Treasury, IRS Announce Development of Improved 2020 Form W-4

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Washington – Delivering on the promise to simplify taxes for the American people, the U.S. Department of the Treasury and the Internal Revenue Service (IRS) today released a draft Form W-4 that would be used starting in 2020. The new design reduces the form's complexity and increases the transparency and accuracy of the withholding system.

The redesign was the culmination of Treasury and the IRS's extensive outreach efforts throughout the year from employers, payroll providers and members of the tax community. Several changes were made to the form based on feedback from these stakeholders with the goal of developing a form that provides taxpayers with a more flexible and transparent withholding system.

"Among the many benefits of the historic Tax Cuts and Jobs Act, was a simpler and fairer tax code. The proposed Form W-4 provides taxpayers with a more accurate and transparent withholding system that places less burden on employees," said Secretary Steven T. Mnuchin. "I am proud of our dedicated teams at Treasury and the IRS who worked for more than a year to develop and refine this redesign that reduces the complexity of the tax filing experience for hardworking Americans."

The re-designed Form W-4 uses a building block approach that replaces complicated worksheets with straightforward questions that make it easier for employees to determine a more accurate withholding. While it uses the same underlying information as the old design, the new form uses a more personalized, step-by-step approach to better accommodate individual taxpayer needs.

Employees who have submitted a Form W-4 in any year before 2020 are not required to submit a new form merely because of the redesign. Employers will continue to compute withholding based on the information from the employee's most recently submitted Form W-4.

Treasury and the IRS will work with the tax community over the summer to finalize the improved Form W-4 in time for Americans to use the form in 2020.

More information.

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