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## 4.5 W-4 PROCEDURE

### Overview

The procedures described in this section are to be used when completing and updating a UC W-4/DE 4 form (also referred to as W-4 for simplicity).

### Policy Summary

- Employee completes a UC W-4/DE 4 form. The University form is a combination of the Federal IRS W-4 form and the State DE4 form. It must be signed and dated. There can be no alteration to the form W4 the employee submits to the department for updating.
- If the employee makes an indication, either verbally or in writing, that the information on the W-4 form is not valid, the certificate becomes invalid and the department cannot accept it. The employee must complete a new W-4 form. Until a new form is submitted, the employee will continue to be taxed using existing allowances.
- Each new W-4 form completely supersedes any previous W-4 forms on file. This is why it is important for the employee to complete the W-4 form in full.
- Emails or Phone requests are not acceptable if the employee requests a change to the existing W-4 form. Employee either needs to complete a new paper W-4 form or make changes on line At Your Services On Line on UCOP website.  
<https://atyourserviceonline.ucop.edu/ayso/>
- Non-Resident Aliens must complete the UC W-4 NR / DE 4 Form (available on the [Payroll website](#) under “Alien Information”)

When processing a W-4 for an existing employee, it is important to check his/her citizen and visa status.

- Prepare information for data entry.

## Accessing XTAX

1. Log on to the Payroll/Personnel System.
2. At the **Next Func** field, type **EEDB** and press **Enter**.
3. Type **XTAX**, **employee ID number**, and then press **Enter**.

The Tax Information function (**XTAX**) is displayed.

## Completing the XTAX Function

THE XTAX (TAX INFORMATION - DEPARTMENTS) FUNCTION

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uccmvsb.ucop.edu - TN3270/TN5250 Connection
Session Edit View Commands Script Help
PPETAX0-E1325      SCT EDB Entry/Update      03/06/01 11:05:02
11/07/00 09:31:25  Tax Information - Departments      Userid: SCPPSJL
ID: 010000100 Name: NAVIGATION, JOSEPH B      SSN: 010-00-0100 Pri Pay: MA
Retirement System Code: U FICA Eligibility Code: E Ret FICA Derive: Y
Federal
Marital Status      : S      Tax Processor ID : PPS02/23/01SCPFERRSR
Personal Allowances : 002      DE4 Process Date : 02/23/01
California
Marital Status      : S
Personal Allowances : 002
Itemized Deductions : 000
Addl Fed Tax Withholding : _____ Addl Fed Nonres Alien Tax : _____
Addl CA Tax Withholding : _____
SSN: 010000100
Next Func: _____ ID: _____ Name: _____ SSN: _____
====>
F: 1-Help          3-PrevMenu  4-Print    5-Update
F:                9-Jump
Line 4 Column 26
EM-3278-2-E LU=L10TAAAM
  
```

## Notes and Tips

- Any field left blank will default to S 000. If employee wishes to claim **single 0** for Federal or State withholding, skipping over the fields will default to single 0.
- Use **F1 Help** for field-level and function-level on-line help.
- If employee is claiming Exempt, they cannot enter allowances on the W-4 form.
- IMPORTANT: Departments cannot alter an employee's W-4 form.
- Departments can only update this function with a signed and dated W-4 form. Refer to the appropriate XTAX procedures following based on sections of the W-4 form the employee has completed.

### XTAX Procedure – Employee claiming withholding allowances

- Employee completes **Sections I and II** of W-4 form

Federal Tax Filing Status and Allowances	
Marital Status:	Enter <b>S</b> or <b>M</b> , depending on what employee has checked.
Personal Allowances:	Enter number given on UCW-4/DE4 in Section 1, box 2.

State Tax Filing Status and Allowances
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State Tax Filing Status and Allowances	
Marital Status:	Enter S, M or H, depending on what employee has checked.
Personal Allowances:	Enter number given on UCW-4/DE 4 in Section II, box 2.
Itemized Deductions:	Enter number given on UCW-4/DE 4 in Section III, box 3.

**XTAX Procedure -- Employee claiming exemption from California income tax withholding**

- Employee completes **Section II, box 2** with **997**

Employees **must** meet the following criteria:

- Nonresident of the state of California AND
- University employment takes place outside the state of California

State Tax Filing Status and Allowances	
Marital Status:	Leave blank. System will default to <b>S</b>
Personal Allowances:	Enter <b>997</b>
Itemized Deductions:	Leave blank.

**XTAX Procedure -- Employee claiming exemption from tax withholding**

- Employee completes **Section III** of W-4 form
- Sections I, II and IV **MUST NOT** be completed
- Exemption from withholding automatically expires February 15th of the following year. An employee must complete a new W-4 form claiming exemption during the first week in January or taxes will be withheld at Single with Zero allowances.

Federal Tax Filing Status and Allowances	
Marital Status:	Leave blank. System will default to <b>S</b>
Personal Allowances:	Enter <b>998</b>

State Tax Filing Status and Allowances	
Marital Status:	Leave blank. System will default to <b>S</b>
Personal Allowances:	Enter <b>998</b>
Itemized Deductions:	Leave blank.

**XTAX Procedure -- Employee claiming additional tax withholding**

- Employee completes **Section IV** of W-4 form
- Additional withholding is a flat dollar amount that will be withheld in addition to the taxes withheld in accordance with the number of allowances they are claiming (Sections I and II)
- The employee must complete the entire W-4 form even if the only change is to additional withholding. Additional withholding can only be added, changed or canceled from a W-4 form.
- Additional withholding will continue to be deducted until the employee cancels the deduction by completing (in full) a new W-4 form.

<b>Additional Tax Withholding</b>	
Additional Federal Tax Withholding:	Enter dollar amount to two decimal places for new or changed deduction. Enter an asterisk (*) to cancel
Additional State Tax Withholding:	Enter dollar amount to two decimal places for new or changed deduction. Enter an asterisk (*) to cancel

**UC W-4/DE 4 Processing Information**

(Note: These fields are NOT updateable.)

Tax Processor ID:	PPS: on-line entry WEB: UC For Yourself entry Date the data was entered PPS Preparer UserID or first three letters of employee's last name (if entered via WEB)
W-4 Process Date:	Date of federal withholding change
DE4 Process Date:	Date of state withholding change

**Review**

1. Make sure you have completed all the required data elements.
2. Review all entered data for accuracy and consistency.

**Updating the Employee Database**

Press **F5 Update**.

**Consistency Edits**

If there are consistency edits, the Consistency Edit (ECON) function is automatically displayed. Review all error messages and make necessary corrections.

**How to Correct Consistency Errors**

From the ECON function you may:

## UNIVERSAL ACTIONS

- Correct errors directly on the ECON function.
- **F3 Return** to the last data entry function, make any corrections, then do one of the following:
  - Press **F5 Update**.
  - Press **F2 Cancel** twice to cancel the update and leave the EDB unchanged.

See *Consistency Edit Messages (ECON)* in [Section 1.6, System Messages](#) for more information and instructions.

### If There are no Errors

If there are no consistency errors you will receive the message:

U0007 UPDATE PROCESS COMPLETE

### Accessing IMSG

1. To access the Message Report Function go to the **Next Function** field, type IMSG and press **Enter**.
2. When the IMSG function is displayed, review any remaining messages and take the appropriate action.

### Office of Record

All W-4 forms must be forwarded to the Payroll office immediately after updating the employee database with your initials and OEU stamped.

## UC W-4/DE 4 Excessive Withholding

### Definition:

1. Claiming more than 10 withholding allowances, or

2. Claiming exemption from withholding and wages would normally exceed \$ 200.00 per week.

Effective April 14, 2005 routine submission of W-4 to IRS is not required however, the IRS may request forms W-4 under specific criteria. Thus it no longer necessary for units to forward “excessive withholding” W-4 forms to the Payroll Office.