

## Withholding Allowances

### Objectives

In this lesson you will:

- ✓ complete a W-4 Form



### Employee's Withholding Allowance Certificate

When you are employed and are on a payroll, you are required by law to fill out an Employee's Withholding Allowance Certificate. This tax document is also called a **W-4 Form**. It tells your employer how much federal income tax to deduct from your pay. This is a convenient way for you to pay federal income tax each time you get a paycheck instead of paying all of your income tax one time per year.

### Personal Allowances Worksheet

Your employer should provide you with a W-4 Form. Your employer cannot pay you until you have completed this form. The W-4 Form includes instructions and a worksheet. Read the instructions at the top of the form. Then fill out the middle portion of the form, which is called the **Personal Allowances Worksheet**. You may keep this portion for your records. You must give only the bottom portion of the form to your employer.

The reason you fill out the Personal Allowances Worksheet is to figure out how many allowances you want to claim. An “allowance” is the same thing as an **exemption** or **dependent**. If you are single and have one job, you could consider yourself to be 1 allowance. If you also have a child who depends on you, you could claim 1 allowance for yourself and 1 allowance for your child. For each allowance that you claim, your employer will deduct less money for income taxes. If you claim 1 allowance, your employer will take out more money from your paycheck than if you claim 2 or more allowances.

Keep in mind that the purpose of the W-4 Form is to help your employer know how much of your pay to withhold for taxes. It is illegal to lie on your W-4. No matter how many allowances you claim, you will still have to file a tax return at the end of each year and provide proof of your allowances and how much money you earned. If you claim more allowances than you actually have, you will have to pay more when you file your tax return.

**Example 1**

Jamaal is starting a part-time job as an aide at the local library. Since he lives with his parents, they claim him as a dependent. He is single and has only one job. He does not have children. How should Jamaal fill out the Personal Allowances Worksheet?

**Solution**

Personal Allowances Worksheet (Keep for your records.)	
A Enter “1” for <b>yourself</b> if no one else can claim you as a dependent . . . . .	A <u>0</u>
B Enter “1” if: { <ul style="list-style-type: none"> <li>• You are single and have only one job; or</li> <li>• You are married, have only one job, and your spouse does not work; or</li> <li>• Your wages from a second job or your spouse’s wages (or the total of both) are \$1,000 or less.</li> </ul> } . . . . .	B <u>1</u>
C Enter “1” for your <b>spouse</b> . 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 <u>0</u>
D Enter number of <b>dependents</b> (other than your spouse or yourself) you will claim on your tax return . . . . .	D <u>0</u>
E Enter “1” if you will file as <b>head of household</b> on your tax return (see conditions under <b>Head of household</b> above) . . . . .	E <u>0</u>
F Enter “1” if you have at least \$1,500 of <b>child or dependent care expenses</b> for which you plan to claim a credit . . . . .	F <u>0</u>
<b>(Note. Do not include child support payments. See Pub. 503, Child and Dependent Care Expenses, for details.)</b>	
G <b>Child Tax Credit</b> (including additional child tax credit): <ul style="list-style-type: none"> <li>• If your total income will be less than \$54,000 (\$79,000 if married), enter “2” for each eligible child.</li> <li>• If your total income will be between \$54,000 and \$84,000 (\$79,000 and \$119,000 if married), enter “1” for each eligible child plus “1” <b>additional</b> if you have four or more eligible children.</li> </ul>	G <u>0</u>
H Add lines A through G and enter total here. <b>(Note. This may be different from the number of exemptions you claim on your tax return.)</b> ▶	H <u>1</u>
For accuracy, complete all worksheets that apply. { <ul style="list-style-type: none"> <li>• If you plan to <b>itemize or claim adjustments to income</b> and want to reduce your withholding, see the <b>Deductions and Adjustments Worksheet</b> on page 2.</li> <li>• If you have <b>more than one job</b> or are <b>married and you and your spouse both work</b> and the combined earnings from all jobs exceed \$35,000 (\$25,000 if married) see the <b>Two-Earner/Two-Job Worksheet</b> on page 2 to avoid having too little tax withheld.</li> <li>• If <b>neither</b> of the above situations applies, <b>stop here</b> and enter the number from line H on line 5 of Form W-4 below.</li> </ul> }	

**Example 2**

Abigail works full time at a law firm. No one else claims her as a dependent. She is single and has only one job. She has a child, whom she will claim as a dependent. Abigail will also claim the \$1,500 she pays in childcare expenses. She does not want to file as the head of household or claim a child tax credit. How should she fill out the Personal Allowances Worksheet?

**Solution**

Personal Allowances Worksheet (Keep for your records.)			
A	Enter "1" for <b>yourself</b> if no one else can claim you as a dependent . . . . .	A	<u>1</u>
B	Enter "1" if: <ul style="list-style-type: none"> <li>• You are single and have only one job; or</li> <li>• You are married, have only one job, and your spouse does not work; or</li> <li>• Your wages from a second job or your spouse's wages (or the total of both) are \$1,000 or less.</li> </ul>	B	<u>1</u>
C	Enter "1" for your <b>spouse</b> . 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	<u>0</u>
D	Enter number of <b>dependents</b> (other than your spouse or yourself) you will claim on your tax return . . . . .	D	<u>1</u>
E	Enter "1" if you will file as <b>head of household</b> on your tax return (see conditions under <b>Head of household</b> above) . . . . .	E	<u>0</u>
F	Enter "1" if you have at least \$1,500 of <b>child or dependent care expenses</b> for which you plan to claim a credit . . . . . (Note. Do not include child support payments. See <b>Pub. 503</b> , Child and Dependent Care Expenses, for details.)	F	<u>1</u>
G	<b>Child Tax Credit</b> (including additional child tax credit): <ul style="list-style-type: none"> <li>• If your total income will be less than \$54,000 (\$79,000 if married), enter "2" for each eligible child.</li> <li>• If your total income will be between \$54,000 and \$84,000 (\$79,000 and \$119,000 if married), enter "1" for each eligible child plus "1" <b>additional</b> if you have four or more eligible children.</li> </ul>	G	<u>0</u>
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	<u>4</u>
For accuracy, complete all worksheets that apply. <ul style="list-style-type: none"> <li>• If you plan to <b>itemize or claim adjustments to income</b> and want to reduce your withholding, see the <b>Deductions and Adjustments Worksheet</b> on page 2.</li> <li>• If you have <b>more than one job</b> or are <b>married and you and your spouse both work</b> and the combined earnings from all jobs exceed \$35,000 (\$25,000 if married) see the <b>Two-Earner/Two-Job Worksheet</b> on page 2 to avoid having too little tax withheld.</li> <li>• If <b>neither</b> of the above situations applies, <b>stop here</b> and enter the number from line H on line 5 of Form W-4 below.</li> </ul>			

In Abigail’s case, she qualifies for some allowances that she has decided not to claim (head of household and child tax credit). Sometimes people do not claim allowances because they want to make sure that they have enough withheld from their paychecks to cover their taxes. Or, they may want to pay extra so that they get a tax refund.



**Fill out the Personal Allowances Worksheets.**

1. Karishma works part time at a hardware store. She lives with her parents and they claim her as a dependent. She is single and has only one job.

**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** \_\_\_\_\_  
 (Note. Do not include child support payments. See **Pub. 503**, Child and Dependent Care Expenses, for details.)

G **Child Tax Credit** (including additional child tax credit):   
 • If your total income will be less than \$54,000 (\$79,000 if married), enter "2" for each eligible child.   
 • If your total income will be between \$54,000 and \$84,000 (\$79,000 and \$119,000 if married), enter "1" for each eligible child plus "1" **additional** if you have four 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 have **more than one job** or are **married and you and your spouse both work** and the combined earnings from all jobs exceed \$35,000 (\$25,000 if married) 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.

2. Daniel works full time at a warehouse. No one claims him as a dependent. He is married and has only one job. His spouse does not work and he would be considered the head of household. Daniel has no children.

**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** \_\_\_\_\_  
 (Note. Do not include child support payments. See **Pub. 503**, Child and Dependent Care Expenses, for details.)

G **Child Tax Credit** (including additional child tax credit):   
 • If your total income will be less than \$54,000 (\$79,000 if married), enter "2" for each eligible child.   
 • If your total income will be between \$54,000 and \$84,000 (\$79,000 and \$119,000 if married), enter "1" for each eligible child plus "1" **additional** if you have four 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 have **more than one job** or are **married and you and your spouse both work** and the combined earnings from all jobs exceed \$35,000 (\$25,000 if married) 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.

After you fill out the Personal Allowances Worksheet, you are ready to complete the bottom portion of the W-4 Form, which you will give to your employer. To fill out the rest of the form, you will need the total number of allowances from line H of your Personal Allowances Worksheet.

**Example 3**

Use the information below to fill out Jamaal's W-4 Form.

Jamaal R. Thompson  
 4122 Central Street  
 Cleveland, OH 44101

SS#: 001-01-0001

Marital Status: Single

Allowances: 1

Additional Amount Withheld: \$0

**Solution**

Cut here and give Form W-4 to your employer. Keep the top part for your records.

Form <b>W-4</b> Department of the Treasury Internal Revenue Service	<b>Employee's Withholding Allowance Certificate</b> ▶ Whether you are entitled to claim a certain number of allowances or exemption from withholding is subject to review by the IRS. Your employer may be required to send a copy of this form to the IRS.	OMB No. 1545-0010 <b>20--</b>
1 Type or print your first name and middle initial <b>JAMAAL R.</b>		Last name <b>THOMPSON</b>
2 Your social security number <b>001 01 0001</b>		
Home address (number and street or rural route) <b>4122 CENTRAL ST</b>		3 <input checked="" type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Married, but withheld 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 <b>CLEVELAND OH 44101</b>		4 If your last name differs from that shown on your social security card, check here. You must call 1-800-772-1213 for a new card. ▶ <input type="checkbox"/>
5 Total number of allowances you are claiming (from line H above or from the applicable worksheet on page 2)		5 <b>1</b>
6 Additional amount, if any, you want withheld from each paycheck		6 \$ <b>0</b>
7 I claim exemption from withholding for 2005, 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 declare that I have examined this certificate and to the best of my knowledge and belief, it is true, correct, and complete.		
Employee's signature (Form is not valid unless you sign it.) ▶ <i>Jamaal R. Thompson</i>		Date ▶ <b>12-15-2007</b>
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 (EIN)

For Privacy Act and Paperwork Reduction Act Notice, see page 2.

Cat. No. 10220Q

Form **W-4**



**Fill out the W-4 Forms. Use the number of allowances claimed on the Personal Allowances Worksheet from the previous “Try It.”**

3. Use the information below to fill out Karishma’s W-4 Form.

Karishma P. Baharthy  
 591 Maple Avenue  
 San Fernando, CA 91340

SS#: 002-02-0002

Marital Status: Single

Additional Amount Withheld: \$0

----- Cut here and give Form W-4 to your employer. Keep the top part for your records. -----

Form <b>W-4</b> Department of the Treasury Internal Revenue Service	<b>Employee’s Withholding Allowance Certificate</b> ▶ Whether you are entitled to claim a certain number of allowances or exemption from withholding is subject to review by the IRS. Your employer may be required to send a copy of this form to the IRS.	OMB No. 1545-0010 <div style="font-size: 2em; font-weight: bold; text-align: center;">20--</div>
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 <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> 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 shown on your social security card, check here. You must call 1-800-772-1213 for a new card. ▶ <input type="checkbox"/>
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 2005, and I certify that I meet <b>both</b> of the following conditions for exemption. • Last year I had a right to a refund of <b>all</b> federal income tax withheld because I had <b>no</b> tax liability <b>and</b> • This year I expect a refund of <b>all</b> federal income tax withheld because I expect to have <b>no</b> tax liability. If you meet both conditions, write “Exempt” here _____ ▶		7
Under penalties of perjury, I declare that I have examined this certificate and to the best of my knowledge and belief, it is true, correct, and complete.		
<b>Employee’s signature</b> (Form is not valid unless you sign it.) ▶ _____		
8 Employer’s name and address (Employer: Complete lines 8 and 10 only if sending to the IRS.) _____		Date ▶ _____
		9 Office code (optional) _____
		10 Employer identification number (EIN) _____

For Privacy Act and Paperwork Reduction Act Notice, see page 2.

Cat. No. 10220Q

Form **W-4**

4. Use the information below to fill out Daniel's W-4 Form.

Daniel C. Roberts  
 8118 Grant Street  
 Dallas, TX 79045

SS#: 003-03-0003

Marital Status: Married

Additional Amount Withheld: \$0

----- Cut here and give Form W-4 to your employer. Keep the top part for your records. -----

Form <b>W-4</b> Department of the Treasury Internal Revenue Service	<b>Employee's Withholding Allowance Certificate</b> ▶ Whether you are entitled to claim a certain number of allowances or exemption from withholding is subject to review by the IRS. Your employer may be required to send a copy of this form to the IRS.	OMB No. 1545-0010 <div style="font-size: 2em; font-weight: bold; text-align: center;">20--</div>
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 <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> 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 shown on your social security card, check here. You must call 1-800-772-1213 for a new card. ▶ <input type="checkbox"/>
5 Total number of allowances you are claiming (from line H above or from the applicable worksheet on page 2)		5 <input style="width: 50px;" type="text"/>
6 Additional amount, if any, you want withheld from each paycheck		6 \$ <input style="width: 50px;" type="text"/>
7 I claim exemption from withholding for 2005, and I certify that I meet <b>both</b> of the following conditions for exemption. • Last year I had a right to a refund of <b>all</b> federal income tax withheld because I had <b>no</b> tax liability <b>and</b> • This year I expect a refund of <b>all</b> federal income tax withheld because I expect to have <b>no</b> tax liability. If you meet both conditions, write "Exempt" here		7 <input style="width: 50px;" type="text"/>
Under penalties of perjury, I declare that I have examined this certificate and to the best of my knowledge and belief, it is true, correct, and complete.		
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 (EIN) : :

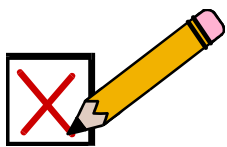
### Additional Taxes Withheld

You may want to have additional money withheld from your paycheck to pay for taxes. Some reasons for doing this include:

- You make extra money on tips that is not included in your paycheck.
- You are self-employed.
- You own property and rent it out.

### Exemption from Withholding

If you make less than a certain amount of money per year, you do not have to pay any **federal income tax**. You may claim an exemption from withholding of federal income tax if you did not have to pay federal income tax last year and do not expect to pay it this year. If you claim this exemption, your employer will not deduct any withholding tax from your pay. You may fall into this category if you only work part time or during the summer.



### Review

1. Locate and highlight the vocabulary words and their meanings in this lesson.
2. Write one new thing that you learned from this lesson or one question that you would like to ask your mentor.

---

---

---



### Practice Problems

Directions: Fill in the practice W-4 Form on the next page using your own information.



# Form W-4 (2007)

**Purpose.** Complete Form W-4 so that 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 2007 expires February 16, 2008. See Pub. 505, Tax Withholding and Estimated Tax.

**Note.** You cannot claim exemption from withholding if (a) your income exceeds \$850 and includes more than \$300 of unearned income (for example, interest and dividends) and (b) 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, certain credits, adjustments to income, or two-earner/multiple job situations. Complete all worksheets that apply. However, you may claim fewer (or zero) allowances.

**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.

**Tax credits.** You can take projected tax credits into account in figuring your allowable number of withholding allowances. Credits for child or dependent care expenses and the child tax credit may be claimed using the **Personal Allowances Worksheet** below. See Pub. 919, How Do I Adjust My Tax Withholding, for information on converting your other credits into withholding allowances.

**Nonwage income.** If you have a large amount of nonwage income, such as interest or dividends, consider making estimated tax payments using Form 1040-ES, Estimated Tax

for Individuals. Otherwise, you may owe additional tax. If you have pension or annuity income, see Pub. 919 to find out if you should adjust your withholding on Form W-4 or W-4P.

**Two earners/Multiple 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 for the highest paying job and zero allowances are claimed on the others.

**Nonresident alien.** If you are a nonresident alien, see the Instructions for Form 8233 before completing this Form W-4.

**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 2007. See Pub. 919, especially if your earnings exceed \$130,000 (Single) or \$180,000 (Married).

## 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** \_\_\_\_\_  
 (Note. Do **not** include child support payments. See Pub. 503, Child and Dependent Care Expenses, for details.)

G **Child Tax Credit** (including additional child tax credit). See Pub 972, Child Tax Credit, for more information.   
 • If your total income will be less than \$57,000 (\$85,000 if married), enter "2" for each eligible child.   
 • If your total income will be between \$57,000 and \$84,000 (\$85,000 and \$119,000 if married), enter "1" for each eligible child plus "1" **additional** if you have 4 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 have **more than one job** or are **married and you and your spouse both work** and the combined earnings from all jobs exceed \$40,000 (\$25,000 if married) see the **Two-Earners/Multiple Jobs 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 <b>W-4</b>		<b>Employee's Withholding Allowance Certificate</b>		OMB No. 1545-0074
Department of the Treasury Internal Revenue Service		► Whether you are entitled to claim a certain number of allowances or exemption from withholding is subject to review by the IRS. Your employer may be required to send a copy of this form to the IRS.		20__
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 <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> 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 shown on your social security card, check here. You must call 1-800-772-1213 for a replacement card. ► <input type="checkbox"/>		
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 2007, and I certify that I meet <b>both</b> of the following conditions for exemption. • Last year I had a right to a refund of <b>all</b> federal income tax withheld because I had <b>no</b> tax liability <b>and</b> • This year I expect a refund of <b>all</b> federal income tax withheld because I expect to have <b>no</b> tax liability. If you meet both conditions, write "Exempt" here . . . . . ►		7		

Under penalties of perjury, I declare that I have examined this certificate and to the best of my knowledge and belief, it is true, correct, and complete.

**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 (EIN)
---	--	--------------------------	---



1.

Personal Allowances Worksheet (Keep for your records.)			
A	Enter "1" for <b>yourself</b> if no one else can claim you as a dependent . . . . .	A	<u>0</u>
B	Enter "1" if: <ul style="list-style-type: none"> <li>• You are single and have only one job; or</li> <li>• You are married, have only one job, and your spouse does not work; or</li> <li>• Your wages from a second job or your spouse's wages (or the total of both) are \$1,000 or less.</li> </ul>	B	<u>1</u>
C	Enter "1" for your <b>spouse</b> . 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	<u>0</u>
D	Enter number of <b>dependents</b> (other than your spouse or yourself) you will claim on your tax return . . . . .	D	<u>0</u>
E	Enter "1" if you will file as <b>head of household</b> on your tax return (see conditions under <b>Head of household</b> above) . . . . .	E	<u>0</u>
F	Enter "1" if you have at least \$1,500 of <b>child or dependent care expenses</b> for which you plan to claim a credit . . . . .	F	<u>0</u>
<b>(Note. Do not include child support payments. See Pub. 503, Child and Dependent Care Expenses, for details.)</b>			
G	<b>Child Tax Credit</b> (including additional child tax credit): <ul style="list-style-type: none"> <li>• If your total income will be less than \$54,000 (\$79,000 if married), enter "2" for each eligible child.</li> <li>• If your total income will be between \$54,000 and \$84,000 (\$79,000 and \$119,000 if married), enter "1" for each eligible child plus "1" <b>additional</b> if you have four or more eligible children.</li> </ul>	G	<u>0</u>
H	Add lines A through G and enter total here. <b>(Note. This may be different from the number of exemptions you claim on your tax return.)</b> ▶	H	<u>1</u>
For accuracy, complete all worksheets that apply. <ul style="list-style-type: none"> <li>• If you plan to <b>itemize or claim adjustments to income</b> and want to reduce your withholding, see the <b>Deductions and Adjustments Worksheet</b> on page 2.</li> <li>• If you have <b>more than one job</b> or are <b>married and you and your spouse both work</b> and the combined earnings from all jobs exceed \$35,000 (\$25,000 if married) see the <b>Two-Earner/Two-Job Worksheet</b> on page 2 to avoid having too little tax withheld.</li> <li>• If <b>neither</b> of the above situations applies, <b>stop here</b> and enter the number from line H on line 5 of Form W-4 below.</li> </ul>			

2.

Personal Allowances Worksheet (Keep for your records.)			
A	Enter "1" for <b>yourself</b> if no one else can claim you as a dependent . . . . .	A	<u>1</u>
B	Enter "1" if: <ul style="list-style-type: none"> <li>• You are single and have only one job; or</li> <li>• You are married, have only one job, and your spouse does not work; or</li> <li>• Your wages from a second job or your spouse's wages (or the total of both) are \$1,000 or less.</li> </ul>	B	<u>1</u>
C	Enter "1" for your <b>spouse</b> . 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	<u>1</u>
D	Enter number of <b>dependents</b> (other than your spouse or yourself) you will claim on your tax return . . . . .	D	<u>0</u>
E	Enter "1" if you will file as <b>head of household</b> on your tax return (see conditions under <b>Head of household</b> above) . . . . .	E	<u>1</u>
F	Enter "1" if you have at least \$1,500 of <b>child or dependent care expenses</b> for which you plan to claim a credit . . . . .	F	<u>0</u>
<b>(Note. Do not include child support payments. See Pub. 503, Child and Dependent Care Expenses, for details.)</b>			
G	<b>Child Tax Credit</b> (including additional child tax credit): <ul style="list-style-type: none"> <li>• If your total income will be less than \$54,000 (\$79,000 if married), enter "2" for each eligible child.</li> <li>• If your total income will be between \$54,000 and \$84,000 (\$79,000 and \$119,000 if married), enter "1" for each eligible child plus "1" <b>additional</b> if you have four or more eligible children.</li> </ul>	G	<u>0</u>
H	Add lines A through G and enter total here. <b>(Note. This may be different from the number of exemptions you claim on your tax return.)</b> ▶	H	<u>4</u>
For accuracy, complete all worksheets that apply. <ul style="list-style-type: none"> <li>• If you plan to <b>itemize or claim adjustments to income</b> and want to reduce your withholding, see the <b>Deductions and Adjustments Worksheet</b> on page 2.</li> <li>• If you have <b>more than one job</b> or are <b>married and you and your spouse both work</b> and the combined earnings from all jobs exceed \$35,000 (\$25,000 if married) see the <b>Two-Earner/Two-Job Worksheet</b> on page 2 to avoid having too little tax withheld.</li> <li>• If <b>neither</b> of the above situations applies, <b>stop here</b> and enter the number from line H on line 5 of Form W-4 below.</li> </ul>			

3.



Cut here and give Form W-4 to your employer. Keep the top part for your records.

Form <b>W-4</b>		<b>Employee's Withholding Allowance Certificate</b>		OMB No. 1545-0010	
Department of the Treasury Internal Revenue Service		▶ Whether you are entitled to claim a certain number of allowances or exemption from withholding is subject to review by the IRS. Your employer may be required to send a copy of this form to the IRS.		20--	
1	Type or print your first name and middle initial <b>KARISHMA P</b>	Last name <b>BAHARTHY</b>	2	Your social security number <b>002:02:0002</b>	
Home address (number and street or rural route) <b>591 MAPLE AVE</b>		3		<input checked="" type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> 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 <b>SAN FERNANDO CA 91340</b>		4		If your last name differs from that shown on your social security card, check here. You must call 1-800-772-1213 for a new card. ▶ <input type="checkbox"/>	
5	Total number of allowances you are claiming (from line H above or from the applicable worksheet on page 2)	5	<b>1</b>		
6	Additional amount, if any, you want withheld from each paycheck	6	\$ <b>0</b>		
7	I claim exemption from withholding for 2005, 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 <b>no tax liability and</b> • This year I expect a refund of all federal income tax withheld because I expect to have <b>no tax liability</b> . If you meet both conditions, write "Exempt" here . . . . . ▶ <b>7</b>				
Under penalties of perjury, I declare that I have examined this certificate and to the best of my knowledge and belief, it is true, correct, and complete.					
Employee's signature (Form is not valid unless you sign it.) ▶ <i>Karishma P. Baharthy</i>					
8		9	10	Date ▶ <b>6-12-2007</b>	
Employer's name and address (Employer: Complete lines 8 and 10 only if sending to the IRS.)		Office code (optional)	Employer identification number (EIN)		

For Privacy Act and Paperwork Reduction Act Notice, see page 2.

Cat. No. 10220Q

Form **W-4**

4.

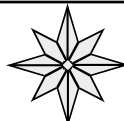
Cut here and give Form W-4 to your employer. Keep the top part for your records.

Form <b>W-4</b>		<b>Employee's Withholding Allowance Certificate</b>		OMB No. 1545-0010	
Department of the Treasury Internal Revenue Service		▶ Whether you are entitled to claim a certain number of allowances or exemption from withholding is subject to review by the IRS. Your employer may be required to send a copy of this form to the IRS.		20--	
1	Type or print your first name and middle initial <b>DANIEL C</b>	Last name <b>ROBERTS</b>	2	Your social security number <b>003:03:0003</b>	
Home address (number and street or rural route) <b>8118 GRANT ST</b>		3		<input type="checkbox"/> Single <input checked="" type="checkbox"/> Married <input type="checkbox"/> 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 <b>DALLAS TX 79045</b>		4		If your last name differs from that shown on your social security card, check here. You must call 1-800-772-1213 for a new card. ▶ <input type="checkbox"/>	
5	Total number of allowances you are claiming (from line H above or from the applicable worksheet on page 2)	5	<b>4</b>		
6	Additional amount, if any, you want withheld from each paycheck	6	\$ <b>0</b>		
7	I claim exemption from withholding for 2005, 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 <b>no tax liability and</b> • This year I expect a refund of all federal income tax withheld because I expect to have <b>no tax liability</b> . If you meet both conditions, write "Exempt" here . . . . . ▶ <b>7</b>				
Under penalties of perjury, I declare that I have examined this certificate and to the best of my knowledge and belief, it is true, correct, and complete.					
Employee's signature (Form is not valid unless you sign it.) ▶ <i>Daniel C. Roberts</i>					
8		9	10	Date ▶ <b>4-12-2007</b>	
Employer's name and address (Employer: Complete lines 8 and 10 only if sending to the IRS.)		Office code (optional)	Employer identification number (EIN)		

For Privacy Act and Paperwork Reduction Act Notice, see page 2.

Cat. No. 10220Q

Form **W-4**



End of Lesson