DIRECTOR'S OFFICE
DEPT. OF
TRANSPORTATION
FEB 3 4 00 PM '00

BENJAMIN J. CAYETANO
GOVERNOR

DEPT. OF
TRANSPORTATION
PERSONNEL
STAFF
FEB 4 8 40 AM '00

RAYMOND H. SATO
[redacted]
COMPTROLLER

Y PATRICIA WATERHOUSE
DEPUTY COMPTROLLER

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING
AND GENERAL SERVICES
P.O. BOX 119
HONOLULU, HAWAII 96810-0119

FEB 3 2000

COMPTROLLER'S MEMORANDUM NO. 2000-03

TO: Heads of Departments

ATTN: Payroll/Personnel Offices

SUBJECT: Submission of Certain Form W-4 Withholding Certificates

This is to remind departments and agencies of the IRS requirement to submit photocopies of certain Form W-4 "Employee's Withholding Allowance Certificate".

Instructions on the proper method of preparing and submitting the photocopies of Form W-4 are as follows:

A. Types of Form W-4 to be photocopied:

1. Employees who claim 11 or more withholding allowances.

2. Employees who claim exemption from federal income tax withholding and their wages would normally be $200 or more per week. (Reminder: This type of Form W-4 must be re-filed annually by February 15th for the new calendar year. The certificate expires on this date, and if no new certificate is filed, the employing department or agency must begin withholding federal income tax from the affected employee's wages as if the employee is single with zero withholding allowances.)

B. Information on Form W-4:

1. Enter payroll number and check distribution code in the upper right-hand corner.

2. Enter employee's name and address (Block #1). The employee's name should match what is shown on his social security card and the payroll/personnel files.

3. Enter employee's social security number (Block #2). The employee's social security number should match what is shown on his social security card and in the payroll/personnel files.

4. Enter the employee's martial status (Block #3).

5. Complete Block #4 if applicable.

6. Enter the number of allowances claimed (Block #5).

7. Complete Block #7 if applicable.

8. Employee's signature.

9. Complete Blocks #8 and #10 as follows:

   STATE OF HAWAII CENTRAL PAYROLL
   P. O. Box 119
   Honolulu, Hawaii 96810

   99-6001081

C. Method of Submittal:

   Attach a memo to the Form W-4 copies to indicate the name of the transmitting department/agency and total count of the forms being submitted.

D. Submittal Deadline:

   The memo and Form W-4 photocopies are due in DAGS Central Payroll no later than five (5) working days after the quarter has ended.

If there are any questions regarding the IRS requirements or preparation and/or submission of the Form W-4 photocopies, please contact DAGS Central Payroll.

RAYMOND H. SATO
State Comptroller

Attachment

Form W-4 (2000)

Purpose. Complete Form W-4 so your employer can withhold the correct Federal income tax from your pay. Because your tax situation may change, you may want to refigure your withholding each year.

Exemption from withholding. If you are exempt, complete only lines 1, 2, 3, 4, and 7, and sign the form to validate it. Your exemption for 2000 expires February 16, 2001.

Note: *You cannot claim exemption from withholding if (1) your income exceeds $700 and includes more than $250 of unearned income (e.g., interest and dividends) and (2) another person can claim you as a dependent on their tax return.*

Basic instructions. If you are not exempt, complete the **Personal Allowances Worksheet** below. The worksheets on page 2 adjust your withholding allowances based on itemized deductions, adjustments to income, or two-earner/two-job situations. Complete all worksheets that apply. They will help you figure the number of withholding allowances you are entitled to claim. **However, you may claim fewer (or zero) allowances.**

Child tax and higher education credits. For details on adjusting withholding for these and other credits, see **Pub. 919,** How Do I Adjust My Tax Withholding?

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. See line **E** below.

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,** Estimated Tax for Individuals. Otherwise, you may owe additional tax.

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. Your withholding usually will be most accurate when all allowances are claimed on the Form W-4 prepared for the highest paying job and zero allowances are claimed for the others.

Check your withholding. After your Form W-4 takes effect, use Pub. 919 to see how the dollar amount you are having withheld compares to your projected total tax for 2000. Get Pub. 919 especially if you used the **Two-Earner/Two-Job Worksheet** on page 2 and your earnings exceed $150,000 (Single) or $200,000 (Married).

Recent name change? If your name on line 1 differs from that shown on your social security card, call 1-800-772-1213 for a new social security card.

Personal Allowances Worksheet (Keep for your records.)

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

B Enter "1" if:
- 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.

. . **B** _____

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. (Entering -0- may help you avoid having too little tax withheld.) . . . . . **C** _____

D Enter number of **dependents** (other than your spouse or yourself) 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 **Child Tax Credit:**
- If your total income will be between $18,000 and $50,000 ($23,000 and $63,000 if married), enter "1" for each eligible child.
- If your total income will be between $50,000 and $80,000 ($63,000 and $115,000 if married), enter "1" if you have two eligible children, enter "2" if you have three or four eligible children, or enter "3" if you have five or more eligible children. **G** _____

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

For accuracy, complete 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,** have **more than one job** and your combined earnings from all jobs exceed $34,000, OR if you are **married** and have a **working spouse or more than one job** and the combined earnings from all jobs exceed $60,000, see the **Two-Earner/Two-Job Worksheet** on page 2 to avoid having too little tax withheld.
- If **neither** of the above situations applies, **stop here** and enter the number from line H on line 5 of Form W-4 below.

Cut here and give Form W-4 to your employer. Keep the top part 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 page 2.**

OMB No. 1545-0010
2000

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 ☐ Single ☐ Married ☐ 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. **You must call 1-800-772-1213 for a new card** . . . ▶ ☐	

5 Total number of allowances you are claiming (from line **H** above **OR** from the applicable worksheet on page 2) | 5 |

6 Additional amount, if any, you want withheld from each paycheck . . . . . | 6 $ |

7 I claim exemption from withholding for 2000, and I certify that I meet **BOTH** of the following conditions for exemption:
- 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, write "EXEMPT" here . . . . . ▶ | 7 |

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

Employee's signature
(Form is not valid unless you sign it) ▶ Date ▶

8 Employer's name and address (Employer: Complete lines 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 2000 tax return.*

1 Enter an estimate of your 2000 itemized deductions. These include qualifying home mortgage interest, charitable contributions, state and local taxes, medical expenses in excess of 7.5% of your income, and miscellaneous deductions. (For 2000, you may have to reduce your itemized deductions if your income is over $128,950 ($64,475 if married filing separately). See **Worksheet 3** in Pub. 919 for details.) . . . 1 $ _____

2 Enter:
- $7,350 if married filing jointly or qualifying widow(er)
- $6,450 if head of household
- $4,400 if single
- $3,675 if married filing separately

. . . . . 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 2000 adjustments to income, including alimony, deductible IRA contributions, and student loan interest 4 $ _____

5 **Add** lines 3 and 4 and enter the total (Include any amount for credits from **Worksheet 7** in Pub. 919.) . 5 $ _____

6 Enter an estimate of your 2000 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 $3,000 and enter the result here. Drop any fraction . . . . . 8 _____

9 Enter the number from the **Personal Allowances Worksheet,** line H, 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, page 1 . 10 _____

Two-Earner/Two-Job Worksheet

Note: *Use this worksheet only if the instructions under line H on page 1 direct you here.*

1 Enter the number from line H, 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 **MORE 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, 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, page 1. Complete lines 4–9 below 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 needed . . 8 $ _____

9 Divide line 8 by the number of pay periods remaining in 2000. For example, divide by 26 if you are paid every other week and you complete this form in December 1999. 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	If wages from **LOWEST** paying job are—	Enter on line 2 above
$0 - $4,000	0	41,001 - 45,000	8	$0 - $5,000	0	65,001 - 80,000	8
4,001 - 7,000	1	45,001 - 55,000	9	5,001 - 11,000	1	80,001 - 100,000	9
7,001 - 13,000	2	55,001 - 63,000	10	11,001 - 17,000	2	100,001 and over	10
13,001 - 19,000	3	63,001 - 70,000	11	17,001 - 22,000	3		
19,001 - 25,000	4	70,001 - 85,000	12	22,001 - 27,000	4		
25,001 - 31,000	5	85,001 - 100,000	13	27,001 - 40,000	5		
31,001 - 37,000	6	100,001 - 110,000	14	40,001 - 50,000	6		
37,001 - 41,000	7	110,001 and over	15	50,001 - 65,000	7		

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	$420	$0 - $30,000	$420
50,001 - 100,000	780	30,001 - 60,000	780
100,001 - 130,000	870	60,001 - 120,000	870
130,001 - 250,000	1,000	120,001 - 270,000	1,000
250,001 and over	1,100	270,001 and over	1,100

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 **properly** completed form will result in your being treated as a single person who claims no withholding allowances; **providing fraudulent information may also subject you to penalties.** Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, to cities, states, and the District of Columbia for use in administering their tax laws, and for use in the National Directory of New Hires.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by Code section 6103.

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** 13 min., **Preparing the form** 59 min. If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **DO NOT** send the tax form to this address. Instead, give it to your employer.

Printed on recycled paper

☆U.S. GOVERNMENT PRINTING OFFICE: 1999-456-121