# What Is a W-4 Form? How to Fill Out an Employee's Withholding Certificate in 2023

#### What is a W-4 Form?

A W-4 form, formally called the "Employee's Withholding Certificate," is an IRS form that employees typically fill out when starting a new job to indicate how much tax employers should withhold from an employee's paycheck throughout the year.

#### Do I have to update my W-4 every year?

You do not have to fill out a W-4 form if you already have one on file with your employer. You also don't have to fill out a new W-4 every year. However, if you start a new job, or want to adjust your withholdings at your existing job, you'll need to fill out a new W-4. It is important to make sure you're using the most updated version of the form available.

It's a good idea to periodically review your taxes. The IRS recommends taxpayers use its Tax Withholding Estimator after filing their tax returns to make sure their withholdings for the current year are on track. The estimator, which is available in both English and Spanish, can help you to decide if you should make adjustments by completing a new W-4.

Keep in mind that major events, such as divorce, marriage, new dependents, or side gigs, can trigger a change in your tax liability.

## Is there a new W-4 for 2023?

The IRS releases updated versions of certain tax forms each year to revise language for clarity and to update references to certain figures, such as tax credits, that may be adjusted for inflation. The 2023 version of the W-4 form,

which the IRS released in late 2022, can be used by employees to adjust their withholding on their 2023 paychecks.

Changes to the 2023 W-4 include removing a reference to the IRS' withholding calculator, updating the deductions worksheet, and adding new contextual information in the "Multiple Jobs" section of the form.

Even though the form no longer mentions the IRS' withholding estimator, you can still use it to see if you need to adjust your W-4.

How to fill out a 2023 W-4 form.

Employers use the W-4 to calculate certain payroll taxes and remit the taxes to the IRS and state and local authorities (if applicable) on behalf of employees. How you fill out a W-4 can have a major effect on whether taxes are owed or a refund is given.

Here's a quick overview of to fill out a Form W-4 in 2023.

#### Step 1: Enter your personal information

Fill in your name, address, Social Security number and tax-filing status. Your tax-filing status is the basis for which you might qualify for certain tax credits and deductions, and there are rules about which ones you can use.

# Step 2: Account for multiple jobs

If you have more than one job, or you file jointly and your spouse works, you will need to complete a separate W-4 form for each job. Follow these instructions for more accurate withholding:

- For your highest paying job, fill out steps 2 through 4(b) of the W-4. For your other jobs, leave steps 2 through 4(b) of the W-4 blank.
- If you (or you and your spouse) have a total of two jobs and make roughly the same amount at both, you can check box 2(c). You'll need to check box 2(c) on both W-4 forms.

- If you don't want to reveal to your employer that you have a second job, or that you receive income from other non-job sources, you have a few options:
  - On line 4(c), you can instruct your employer to withhold an extra amount of tax from your paycheck.
  - Alternatively, don't factor the extra income into your W-4. Instead
    of having the tax come directly out of your paycheck, you can
    send estimated tax payments to the IRS yourself instead.

## Step 3: Claim dependents, including children

If your total income is under \$200,000 (or \$400,000 if filing jointly), you can enter how many kids and dependents you have and multiply them by the credit amount. (See the rules about the child tax credit and for when you can claim a tax dependent.) You can also choose to not claim dependents — even if you have them — if you need more taxes taken out of your paycheck to reduce your tax bill.

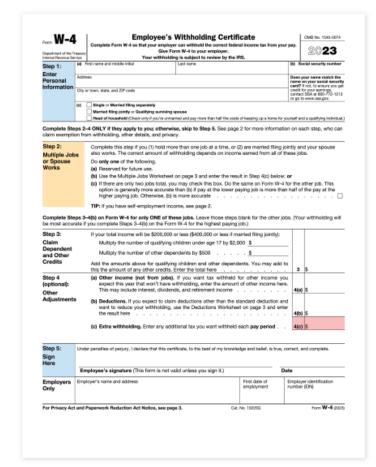
## Step 4: Refine your withholdings

If you want extra tax withheld, or expect to claim deductions other than the standard deduction when you do your taxes, you can note that on the W-4 form.

# Step 5: Sign and date your W-4

Once completed, give the signed form to your employer's Human Resources or Payroll team. You may also be able to fill it out online through your employer's payroll system.

# Sample W-4 form with highlighted sections and steps



#### Step 1 and Step 5

Steps 1 and 5 are required. The rest are optional, but filling them out could help you avoid a surprise tax bill later.

#### Step 2

Use step 2 if both spouses work or if you have more than one job.

Read the instructions carefully here to avoid errors and not have too little (or too much) tax withheld.

#### 4(c)

If you're self-employed on the side, you can have extra money come out of your paycheck to cover the taxes.

