

Who should do a Paycheck Checkup?

Though doing a Paycheck Checkup is a good idea every year, for many people, it's even more important this year. This includes anyone who:

- Adjusted their withholding in 2018 – especially those who did so in the middle or later part of the year.
- Owed additional tax when they filed their tax return this year.
- Had a refund that was larger or smaller than expected.
- Had life changes such as marriage, childbirth, adoption, buying a home or when income changes.

In addition, most people are affected by changes made in the Tax Cuts and Jobs Act (TCJA), the tax reform legislation enacted in December 2017. These changes included lowered tax rates, increased standard deductions, suspension of personal exemptions, the increased Child Tax Credit and limited or discontinued deductions. As a result, the IRS continues to encourage people to check their withholding, even if they did a Paycheck Checkup in 2018.

This includes taxpayers who:

- Have children and claim credits, such as the Child Tax Credit
- Have older dependents, including children age 17 or older
- Itemized deductions in the past
- Are a two-income family
- Have two or more jobs at the same time
- Only work part of the year
- Have high income or a complex tax return

Sooner is better for a Paycheck Checkup

The IRS urges everyone to do a Paycheck Checkup as early in the year as possible so that if a tax withholding adjustment is needed, there is more time for withholding to happen evenly during the rest of the year. Waiting means there are fewer pay periods to withhold the necessary federal tax.

IRS Withholding Calculator:

Click link

<https://www.irs.gov/individuals/irs-withholding-calculator>

Questions or Concerns

Contact us at (631) 563-0111