FORM W-4 TEMPLATE INFORMATION

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Requirements: Microsoft Excel, version 4.0 or higher.
Times and Geneva fonts in point sizes: 9, 10, 14, and 24.
Form W-4 prints best on a Laser printer but will print on a dot
    matrix printer.

ABOUT THE AUTHOR:
I am a C.P.A. and prepared this template to save time in determining whether my clients will need to increase their federal income tax withholding for the rest of 1992. I am making it available free of charge to anyone who will benefit from it. In addition to this template, I have written a template to calculate fixed asset depreciation for federal and state tax purposes which I market through a classified advertisement in the Journal of Accountancy. If you are a C.P.A. or other tax professional, this template is a real time saver. The name of the template is Depreciation Calculator and it calculates the following tax depreciation methods: straight-line, declining balance, ACRS, MACRS, alternative minimum tax depreciation, and corporate ACE depreciation. Send me mail on America Online (RKV) or by U.S. mail and I will send you a product fact sheet and pricing information.

WHAT THE TEMPLATE DOES:
Changes in the law for 1992 may affect your tax for the year. If these changes increase your tax and you do not increase your withholding, you may have to pay a large tax balance when you file your return next April 15, 1993. This tax template will help you determine whether you will have enough withheld from your paycheck to cover your total 1992 taxes. The template calculates the federal tax using the tax rate tables. It also prints form W-4 which may be submitted to your employer to request that he withhold an additional amount from each remaining paycheck, should it be necessary. Do some planning now! Don't be surprised in April!

While I believe this template to be accurate, there are no warranties. The user must exercise his or her own judgement on the validity of the results obtained from the use of this template. Please report any problems to me at the address above. This template may be shared with others freely as long as the instructions are not removed or changed and it remains in the "Workbook" format.

INSTRUCTIONS FOR FILLING OUT THE W-4 WORKSHEETS:
Print these instructions on your printer before attempting to fill out the worksheet. Only the lines that require input are listed below. All other lines are automatically calculated. The

federal tax will be computed using the 1992 tax rate schedules. If you have a net capital gain, then a special computation will be made that limits the rate of tax on capital gains to 28%. Self-employment tax will also be calculated, but the alternative minimum tax will not be calculated and, if applicable, must be entered by the user on line 12.

Part I - 1992 TAX WORKSHEET:

1) This template has been saved in the "Workbook" format. Therefore, use the small icons in the bottom right-hand corner to switch to the template entitled "Worksheets."
2) Enter the general information for items A) through D) as follows:
    A) Name
    B) Filing status. Enter a 1 for Single, 2 for Joint, 3 for Married Filing Separately, and enter 4 for Head of Household.
    C) Enter the number of exemptions you will be claiming on your 1992 tax returns.
    D) Indicate the number of extra exemptions that you are entitled to by entering the following:
        • Enter a 0 if you are under 65, enter a 1 if you are 65 or over, enter a 2 if you are blind, or enter a 3 if you are both 65 or over and blind.
        • See the options above and enter the same information for your spouse.
3) Enter information for lines as follows:
    1) On line 1, enter your expected 1992 Adjusted Gross Income. Enter each component separately. The components are wages, net self-employment income, net capital gains (net capital gains ONLY), and other income. If you have a capital loss instead of a capital gain, combine the loss with your other income and enter the amount on the line entitled "Other income."
    2) On line 2, enter your expected itemized deductions. The template will automatically calculate the overall 3% limitation on itemized deductions. It will also calculate the standard deduction for your filing status and use the higher of the itemized deductions or the standard deduction. You must, however, calculate the 7.5% limitation on medical expenses and the 2% limitation on miscellaneous itemized deductions and enter only the deductible portion.
    3) On line 7, enter any additional taxes, such as taxes on certain distributions from trusts and employee benefit plans.
    4) On line 9, enter any credits, such as the credit for child and dependent care expenses, credit for the elderly or disabled, etc.
    5) The self-employment tax will be automatically calculated on line 11. Be sure to enter your self-employment income on line 1 above.
    6) On line 12, enter any other taxes you expect to pay in 1992, such as tax on early distributions from an IRA, AMT, etc.

Part II - 1992 WITHHOLDING WORKSHEET:

1) Enter amounts for the following lines as follows:
    1) On line 2, enter the total year-to-date amount of your federal withholding from your last pay stub.
    2) On line 3, enter the tax withholding expected for the rest of 1992. To calculate this amount, multiply the average amount of federal withholding per pay period by the number of remaining pay periods.
    3) On line 6, enter the number of paydays remaining in 1992. The last line of the

template determines the amount of additional federal income tax to withhold from your remaining paychecks. If the amount is 0, then you have withheld too much or your withholding equals your expected liability. This amount will be automatically brought over to line 6 of Form W-4.

If line 6 above indicates that you have had too little federal tax withheld from you paychecks, switch to the W-4 form and fill-in the pertinent data (name, address, etc.). You may override the amount on line 6 of Form W-4 and enter your own amount by unprotecting the worksheet (it is not password protected). CAUTION: Line 7 of Form W-4 allows you to indicate that you are "EXEMPT" from withholding, but I would strongly suggest that you not take this route. Your employer must report you to the Internal Revenue Service if you go exempt; whereby, the Internal Revenue Service will send you a questionnaire to determine if you really qualify for exempt status.

W-4   **Employee's Withholding Allowance Certificate**   **1992**

1. Type or print your first name and middle initial	2. Your social security number

Home address (number and street or rural route)	3 ☐ Single ☐ Married ☐ 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 you last name differs from that on your social security card, check here and call 1-800-772-1213 for more information ☐

5 Total number of allowances you are claiming (from line G above or from the Worksheets on t | 5 | |

6 Additional amount, if any, you want deducted from each paycheck . . . . | 6 | #NAME? |

7 I claim exemption from withholding and I certify that I meet ALL 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; AND

  • This year if my income exceeds $600 and includes nonwage income, another person cannot claim me as a dependent.

  If you meet all of the above conditions, enter the year effective and "EXEMPT" here . | 7 | 19

8 Are you a full-time student? (Note: Full-time students are not automatically exempt.) . . . . | 8 ☐ Yes ☐ No

Under penalties of perjury, I certify that I am entitled to the number of withholding allowances claimed on this certificate or entitled to claim exempt status.

Employee's Sign   Date   , 19

9 Employer's name and address (Employer: Complete 9 a only if sending to the IRS)	10 Office Code (optional)	11 Employer identification number

Part I - 1992 Tax Worksheet

A)	Name		Example
B)	Filing status (1,2,3, or 4; see instructions)	#NAME?	2
C)	Number of exemptions		3
D)	Enter 0 if under 65; 1 if 65 or older; 2 if blind; 3 for both:		
	• You (0,1,2, or 3)	Under 65	0
	• Spouse (0,1,2,or 3)	Under 65	0

1)	Expected 1992 Adjusted Gross Income:		
	Wages	35000	
	Net Self-Employment Income	12000	
	Net capital gains (Net Capital Gains ONLY)	0	
	Other income	3000	
	Total Expected Adjusted Gross Income		50000
2)	Estimated 1992 itemized deductions (enter as positive amounts):		
	Medical, investment interest, casualty & theft losses & gambling	0	
	Other itemized deductions	15000	
	Less limitation on itemized deductions	#NAME?	
	Total	#NAME?	
	Computation of standard deduction (automatic)	Err:508	
	Greater of itemized or standard deductions		Err:508
3)	Subtract line 2 from line 1. (If zero or less, enter zero.)		Err:508
4)	Less exemptions		#NAME?
5)	Estimated Taxable Income. Subtract line 4 from line 3. (If zero or less, enter zero		#NAME?
6)	Federal Tax		Err:508
7)	Enter additional taxes (taxes on distributions from trusts and employee befefit pla		0
8)	Add lines 6 and 7.		Err:508
9)	Enter credits (include credit for child & dependent care expenses, etc.)		0
10)	Subtract line 9 from line 8. (If zero or less, enter zero.)		Err:508
11)	Self-employment tax		Err:508
12)	Enter other taxes (include tax on early distributions from an IRA, AMT, etc.)		0
13)	Total taxes. Add lines 10 through 12.		Err:508

Part II - 1992 Withholding Worksheet

1)	Total taxes from line 13 above	Err:508
2)	Enter the total federal income tax withheld to date in 1992 (include all jobs)	2510
3)	Enter the tax withholding expected for the rest of 1992	0
4)	Total expected withholding tax for all paydays in 1992. Add lines 2 and 3.	2510

5)   Err:508   Err:508

6) Enter the number of paydays remaining in 1992   17
   Divide line 5 by the number of paydays remaining in 1992.
   Enter on line 6 of Form W-4.
   THIS IS THE ADDITIONAL AMOUNT YOU SHOULD HAVE WITHHELD EACH   Err:508

W-4 WORKSHEET

STANDARD DEDUCTION WORKSHEET: **TAX COMPU**

      0 Total number extra exemptions for over 65 & blind.   **1=SINGLE**

      UNDER 65:   0
#NAME? Single   21450
#NAME? Married filing jointly   51900
#NAME? Married filing separately
#NAME? Head of Household
    OVER 65:
#NAME? Single
#NAME? Married filing jointly   **2=MARRIED**
#NAME? Married filing separately   0
#NAME? Head of household   35800
#NAME? STANDARD DEDUCTION   86500

ITEMIZED DEDUCTIONS LIMIT:
1)   #NAME? AGI
2)   #NAME? Itemized deduction limit   **3=MARRIED**
3)   #NAME? Subtract   0
          17900
4)   Err:508 Other itemized deductions (Excluding medical, investment   43250
       interest, casualty losses, and gambling losses)

5)   Err:508 80% of 4
6)   #NAME? 3% of 3
7)   **#NAME? LIMITATION (Smaller of 6 or 7)**   **4=HEAD OF**
          0
          28750
          74150

EXEMPTIONS:
1)   #NAME? AGI
2)   #NAME? Exemption limit   **Err:508**
3)   #NAME? Subtract
4)   #NAME? Divide 3 by $2,500
5)   #NAME? Multiply 4 by .02
6)   #NAME? Multiply $2,300 by number of exemptions
7)   #NAME? Multiply 6 by the decimal on 5
8)   **#NAME? EXEMPTIONS (Subtract 7 from 6)**

UTATIONS:

		Reg Tax	CG Tax
0.15	0	Err:508	Err:511
0.28	3217.5	Err:508	Err:511
0.31	11743.5	Err:508	Err:511

MAXIMUM TAX ON CAPITAL GAINS:

1)	Err:508	Taxable
2)	Err:511	Capital gain
3)	Err:511	Subtraction 1 less 2
4)	#NAME?	Choose limitation amou
5)	#NAME?	Larger of 3 or 4
6)	#NAME?	NET_TAXABLE (Exclu
7)	Err:511	Compute Tax on 5 from
8)	#NAME?	Multiply 6 by .28
9)	**#NAME?**	**MAXIMUM TAX ON CA**

FILING JOINTLY

		Reg Tax	CG Tax
0.15	0	Err:508	Err:511
0.28	5370	Err:508	Err:511
0.31	19566	Err:508	Err:511

SELF-EMPLOYMENT TAX:

1)	Err:508	Self-employment inocm
2)	130200	Medicare tax maximum
3)	Err:508	Wages
4)	Err:508	Subtraction 2 less 3
5)	Err:508	Smaller of 1 or 4
6)	Err:508	Multiply 5 by .029
7)	55500	Social security tax maxi
8)	Err:508	Subtract 3 from 7
9)	Err:508	Smaller of l or 8
10)	Err:508	Multiply 9 by .124
11)	**Err:508**	**SE_TAX (Add 6 & 10)**

FILING SEPARATELY

		Reg Tax	CG Tax
0.15	0	Err:508	Err:511
0.28	2685	Err:508	Err:511
0.31	9783	Err:508	Err:511

HOUSEHOLD

		Reg Tax	CG Tax
0.15	0	Err:508	Err:511
0.28	4312.5	Err:508	Err:511
0.31	17024.5	Err:508	Err:511

REGULAR TAX

int

ding CG) Subtract 5 from 1
#NAME?

APITAL GAINS (Add lines 7 and 8)

le
income

imum income