

## Sample notice to employee(s) (optional)

### Re: New IRS Form W-4 for 2021

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Dear Employee:

#### **Re: New IRS Form W-4 for 2021**

The IRS has made significant changes to the IRS Form W-4, Employee's Withholding Certificate, for 2021. The new form and revised withholding calculations could affect your tax withholding and year-end refund or tax due amounts when you file your annual income tax return.

The 2021 Form W-4 is designed to be both easier and more accurate, permitting easy adjustments for anticipated tax credits, other income, and deductions. If you would like to adjust your withholding to account for these factors, you will now be able to simply enter your full-year estimated withholding amounts on the Form W-4.

You may use the IRS Online "Tax Withholding Estimator" at <https://apps.irs.gov/app/tax-withholding-estimator> to determine how to complete the 2021 Form W-4 so that you don't have too much or too little withheld during the year.

#### **Form W-4 Highlights:**

- There are three options for employees with multiple jobs or two-earner families:
  - Simplified worksheet in the W-4 instructions on page 3
  - Enhanced IRS online Tax Withholding Estimator
  - New checkbox to automatically adjust for multiple jobs or two-earner families
- New filing status — Head of Household
- New adjustment entries:
  - Full-year child and dependent tax credits
  - Full-year other income; and,
  - Full-year deductions

In addition, you will still be able to authorize an additional dollar amount to withhold from each pay period, for any reason in Step 4. We recommend that all new employees or existing employees that would like to adjust their withholding complete a 2021 Form W-4, which will be applied to wages and withholding.

However, current employees are not required to submit a new Form W-4. If you do not submit a new Form W-4, withholding will continue to be based on the most recent Form W-4 that you provided. If you do not have a previous W-4 on file you will be treated as *Single* with no adjustments by default.

If you have any questions, please contact \_\_\_\_\_ at \_\_\_\_\_.

Enclosure(s)/Attachments: 2021 Form W-4 and Instructions