)

A Enter "1" for yourself **A** _____

B Enter "1" if you will file as married filing jointly **B** _____

C Enter "1" if you will file as head of household **C** _____

D Enter "1" if: {
• You're single, or married filing separately, and have only one job; or
• You're married filing jointly, have only one job, and your spouse doesn't work; or
• Your wages from a second job or your spouse's wages (or the total of both) are \$1,500 or less. } **D** _____

E Child tax credit. See Pub. 972, Child Tax Credit, for more information.
• If your total income will be less than \$69,801 (\$101,401 if married filing jointly), enter "4" for each eligible child.
• If your total income will be from \$69,801 to \$175,550 (\$101,401 to \$339,000 if married filing jointly), enter "2" for each eligible child.
• If your total income will be from \$175,551 to \$200,000 (\$339,001 to \$400,000 if married filing jointly), enter "1" for each eligible child.
• If your total income will be higher than \$200,000 (\$400,000 if married filing jointly), enter "-0-". **E** _____

F Credit for other dependents.
• If your total income will be less than \$69,801 (\$101,401 if married filing jointly), enter "1" for each eligible dependent.
• If your total income will be from \$69,801 to \$175,550 (\$101,401 to \$339,000 if married filing jointly), enter "1" for every two dependents (for example, "-0-" for one dependent, "1" if you have two or three dependents, and "2" if you have four dependents).
• If your total income will be higher than \$175,550 (\$339,000 if married filing jointly), enter "-0-". **F** _____

G Other credits. If you have other credits, see Worksheet 1-6 of Pub. 505 and enter the amount from that worksheet here **G** _____

H Add lines A through G and enter the total here **H** _____

You may use the form or the IRS federal withholding calculator to determine if you need to make updates to your federal tax withholdings: <https://www.irs.gov/individuals/irs-withholding-calculator>.

The IRS encourages all employees to use the withholding calculator to determine if any changes are necessary due to the Tax Cuts and Job Act of 2017. It is especially important for the following groups of employees to check their withholding and make any necessary adjustments:

- Two-income families
- People with two or more jobs at the same time or who only work for part of the year
- People with children who claim credits such as the Child Tax Credit
- People who itemized deductions in 2017
- People with high incomes and more complex tax returns

Paylocity provided a frequently asked questions handout for employees: <https://www.paylocity.com/wp-content/uploads/2018/03/Form-W4-FAQ-for-Employees.pdf>.

Employees are not required to fill out a new physical copy of the form (changes are tracked through Paylocity's audit trail feature). **All employees should update their tax withholdings through their Paylocity self-service portal** which can be found on the [Archdiocese Employee Payroll webpage](#):

<http://www.archindy.org/finance/files/parish/payroll/Adjust%20Tax%20Withholdings%20in%20Paylocity%20Self-Service.pdf>.

This is not intended to be tax advice and we recommend that you consult a tax professional if you have any further tax questions.