

An employee's guide to the 2020 W-4

Step 1: Enter Personal Information

This is mostly unchanged. You will need to fill out your basic information: 1) Name; 2) Social Security number; 3) Address; 4) City/town, state, and ZIP; 5) Filing status. Nothing too complicated.

The image shows a portion of the 2020 Form W-4, 'Employee's Withholding Certificate'. The title 'W-4' is prominently displayed in the top left. The form is divided into sections. The 'Step 1: Enter Personal Information' section is highlighted with a red border. It contains the following fields and instructions:

- (a) First name and middle initial** and **Last name**: Two input fields for the employee's name.
- (b) Social security number**: An input field for the employee's Social Security number.
- Address**: A large input field for the employee's mailing address.
- City or town, state, and ZIP code**: An input field for the employee's location.
- (c) Filing status**: A section with three checkboxes:
 - Single or Married filing separately**
 - Married filing jointly** (or Qualifying widow(er))
 - Head of household** (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)

Instructions for Step 1 are provided in a box on the right side of the form: 'Does your name match the name on your social security card? If not, to ensure you get credit for your earnings, contact SSA at 800-772-1213 or go to www.ssa.gov.'

(a) Enter your full name

Write in your mailing address

(b) Enter your Social Security number

(c) Check your filing status

Below the personal information fields in Step 1, there are Steps 2 through 4. Most likely, these steps won't apply to you if you're single with only one job or you're married and your spouse doesn't work.

Step 2: Multiple Jobs or Spouse Works

This section addresses the "Two Earners/Multiple Jobs Worksheet" from the [2019 W-4 form](#). Most commonly, this step is for anyone who has more than one job or is married filing jointly and whose spouse works.

Checking box 2(c) tells your employer that you have multiple jobs. If you don't want to disclose that fact, don't check the box.

Complete Steps 2-4 ONLY if they apply to you; otherwise, skip to Step 5. See page 2 for more information on each step, who can claim exemption from withholding, when to use the online estimator, and privacy.

Step 2: Multiple Jobs or Spouse Works

Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs.

Do **only one** of the following.

(a) Use the estimator at www.irs.gov/W4App for most accurate withholding for this step (and Steps 3-4); **or**

(b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; **or**

(c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld

TIP: To be accurate, submit a 2020 Form W-4 for all other jobs. If you (or your spouse) have self-employment income, including as an independent contractor, use the estimator.

Complete Steps 3-4(b) on Form W-4 for only ONE of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3-4(b) on the Form W-4 for the highest paying job.)

In this step, the form notes that individuals with multiple jobs should complete Form W-4 with the information from their *highest-paying* job. That should result in the most accurate withholding.

If you work more than one job, steps 3 through 4b should only be completed on one W-4 form.

Step 3: Claim Dependents

This section determines your eligibility for the child tax credit. It's a relatively simple step to complete:

Step 3:	If your income will be \$200,000 or less (\$400,000 or less if married filing jointly):	
Claim Dependents	Multiply the number of qualifying children under age 17 by \$2,000	\$
	Multiply the number of other dependents by \$500	\$
	Add the amounts above and enter the total here	3 \$

- Number of kids under the age of 17 x \$2,000
- Number of other dependents x \$500
- The sum

The TCJA changed the law so more people would qualify for the child tax credit. Single taxpayers with an income of \$200,000 or less (\$400,000 if married filing jointly) will be eligible.

Your number of qualifying children under age 17 multiplied by \$2,000 will go into the first box. The number of other dependents multiplied by \$500 will go in the second box. The sum of those two numbers will go on line 3.

Step 4: Other Adjustments

This section is for various things you may want to account for.

Here's what it looks like:

Step 4 (optional):	(a) Other income (not from jobs). If you want tax withheld for other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, dividends, and retirement income	4(a) \$
Other Adjustments	(b) Deductions. If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here	4(b) \$
	(c) Extra withholding. Enter any additional tax you want withheld each pay period	4(c) \$

- (a) Additional income
- (b) Itemized deductions
- (c) Extra withholding

These areas include:

- (a): Other income (not from jobs). Additional income that might not be subject to withholding, like dividends or retirement income.
- (b): Deductions. Itemized deductions like mortgage interest and charitable contributions that will exceed your standard deduction
- (c): Extra withholding. Any extra withholding that you would like to withhold each pay period.

Step 5: Sign the form

Keep in mind that if you don't sign the form, it's invalid. That means your employer will disregard your new W-4 selections and withholding, and instead calculate your withholding as "Single."