Office Memorandum

Date: April 25, 2018
To: Agency Payroll, HR, and Accounting Staff
From: Mary Muellner, Director, Statewide Payroll Services
Subject: 2018 Form W-4 and Updated Withholding Calculator

The Internal Revenue Service (IRS) has released the 2018 Form W-4, *Employee’s Withholding Allowance Certificate*, which reflects the new federal Tax Cuts and Jobs Act. The IRS also updated its online Withholding Calculator to reflect the Tax Cut and Jobs Act. Below are resources to help you determine how many withholding allowances you should be claiming in 2018, and to change your withholding if you chose to do so.

**Check the IRS Withholding Calculator**

- The [IRS Withholding Calculator](https://www.irs.gov) is the best way to check that you are not having too much or too little tax withheld from your paychecks.
- Note for 2019: To help protect against having too little withheld in 2019, when changing your withholding for 2018, the IRS recommends checking your withholding again early in 2019.
- Among the groups who should check their withholdings are:
  - Two-income families
  - People working two or more jobs or who only work for part of the year
  - People with children who claim credits such as the Child Tax Credit
  - People with older dependents, including children age 17 or older
  - People who itemized deductions in 2017
  - People with high incomes and more complex tax returns
  - People with large tax refunds or large tax bills for 2017

**Update your Form W-4 if needed**

- [Online in Self Service (recommended)](https://www.irs.gov/self-service-payroll). It’s quick and easy to update your W-4 information in Self Service! In Self Service, go to Other Payroll, select W4 and MWR, input your info and submit.
- **Paper.** In Self Service, go to Main Menu > State of MN Self Service > Other Payroll > Payroll Forms > W-4MN. Complete the form and submit it to your payroll office.

**Complex tax situation? Check IRS Publication 505**
Taxpayers with more complex situations might need to use [IRS Publication 505, Tax Withholding and Estimated Tax](https://www.irs.gov) instead of the Withholding Calculator. Publication 505 is expected to be available on the IRS website (IRS.gov) in early spring.

**Questions?**
Agency payroll, human resources, or accounting staff should contact Statewide Payroll Services.

**Spread the word**
Please share this information with agency staff, post in agency newsletters, intranet, etc.