

From the Office of Human Resources

September 11, 2018

Changes to Federal Tax Withholdings

Dear Colleagues,

In December of 2017, the federal government changed many provisions of the tax law with its passage of the Tax Cuts and Jobs Act. This act made significant changes to the components used to calculate federal tax withholdings, including:

- Increases to standard deductions
- Elimination of some personal exemptions
- Changes to tax rates and brackets

Due to these changes, less federal tax is now being withheld. Employees' personal tax returns for 2018, which employees file in 2019, may be affected in unanticipated ways. Employees with more complex tax profiles, two-income families, and employees with multiple jobs may now be more vulnerable to under or over withholding.

The Internal Revenue Service, the Office of the State Comptroller, and Office of Payroll Administration **strongly urge** all employees to complete a "paycheck checkup" to verify they are having the right amount of tax withheld from their paychecks.

The [IRS Withholding Calculator](#) or other withholding calculators can help employees determine the correct amount of withholding. Employees will need the previous year's personal income tax return in order to maximize the benefit provided by the calculator. This tool allows employees to enter income, deductions, adjustments, credits, and receive a recommendation on whether they should complete and submit [a new Form W-4](#) (Employee's Withholding Allowance Certificate).

If you have any questions, please contact the Office of Human Resources at 646-660-6590.

Sincerely,

Mary Rivers

Interim Executive Director of Human Resources