

# JOBPOWER News



## Important New Updates And/Or Changes To Form W-4

The W-4 form has been redesigned to use for employees hired **after** January 1, 2020. According to the IRS's website... "The new design reduces the form's complexity and increases the transparency and accuracy of the withholding system. While it uses the same underlying information as the old design, it replaces complicated worksheets with more straightforward questions that make accurate withholding easier for employees."

- Existing employees are NOT required to complete a 2020 Form W-4.
- Employees hired before 2020 can leave their 2019 or prior Form W-4 in effect. Therefore, employers should expect to support the prior W-4 and withholding allowances for the foreseeable future.
- After 2019, new hires MUST use the 2020 W4, and current employees MUST use the 2020 version if they wish to change their tax withholding.

### Inside this issue

Important New Update to W-4.....	1
Federal Tax Status .....	1
Federal Tax Withholding .....	1
Social Security/Medicare.....	2
Federal Tax Factors.....	3

Take a few minutes to review the FAQs posted on the IRS's website. <https://www.irs.gov/newsroom/faqs-on-the-2020-form-w-4>

## 2020 Federal Tax Factors Status

There are now 9 tax status for 2020. Use status 1, 2, or 3 if Form W-4 is from 2019 or earlier; if the Form W-4 is from 2020 or later and the box in Step 2 of Form W-4 is **NOT** checked, use status 4, 5 or 6. If the Form W-4 is from 2020 or later and the box in Step 2 of Form W-4 **IS** checked, use status 7, 8 or 9. (See image for box in Step 2 of the 2020 W4 form below.)

The tax status available are:

- 1) **Single**
- 2) **Married**
- 3) **HOH *new***
- 4) **Single 1 Job *new***
- 5) **Married 1 Job *new***
- 6) **HOH 1 Job *new***
- 7) **Single > 1 Job *new***
- 8) **Married > 1 Job *new***
- 9) **HOH > 1 Job *new***

A patch is needed to update JOBPOWER with the new tax status that appear on the **Add/Revise Employee** screen. JOBPOWER users MUST BE on version 9.100. If you do not have the latest version installed, contact JOBPOWER Support. The instructions for downloading the patch will be available in the JOBPOWER Customer Portal. Support\Customer Portal\Recent Newsletters\GetUpdates 2020 Federal...

JOBPOWER Cloud users will have the patch already installed. You will only need to enter the revised Federal Income Tax Rates. (See instructions on page 2.)

After you have installed the patch, when you add a new employee the NEW tax status will appear in the drop down menu for Marital status. Any current employee who may elect to change their withholdings will need to fill out the 2020 W-4. **BE SURE** and change their status for Federal Withholding on the **Add/Revise Employee** screen accordingly.

To revise the Federal Income Tax Rates, go to **Payroll** tab, select **Tax Factors, Update Federal**.

## 2020 Federal Tax Factors!

You should implement these Federal Tax tables AFTER you process your final payroll in December but no later than February 15, 2020. Be sure you are in the month of January 2020 when you update the factors. Following are instructions for entering the new Federal Tax Factors and updating the maximum wages subject to Social Security.

### Social Security / Medicare Maximums

The maximum wages subject to Social Security has changed for payroll checks in 2020. The new maximum is \$137,700.00 and the Overtime salary threshold is now \$684.00.

To update JOBPOWER, go to **Payroll, Tax Factors, Social Security/Medicare**. Revise the maximum wages for Social Security.

If your screen does not have the field for Overtime Salary Threshold, you are on an older version of JOBPOWER and are not a support subscriber. If you are interested in getting up-to-date, please contact JOBPOWER Support.

### Federal Income Tax Withholding Rates

For the updated Federal 2020 tax brackets and rates, use the tax factors included in this newsletter. They should be implemented no later than February 15, 2020. This information comes from the Notice 1036 Early Release Copies of the 2020 Percentage Method Tables for Income Tax Withholding published by the IRS.

**Before revising the new tax rates**, you need to **ADD** the new tax status. It is very **IMPORTANT** that the new tax status be entered in the order shown below.

- 1) **Single**
- 2) **Married**
- 3) **HOH** *new*
- 4) **Single 1 Job** *new*
- 5) **Married 1 Job** *new*
- 6) **HOH 1 Job** *new*
- 7) **Single > 1 Job** *new*
- 8) **Married > 1 Job** *new*
- 9) **HOH > 1 Job** *new*

To revise the Federal Income Tax Rates, go to **Payroll** tab, select **Tax Factors, Update Federal**. You will see the screen below.

Revise the Factors effective date, then click **Single** and [**Work on Factors**]. The program will display the current tax factors and allow you to change them as necessary. Use the tax factors on the following pages to update the information on each of the 4 tabs. Match the factors by line number. Change the tax factors on the screen to match the ones in the newsletter.

To verify you have done this correctly, the factors control number on the screen should match the corresponding factors control number on the page in this newsletter.

Once the **Single** have been revised, do the same for **Married, HOH, Single 1 Job, Married 1 Job**, etc.

If you enter the tax factors from the newsletter and the Factors control on the screen does not match the factors control on the page in the newsletter, recheck what you entered, line by line; either you missed a line or entered a number incorrectly.

1/14/20  
8:24 AM

Latest from JOBPOWER  
Federal Tax Factors for 2020

Federal

Tax status: **Single**

Factors used to adjust wages before considering tax status

1)	Percent of wages taxable:	0.00%
2)	Percent of federal WH to deduct:	0.00%
3)	Percent of wages to deduct:	0.00%
4)	Minimum to deduct:	0.00
5)	Maximum to deduct:	0.00
6)	Fixed amount to deduct:	0.00

Factors used to adjust wages for first allowance

7)	Percentage of wages to deduct:	0.00%
8)	Minimum to deduct:	0.00
9)	Maximum to deduct:	0.00
10)	Fixed amount to deduct:	4,300.00
11)	Tax credit:	0.00

Factors used to adjust wages for other allowances

17)	Deduction for other allowances:	4,300.00
18)	Tax credit for other allowances:	0.00

19) Up to	3,800.00 use	0.000 %
20) Up to	13,675.00 use	10.000 %
21) Up to	43,925.00 use	12.000 %
22) Up to	89,325.00 use	22.000 %
23) Up to	167,100.00 use	24.000 %
24) Up to	211,150.00 use	32.000 %
25) Up to	522,200.00 use	35.000 %
26) Up to	0.00 use	37.000 %
27) Up to	0.00 use	0.000 %
28) Up to	0.00 use	0.000 %
29) Up to	0.00 use	0.000 %
30) Up to	0.00 use	0.000 %
31) Up to	0.00 use	0.000 %
32) Up to	0.00 use	0.000 %

Factors control: 25,351,308.00

1/14/20  
8:24 AM

Latest from JOBPOWER  
Federal Tax Factors for 2020

Federal

Tax status: **Married**

Factors used to adjust wages before considering tax status

1)	Percent of wages taxable:	0.00%
2)	Percent of federal WH to deduct:	0.00%
3)	Percent of wages to deduct:	0.00%
4)	Minimum to deduct:	0.00
5)	Maximum to deduct:	0.00
6)	Fixed amount to deduct:	0.00

Factors used to adjust wages for first allowance

7)	Percentage of wages to deduct:	0.00%
8)	Minimum to deduct:	0.00
9)	Maximum to deduct:	0.00
10)	Fixed amount to deduct:	4,300.00
11)	Tax credit:	0.00

Factors used to adjust wages for second allowance

12)	Percentage of wages to deduct:	0.00%
13)	Minimum to deduct:	0.00
14)	Maximum to deduct:	0.00
15)	Fixed amount to deduct:	4,300.00
16)	Tax credit:	0.00

Factors used to adjust wages for other allowances

17)	Deduction for other allowances:	4,300.00
18)	Tax credit for other allowances:	0.00

19)	Up to	11,900.00 use	0.000 %
20)	Up to	31,650.00 use	10.000 %
21)	Up to	92,150.00 use	12.000 %
22)	Up to	182,950.00 use	22.000 %
23)	Up to	338,500.00 use	24.000 %
24)	Up to	426,600.00 use	32.000 %
25)	Up to	633,950.00 use	35.000 %
26)	Up to	0.00 use	37.000 %
27)	Up to	0.00 use	0.000 %
28)	Up to	0.00 use	0.000 %
29)	Up to	0.00 use	0.000 %
30)	Up to	0.00 use	0.000 %
31)	Up to	0.00 use	0.000 %
32)	Up to	0.00 use	0.000 %

Factors control: 40,879,933.00

1/14/20  
8:24 AM

Latest from JOBPOWER  
Federal Tax Factors for 2020

Federal

Tax status: **HOH**

Factors used to adjust wages before considering tax status

1)	Percent of wages taxable:	0.00%
2)	Percent of federal WH to deduct:	0.00%
3)	Percent of wages to deduct:	0.00%
4)	Minimum to deduct:	0.00
5)	Maximum to deduct:	0.00
6)	Fixed amount to deduct:	0.00

Factors used to adjust wages for first allowance

7)	Percentage of wages to deduct:	0.00%
8)	Minimum to deduct:	0.00
9)	Maximum to deduct:	0.00
10)	Fixed amount to deduct:	4,300.00
11)	Tax credit:	0.00

Factors used to adjust wages for second allowance

12)	Percentage of wages to deduct:	0.00%
13)	Minimum to deduct:	0.00
14)	Maximum to deduct:	0.00
15)	Fixed amount to deduct:	4,300.00
16)	Tax credit:	0.00

Factors used to adjust wages for other allowances

17)	Deduction for other allowances:	4,300.00
18)	Tax credit for other allowances:	0.00

19)	Up to	10,050.00 use	0.000 %
20)	Up to	24,150.00 use	10.000 %
21)	Up to	63,750.00 use	12.000 %
22)	Up to	95,550.00 use	22.000 %
23)	Up to	173,350.00 use	24.000 %
24)	Up to	217,400.00 use	32.000 %
25)	Up to	528,450.00 use	35.000 %
26)	Up to	0.00 use	37.000 %
27)	Up to	0.00 use	0.000 %
28)	Up to	0.00 use	0.000 %
29)	Up to	0.00 use	0.000 %
30)	Up to	0.00 use	0.000 %
31)	Up to	0.00 use	0.000 %
32)	Up to	0.00 use	0.000 %

Factors control: 26,718,833.00

1/14/20  
8:24 AM

Latest from JOBPOWER  
Federal Tax Factors for 2020

Federal

Tax status: **Single 1 Job**

Factors used to adjust wages before considering tax status

1)	Percent of wages taxable:	0.00%
2)	Percent of federal WH to deduct:	0.00%
3)	Percent of wages to deduct:	0.00%
4)	Minimum to deduct:	0.00
5)	Maximum to deduct:	0.00
6)	Fixed amount to deduct:	8,600.00

Factors used to adjust wages for first allowance

7)	Percentage of wages to deduct:	0.00%
8)	Minimum to deduct:	0.00
9)	Maximum to deduct:	0.00
10)	Fixed amount to deduct:	0.00
11)	Tax credit:	0.00

Factors used to adjust wages for second allowance

12)	Percentage of wages to deduct:	0.00%
13)	Minimum to deduct:	0.00
14)	Maximum to deduct:	0.00
15)	Fixed amount to deduct:	0.00
16)	Tax credit:	0.00

Factors used to adjust wages for other allowances

17)	Deduction for other allowances:	0.00
18)	Tax credit for other allowances:	0.00

19)	Up to	3,800.00 use	0.000 %
20)	Up to	13,675.00 use	10.000 %
21)	Up to	43,925.00 use	12.000 %
22)	Up to	89,325.00 use	22.000 %
23)	Up to	167,100.00 use	24.000 %
24)	Up to	211,150.00 use	32.000 %
25)	Up to	522,200.00 use	35.000 %
26)	Up to	0.00 use	37.000 %
27)	Up to	0.00 use	0.000 %
28)	Up to	0.00 use	0.000 %
29)	Up to	0.00 use	0.000 %
30)	Up to	0.00 use	0.000 %
31)	Up to	0.00 use	0.000 %
32)	Up to	0.00 use	0.000 %

Factors control: 25,258,308.00

1/14/20  
8:24 AM

Latest from JOBPOWER  
Federal Tax Factors for 2020

Federal

Tax status: **Married 1 Job**

Factors used to adjust wages before considering tax status

1)	Percent of wages taxable:	0.00%
2)	Percent of federal WH to deduct:	0.00%
3)	Percent of wages to deduct:	0.00%
4)	Minimum to deduct:	0.00
5)	Maximum to deduct:	0.00
6)	Fixed amount to deduct:	12,900.00

Factors used to adjust wages for first allowance

7)	Percentage of wages to deduct:	0.00%
8)	Minimum to deduct:	0.00
9)	Maximum to deduct:	0.00
10)	Fixed amount to deduct:	0.00
11)	Tax credit:	0.00

Factors used to adjust wages for second allowance

12)	Percentage of wages to deduct:	0.00%
13)	Minimum to deduct:	0.00
14)	Maximum to deduct:	0.00
15)	Fixed amount to deduct:	0.00
16)	Tax credit:	0.00

Factors used to adjust wages for other allowances

17)	Deduction for other allowances:	0.00
18)	Tax credit for other allowances:	0.00

19)	Up to	11,900.00 use	0.000 %
20)	Up to	31,650.00 use	10.000 %
21)	Up to	92,150.00 use	12.000 %
22)	Up to	182,950.00 use	22.000 %
23)	Up to	338,500.00 use	24.000 %
24)	Up to	426,600.00 use	32.000 %
25)	Up to	633,950.00 use	35.000 %
26)	Up to	0.00 use	37.000 %
27)	Up to	0.00 use	0.000 %
28)	Up to	0.00 use	0.000 %
29)	Up to	0.00 use	0.000 %
30)	Up to	0.00 use	0.000 %
31)	Up to	0.00 use	0.000 %
32)	Up to	0.00 use	0.000 %

Factors control: 40,776,733.00

1/14/20  
8:24 AM

Latest from JOBPOWER  
Federal Tax Factors for 2020

Federal

Tax status: **HOH 1 Job**

Factors used to adjust wages before considering tax status

1)	Percent of wages taxable:	0.00%
2)	Percent of federal WH to deduct:	0.00%
3)	Percent of wages to deduct:	0.00%
4)	Minimum to deduct:	0.00
5)	Maximum to deduct:	0.00
6)	Fixed amount to deduct:	8,600.00

Factors used to adjust wages for first allowance

7)	Percentage of wages to deduct:	0.00%
8)	Minimum to deduct:	0.00
9)	Maximum to deduct:	0.00
10)	Fixed amount to deduct:	0.00
11)	Tax credit:	0.00

Factors used to adjust wages for second allowance

12)	Percentage of wages to deduct:	0.00%
13)	Minimum to deduct:	0.00
14)	Maximum to deduct:	0.00
15)	Fixed amount to deduct:	0.00
16)	Tax credit:	0.00

Factors used to adjust wages for other allowances

17)	Deduction for other allowances:	0.00
18)	Tax credit for other allowances:	0.00

19)	Up to	10,050.00 use	0.000 %
20)	Up to	24,150.00 use	10.000 %
21)	Up to	63,750.00 use	12.000 %
22)	Up to	95,550.00 use	22.000 %
23)	Up to	173,350.00 use	24.000 %
24)	Up to	217,400.00 use	32.000 %
25)	Up to	528,450.00 use	35.000 %
26)	Up to	0.00 use	37.000 %
27)	Up to	0.00 use	0.000 %
28)	Up to	0.00 use	0.000 %
29)	Up to	0.00 use	0.000 %
30)	Up to	0.00 use	0.000 %
31)	Up to	0.00 use	0.000 %
32)	Up to	0.00 use	0.000 %

Factors control: 26,589,833.00



1/14/20  
8:24 AM

Latest from JOBPOWER  
Federal Tax Factors for 2020

Federal

Tax status: **Single > 1 Job**

Factors used to adjust wages before considering tax status

1)	Percent of wages taxable:	0.00%
2)	Percent of federal WH to deduct:	0.00%
3)	Percent of wages to deduct:	0.00%
4)	Minimum to deduct:	0.00
5)	Maximum to deduct:	0.00
6)	Fixed amount to deduct:	0.00

Factors used to adjust wages for first allowance

7)	Percentage of wages to deduct:	0.00%
8)	Minimum to deduct:	0.00
9)	Maximum to deduct:	0.00
10)	Fixed amount to deduct:	0.00
11)	Tax credit:	0.00

Factors used to adjust wages for second allowance

12)	Percentage of wages to deduct:	0.00%
13)	Minimum to deduct:	0.00
14)	Maximum to deduct:	0.00
15)	Fixed amount to deduct:	0.00
16)	Tax credit:	0.00

Factors used to adjust wages for other allowances

17)	Deduction for other allowances:	0.00
18)	Tax credit for other allowances:	0.00

19)	Up to	6,200.00 use	0.000 %
20)	Up to	11,138.00 use	10.000 %
21)	Up to	26,263.00 use	12.000 %
22)	Up to	48,963.00 use	22.000 %
23)	Up to	87,850.00 use	24.000 %
24)	Up to	109,875.00 use	32.000 %
25)	Up to	265,400.00 use	35.000 %
26)	Up to	0.00 use	37.000 %
27)	Up to	0.00 use	0.000 %
28)	Up to	0.00 use	0.000 %
29)	Up to	0.00 use	0.000 %
30)	Up to	0.00 use	0.000 %
31)	Up to	0.00 use	0.000 %
32)	Up to	0.00 use	0.000 %

Factors control: 13,269,352.00

1/14/20  
8:24 AM

Latest from JOBPOWER  
Federal Tax Factors for 2020

Federal

Tax status: **Married > 1 Job**

Factors used to adjust wages before considering tax status

1)	Percent of wages taxable:	0.00%
2)	Percent of federal WH to deduct:	0.00%
3)	Percent of wages to deduct:	0.00%
4)	Minimum to deduct:	0.00
5)	Maximum to deduct:	0.00
6)	Fixed amount to deduct:	0.00

Factors used to adjust wages for first allowance

7)	Percentage of wages to deduct:	0.00%
8)	Minimum to deduct:	0.00
9)	Maximum to deduct:	0.00
10)	Fixed amount to deduct:	0.00
11)	Tax credit:	0.00

Factors used to adjust wages for second allowance

12)	Percentage of wages to deduct:	0.00%
13)	Minimum to deduct:	0.00
14)	Maximum to deduct:	0.00
15)	Fixed amount to deduct:	0.00
16)	Tax credit:	0.00

Factors used to adjust wages for other allowances

17)	Deduction for other allowances:	0.00
18)	Tax credit for other allowances:	0.00

19) Up to	12,400.00 use	0.000 %
20) Up to	22,275.00 use	10.000 %
21) Up to	52,525.00 use	12.000 %
22) Up to	97,925.00 use	22.000 %
23) Up to	175,700.00 use	24.000 %
24) Up to	219,750.00 use	32.000 %
25) Up to	323,425.00 use	35.000 %
26) Up to	0.00 use	37.000 %
27) Up to	0.00 use	0.000 %
28) Up to	0.00 use	0.000 %
29) Up to	0.00 use	0.000 %
30) Up to	0.00 use	0.000 %
31) Up to	0.00 use	0.000 %
32) Up to	0.00 use	0.000 %

Factors control: 21,346,733.00

1/14/20  
8:24 AM

Latest from JOBPOWER  
Federal Tax Factors for 2020

Federal

Tax status: **HOH > 1 Job**

Factors used to adjust wages before considering tax status

1)	Percent of wages taxable:	0.00%
2)	Percent of federal WH to deduct:	0.00%
3)	Percent of wages to deduct:	0.00%
4)	Minimum to deduct:	0.00
5)	Maximum to deduct:	0.00
6)	Fixed amount to deduct:	0.00

Factors used to adjust wages for first allowance

7)	Percentage of wages to deduct:	0.00%
8)	Minimum to deduct:	0.00
9)	Maximum to deduct:	0.00
10)	Fixed amount to deduct:	0.00
11)	Tax credit:	0.00

Factors used to adjust wages for second allowance

12)	Percentage of wages to deduct:	0.00%
13)	Minimum to deduct:	0.00
14)	Maximum to deduct:	0.00
15)	Fixed amount to deduct:	0.00
16)	Tax credit:	0.00

Factors used to adjust wages for other allowances

17)	Deduction for other allowances:	0.00
18)	Tax credit for other allowances:	0.00

19)	Up to	9,325.00 use	0.000 %
20)	Up to	16,375.00 use	10.000 %
21)	Up to	36,175.00 use	12.000 %
22)	Up to	52,075.00 use	22.000 %
23)	Up to	90,975.00 use	24.000 %
24)	Up to	113,000.00 use	32.000 %
25)	Up to	268,525.00 use	35.000 %
26)	Up to	0.00 use	37.000 %
27)	Up to	0.00 use	0.000 %
28)	Up to	0.00 use	0.000 %
29)	Up to	0.00 use	0.000 %
30)	Up to	0.00 use	0.000 %
31)	Up to	0.00 use	0.000 %
32)	Up to	0.00 use	0.000 %

Factors control: 13,935,083.00