

Request for Federal Income Tax Withholding From Sick Pay

Department of the Treasury
Internal Revenue Service

2002

▶ Give this form to the third-party payer of your sick pay.

Type or print your full name	Your social security number
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Home address (number and street or rural route)

City or town, state, and ZIP code

Claim or identification number (if any)

I request income tax withholding from my sick pay payments. I want the following amount to be withheld from each payment. (See Worksheet below.)	\$
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Employee's signature ▶	Date ▶
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----- Cut here and give the top part of this form to the payer. Keep the lower part for your records. -----

Worksheet (Keep for your records. Do not send to the Internal Revenue Service.)

1 Enter amount of adjusted gross income you expect in 2002	1		
2 If you plan to itemize deductions on Schedule A (Form 1040), enter the estimated total of your deductions. For 2002, you may have to reduce your itemized deductions if your income is over \$137,300 (\$68,650 if married filing separately). See Pub. 919 , How Do I Adjust My Tax Withholding? for details. Call 1-800-829-3676 or visit the IRS Web Site at www.irs.gov to order forms and publications. If you do not plan to itemize deductions , enter the standard deduction (see the instructions on page 2 for the standard deduction amount, including additional amounts for age and blindness)	2		
3 Subtract line 2 from line 1	3		
4 Exemptions. Multiply \$3,000 by the number of personal exemptions. For 2002, your personal exemption(s) amount is reduced if your income is over \$137,300 if single, \$206,000 if married filing jointly or qualifying widow(er), \$103,000 if married filing separately, or \$171,650 if head of household. See Pub. 919 for details.	4		
5 Subtract line 4 from line 3	5		
6 Tax. Figure your tax on line 5 by using the 2002 Tax Rate Schedule X, Y, or Z on page 2. Do not use the Tax Table or Tax Rate Schedule X, Y, or Z in the 2001 Form 1040, 1040A, or 1040EZ instructions	6		
7 Credits (child tax and higher education credits, credit for child and dependent care expenses, etc.)	7		
8 Subtract line 7 from line 6	8		
9 Estimated income tax withheld and to be withheld from other sources (including amounts withheld due to a prior Form W-4S) during 2002 or paid with Form 1040-ES.	9		
10 Subtract line 9 from line 8	10		
11 Enter the number of sick pay payments you expect to receive this year to which this Form W-4S will apply	11		
12 Divide line 10 by line 11. Round to the nearest dollar. This is the amount that should be withheld from each sick pay payment. Be sure it meets the requirements for the amount that should be withheld, as explained under Amount to be withheld below. If it does, enter this amount on Form W-4S above	12		

General Instructions

Purpose of form. Give this form to the third-party payer of your sick pay, such as an insurance company, if you want Federal income tax withheld from the payments. You are not required to have Federal income tax withheld from sick pay paid by a third party. However, if you choose to request such withholding, Internal Revenue Code sections 3402(o) and 6109 and their regulations require you to provide the information requested on this form. **Do not** use this form if your employer (or its agent) makes the payments because employers are already required to withhold income tax from sick pay.

Note: If you receive sick pay under a collective bargaining agreement, see your union representative or employer.

Definition. Sick pay is a payment you receive:

1. Under a plan your employer takes part in and
2. In place of wages for any period when you are temporarily absent from work because of sickness or injury.

Amount to be withheld. Enter on this form the amount you want withheld from each payment. The amount you enter:

1. Must be in whole dollars (for example, \$35, not \$34.50).
2. Must be at least \$20 a week.
3. Must not reduce the net amount of each sick pay payment you receive to less than \$10.

For payments larger or smaller than a regular full payment of sick pay, the amount withheld will be in the same proportion as your regular withholding from sick pay. For example, if your regular full payment of \$100 a week normally has \$25 (25%) withheld, then \$20 (25%) will be withheld from a partial payment of \$80.

Caution: Generally, you may be subject to a penalty if your tax payments during the year are not at least 90% of the tax shown on your tax return. For exceptions and more details, see **Pub. 505**, Tax Withholding and Estimated Tax. You may pay tax during the year through withholding or estimated tax payments or both. To avoid a penalty, make sure you have enough tax withheld or file **Form 1040-ES**, Estimated Tax for Individuals. You may estimate your income tax liability by using the worksheet above.

(continued on back)

Sign this form. Form W-4S is not valid unless you sign it.

Statement of income tax withheld. After the end of the year, you will receive a **Form W-2, Wage and Tax Statement**, reporting the taxable sick pay paid and income tax withheld during the year. These amounts are reported to the Internal Revenue Service.

Changing your withholding. Form W-4S remains in effect until you change or revoke it. You may do this by giving a new Form W-4S or a written notice to the payer of your sick pay. To revoke your previous Form W-4S, write "Revoked" in the money amount box on Form W-4S, and give it to the payer.

Specific Instructions for Worksheet

You may use the worksheet on page 1 to estimate the amount of income tax you want withheld from each sick pay payment. Use your tax return for last year and the worksheet as a basis for estimating your tax, tax credits, and withholding for this year.

You may not want to use Form W-4S if you already have your total tax covered by estimated tax payments or other withholding.

If you expect to file a joint return, be sure to include the income, deductions, credits, and payments of both yourself and your spouse in figuring the amount you want withheld.

Caution: *If any of the amounts on the worksheet change after you give Form W-4S to the payer, you may use a new Form W-4S to request a change in the amount withheld.*

Line 2—Deductions

Itemized deductions. You may have to reduce your itemized deductions if your income is over \$137,300 (\$68,650 if married filing separately). See Pub. 919 for details.

Standard deduction, individuals (other than the elderly or blind). For 2002, the amounts are:

Filing Status	Standard Deduction
Married filing jointly or qualifying widow(er)	\$7,850*
Head of household	\$6,900*
Single	\$4,700*
Married filing separately	\$3,925*

*If you are age 65 or older or blind, add to this amount the additional amount that applies to you as shown in the next paragraph. If you can be claimed as a dependent on another person's return, see **Limited standard deduction for dependents** below.

Additional amount for the elderly or blind. An additional standard deduction of \$900 is allowed for a married individual (filing jointly or separately) or qualifying widow(er) who is 65 or older or blind, \$1,800 if 65 or older **and** blind. If both spouses are 65 or older, an additional \$1,800 is allowed on a joint return (\$1,800 on a separate return if you can claim an exemption for your spouse). If both spouses are 65 or older **and** blind, an additional \$3,600 is allowed on a joint return (\$3,600 on a separate return if you can claim an exemption for your spouse). An additional \$1,150 is allowed for an unmarried individual (single or head of household) who is 65 or older or blind, \$2,300 if 65 or older **and** blind.

Limited standard deduction for dependents. If you can be claimed as a dependent on another person's return, your standard deduction is the greater of (a) \$750 or (b) your earned income plus \$250 (up to the regular standard deduction for your filing status). If you are 65 or older or blind, see Pub. 505 for additional amounts you may claim.

Certain individuals not eligible for standard deduction. For the following individuals, the standard deduction is zero:

1. A married individual filing a separate return if either spouse itemizes deductions.
2. A nonresident alien individual.
3. An individual filing a return for a period of less than 12 months because of a change in his or her annual accounting period.

Line 7—Credits

Include on this line any tax credits you are entitled to claim, such as the child tax and higher education credits, credit for child and dependent care expenses, earned income credit, or credit for the elderly or the disabled.

Line 9—Tax Withholding and Estimated Tax

Enter the income tax you expect will be withheld this year on income other than sick pay and any payments you made using Form 1040-ES. Include income tax withheld from wages and pensions.

2002 Tax Rate Schedules

Schedule X—Single

If line 5 is:	But not over—	The tax is:	of the amount over—
Over—			
\$0	\$6,000	----- 10%	\$0
6,000	27,950	\$600.00 + 15%	6,000
27,950	67,700	3,892.50 + 27%	27,950
67,700	141,250	14,625.00 + 30%	67,700
141,250	307,050	36,690.00 + 35%	141,250
307,050	-----	94,720.00 + 38.6%	307,050

Schedule Z—Head of household

If line 5 is:	But not over—	The tax is:	of the amount over—
Over—			
\$0	\$10,000	----- 10%	\$0
10,000	37,450	\$1,000.00 + 15%	10,000
37,450	96,700	5,117.50 + 27%	37,450
96,700	156,600	21,115.00 + 30%	96,700
156,600	307,050	39,085.00 + 35%	156,600
307,050	-----	91,742.50 + 38.6%	307,050

Schedule Y-1—Married filing jointly or Qualifying widow(er)

If line 5 is:	But not over—	The tax is:	of the amount over—
Over—			
\$0	\$12,000	----- 10%	\$0
12,000	46,700	\$1,200.00 + 15%	12,000
46,700	112,850	6,405.00 + 27%	46,700
112,850	171,950	24,265.50 + 30%	112,850
171,950	307,050	41,995.50 + 35%	171,950
307,050	-----	89,280.50 + 38.6%	307,050

Schedule Y-2—Married filing separately

If line 5 is:	But not over—	The tax is:	of the amount over—
Over—			
\$0	\$6,000	----- 10%	\$0
6,000	23,350	\$600.00 + 15%	6,000
23,350	56,425	3,202.50 + 27%	23,350
56,425	85,975	12,132.75 + 30%	56,425
85,975	153,525	20,997.75 + 35%	85,975
153,525	-----	44,640.25 + 38.6%	153,525

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by Code section 6103.

The time needed to complete this form will vary depending on individual circumstances. The estimated average time is:

Recordkeeping—39 min.; Learning about the law or the form—10 min.; Preparing and sending the form—41 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **Do not** send the tax form to this address. Instead, give it to your payer.

