**INFORMATIONAL CIRCULAR NO:** 20-P-020

**DATE:** December 13, 2019

**SUBJECT:** IRS Releases 2020 Form W-4

**EFFECTIVE DATE:** Immediately

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**APPROVAL:**

**SUMMARY:** IRS Releases Form W-4 Employee’s Withholding Allowance Certificate for Calendar Year 2020.

The 2020 IRS Form W-4, Employee’s Withholding Certificate has been released and is immediately available in paper form at the IRS website at <https://www.irs.gov/pub/irs-pdf/fw4.pdf> and at the Office of Accounts and Report’s website at <https://www.admin.ks.gov/resources/document-center>.

The 2020 Form W-4 reflects changes resulting from the implementation of the Tax Cuts and Jobs Act of 2018 and uses the employee’s income tax filing status, dependents, and other adjustments to determine the federal withholding liability. **Due to the changes to the form, updates are required to the SHARP system. The new form is scheduled to be available in Employee Self Service on January 1, 2020.**

With the exception of employees claiming exemption from withholding for 2020, current employees are NOT required to complete the new 2020 W-4 form at this time but may elect to submit a new form. If an employee does not elect to submit a new form, payroll tax withholding in 2020 will continue to be based on the most recent W-4 form submitted. Effective January 1, 2020 all newly hired employees or existing employees who want to change their federal tax withholding will be required to use the new W-4 form.

As noted in Informational Circular 20-P-018, IRS regulations continue to require employees claiming exempt status from federal tax withholding (for income earned in the United States) to file a new W-4 form annually. Employees are eligible for the exempt status if the following criteria are met: 1) the employee had no income tax liability in the previous year, and 2) the employee anticipates no income tax liability in the upcoming years.

 To ensure exemption from withholding is effective with the first paycheck in 2020, employeesshould claim exempt status using one of the following methods:

* Claim ‘Exempt’ status via Employee Self Service between January 1, 2020 and January 3, 2020 at 6:00 PM
* Submit a paper 2020 W-4 form to agency personnel, completing Steps 1a, 1b, and 5 and writing the word “EXEMPT” in the space below line 4(c). The employee should not complete any other steps on the 2020 W-4 if claiming exemption.

Agency personnel have until 6:00 p.m. on January 3, 2020 to enter all paper W-4s into the system, using an effective dated row of January 2, 2020.

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