



Illinois Department of Revenue

Instructions for Form IL-W-4, Employee's Illinois Withholding Allowance

Certificate

Who must complete this form?

If you are an employee, you must complete this form so your employer can withhold the correct amount of Illinois Income Tax from your pay. The amount withheld from your pay depends, in part, on the number of allowances you claim on this form.

Even if you claimed exemption from withholding on your federal Form W-4, U.S. Employee's Withholding Allowance Certificate, because you do not expect to owe any federal income tax, you may be required to have Illinois Income Tax withheld from your pay.

When must I file?

You must file Form IL-W-4 when Illinois Income Tax is required to be withheld from compensation that you receive as an employee. You should complete this form and give it to your employer on or before the date you start working for your employer. You may file a new Form IL-W-4 any time your withholding allowances increase. If the number of your previously claimed allowances decreases, you **must** file a new Form IL-W-4 within 10 days. However, the death of a spouse or a dependent does not affect your withholding allowances until the next tax year.

What is an "exemption"?

An "exemption" is a dollar amount on which you do not have to pay Illinois Income Tax. Therefore, your employer will withhold Illinois Income Tax based on your compensation minus the exemptions to which you are entitled.

What is an "allowance"?

The dollar amount that is exempt from Illinois Income Tax is based on the number of allowances you claim on this form. As an employee, you receive one

allowance unless you are claimed as a dependent on another person's tax return (e.g., your parents claim you as a dependent on their tax return). If you are married, you may claim additional allowances for your spouse and any dependents that you are entitled to claim for federal income tax purposes. You also will receive additional allowances if you or your spouse are age 65 or older, or if you or your spouse are legally blind.

How do I figure the correct number of allowances?

Complete the worksheet on the back of this page to figure the correct number of allowances you are entitled to claim. Give your completed Form IL-W-4 to your employer. Keep the worksheet for your records. If you claim more than 14 allowances, you must ask us for our approval.

Note: If you have more than one job or if your spouse works, you may claim all of your allowances on one job or you may claim some on each job, but you may **not** claim the same allowances more than once. Your withholding will usually be more accurate if you claim all of your allowances on the Form IL-W-4 for the job with the largest wages and claim zero on all other IL-W-4 forms.

What if I underpay my tax?

If the amount withheld from your compensation is not enough to cover your tax liability for the year, (e.g., you have non-wage income, such as interest or dividends), you may request that your employer withhold an additional amount from your pay. Otherwise, you may owe additional tax at the end of the year and may owe a penalty. If you do not have enough tax withheld from your pay, and you owe more than \$250 tax at the end

of the year, you may owe a late-payment penalty. You should either increase the amount you have withheld from your pay, or you must make estimated tax payments. If you are required to make estimated tax payments and do not do so, or you do not make your payments on time, you may owe a late-payment penalty. This penalty is figured separately for each quarter.

You may owe a late-payment penalty if

- your Illinois Income Tax exceeds the total tax withheld or credited for the tax year by more than \$250 (even if your previous year's tax liability was less than \$250), or
- your estimated tax is underpaid for any quarter. You may be penalized even though you are receiving a refund on your Form IL-1040.

Note: You may still owe this penalty for an earlier quarter, even if you pay enough tax later to make up the underpayment from a previous quarter.

For additional information on penalties, see Publication 103, Uniform Penalties and Interest. Call 1 800 356-6302 to receive a copy of this publication.

Where do I get help?

- Visit our Web site at www.revenue.state.il.us
- Call our Taxpayer Assistance Division at **1 800 732-8866** or **217 782-3336**
- Call our TDD (telecommunications device for the deaf) at **1 800 544-5304**
- Write to
ILLINOIS DEPARTMENT OF REVENUE
PO BOX 19044
SPRINGFIELD IL 62794-9044

Illinois Withholding Allowance Worksheet

General Information

Complete this worksheet to figure your total withholding allowances.

Everyone must complete Part 1.

Complete Part 2 if

- you (or your spouse) are age 65 or older or legally blind, or
- you wrote an amount on Line 4 of the Deductions and Adjustments Worksheet for federal Form W-4.

If you have more than one job or if your spouse works, you may claim all of your allowances on one job or you may claim some on each job, but you may **not** claim the same allowances more than once.

Your withholding will usually be more accurate if you claim all of your allowances on the Form IL-W-4 for the job with the largest wages and claim zero on all other IL-W-4 forms. If you have a working spouse, you may choose not to claim your spouse as a dependent (this may help avoid having too little tax withheld).

Part 1: Figure your basic personal allowances (including allowances for dependents)

Check all that apply:

- No one else can claim me as a dependent.
- I can claim my spouse as a dependent.

- 1 Write the total number of boxes you checked. 1 _____
- 2 Write the number of dependents (other than you or your spouse) you will claim on your tax return. 2 _____
- 3 Add Lines 1 and 2. Write the result. This is the total number of basic personal allowances to which you are **entitled**. 3 _____
- 4 If you want to have additional Illinois Income Tax withheld from your pay, you must reduce the number of basic personal allowances you wrote on Line 3. Write the total number of basic personal allowances you elect to claim on Line 4 and on Form IL-W-4, Line 1. 4 _____

Part 2: Figure your additional allowances

Check all that apply:

- I am 65 or older.
- I am legally blind.
- My spouse is 65 or older.
- My spouse is legally blind.

- 5 Write the total number of boxes you checked. 5 _____
- 6 Write any amount that you reported on Line 4 of the Deductions and Adjustments Worksheet for federal Form W-4. 6 _____
- 7 Divide Line 6 by 1,000. Round to the nearest whole number. Write the result on Line 7. 7 _____
- 8 Add Lines 5 and 7. Write the result. This is the total number of additional allowances to which you are **entitled**. 8 _____
- 9 If you want to have additional Illinois Income Tax withheld from your pay, you must reduce the number of additional allowances you wrote on Line 8. Write the total number of additional allowances you elect to claim on Line 9 and on Form IL-W-4, Line 2. 9 _____

Note: If you have non-wage income and you expect to owe Illinois Income Tax on that income, you may choose to have an additional amount withheld from your pay. On Line 3 of Form IL-W-4, write the additional amount you want your employer to withhold.

----- Cut here and give the certificate to your employer. Keep the top portion for your records. -----

Illinois Department of Revenue IL-W-4 Employee's Illinois Withholding Allowance Certificate

_____-_____-_____
Social Security number

Name

Street address

City State ZIP

This form is authorized as outlined by the Illinois Income Tax Act. Disclosure of this information is REQUIRED. Failure to provide information could result in a penalty. This form has been approved by the Forms Management Center. IL-492-0039

- 1 Write the total number of basic allowances that you are claiming (from worksheet, Part 1, Line 4). 1 _____
- 2 Write the total number of additional allowances that you are claiming (from worksheet, Part 2, Line 9). 2 _____
- 3 Write the additional amount you want withheld (deducted) from each pay. 3 _____

I certify that I am entitled to the number of withholding allowances claimed on this certificate.

Your signature Date

Employer: Keep this certificate with your records. If you have referred the employee's federal certificate to the Internal Revenue Service (IRS) and the IRS has notified you to disregard it, you may also be required to disregard this certificate. Even if you are not required to refer the employee's federal certificate to the IRS, you may still be required to refer this certificate to the Illinois Department of Revenue for inspection. See Illinois Income Tax Regulations 86 Ill. Adm. Code 100.7110.