

# Adjust W-4 Withholdings

This playbook provides detailed instructions on how to modify the amount of tax withheld from your paycheck by adjusting your W-4 form. The goal is to achieve a balance that prevents owing a substantial amount or receiving a large refund at tax time.

## Step 1: **Review Finances**

Examine your current financial situation, including your latest tax return, to determine if you received a large refund or owed money. Calculate your current tax liability and anticipated income for the current year.

## Step 2: **Gather Information**

Collect necessary documents, such as your most recent pay stubs and tax return. You'll need this information to accurately fill out the new Form W-4.

## Step 3: **Access Form**

Obtain the current version of Form W-4 from your employer or by downloading it from the IRS website.

## Step 4: **Fill Out Form**

Complete the form using the IRS Tax Withholding Estimator or the worksheets that come with the W-4 form to determine your withholding.

## Step 5: **Submit Form**

Hand in the completed W-4 form to your employer's human resources or payroll department.

## Step 6: **Confirm Changes**

Check your next pay stub to ensure the withholding amount has been updated. Repeat the process if your financial situation changes or if there are new tax law amendments.

# **General Notes**

## **IRS Guidelines**

Refer to the latest IRS guidelines and tax tables when completing Form W-4 to ensure the adjustments are based on the most current rates.

## **Personal Allowances**

Remember that personal and dependency exemptions are no longer used. Instead, use the standard deduction and tax credits to figure out your withholdings.

## **Multiple Jobs**

If you have more than one job or if both spouses work, use the 'Multiple Jobs Worksheet' on the W-4 form or the online estimator for more accurate withholdings.