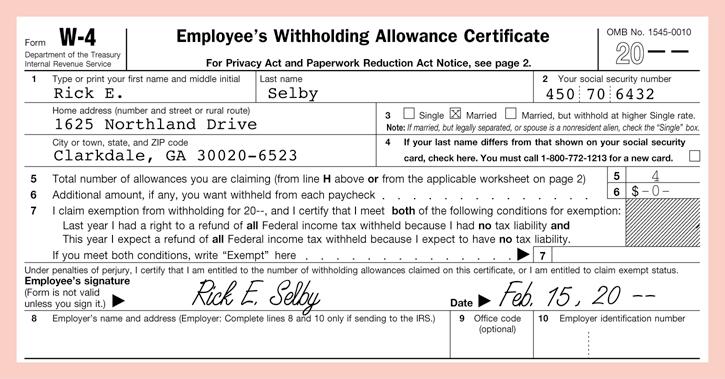
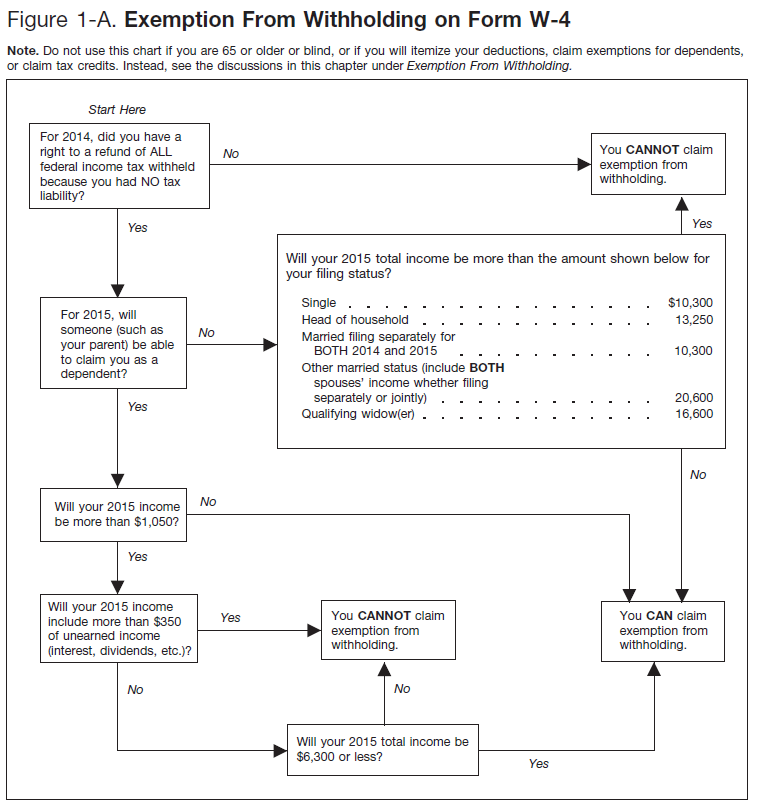
Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Period: \_\_\_\_\_

**Lesson 12-2: Determining Federal Payroll Tax Withholding**

* A \_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_ alerts the employer as to how much federal tax to withhold from each employee’s paycheck.
* Your employer will provide you with the form once you are hired
* A W-4 must be completed by every \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
* Once hired, a W-4 does not need to be resubmitted or updated unless there’s a change to:
  + \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
  + Number of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
  + Exemption of earnings
* An \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is an exemption that determines how much tax to withhold from an employee’s paycheck
  + The more allowances, \_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_ is withheld
  + The fewer allowances, \_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_ is withheld
* Most full-time students younger than the age of \_\_\_\_ and the age of \_\_\_\_ are able to be claimed by a parent/guardian on their income taxes.
* To be \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ from having federal taxes withheld from your paycheck, you must meet several criteria:
  + You had the right to a full refund last year **and** had no tax liability
  + You anticipate on having a full refund this year
  + You’re \_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_ claimed as a dependent
  + You will not earn more than $\_\_\_\_\_\_\_\_\_\_\_\_\_ for the year



* Sarah is 17 years old, and was just hired for her first job. She is a senior in high school. She plans to work about 15 hours each week after school earning about $121 per week. Can Sarah claim exemption on her W-4? Complete the following W-4 using Sarah’s information.
* Sarah H. Smith, 555 Main St., Springfield, OH 44123, Social Security: 123-45-6789

