

# W-4 Information for Employers



[www.oregon.gov/dor](http://www.oregon.gov/dor)

## What form do my employees use to claim allowances for Oregon?

Oregon doesn't have its own withholding allowance form. Use IRS Form W-4.

## What do I do if my employee doesn't file a W-4?

You should use "single, -0-" allowances if you receive no other information from the employee.

## Does the Department of Revenue require that copies of W-4s be sent to them?

Oregon Administrative Rule (OAR) 150-316.182 requires employers to send a copy of Form W-4 to the us within 20 days of receiving it if the employee claims:

- More than 10 allowances for federal or state purposes;
- Exemption from withholding, and you expect the employee's income to be more than \$200 per week for both federal and state purposes; or
- Exemption from withholding for state purposes but not federal purposes.

If a hardcopy of the W-4(s) is unavailable, provide a report listing the following:

- Employee name.
- Social Security number (SSN).
- Employee's current address.
- Status and number of allowances or exempt.
- Date W-4 was signed or processed.
- Federal employer identification number (FEIN).

These copies or reports should be sent to:

W-4 Project Manager  
Oregon Department of Revenue  
PO Box 14560  
Salem OR 97309

## What conditions must be met for an employee to be allowed to claim exempt?

An employee is allowed to claim exempt if they didn't owe any (net) Oregon tax last year and had a right to a refund of all state income tax withheld and they don't expect to owe any (net) Oregon tax this

year and expect to have a right to a refund of all state income tax withheld. [Internal Revenue Code (IRC) 3401, 3402; OAR 150-316.177(A)]

## Is there any time that an employer wouldn't honor a W-4 as filed?

No. You should honor the W-4 the employee filed unless you receive a *Determination Letter* from the us or the IRS.

## What is a Determination Letter and who receives a copy?

A *Determination Letter* is a document stating that we have changed the employee's status and/or allowances and instructs the employer to withhold state tax based upon the change. Both the employee and the employer receive a *Determination Letter*.

When you receive a *Determination Letter* from us, change the employee's status and/or allowances for state withholding purposes only. This determination stays in effect indefinitely. The employee may submit a new W-4 to us for review if their tax situation changes. Continue to withhold based on the *Determination Letter* unless you receive a new *Determination Letter*.

## Can an employee have a different withholding amount for state than they do for federal?

Yes. The employee should indicate on the W-4 the desired number of state allowances and mark on the bottom of the form: "For Oregon Only." Line G on the W-4 form is a federal credit only. Don't include any state exemptions on this line.

## What authority does the Department of Revenue have to request personal income, dependent and/or tax deduction information from an employee? Does this apply to an employee claiming 10 or fewer than 10 withholding allowances?

Oregon Revised Statute (ORS) 314.425 authorizes the department to request any books, papers, accounts,

or other information necessary to carry out any law imposing tax on or measured by net income. ORS 316.167 requires withholding of tax from employees' wages by employers in payment of employees' taxes, determined by net income.

OAR 150-316.182 provides that the employer shall send the department copies of employees' W-4 Forms claiming "Exempt" or "Excessive" (over 10). It also provides that the department may make a written request of an employee for verification of the statements in the certificate. However, the department may require verification of any status and/or number of allowances claimed at its discretion.

## Have questions? Need help?

**General tax information** ..... [www.oregon.gov/dor](http://www.oregon.gov/dor)  
Salem ..... (503) 378-4988  
Toll-free from an Oregon prefix ..... 1 (800) 356-4222

### Asistencia en español:

Salem ..... (503) 378-4988  
Gratis de prefijo de Oregon ..... 1 (800) 356-4222

### TTY (hearing or speech impaired; machine only):

Salem ..... (503) 945-8617  
Toll-free from an Oregon prefix ..... 1 (800) 886-7204

**Americans with Disabilities Act (ADA):** Call one of the help numbers for information in alternative formats.