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ILLINOIS STATE COMPTROLLER

PAYROLL BULLETIN

To: All State Agencies, Boards and Commissions

From: Ellen Andres, Assistant Comptroller – Operations

Date: January 14, 2020

Subject: W-4 Form Changes and Reminders

Number: 2-20

Effective January 1, 2020 the Illinois Office of Comptroller (IOC) has revised Comptroller Form C-25 and created Form C-26 Employee Address Certification. This previous form can no longer be utilized by state employees for federal and state income tax withholding purposes due to changes made by the Internal Revenue Service (IRS) to the W-4 form. State employees hired after December 31, 2019 and current employees making any changes to their W-4 form must complete the IRS 2020 W-4 form for federal tax withholding and the Illinois Department of Revenue's IL-W-4 form for Illinois income tax withholding. These forms provide extensive withholding options and instructions that should be carefully considered by an employee before completion. Agencies can access the C-25 forms on the IOC's website at https://illinoiscomptroller.gov/agencies/resource-library/accounting-forms/. Agencies must keep the most recently signed W-4 forms on file for current employees, and the most recently signed W-4 forms on file for employees that have left the agency for a period of 4½ years.

Beginning with the IRS 2020 W-4 form, employees may no longer use withholding allowances, but may provide the employer with amounts to increase or decrease the federal income tax withheld from their wages. In addition, this new W-4 form adds the option for an employee to select Head of Household as a withholding status. Further employer withholding instructions can be found on the IRS website:

- Publication 15 – Employer's Tax Guide https://www.irs.gov/pub/irs-pdf/p15.pdf
- Publication 15-T – Federal Income Tax Withholding Methods https://www.irs.gov/pub/irs-pdf/p15t.pdf

Submitting Employee Name and Address Information

The IOC requires agencies to submit employee name and address information for payment and tax reporting purposes. Please do not include employee withholding detail with this information. Comptroller Form C-26 has been created as a new Employee Address Certification. This form should be completed by all employees hired after December 31, 2019 and current employees making name or address changes after December 31, 2019. The C-26 should be submitted to the IOC using the address provided on the form. Agencies can access this form on the IOC's website at https://illinoiscomptroller.gov/agencies/resource-library/accounting-forms/.

Reminder

Employees who claimed total exemption from federal income tax withholding in 2019 must submit a new IRS 2020 W-4 form by February 17, 2020 to continue to claim exempt from withholding in 2020. After that date all agencies must begin withholding on each employee who had claimed exempt from withholding in 2019 but did not provide the agency with a new W-4 form to continue exemption in 2020.

Agencies may access this and other Payroll, SAMS, and Accounting Bulletins on the IOC's website at www.illinoiscomptroller.gov/agencies. If you have questions regarding this bulletin, please contact the IOC payroll office at (217) 782-4758.