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Even though many taxpayers were surprised to receive smaller refunds for the 2019 tax year, it is likely many still did not heed warnings about adjusting their withholding before the current tax filing season. According to this survey, 56 percent of ...

Mar. 09, 2020

Form <b>W-4</b>		<b>Employee's Withholding Certificate</b>		OMB No. 1545-0074
Department of the Treasury Internal Revenue Service		<b>2020</b>		
<b>▶ Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay.</b> <b>▶ Give Form W-4 to your employer.</b> <b>▶ Your withholding is subject to review by the IRS.</b>				
<b>Step 1:</b> <b>Enter</b> <b>Personal</b> <b>Information</b>	(a) First name and middle initial		Last name	(b) Social security number
	Address			<b>▶ Does your name match the name on your social security card? If not, to ensure you get credit for your earnings, contact SSA at 800-772-1213 or go to <a href="http://www.ssa.gov">www.ssa.gov</a>.</b>
	City or town, state, and ZIP code			
	(c) <input type="checkbox"/> Single or Married filing separately <input type="checkbox"/> Married filing jointly (or Qualifying widow(er)) <input type="checkbox"/> Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)			
<b>Complete Steps 2–4 ONLY if they apply to you; otherwise, skip to Step 5. See page 2 for more information on each step, who can claim exemption from withholding, when to use the online estimator, and privacy.</b>				
<b>Step 2:</b> <b>Multiple Jobs</b> <b>or Spouse</b> <b>Works</b>	Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs. Do <b>only one</b> of the following. (a) Use the estimator at <a href="http://www.irs.gov/W4App">www.irs.gov/W4App</a> for most accurate withholding for this step (and Steps 3–4); or (b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; or (c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld . . . . . <input type="checkbox"/>			

Taxpayers are ill-informed about changes to the tax law that may impact them personally, according to a survey of enrolled agents, who are federally-licensed tax professionals.

The survey, conducted by the [National Association of Enrolled Agents](#) (NAEA), presented a series of statements and asked NAEA members to choose the statements with which they agreed most strongly. The statements were grouped into three broad categories: Government operations (what impact does IRS operations have on the

filing season), tax code and regulations (the Tax Cuts and Jobs Act), and taxpayer

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## **SECURE Act**

Much of the buzz is still on the Tax Cuts and Jobs Act (TCJA). Fifty-seven percent of those surveyed do not believe that taxpayers are knowledgeable about changes to the tax law. The NAEA membership also believes (56 percent) that taxpayers, in general, are not knowledgeable about the impact of the SECURE Act on retirement savings, which increases access to tax-advantaged accounts and prevents older Americans from outliving their assets.

## **Lessons Learned**

When asked to compare the 2019 filing season to the 2020 filing season, 51 percent of enrolled agents believe the 2020 filing season should run more smoothly. For the 2020 filing season, enrolled agents have been proactive in mitigating these major issues which were challenging in 2019:

1. Taxpayers unaware of changes in withholding
2. Clients misinformed about tax law changes
3. Taxpayers confused about choosing between itemizing or taking the standard deduction
4. Increasing rates to deliver tax returns that took much longer to prepare
5. Taxpayers unprepared for impact of SALT deductions.

Actions taken by enrolled agents to better prepare clients for the 2020 filing season include the use of engagement letters, reinforcing year-round financial planning, and educating clients about recent legislation.

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says Kerr. "With recent tax law changes, we continue to see tax prep becoming more, not less, complicated. Enrolled agents are uniquely positioned to help during this tax season and throughout the year."

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