

Explaining the 2024 Form W-4

The IRS has issued the final [2024 Form W-4](#) with a five-step process (only Steps 1 and 5 must be completed) for determining employee withholding as follows:

Required Steps:

Step 1

- The employee enters their personal information and anticipated filing status to determine their standard deduction and the tax rates used to compute withholding

Step 5

- The employee signs and dates the form under penalties of perjury

Optional Steps: (completing these steps will help ensure that your federal income tax withholding will more accurately match your tax liability)

Step 2

- For employees who:
 - Have more than one job
 - Are married filing jointly with a working spouse

Step 3

- Provides instructions to determine the amount of:
 - Child Tax Credit
 - Credit for other dependents the employee is claiming

Step 4

- The employee enters:
 - Other estimated income (e.g. interest and retirement income)
 - Deductions other than the standard deduction
 - Additional tax the employee wants withheld per pay period

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Worksheets

The 2024 Form W-4 also contains a multiple jobs worksheet to help an employee complete Step 2. An employee may instead use the [IRS Withholding Estimator](#). If there are only two jobs total, an employee may check the box in Step 2(c). The other worksheet is for help with claiming deductions other than the standard deduction in Step 4(b).

The IRS takes your privacy seriously and suggests that, if you are worried about reporting income from multiple jobs in Step 2 or other income in Step 4(a), you check the box in

Step 2(c) or enter an additional withholding amount in Step 4(c). To determine the additional withholding amount, you can use the [IRS Withholding Estimator](#)

Exemption From Withholding

An employee may claim exemption from withholding in tax year 2024 if:

- (1) the employee had no federal income tax liability in 2023 and 2023
- (2) the employee expects to have no federal income tax liability in 2024.

To claim exemption from withholding, an employee must:

- Write Exempt on Form W-4 in the space below Step 4(c)
- Complete Steps 1a, 1b and 5
- NOT complete any other steps

The IRS posted a list of Frequently Asked Questions ([FAQ](#)) that you may find helpful as you complete the form on the 2024 Form W-4 for both employees and employers.