

Form W-4 (1994)

Want More Money In Your Paycheck?

If you expect to be able to take the earned income credit for 1994, you can have part of it added to your take-home pay. For details, get Form W-5 from your employer.

Purpose. Complete Form W-4 so that your employer can withhold the correct amount of Federal income tax from your pay.

Exemption From Withholding. Read line 7 of the certificate below to see if you can claim exempt status. *If exempt, complete line 7; but do not complete lines 5 and 6.* No Federal income tax will be withheld from your pay. Your exemption is good for 1 year only. It expires February 15, 1995.

Note: You cannot claim exemption from withholding if (1) your income exceeds \$600 and includes unearned income (e.g., interest and dividends), and (2) another person can

claim you as a dependent on their tax return.
Basic Instructions. Employees who are not exempt should complete the Personal Allowances Worksheet. Additional worksheets are provided on page 2 for employees to adjust their withholding allowances based on itemized deductions, adjustments to income, or two-earner/two-job situations. Complete all worksheets that apply to your situation. The worksheets will help you figure the number of withholding allowances you are entitled to claim. However, you may claim fewer allowances than this.

Head of Household. Generally, you may claim head of household filing status on your tax return only if you are unmarried and pay more than 50% of the costs of keeping up a home for yourself and your dependent(s) or other qualifying individuals.

Nonwage Income. If you have a large amount of nonwage income, such as interest or dividends, you should consider making estimated tax payments using Form 1040-ES.

Otherwise, you may find that you owe additional tax at the end of the year.
Two Earners/Two Jobs. If you have a working spouse or more than one job, figure the total number of allowances you are entitled to claim on all jobs using worksheets from only one Form W-4. This total should be divided among all jobs. Your withholding will usually be most accurate when all allowances are claimed on the W-4 filed for the highest paying job and zero allowances are claimed for the others.
Check Your Withholding. After your W-4 takes effect, you can use **Pub. 919, Is My Withholding Correct for 1994?**, to see how the dollar amount you are having withheld compares to your estimated total annual tax. We recommend you get Pub. 919 especially if you used the Two Earner/Two Job Worksheet and your earnings exceed \$150,000 (Single) or \$200,000 (Married). Call 1-800-829-3676 to order Pub. 919. Check your telephone directory for the IRS assistance number for further help.

Personal Allowances Worksheet

A Enter "1" for **yourself** if no one else can claim you as a dependent **A** _____

B Enter "1" if: } } **B** _____

- You are single and have only one job; or
- You are married, have only one job, and your spouse does not work; or
- Your wages from a second job or your spouse's wages (or the total of both) are \$1,000 or less.

C Enter "1" for your **spouse**. But, you may choose to enter -0- if you are married and have either a working spouse or more than one job (this may help you avoid having too little tax withheld) **C** _____

D Enter number of **dependents** (other than your spouse or yourself) whom you will claim on your tax return **D** _____

E Enter "1" if you will file as **head of household** on your tax return (see conditions under **Head of Household** above) **E** _____

F Enter "1" if you have at least \$1,500 of **child or dependent care expenses** for which you plan to claim a credit **F** _____

G Add lines A through F and enter total here. **Note:** This amount may be different from the number of exemptions you claim on your return ▶ **G** _____

For accuracy, do all worksheets that apply. } }

- If you plan to **itemize or claim adjustments to income** and want to reduce your withholding, see the Deductions and Adjustments Worksheet on page 2.
- If you are **single** and have **more than one job** and your combined earnings from all jobs exceed \$30,000 OR if you are **married** and have a **working spouse or more than one job**, and the combined earnings from all jobs exceed \$50,000, see the Two-Earner/Two-Job Worksheet on page 2 if you want to avoid having too little tax withheld.
- If **neither** of the above situations applies, **stop here** and enter the number from line G on line 5 of Form W-4 below.

----- Cut here and give the certificate to your employer. Keep the top portion for your records. -----

Form W-4 Department of the Treasury Internal Revenue Service	Employee's Withholding Allowance Certificate ▶ For Privacy Act and Paperwork Reduction Act Notice, see reverse.	OMB No. 1545-0010 1994
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1 Type or print your first name and middle initial Last name	2 Your social security number : : : :
Home address (number and street or rural route)	3 <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Married, but withhold at higher Single rate. Note: If married, but legally separated, or spouse is a nonresident alien, check the Single box.
City or town, state, and ZIP code	4 If your last name differs from that on your social security card, check here and call 1-800-772-1213 for more information ▶ <input type="checkbox"/>
5 Total number of allowances you are claiming (from line G above or from the worksheets on page 2 if they apply) .	5 _____
6 Additional amount, if any, you want withheld from each paycheck	6 \$ _____
7 I claim exemption from withholding for 1994 and I certify that I meet BOTH of the following conditions for exemption: <ul style="list-style-type: none"> • Last year I had a right to a refund of ALL Federal income tax withheld because I had NO tax liability; AND • This year I expect a refund of ALL Federal income tax withheld because I expect to have NO tax liability. If you meet both conditions, enter "EXEMPT" here ▶	7 _____

Under penalties of perjury, I certify that I am entitled to the number of withholding allowances claimed on this certificate or entitled to claim exempt status.

8 Employee's signature ▶	Date ▶ _____, 19__
9 Employer's name and address (Employer: Complete 8 and 10 only if sending to the IRS)	9 Office code (optional)
10 Employer identification number	: : : :

Deductions and Adjustments Worksheet

Note: Use this worksheet only if you plan to itemize deductions or claim adjustments to income on your 1994 tax return.

1 Enter an estimate of your 1994 itemized deductions. These include: qualifying home mortgage interest, charitable contributions, state and local taxes (but not sales taxes), medical expenses in excess of 7.5% of your income, and miscellaneous deductions. (For 1994, you may have to reduce your itemized deductions if your income is over \$111,800 (\$55,900 if married filing separately). Get Pub. 919 for details.) **1** \$ _____

2 Enter: $\left\{ \begin{array}{l} \$6,350 \text{ if married filing jointly or qualifying widow(er)} \\ \$5,600 \text{ if head of household} \\ \$3,800 \text{ if single} \\ \$3,175 \text{ if married filing separately} \end{array} \right\}$ **2** \$ _____

3 **Subtract** line 2 from line 1. If line 2 is greater than line 1, enter -0- **3** \$ _____

4 Enter an estimate of your 1994 adjustments to income. These include alimony paid and deductible IRA contributions **4** \$ _____

5 **Add** lines 3 and 4 and enter the total **5** \$ _____

6 Enter an estimate of your 1994 nonwage income (such as dividends or interest) **6** \$ _____

7 **Subtract** line 6 from line 5. Enter the result, but not less than -0- **7** \$ _____

8 **Divide** the amount on line 7 by \$2,500 and enter the result here. Drop any fraction **8** _____

9 Enter the number from Personal Allowances Worksheet, line G, on page 1 **9** _____

10 **Add** lines 8 and 9 and enter the total here. If you plan to use the Two-Earner/Two-Job Worksheet, also enter this total on line 1, below. Otherwise, **stop here** and enter this total on Form W-4, line 5, on page 1. **10** _____

Two-Earner/Two-Job Worksheet

Note: Use this worksheet only if the instructions for line G on page 1 direct you here.

1 Enter the number from line G on page 1 (or from line 10 above if you used the Deductions and Adjustments Worksheet) **1** _____

2 Find the number in **Table 1** below that applies to the **LOWEST** paying job and enter it here **2** _____

3 If line 1 is **GREATER THAN OR EQUAL TO** line 2, subtract line 2 from line 1. Enter the result here (if zero, enter -0-) and on Form W-4, line 5, on page 1. **DO NOT** use the rest of this worksheet **3** _____

Note: If line 1 is **LESS THAN** line 2, enter -0- on Form W-4, line 5, on page 1. Complete lines 4-9 to calculate the additional withholding amount necessary to avoid a year-end tax bill.

4 Enter the number from line 2 of this worksheet **4** _____

5 Enter the number from line 1 of this worksheet **5** _____

6 **Subtract** line 5 from line 4 **6** _____

7 Find the amount in **Table 2** below that applies to the **HIGHEST** paying job and enter it here **7** \$ _____

8 **Multiply** line 7 by line 6 and enter the result here. This is the additional annual withholding amount needed **8** \$ _____

9 Divide line 8 by the number of pay periods remaining in 1994. (For example, divide by 26 if you are paid every other week and you complete this form in December 1993.) Enter the result here and on Form W-4, line 6, page 1. This is the additional amount to be withheld from each paycheck **9** \$ _____

Table 1: Two-Earner/Two-Job Worksheet

Married Filing Jointly				All Others	
If wages from LOWEST paying job are—	Enter on line 2 above	If wages from LOWEST paying job are—	Enter on line 2 above	If wages from LOWEST paying job are—	Enter on line 2 above
0 - \$3,000	0	39,001 - 50,000	9	0 - \$4,0000
3,001 - 6,000	1	50,001 - 55,000	10	4,001 - 10,0001
6,001 - 11,000	2	55,001 - 60,000	11	10,001 - 14,0002
11,001 - 16,000	3	60,001 - 70,000	12	14,001 - 19,0003
16,001 - 21,000	4	70,001 - 80,000	13	19,001 - 23,0004
21,001 - 27,000	5	80,001 - 90,000	14	23,001 - 45,0005
27,001 - 31,000	6	90,001 and over	15	45,001 - 60,0006
31,001 - 34,000	7			60,001 - 70,0007
34,001 - 39,000	8			70,001 and over8

Table 2: Two-Earner/Two-Job Worksheet

Married Filing Jointly		All Others	
If wages from HIGHEST paying job are—	Enter on line 7 above	If wages from HIGHEST paying job are—	Enter on line 7 above
0 - \$ 50,000	\$370	0 - \$ 30,000	\$370
50,001 - 100,000	690	30,001 - 60,000	690
100,001 - 130,000	760	60,001 - 110,000	760
130,001 - 220,000	880	110,001 - 220,000	880
220,001 and over	970	220,001 and over	970

Privacy Act and Paperwork Reduction Act Notice.—We ask for the information on this form to carry out the Internal Revenue laws of the United States. The Internal Revenue Code requires this information under sections 3402(f)(2)(A) and 6109 and their regulations. Failure to provide a completed form will result in your being treated as a single person who claims no withholding allowances. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, and the District of Columbia for use in administering their tax laws.

The time needed to complete this form will vary depending on individual circumstances. The estimated average time is: **Recordkeeping** 46 min., **Learning about the law or the form** 10 min., **Preparing the form** 69 min. If you have comments concerning the accuracy of these time estimates or suggestions for making this form more simple, we would be happy to hear from you. You can write to both the **Internal Revenue Service**, Attention: Reports Clearance Officer, PC:FP, Washington, DC 20224; and the **Office of Management and Budget**, Paperwork Reduction Project (1545-0010), Washington, DC 20503. **DO NOT** send the tax form to either of these offices. Instead, give it to your employer.