

MEMO

To: Payroll Services
From Scott Dills
Date: 04/12/2021
Subject: W-4 Reference Tables

Abstract: Historically, individuals at the University of Kentucky have struggled with setting their W-4 withholdings. At the close of every tax year, Payroll Services is inundated with calls from employees who did not pay enough federal income tax during the year. Legally, the University of Kentucky, and the Payroll Services office are not permitted to advise employees on their withholding settings. This often results in frustrated employees who are burdened with an unexpected tax bill from the IRS. The W-4 calculations are complex and difficult for most workers to spend time learning. Phone calls from employees with tax questions can deplete valuable time and resources that could otherwise be utilized on more important projects. This memo seeks to present a resource that should be made available to employees so that they can be better informed when making decisions on their tax withholdings.

Autogenerated email: An autogenerated email should announce to an employee that a change has been made to their withholding record. If they did not make the change then they can alert the payroll office.

Visible withholding Settings: The employee should be able to look in Employee Self Service and see their current withholding settings. That is currently not possible. This should include any deductions, credits, or additional withholdings currently active on their record.

Link to the IRS Tax Estimator: The automated email (mentioned above) should include a link and a blurb directing the employees to the IRS Tax Estimator. The blurb will describe the estimator's utility and urge the employee to research their own tax situation.

Link to tax reference tables: A link to tax reference tables should also be included in the auto-generated email stated above. A blurb can recommend that the employee reviews the changes that they just made to their withholding settings by visiting this link. This will enable employees to take a quick glance and make an educated guess on whether their settings are appropriate. Copious warnings and instructions can be placed at the top of the reference page to guide employees on their quick review.

This is not tax advice: All figures presented in the following charts are based upon the math and procedures provided by the IRS in publication 15. This is commonly available knowledge that employees can research themselves by reviewing the published information. We are merely providing the "answer" to the math. This math can all be verified by utilizing the various independent calculators available on the internet.

The purpose here is to prevent the overuse of critical resources provided by the Payroll Services Office. Employees can self-guide through the tax-withholding process and come to their own conclusions. If they must call Payroll Services, then perhaps they will at least be more informed, and their questions will be more direct and to the point.



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2021 BIWEEKLY Single or Married Filing Separately

Estimated Taxable Gross	No Credit for Dependents	\$2000 Credits for Dependents	\$4000 Credits for Dependents	\$6000 Credits for Dependents	\$8000 Credits for Dependents	\$10,000 Credits for Dependents
Federal Income Taxes Deducted Per Period						
\$400.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$600.00	\$1.73	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$800.00	\$31.73	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$1,000.00	\$54.42	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$1,200.00	\$78.42	\$1.50	\$0.00	\$0.00	\$0.00	\$0.00
\$1,400.00	\$102.42	\$25.50	\$0.00	\$0.00	\$0.00	\$0.00
\$1,600.00	\$126.42	\$49.50	\$0.00	\$0.00	\$0.00	\$0.00
\$1,800.00	\$150.42	\$73.50	\$0.00	\$0.00	\$0.00	\$0.00
\$2,000.00	\$174.42	\$97.50	\$20.58	\$0.00	\$0.00	\$0.00
\$2,200.00	\$214.29	\$137.37	\$60.44	\$0.00	\$0.00	\$0.00
\$2,400.00	\$258.29	\$181.37	\$104.44	\$27.52	\$0.00	\$0.00
\$2,600.00	\$302.29	\$225.37	\$148.44	\$71.52	\$0.00	\$0.00
\$2,800.00	\$346.29	\$269.37	\$192.44	\$115.52	\$38.60	\$0.00
\$3,000.00	\$390.29	\$313.37	\$236.44	\$159.52	\$82.60	\$5.67
\$3,200.00	\$434.29	\$357.37	\$280.44	\$203.52	\$126.60	\$49.67
\$3,400.00	\$478.29	\$401.37	\$324.44	\$247.52	\$170.60	\$93.67
\$3,600.00	\$522.29	\$445.37	\$368.44	\$291.52	\$214.60	\$137.67
\$3,800.00	\$566.29	\$489.37	\$412.44	\$335.52	\$258.60	\$181.67
\$4,000.00	\$614.19	\$537.27	\$460.35	\$383.42	\$306.50	\$229.58



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2021 BIWEEKLY Married Filing Jointly (or widow(er))

Estimated Taxable Gross	No credits for dependents	\$2000 Credits for Depedents	\$4000 Credits for Depedents	\$6000 Credits for Depedents	\$8000 Credits for Depedents	\$10,000 Credits for Depedents
Federal Income Taxes Deducted Per Period						
\$800.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$1,000.00	\$3.45	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$1,200.00	\$23.46	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$1,400.00	\$43.46	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$1,600.00	\$63.46	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$1,800.00	\$84.85	\$7.92	\$0.00	\$0.00	\$0.00	\$0.00
\$2,000.00	\$108.85	\$31.92	\$0.00	\$0.00	\$0.00	\$0.00
\$2,200.00	\$132.85	\$55.92	\$0.00	\$0.00	\$0.00	\$0.00
\$2,400.00	\$156.85	\$79.92	\$3.00	\$0.00	\$0.00	\$0.00
\$2,600.00	\$180.85	\$103.92	\$27.00	\$0.00	\$0.00	\$0.00
\$2,800.00	\$204.85	\$127.92	\$51.00	\$0.00	\$0.00	\$0.00
\$3,000.00	\$225.85	\$151.92	\$75.00	\$0.00	\$0.00	\$0.00
\$3,200.00	\$252.85	\$175.92	\$99.00	\$22.08	\$0.00	\$0.00
\$3,400.00	\$276.85	\$199.92	\$123.00	\$46.08	\$0.00	\$0.00
\$3,600.00	\$300.85	\$223.92	\$147.00	\$70.08	\$0.00	\$0.00
\$3,800.00	\$324.85	\$247.92	\$171.00	\$94.08	\$17.15	\$0.00
\$4,000.00	\$348.85	\$271.92	\$195.00	\$118.08	\$41.15	\$0.00
\$4,200.00	\$384.58	\$307.65	\$230.73	\$153.81	\$76.88	\$0.00
\$4,400.00	\$428.58	\$351.65	\$274.73	\$197.81	\$120.88	\$43.96



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Federal Income Taxes Deducted Per Period						
\$400.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$600.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$800.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$1,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$1,200.00	\$15.42	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$1,400.00	\$35.42	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$1,600.00	\$55.42	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$1,800.00	\$75.42	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$2,000.00	\$97.92	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$2,200.00	\$121.92	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$2,400.00	\$145.92	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$2,600.00	\$169.92	\$3.25	\$0.00	\$0.00	\$0.00	\$0.00
\$2,800.00	\$193.92	\$27.25	\$0.00	\$0.00	\$0.00	\$0.00
\$3,000.00	\$217.92	\$51.25	\$0.00	\$0.00	\$0.00	\$0.00
\$3,200.00	\$241.92	\$75.25	\$0.00	\$0.00	\$0.00	\$0.00
\$3,400.00	\$265.92	\$99.25	\$0.00	\$0.00	\$0.00	\$0.00
\$3,600.00	\$289.92	\$123.25	\$0.00	\$0.00	\$0.00	\$0.00
\$3,800.00	\$313.92	\$147.25	\$0.00	\$0.00	\$0.00	\$0.00
\$4,000.00	\$337.92	\$171.25	\$4.58	\$0.00	\$0.00	\$0.00



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Federal Income Taxes Deducted Per Period						
\$800.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$1,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$1,200.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$1,400.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$1,600.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$1,800.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$2,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$2,200.00	\$10.83	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$2,400.00	\$30.83	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$2,600.00	\$50.83	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$2,800.00	\$70.83	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$3,000.00	\$90.83	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$3,200.00	\$110.83	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$3,400.00	\$130.83	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$3,600.00	\$150.83	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$3,800.00	\$171.83	\$5.17	\$0.00	\$0.00	\$0.00	\$0.00
\$4,000.00	\$195.83	\$29.17	\$0.00	\$0.00	\$0.00	\$0.00
\$4,200.00	\$219.83	\$53.17	\$0.00	\$0.00	\$0.00	\$0.00
\$4,400.00	\$243.83	\$77.17	\$0.00	\$0.00	\$0.00	\$0.00