Form W-4 (2002)

Purpose. Complete Form W-4 so your employer can withhold the correct Federal income tax from your pay. Because your tax situation may change, you may want to refigure your withholding each year.

Exemption from withholding. If you are exempt, complete only lines 1, 2, 3, 4, and 7 and sign the form to validate it. Your exemption for 2002 expires February 16, 2003. See Pub. 505, Tax Withholding and Estimated Tax.

Note: You cannot claim exemption from withholding if (a) your income exceeds $750 and includes more than $200 of unearned income (e.g., interest and dividends) and (b) another person can claim you as a dependent on their tax return.

Basic instructions. If you are not exempt, complete the Personal Allowances Worksheet below. The worksheets on page 2 adjust your withholding allowances based on itemized deductions, certain credits, adjustments to income, or two-earner/two-job situations. Complete all worksheets that apply. However, you may claim fewer (or zero) allowances.

Head of household. Generally, you may claim head of household filing status on your tax return only if you are unmarried and pay more than 50% of the costs of keeping up a home for yourself and your dependents (or other qualifying individuals). See line E below.

Tax credits. You can take projected tax credits into account in figuring your allowable number of withholding allowances. Credits for child or dependent care expenses and the child tax credit may be claimed using the Personal Allowances Worksheet below. See Pub. 919, How Do I Adjust My Tax Withholding? for information on converting your other credits into withholding allowances.

Nonwage income. If you have a large amount of nonwage income, such as interest or dividends, consider making estimated tax payments using Form 1040-ES, Estimated Tax for Individuals. Otherwise, you may owe additional tax.

Two earners/two jobs. If you have a working spouse or more than one job, figure the total number of allowances you are entitled to claim on all jobs using worksheets from only one Form W-4. Your withholding usually will be most accurate when all allowances are claimed on the Form W-4 for the highest paying job and zero allowances are claimed on the others.

Nonresident alien. If you are a nonresident alien, see the Instructions for Form 8233 before completing this Form W-4.

Check your withholding. After your Form W-4 takes effect, use Pub. 919 to see how the dollar amount you are having withheld compares to your projected total tax for 2002. See Pub. 919, especially if you used the Two-Earner/Two-Job Worksheet on page 2 and your earnings exceed $125,000 (Single) or $175,000 (Married).

Recent name change? If your name on line 1 differs from that shown on your social security card, call 1-800-772-1213 for a new social security card.
### Deductions and Adjustments Worksheet

**Note:** Use this worksheet only if you plan to itemize deductions, claim certain credits, or claim adjustments to income on your 2002 tax return.

1. Enter an estimate of your 2002 itemized deductions. These include qualifying home mortgage interest, charitable contributions, state and local taxes, medical expenses in excess of 7.5% of your income, and miscellaneous deductions. (For 2002, you may have to reduce your itemized deductions if your income is over $133,300 ($68,650 if married filing separately). See Worksheet 3 in Pub. 919 for details.)

   - $7,850 if married filing jointly or qualifying widow(er)
   - $6,900 if head of household
   - $4,700 if single
   - $3,925 if married filing separately

2. Enter:

   - $7,850 if married filing jointly or qualifying widow(er)
   - $6,900 if head of household
   - $4,700 if single
   - $3,925 if married filing separately

3. **Subtract** line 2 from line 1. If line 2 is greater than line 1, enter “-0-”.

4. Enter an estimate of your 2002 adjustments to income, including alimony, deductible IRA contributions, and student loan interest.

5. **Add** lines 3 and 4 and enter the total. Include any amount for credits from Worksheet 7 in Pub. 919.

6. Enter an estimate of your 2002 nonwage income (such as dividends or interest).

7. **Subtract** line 6 from line 5. Enter the result, but not less than “-0-”.

8. **Divide** the amount on line 7 by $3,000 and enter the result here. Drop any fraction.

9. Enter the number from the **Personal Allowances Worksheet**, line H, page 1.

10. **Add** lines 8 and 9 and enter the total here. If you plan to use the Two-Earner/Two-Job Worksheet, also enter this total on line 1 below. Otherwise, stop here and enter this total on Form W-4, line 5, page 1.

### Two-Earner/Two-Job Worksheet

**Note:** Use this worksheet only if the instructions under line H on page 1 direct you here.

1. Enter the number from line H, page 1 (or from line 10 above if you used the Deductions and Adjustments Worksheet)

2. Find the number in **Table 1** below that applies to the **lowest** paying job and enter it here.

3. If line 1 is **more than or equal to** line 2, subtract line 2 from line 1. Enter the result here (if zero, enter “-0-”) and on Form W-4, line 5, page 1. **Do not** use the rest of this worksheet.

4. Enter the number from line 2 of this worksheet.

5. Enter the number from line 1 of this worksheet.

6. **Subtract** line 5 from line 4.

7. Find the amount in **Table 2** below that applies to the **highest** paying job and enter it here.

8. **Multiply** line 7 by line 6 and enter the result here. This is the additional annual withholding needed.

9. **Divide** line 8 by the number of pay periods remaining in 2002. For example, divide by 26 if you are paid every two weeks and you complete this form in December 2001. Enter the result here and on Form W-4, line 6, page 1. This is the additional amount to be withheld from each paycheck.

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### Table 1: Two-Earner/Two-Job Worksheet

<table>
<thead>
<tr>
<th>Maried Filing Jointly</th>
<th>All Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>** Maried Filing Jointly **</td>
<td>** All Others **</td>
</tr>
<tr>
<td>If wages from LOWEST paying job are—</td>
<td>Enter on line 2 above</td>
</tr>
<tr>
<td>$0 - $4,000</td>
<td>0</td>
</tr>
<tr>
<td>4,001 - 9,000</td>
<td>1</td>
</tr>
<tr>
<td>9,001 - 15,000</td>
<td>2</td>
</tr>
<tr>
<td>15,001 - 20,000</td>
<td>3</td>
</tr>
<tr>
<td>20,001 - 25,000</td>
<td>4</td>
</tr>
<tr>
<td>25,001 - 32,000</td>
<td>5</td>
</tr>
<tr>
<td>32,001 - 38,000</td>
<td>6</td>
</tr>
<tr>
<td>38,001 - 44,000</td>
<td>7</td>
</tr>
</tbody>
</table>

### Table 2: Two-Earner/Two-Job Worksheet

<table>
<thead>
<tr>
<th>Married Filing Jointly</th>
<th>All Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>** Maried Filing Jointly **</td>
<td>** All Others **</td>
</tr>
<tr>
<td>If wages from HIGHEST paying job are—</td>
<td>Enter on line 7 above</td>
</tr>
<tr>
<td>$0 - $50,000</td>
<td>$450</td>
</tr>
<tr>
<td>50,001 - 100,000</td>
<td>800</td>
</tr>
<tr>
<td>100,001 - 150,000</td>
<td>900</td>
</tr>
<tr>
<td>150,001 - 270,000</td>
<td>1,050</td>
</tr>
<tr>
<td>270,001 and over,</td>
<td>1,150</td>
</tr>
</tbody>
</table>

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