

W4 Employee Withholding Information

Schupan is required to withhold federal income tax from your pay based on the information you provide on your W4 form.

How much do I need to withhold?

There are many factors that go into determining how much you should withhold. For more information, please contact a tax adviser or you can use the IRS Tax Estimator at:

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

Employees in the human resources and payroll departments are not tax specialists and cannot advise you on what you should withhold.

What do I need to know when completing my W4?

The following information is being provided to assist you with how the Paycom system uses the information you provide in your W4. It is impractical to present every tax withholding scenario. **The information provided is not all encompassing and meant for illustrative purposes only.**

There are several ways you can impact the amount of money withheld for federal taxes.

1. **Your anticipated filing status:** Single vs. Married vs. Head of Household -This determines the standard deduction and tax rates used to compute your weekly federal withholding. In general, Paycom withholds the most money when filing single.

Jon and Kiera have not selected additional deductions or credits. Jon will have a greater amount withheld with a filing status of single.

Employee	Filing Status	Earnings for the week	Federal Taxes Withheld
Jon	Single	\$1000	\$83
Kiera	Married-filing jointly	\$1000	\$47

2. **Multiple Jobs or Spouse Works** – If the multiple jobs box is checked, Paycom’s Withholding Rate Schedule changes and the amount of your withholdings per week **will be affected**.

Jon and Kiera have the same filing status, however, Kiera checked the box for “Multiple Jobs or Spouse Works”. Kiera has more withheld having checked the box.

Employee	Filing Status	Multiple Jobs/Spouses works	Earnings for the week	Federal Taxes Withheld
Jon	Married-filing jointly	box not checked	\$1000	\$47
Kiera	Married-filing jointly	box checked	\$1000	\$83

3. **Claim Dependent and Other Credits** – If you enter dependent or other credits, Paycom’s system will divide the annual credit amount you entered by 52 weeks. **This amount becomes your weekly tax credit until you change it in Paycom.** Each week, Paycom figures your tax withholding amount and then deducts your weekly credit. The difference is the amount of taxes that will be withheld from your paycheck that week.

Important: If the difference is a negative number, Paycom's system will deduct \$0 in federal taxes from your pay for that week.

Kiera is claiming 0 credits for dependents on her W4, therefore, she will have more money deducted from her Paycheck.

Employee	Filing Status	Earnings for the week	Dependent Credit	Federal Taxes Withheld
Jon	Married-filing jointly	\$1000	\$2000	\$9
Kiera	Married-filing jointly	\$1000	\$0	\$83

4. Other adjustments – You can indicate here if you need more money withheld for taxes, or if you need more deductions to limit your withholding amount. This is a good place to have additional dollars withheld if you are concerned that you are not having enough withheld.

Jon entered \$50 as an “extra withholding” on his W4, therefore, he will have more money deducted from his paycheck.

Employee	Filing Status	Earnings for the week	Dependent Credit	Extra Withholding	Federal Taxes Withheld
Jon	Married-filing jointly	\$1000	\$2000	\$50	\$59
Kiera	Married-filing jointly	\$1000	\$2000	\$0	\$9

Helpful Hints:

Be sure to review your paycheck statement on a regular basis. If you feel the amount being withheld is incorrect, you can change your W4 in Paycom. Below are some suggestions.

You **need more withheld:**

- Change your filing status to **single**
- **Check** the “multiple jobs” box
- **Reduce** the number of dependents (or other deductions) you are claiming
- **Increase/add** an extra withholding amount
- Make sure you have not checked the box that says you are “exempt” from withholding for the year

You need less withheld:

- Change your filing status to **married (if applicable)**
- **Uncheck** the “multiple jobs” box
- **Increase** the number of dependents (or other deductions) you are claiming
- **Reduce/eliminate** your extra withholding amount
- **We recommend you advise a tax specialist** before checking the box that says you are “exempt” from withholding for the year

Important: Always check your paycheck statements to verify the amount of your withholdings.