

EMPLOYERS NO LONGER MUST SEND W-4S TO IRS

Effective April 14, 2005, employers no longer have to send copies of potentially questionable W-4 forms to the Internal Revenue Service (IRS). Previously, employers had to send in any Form W-4 claiming more than 10 allowances or claiming complete exemption from withholding if \$200 or more in weekly wages was expected.

Instead, according to an IRS press release, the IRS will step up its withholding compliance program by making more effective use of information reported on W-2 wage statements to ensure that employees have enough federal income tax withheld from their paychecks.

Forms W-4 are still subject to review by the IRS. However, employers will no longer have to submit them to the tax agency, unless directed to do so in a written notice to the employer from the IRS.