

EMPLOYER'S OBLIGATIONS FOR FORM W-4 OR DE 4

Each employee must complete a Form W-4 for federal and California withholding. Employers withhold taxes based on what the employee reports on the W-4. If the employee wants to claim a different marital status and/or different number of allowances for California Personal Income Tax (PIT) withholding, the employee must also complete a DE 4. Employers retain the W-4 and/or DE 4 for payroll records.

FORM W-4 AND DE 4 FILED

If you question the W-4 or DE 4 because it meets any of the following conditions, then you must submit a copy of this form to Franchise Tax Board by fax to (916) 843-1094 or mail to the address shown below. Please retain the original form in the employee's payroll records.

- The employee claims more than 10 withholdings.
- The employee claims exemption from State or federal income tax withholding and the employee's usual weekly wages will exceed \$200.
- The employee makes major changes to Form W-4 or DE 4, such as crossing out words or writing more than is asked.
- The employee admits that Form W-4 or DE 4 is false.

Continue to treat the W-4 or DE 4 as valid until notified in writing by FTB of the proper marital status and number of allowances to use for California withholding purposes.

REQUEST FOR REVIEW OF FTB DETERMINATION

If an employee disagrees with an FTB determination as it applies to California withholding, the employee may request a review of the determination by writing to the address below.

**W-4 Unit
Franchise Tax Board MS F180
P.O. Box 2952
Sacramento, CA 95812-2952**

Fax (916) 843-1094

The burden of proof rests with the employee to show that the determination is incorrect for California withholding purposes. Continue to withhold California PIT based on the FTB determination until notified in writing by FTB of any changes. In the event FTB finds no reasonable basis for the number of withholding allowances claimed on the DE 4, the employee may be subject to a \$500 penalty.

ASSISTANCE WITH ANY QUESTIONS OR SPECIFIC PROBLEMS

If you need assistance, please contact our Taxpayer Assistance Center at 1-888-745-3886.