

2023 Form W-4P

(Rev. January 2023)
 Department of the Treasury
 Internal Revenue Service



Complete and sign both parts of this form and mail to: PERS, PO Box 23700, Tigard, OR 97281-3700 or fax to 503-598-0561

Account type (Select all that apply for this withholding). To indicate different withholdings for each account, complete a separate form W-4P for each account.

- OPSRP
- OPSRP Alternate payee
- OPSRP Disability account
- IAP installments of 10 years or longer
- OPSRP Beneficiary

Form W-4P (Rev. January 2023) Department of the Treasury Internal Revenue Service	<h2 style="margin: 0;">Withholding Certificate</h2> <h3 style="margin: 0;">for Periodic Pension or Annuity Payments</h3> <p style="margin: 0;">▶ Give Form W-4P to the payer of your pension or annuity payments.</p>	OMB No. 1545-0074 <h1 style="margin: 0;">2023</h1>
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Step 1: Enter Personal information	(a) First name and middle initial _____	Last name _____	(b) Social Security number (SSN)* _____
	Address _____		SSN required. Forms without SSN will be rejected
	City or town, state, and ZIP code _____		
	(c) <input type="checkbox"/> Single or Married filing separately <input type="checkbox"/> Married filing jointly or Qualifying surviving spouse <input type="checkbox"/> Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)		

Complete Steps 2-4 ONLY if they apply to you; otherwise, skip to Step 5. See page 3 for more information on each step and how to elect to have no federal income tax withheld (if permitted).

Step 2: Income From a Job and/or Multiple Pensions/Annuities (Including a Spouse's Job/Pension/Annuity)

Complete this step if you (1) have income from a job or more than one pension/annuity, or (2) are married filing jointly and your spouse receives income from a job or a pension/annuity. **See page 3 for examples on how to complete Step 2.**

Do **only one** of the following.

(a) Reserved for future use.

(b) Complete the items below.

(i) If you (and/or your spouse) have one or more jobs, then enter the total taxable annual pay from all jobs, plus any income entered on Form W-4, Step 4(a), for the jobs less the deductions entered on Form W-4, Step 4(b), for the jobs. Otherwise, enter "-0-" ▶ \$ _____

(ii) If you (and/or your spouse) have any other pensions/annuities that pay less annually than this one, then enter the total annual taxable payments from all lower-paying pensions/annuities. Otherwise, enter "-0-" ▶ \$ _____

(iii) Add the amounts from items (i) and (ii) and enter the **total** here ▶ \$ _____

TIP: To be accurate, submit a new Form W-4P for all other pensions/annuities if you haven't updated your withholding since 2021 or this is a new pension/annuity that pays less than the other(s). Submit a new Form W-4 for your job(s) if you have not updated your withholding since 2019. If you have self-employment income, see page 3.

Complete Steps 3-4(b) on this form only if (b)(i) is blank **and** this pension/annuity pays the most annually. Otherwise, do not complete Steps 3-4(b) on this form.

Step 3: Claim Dependent and Other Credits	If your total income will be \$200,000 or less (\$400,000 or less if married filing jointly): Multiply the number of qualifying children under age 17 by \$2,000 ▶ \$ _____ Multiply the number of other dependents by \$500 ▶ \$ _____ Add other credits, such as foreign tax credit and education tax credits ▶ \$ _____ Add the amounts for qualifying children, other dependents, and other credits and enter the total here 3 \$ _____	
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Step 4 (optional): Other Adjustments	(a) Other income (not from jobs or pension/annuity payments). If you want tax withheld on other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, taxable social security, and dividends 4(a) \$ _____	
	(b) Deductions. If you expect to claim deductions other than the basic standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 4 and enter the result here 4(b) \$ _____	
	(c) Extra withholding. Enter any additional tax you want withheld from each payment 4(c) \$ _____	

Step 5: Sign Here	▶ _____ Your signature (This form is not valid unless you sign it.)	▶ _____ Date
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*Providing your Social Security number (SSN) is mandatory, and PERS is authorized to request it under provisions of the Internal Revenue code. It will primarily be used to comply with mandatory IRS reporting. It could also be used for confirmation purposes or recovery of overpaid funds.



Important!

Part A will not be processed if either your SSN or your signature is missing from Part A.

Part B will not be processed if either your SSN or your signature is missing from Part B.

Oregon State tax withholding will be calculated based upon single marital status and zero allowances unless you complete Part B or have an existing Oregon State tax withholding on file with PERS.

See attached Form OR-W-4 Instructions following the federal instructions.

Non-Oregon residents who do not want Oregon State income tax withheld should enter exemption code M on line 4a and write "Exempt" on line 4b in Part B.

Oregon residents see other exemption codes on page 3 of OR-W-4 instructions.

Form OR W-4 Part B	Oregon Withholding Statement and Exemption Certificate Oregon Department of Revenue Page 1 of 1 150-101-402 (Rev. 09-15-22, ver. 01)		2023
First name and middle initial	Last name	Social Security number*	<input type="checkbox"/> Redetermination
Home address (number and street or rural route)		SSN required. Forms without SSN will be rejected	
City or town, state, and ZIP code			

Note Your eligibility to claim a certain number of allowances or an exemption from withholding may be subject to review by the Oregon Department of Revenue. Your employer may be required to send a copy of this form to the department for review.

- 1 **Select one:** Single Married Married, but withholding at the higher single rate.
Note: Check the "Single" box if you're married and you're legally separated or if your spouse is a nonresident alien.
- 2 **Allowances.** Total number of allowances you're claiming on line **A4**, **B15**, or **C5**. If you meet a qualification to skip the worksheets and you aren't exempt, **enter 0**..... 2. _____
- 3 **Additional amount**, if any, you want withheld from each paycheck..... 3. _____ .00
- 4 **Exemption from withholding.** I certify that my wages are exempt from withholding and I meet the conditions for exemption as stated on page 2 of the instructions. Complete **both** lines below:
- Enter the corresponding exemption code. (See instructions)..... 4a. _____
 - Write "Exempt"..... 4b. _____

Sign here. Under penalty of false swearing, I declare that the information provided is true, correct, and complete.

Employee's signature (This form isn't valid unless signed)	Date
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*Providing your Social Security number (SSN) is mandatory, and PERS is authorized to request it under provisions of the Internal Revenue code. It will primarily be used to comply with mandatory IRS reporting. It could also be used for confirmation purposes or recovery of overpaid funds.

General Instructions

Section references are to the Internal Revenue Code.

Future developments. For the latest information about any future developments related to Form W-4P, such as legislation enacted after it was published, go to www.irs.gov/FormW4P.

Purpose of form. Complete Form W-4P to have payers withhold the correct amount of federal income tax from your periodic pension, annuity (including commercial annuities), profit-sharing and stock bonus plan, or IRA payments. Federal income tax withholding applies to the taxable part of these payments. Periodic payments are made in installments at regular intervals (for example, annually, quarterly, or monthly) over a period of more than 1 year. Don't use Form W-4P for a nonperiodic payment (note that distributions from an IRA that are payable on demand are treated as nonperiodic payments) or an eligible rollover distribution (including a lump-sum pension payment). Instead, use Form W-4R, Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions, for these payments/distributions. For more information on withholding, see Pub. 505, Tax Withholding and Estimated Tax.

Choosing not to have income tax withheld. You can choose not to have federal income tax withheld from your payments by writing "No Withholding" on Form W-4P in the space below Step 4(c). Then, complete Steps 1a, 1b, and 5. Generally, if you are a U.S. citizen or a resident alien, you are not permitted to elect not to have federal income tax withheld on payments to be delivered outside the United States and its territories.

Caution: If you have too little tax withheld, you will generally owe tax when you file your tax return and may owe a penalty unless you make timely payments of estimated tax. If too much tax is withheld, you will generally be due a refund when you file your tax return. If your tax situation changes, or you chose not to have federal income tax withheld and you now want withholding, you should submit a new Form W-4P.

Self-employment. Generally, you will owe both income and self-employment taxes on any self-employment income you (or you and your spouse) receive. If you do not have a job and want to pay these taxes through withholding from your payments, you should enter the self-employment income in Step 4(a). Then compute your self-employment tax, divide that tax by the number of payments remaining in the year, and include that resulting amount per payment in Step 4(c). You can also add half of the annual amount of self-employment tax to Step 4(b) as a deduction. To calculate self-employment tax, you generally multiply the self-employment income by 14.13% (this rate is a quick way to figure your self-employment tax and equals the sum of the 12.4% social security tax and the 2.9% Medicare tax multiplied by 0.9235). See Pub. 505 for more information, especially if your self-employment income multiplied by 0.9235 is over \$160,200.

Payments to nonresident aliens and foreign estates. Do not use Form W-4P. See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities, and Pub. 519, U.S. Tax Guide for Aliens, for more information.

Tax relief for victims of terrorist attacks. If your disability payments for injuries incurred as a direct result of a terrorist attack are not taxable, write "No Withholding" in the space below Step 4(c). See Pub. 3920, Tax Relief for Victims of Terrorist Attacks, for more details.

Specific Instructions

Step 1(c). Check your anticipated filing status. This will determine the standard deduction and tax rates used to compute your withholding.

Step 2. Use this step if you have at least one of the following: income from a job, income from more than one pension/annuity, and/or a spouse (if married filing jointly) that receives income from a job/pension/annuity. The following examples will assist you in completing Step 2.

Example 1. Bob, a single filer, is completing Form W-4P for a pension that pays \$50,000 a year. Bob also has a job that pays \$25,000 a year. Bob has no other pensions or annuities. Bob will enter \$25,000 in Step 2(b)(i) and in Step 2(b)(iii).

If Bob also has \$1,000 of interest income, which he entered on Form W-4, Step 4(a), then he will instead enter \$26,000 in Step 2(b)(i) and in Step 2(b)(iii). He will make no entries in Step 4(a) on this Form W-4P.

Example 2. Carol, a single filer, is completing Form W-4P for a pension that pays \$50,000 a year. Carol does not have a job, but she also receives another pension for \$25,000 a year (which pays less annually than the \$50,000 pension). Carol will enter \$25,000 in Step 2(b)(ii) and in Step 2(b)(iii).

If Carol also has \$1,000 of interest income, then she will enter \$1,000 in Step 4(a) of this Form W-4P.

Example 3. Don, a single filer, is completing Form W-4P for a pension that pays \$50,000 a year. Don does not have a job, but he receives another pension for \$75,000 a year (which pays more annually than the \$50,000 pension). Don will not enter any amounts in Step 2.

If Don also has \$1,000 of interest income, he won't enter that amount on this Form W-4P because he entered the \$1,000 on the Form W-4P for the higher paying \$75,000 pension.

Example 4. Ann, a single filer, is completing Form W-4P for a pension that pays \$50,000 a year. Ann also has a job that pays \$25,000 a year and another pension that pays \$20,000 a year. Ann will enter \$25,000 in Step 2(b)(i), \$20,000 in Step 2(b)(ii), and \$45,000 in Step 2(b)(iii).

If Ann also has \$1,000 of interest income, which she entered on Form W-4, Step 4(a), she will instead enter \$26,000 in Step 2(b)(i), leave Step 2(b)(ii) unchanged, and enter \$46,000 in Step 2(b)(iii). She will make no entries in Step 4(a) of this Form W-4P.

If you are married filing jointly, the entries described above do not change if your spouse is the one who has the job or the other pension/annuity instead of you.

Multiple sources of pensions/annuities or jobs. If you (or if married filing jointly, you and/or your spouse) have a job (s), do NOT complete Steps 3 through 4(b) on Form W-4P. Instead, complete Steps 3 through 4(b) on the Form W-4 for the job.

If you (or if married filing jointly, you and your spouse) do not have a job, complete Steps 3 through 4(b) on Form W-4P for **only** the pension/annuity that pays the most annually. Leave those steps blank for the other pensions/annuities.

Step 3. This step provides instructions for determining the amount of the child tax credit and the credit for other dependents that you may be able to claim when you file your tax return. To qualify for the child tax credit, the child must be under age 17 as of December 31, must be your dependent who generally lives with you for more than half the year, and must have the required social security number. You may be able to claim a credit for other dependents for whom a child tax credit can't be claimed, such as an older child or a qualifying relative. For additional eligibility requirements for these credits, see Pub. 501, Dependents, Standard Deduction, and Filing Information. You can also include **other tax credits** for which you are eligible in this step, such as the foreign tax credit and the education tax credits. Including these credits will increase your payments and reduce the amount of any refund you may receive when you file your tax return.

Step 4 (optional).

Step 4(a). Enter in this step the total of your other estimated income for the year, if any. You shouldn't include amounts from any job(s) or pension/annuity payments. If you complete Step 4(a), you likely won't have to make estimated tax payments for that income. If you prefer to pay estimated tax rather than having tax on other income withheld from your pension, see Form 1040-ES, Estimated Tax for Individuals.

Step 4(b). Enter in this step the amount from the Deductions Worksheet, line 6, if you expect to claim deductions other than the basic standard deduction on your 2023 tax return and want to reduce your withholding to account for these deductions. This includes itemized deductions, the additional standard deduction for those 65 and over, and other deductions such as for student loan interest and IRAs.

Step 4(c). Enter in this step any additional tax you want withheld from **each payment**. Entering an amount here will reduce your payments and will either increase your refund or reduce any amount of tax that you owe. **Note:** If you don't give Form W-4P to your payer, you don't provide an SSN, or the IRS notifies the payer that you gave an incorrect SSN, then the payer will withhold tax from your payments as if your filing status is single with no adjustments in Steps 2 through 4. For payments that began before 2023, your current withholding election (or your default rate) remains in effect unless you submit a new Form W-4P.

Step 4(b)—Deductions Worksheet (Keep for your records.)



1	Enter an estimate of your 2023 itemized deductions (from Schedule A (Form 1040)). Such deductions may include qualifying home mortgage interest, charitable contributions, state and local taxes (up to \$10,000), and medical expenses in excess of 7.5% of your income	1 \$ _____
2	Enter { <ul style="list-style-type: none"> • \$27,700 if you're married filing jointly or qualifying surviving spouse • \$20,800 if you're head of household • \$13,850 if you're single or married filing separately }	2 \$ _____
3	If line 1 is greater than line 2, subtract line 2 from line 1 and enter the result here. If line 2 is greater than line 1, enter “-0-”	3 \$ _____
4	If line 3 equals zero, and you (or your spouse) are 65 or older, enter: <ul style="list-style-type: none"> • \$1,850 if you're single or head of household. • \$1,500 if you're married filing separately. • \$1,500 if you're a qualifying surviving spouse or you're married filing jointly and one of you is under age 65. • \$3,000 if you're married filing jointly and both of you are age 65 or older. Otherwise, enter “-0-”. See Pub. 505 for more information 	4 \$ _____
5	Enter an estimate of your student loan interest, deductible IRA contributions, and certain other adjustments (from Part II of Schedule 1 (Form 1040)). See Pub. 505 for more information ...	5 \$ _____
6	Add lines 3 through 5. Enter the result here and in Step 4(b) on Form W-4P	6 \$ _____

Privacy Act and 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 required to provide this information only if you want to (a) request federal income tax withholding from pension or annuity payments based on your filing status and adjustments; (b) request additional federal income tax withholding from your pension or annuity payments; (c) choose not to have federal income tax withheld, when permitted; or (d) change a previous Form W-4P. To do any of the aforementioned, you are required by sections 3405(e) and 6109 and their regulations to provide the information requested on this form. Failure to provide this information may result in inaccurate withholding on your payment(s). Failure to provide a properly completed form will result in your being treated as a single person with no other entries on the form; providing fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S.

commonwealths and territories for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

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 section 6103.

The average time and expenses required to complete and file this form will vary depending on individual circumstances. For estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.

Form OR-W-4 Instructions

Oregon Withholding Statement and Exemption Certificate

2023

Purpose of this form

Use Form OR-W-4 to tell your employer or other payer how much Oregon income tax to withhold from your wages or other periodic income.

Instructions for employer or other payer. Enter the business name, federal employer identification number (FEIN), and address in the “Employer use only” section of Form OR-W-4. Keep the completed form with your records. For more information and additional instructions, see Publication 150-211-602, *W-4 Information for Employers*, and the additional resources listed on page 4.

Complete Form OR-W-4 if:


- You’re starting a new job with an employer who must withhold Oregon tax from your pay.
- You’re receiving a pension or annuity and the payer must withhold Oregon tax from each payment.
- You’ve had a recent personal or financial change that affects your taxes, such as a change in your income, filing status, or number of dependents.
- You weren’t satisfied with the amount of Oregon tax you owed or had refunded to you when you filed a recent return.
- You filed a federal Form W-4 with your employer after 2017 that didn’t specify withholding allowances for Oregon.

The worksheets in these instructions are designed to help you estimate the amount of Oregon tax your employer should withhold from your pay. For a more **accurate** estimate, use the **Oregon Withholding Calculator** at www.oregon.gov/dor before you complete Form OR-W-4.

Pension and annuity withholding. Use Form OR-W-4 to designate the Oregon withholding from your pension, annuity, or other periodic payments.

Questions to consider:

- Do you (including your spouse) **have more than one job**?
- Do you expect your wages or your total income for 2023 to be **more than \$100,000** (or **\$200,000** if you’re married and will file a joint return with your spouse, or you’re a recent widow(er))?
- Are you making **mid-year changes** to your withholding?
- Do you receive **pension or annuity payments**?
- Do you live outside Oregon, or did you move to Oregon this year?
- Are you a **nonresident alien**?

 If you answered **yes** to **any** of these questions, read the “Specific information” section in these instructions before completing the worksheets or Form OR-W-4. Consider using the online **Oregon Withholding Calculator** at www.oregon.gov/dor instead of the worksheets for more accurate results.

General information

What is Oregon income tax withholding?

Oregon income tax must be paid during the year as you earn or receive your income. Employers and certain other payers are required by law to set aside (withhold) part of your paycheck or other payment for taxes that they send to the Department of Revenue on your behalf every time they pay you. “Withholding” refers to the portion of income that your employer or other payer holds back from each paycheck or other payment.

How is the amount of Oregon income tax withholding determined?

The amount that the employer or other payer must withhold depends on several things, such as:

- Your income.
- Your marital status.
- The number of children or other dependents you have.

Allowances. Depending on your situation, some of your income might not be subject to withholding. Each allowance reduces the amount of income that is withheld from each payment. The worksheets in these instructions will help you determine how many allowances you may claim.

Additional withholding. You may want to have more money withheld from each payment. If you have other income that isn’t subject to withholding, requesting additional withholding on Form OR-W-4 may help you avoid owing tax on that other income when you file your tax return.

You report your marital status, allowances, and any additional amount you want withheld by completing Form OR-W-4 and submitting it to your employer or other payer. They will use this information, along with Publication 150-206-436, *Oregon Withholding Tax Formulas*, to withhold a specific amount each pay period.

What if too much or not enough is withheld?

If you have too much tax withheld, you may have a refund when you file your tax return. This is money that you couldn’t use during the year when you might have needed it.

If you have too little tax withheld, you may owe tax when you file your tax return, including penalty and interest. This is money that you might have used during the year but will need to pay when you file your return after the year ends. See Publication OR-17 for penalty and interest information.

Why can’t the federal form be used for all withholding?

Oregon employees used to be able to use federal Form W-4 for both their federal and Oregon withholding. In 2020, the Internal Revenue Service made some major changes to the

way that federal withholding is done. They changed Form W-4 in such a way that it can no longer be used for Oregon withholding purposes. Similar changes were made to Form W-4P, for withholding from pensions and annuities, starting in 2022. You must use Oregon's Form OR-W-4 instead.

How often does Form OR-W-4 have to be submitted?

Complete and submit a new Form OR-W-4 when you start a new job and whenever your tax situation changes. This includes changes in your income, marital status, and number of dependents.

Note: If you are claiming an exemption from Oregon withholding, you must submit a new Form OR-W-4 by February 15 every year if you continue to qualify for exemption. See the instructions for line 4.

What will happen if no Form OR-W-4 is submitted?

Your employer or other payer will refer to your most recent withholding form to determine your withholding. If no Form OR-W-4 has been submitted, they will withhold for Oregon based upon the following order:

- An Oregon-only version of the federal Form W-4 for a year prior to 2020, or federal Form W-4P for a year prior to 2022.
- Federal Form W-4 for a year prior to 2020, or Form W-4P for a year prior to 2022.
- Eight percent of your wages or other income subject to withholding.

What will happen if the information on the form is false?

You may be assessed a penalty of \$500 if there is no reasonable basis for the instructions you're giving your employer or other payer using Form OR-W-4.

Specific information

Two earners or multiple jobs. See the instructions for **Worksheet C** or use the online withholding calculator if you have more than one job at a time or will file a joint return with a working spouse.

Wages or adjusted gross income (AGI)* that exceed the threshold. Your income level affects your withholding. Do you expect to have wages or AGI on your 2023 return that are **more than \$100,000** (or **\$200,000** if using the married filing jointly or the qualifying surviving spouse filing status)? If so, you may want to request additional withholding. Consider using the online calculator to determine the correct amount to put on your Form OR-W-4.

***Helpful tip: AGI.** Your AGI is your total income minus federal adjustments to income. This amount on your 2022 federal Form 1040 may help you estimate your 2023 AGI.

Mid-year changes. If you discover that you claimed too many allowances for the first part of the year, your withholding may not cover all of your tax when you file your return. Use the online calculator to determine the additional amount you need withheld to make up for the shortage. If you don't change your withholding, you may owe tax, penalties, and

interest when you file your return. See Publication OR-17 for penalty and interest information.

Pension or annuity payments. If you've opted out of federal withholding from a pension, annuity, or other periodic payment, you're automatically opted out of Oregon withholding also. If you're not having tax withheld from this income, you may be required to make estimated tax payments. See Publication OR-ESTIMATE to determine the amount of estimated tax payments you need to make.

If you elect to have Oregon tax withheld from your pension or annuity payment, where the tax must be withheld at a certain percentage, you can't claim allowances on Form OR-W-4, but you may request additional withholding.

Exemption from withholding. You may be in a situation where none of your income is subject to Oregon tax. In that case, your income may be exempt from withholding. The exemption period depends on the type of income you have. **For wages, the exemption ends on February 15th of the following year.** For commercial annuities, employer deferred compensation plans, and individual retirement plans where an election to have no withholding may be made, the exemption ends when you notify the payer in writing that you revoke the election. See the instructions for line 4.

Part-year and nonresidents. Have you recently moved to Oregon, or do you live outside the state? If so, you'll report your Oregon income and deductions in the Oregon column of your part-year or nonresident tax return. Use only the amounts that will be in the Oregon column when you complete Worksheet B or C, or use the online withholding calculator for more accurate results.

Nonresident alien. If all or a portion of your wages are exempt from federal withholding, these wages are also completely or partially exempt from Oregon withholding. Submit federal Form 8233, *Exemption from Withholding on Compensation for Independent Personal Services of a Nonresident Alien Individual*, to your employer to exempt all or part of your wages from Oregon withholding.

If any portion of your wages are not exempt, submit Form OR-W-4 to your employer. As a nonresident alien, you may not qualify to claim certain deductions from your Oregon income, so you will need to take extra steps to ensure that your withholding is adequate. Follow the instructions below when completing Form OR-W-4:

- **Line 1.** Check the "single" box regardless of your marital status.
- **Line 2.** Usually, you should claim -0- withholding allowances. However, if you complete the worksheets, follow the instructions below.
 - Complete Worksheet B using amounts that will be included in the Oregon column of your return.
 - Once you have completed all applicable worksheets, subtract 1 allowance from the number on lines A4, B15, or C5.
- **Line 4.** Don't claim exempt due to "no tax liability" or for the portion of your wages exempted on federal Form 8233.

Form OR-W-4 line instructions

For the form and all worksheet instructions, terms such as “pay,” “paycheck,” and “wages” also refer to pensions, annuities, and other periodic payments, and the word “employer” also refers to other payers.

Type or clearly print your name, Social Security number (SSN), and mailing address.

Note. You must enter a SSN. You can't use an individual taxpayer identification number (ITIN).

Redetermination check box. If the department issued a determination letter to your employer specifying the amount your employer needs to withhold from your wages and you want to decrease your withholding, you must have a personal or financial change affecting your tax situation. If you do, mark the “Redetermination” check box. Provide a copy to your employer and send a copy with **all** of the applicable worksheets filled out to the department at:

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

Line 1. If you anticipate using the single, married filing separately, or head of household filing status when you file your 2023 return, mark “Single.”

If you anticipate using the married filing jointly or qualifying surviving spouse filing status when you file your 2023 return, mark “Married.” If you meet the married filing jointly qualifications, but want tax withheld at the higher “single” rate, mark “Married, but withholding at the higher single rate.”

For the qualifications of each filing status, see federal Publication 501, *Exemptions, Standard Deduction, and Filing Information*.

Line 2. Complete all applicable worksheets. Enter the allowances from **Worksheet A**, line A4, **Worksheet B**, line B15, or **Worksheet C**, line C5.

Line 3. If you choose to have an additional amount withheld from your pay, enter the amount that you want withheld from each paycheck. If you completed **Worksheet C**, line C8 may direct you to claim an additional amount per paycheck.

Line 4. If you're claiming **exemption from withholding**, you must meet one of these requirements:

- Your wages must be exempt from Oregon taxation, or
- You must meet the qualification for having no tax liability.

To claim exemption due to **no tax liability**, you must meet **both** of the following conditions:

- Last year you had the right to a refund of **all** Oregon tax withheld because you had **no** tax liability, **and**
- This year you expect a refund of **all** Oregon income tax withheld because you expect to have **no** tax liability.

To claim exempt, enter the corresponding code from the **Exemption chart** on line 4a. Enter only one exemption code, even if more than one applies. Write “Exempt” on line 4b.

Note: For wages, exemptions end February 15th of the following year. A new Form OR-W-4 must be completed and submitted to your employer each year.

Exemption chart

Exemption	Code
Air carrier employee	A
American Indian enrolled tribal member living and working in Indian country in Oregon.	B
Amtrak Act worker	C
Casual laborer	D
Domestic service worker	E
Hydroelectric dam worker at the Bonneville, John Day, McNary, or The Dalles dam.	F
Military pay for nonresidents stationed in Oregon and their spouses, residents stationed outside Oregon, and service members whose Defense Finance and Accounting Services (DFAS) address is outside Oregon.	G
Minister who is duly ordained, commissioned, or licensed and performing duties in their ministry or a member of a religious order performing duties required by their order.	H
Real estate salesperson under a written contract not to be treated as an employee.	J
Waterway worker	K
No tax liability. See above for definition.	L
Nonresident who expects a refund of all Oregon income tax withheld because their wages won't be subject to Oregon tax.	M

Sign and date Form OR-W-4. Submit Form OR-W-4 to your employer. **Don't** complete the employer's information. Keep the worksheets with your tax records.

Worksheet instructions

Worksheet A—Personal allowances

Line A3. Dependents. Enter the total number of all qualifying children and qualifying relatives you are able to claim as a dependent on your Oregon return. See the “Exemption credit” section of Publication OR-17 for dependent qualifications.

Worksheet B—Deductions, adjustments, credits, and nonwage income

Line B1. If you have large amounts of **nonwage income**, such as interest, dividends, or self-employment income, consider making estimated tax payments. For required payments and other information, see Publication OR-ESTIMATE. Otherwise, you may owe additional tax when you file your return, together with interest on any underpayment of required estimated tax payments.

Line B2. Additions are generally items the federal government doesn't tax but Oregon does. See Publication OR-17 for a list of additions and instructions.

Line B4. Enter your anticipated 2023 Oregon **deductions**. If you don't know your anticipated 2023 deductions, enter the standard deduction for your anticipated filing status.

The 2023 **standard deduction** for each filing status is:

- \$2,605 for single or married filing separately.
- \$4,195 for head of household.
- \$5,210 for married filing jointly or qualifying surviving spouse.

If you qualify for an **additional standard deduction amount** because you or your spouse are age 65 or older or blind, and you don't plan to itemize your deductions, include the additional amount when you enter your estimated standard deduction for 2023.

Itemized deductions include items such as medical expenses that are more than 7 1/2 percent of your AGI, state and local taxes you paid (limited to \$10,000, but don't include Oregon income taxes), qualifying home mortgage interest, charitable contributions, and certain miscellaneous deductions. If you plan to itemize your deductions, enter your estimated **Oregon itemized deductions**. See Schedule OR-A Instructions for more information.

Line B7. Adjustments to income reduce your gross income, resulting in AGI on your federal return. See the instructions for federal Form 1040 and the "Adjustments" section of Publication OR-17 for more information.

Subtractions are generally items the federal government taxes but Oregon doesn't. See Publication OR-17 for a list of subtractions and instructions. **Don't** include your federal tax subtraction.

Line B10. Divide line B9 by \$2,800. Round to one decimal place. For example, round 4.84 to 4.8 and 4.85 to 4.9. This calculation converts the amount from line B9 into allowances.

Line B11. Credits reduce the amount of tax you must pay. Standard and carryforward credits can reduce your tax to zero but can't be refunded to you. Refundable credits can reduce your tax to zero and also result in a refund of any remaining amount. See Publication OR-17 for a list of credits and instructions.

Enter an estimate of the credits you will claim on your 2023 Oregon return. **Don't** include your exemption credits.

Line B12. Divide line B11 by \$236. Round using one decimal place. For example, round 4.84 to 4.8 and 4.85 to 4.9. This calculation converts the amount from B11 into allowances.

Line B13. Add lines B10 and B12. Round to the nearest whole number that is closer to zero by eliminating the decimal value. For example, round 4.3 or 4.8 to 4 and round -3.3 or -3.7 to -3.

Example 1. Roger entered -3.1 on line B10. He entered 2.4 on line B12. He will enter -0- on line B13 ($-3.1 + 2.4 = -0.7$, which is rounded to 0).

Line B15. If the result on line B15 is less than zero, you may owe tax when you file your return. Request additional withholding or consider making estimated tax payments to avoid owing tax plus potential penalties and interest. See Publication OR-ESTIMATE for information about estimated payments.

Worksheet C—Two earners / multiple jobs

Use Worksheet C if you work more than one job at a time or you have a working spouse. Follow the instructions on the worksheet, then enter the results on Form OR-W-4 as indicated.

Line C5. For your highest paying job, enter the result of **Worksheet C**, line C5 on Form OR-W-4, line 2. For all of your lower paying jobs, claim zero allowances.

Line C8. For your highest paying job, enter the result of **Worksheet C**, line C8 on Form OR-W-4, line 3. Round to the nearest whole dollar. For all of your lower paying jobs, claim zero as the additional amount to be withheld.

Example 2. Todd is completing this form in January and has entered \$824 on line C7. For his highest paying job, he is paid every two weeks and has 25 paychecks left for the year. Todd will enter \$33 on line C8 and Form OR-W-4, line 3 ($\$824 \div 25 = \32.96 , which is rounded up to the nearest whole dollar).

Additional resources

For additional information, refer to the following publications:

- Publication 150-206-436, *Oregon Withholding Tax Formulas*.
- Publication OR-17, *Oregon Individual Income Tax Guide*.
- Publication OR-ESTIMATE, *Instructions for Estimated Income Tax*.
- Publication 150-211-602, *W-4 Information for Employers*.
- Federal Pub. 501, *Exemptions, Standard Deduction, and Filing Information*.
- Federal Form 2833, *Exemption From Withholding on Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual*.
- Federal Form 1040 Instructions.

Do you have questions or need help?

www.oregon.gov/dor
503-378-4988 or 800-356-4222
questions.dor@dor.oregon.gov

Contact us for ADA accommodations or assistance in other languages.

Worksheet A—Personal allowances

- A1. Enter “1” for **yourself** if no one else can claim you as a dependent. Otherwise, enter 0..... A1.
- A2. Enter “1” for your **spouse** if your spouse **doesn’t work**. Otherwise, enter 0 A2.
- A3. Enter the number of **dependents** you will claim on your Oregon tax return A3.
- A4. Add lines A1 through A3. Enter the result here and follow the instructions below A4.



Complete all worksheets that apply.

- **Worksheet B**—Use this worksheet if you plan to do **any** of the following on your 2023 Oregon return:
 - o Itemize your Oregon deductions or claim additional standard deduction amounts.
 - o Claim federal adjustments to income or Oregon additions, subtractions, or credits (other than personal exemption credits).
 - o Report nonwage income (such as dividends, interest, or self-employment income).
- **Worksheet C**—Use this worksheet if you (including your spouse) have more than one job **and** the combined earnings from **all** jobs exceed \$20,000.

If neither of the above worksheets apply, stop here and enter the number from line A4 on Form OR-W-4, line 2.

– Keep this worksheet for your records –

Worksheet B—Deductions, adjustments, credits, and nonwage income



Use this worksheet if you plan to do **any** of the following on your 2023 Oregon return:

- Itemize your Oregon deductions or claim additional standard deduction amounts.
- Claim federal adjustments to income or Oregon additions, subtractions, or credits (other than personal exemption credits).
- Report nonwage income (such as dividends, interest, or self-employment income).

Having your most recent Oregon tax return on hand may help you when completing this worksheet.

Don't use negative numbers unless otherwise instructed. For example, write a \$1,000 Oregon subtraction as "\$1,000", not "\$(-1,000)" or "-\$1,000".

B1. Enter your estimated 2023 nonwage income (such as dividends or interest)	B1.	<input style="width: 95%;" type="text" value=".00"/>
B2. Enter your estimated 2023 Oregon additions	B2.	<input style="width: 95%;" type="text" value=".00"/>
B3. Add lines B1 and B2	B3.	<input style="width: 95%;" type="text" value=".00"/>
B4. Enter your estimated 2023 Oregon deductions . (See instructions)	B4.	<input style="width: 95%;" type="text" value=".00"/>
B5. Enter the standard deduction based on your anticipated 2023 filing status:	B5.	<input style="width: 95%;" type="text" value=".00"/>
<ul style="list-style-type: none"> • Single or Married Filing Separately: \$2,605. • Head of Household: \$4,195. • Married Filing Jointly or Qualifying Surviving Spouse: \$5,210. 		
B6. Line B4 minus line B5. If the result is zero or less, enter 0	B6.	<input style="width: 95%;" type="text" value=".00"/>
B7. Enter your estimated 2023 federal adjustments to income and Oregon subtractions (exception —don't include the federal tax subtraction)	B7.	<input style="width: 95%;" type="text" value=".00"/>
B8. Add lines B6 and B7	B8.	<input style="width: 95%;" type="text" value=".00"/>
B9. Line B8 minus line B3. If less than zero, enter as a negative amount	B9.	<input style="width: 95%;" type="text" value=".00"/>
B10. Line B9 divided by \$2,800. Round to one decimal place. If less than zero, enter as a negative amount	B10.	<input style="width: 95%;" type="text" value="."/>
B11. Enter your estimated 2023 Oregon standard, carryforward, or refundable credits (exception —don't include personal exemption credits)	B11.	<input style="width: 95%;" type="text" value=".00"/>
B12. Divide line B11 by \$236. Round to one decimal place	B12.	<input style="width: 95%;" type="text" value="."/>
B13. Add lines B10 and B12. If less than zero, enter as a negative amount. Round to the whole number closest to zero (See instructions)	B13.	<input style="width: 95%;" type="text"/>
B14. Enter the number from Worksheet A , line A4	B14.	<input style="width: 95%;" type="text"/>
B15. Add lines B13 and B14. If zero or less, enter 0. (See instructions)	B15.	<input style="width: 95%;" type="text"/>

If you're using **Worksheet C**, enter the result from line B15 on **Worksheet C**, line C1.
Otherwise, **stop here** and enter the result from line B15 on Form OR-W-4, line 2.

– Keep this worksheet for your records –

Worksheet C – Two earners / multiple jobs



If you (including your spouse) work three or more jobs at one time, consider using the **Oregon Withholding Calculator** at www.oregon.gov/dor for a more accurate calculation of your allowances.

If you don't use the online calculator, use this worksheet to figure the number of allowances to claim on the Form OR-W-4 for your **highest paying job**. For the best results, we recommend that you claim allowances only on the Form OR-W-4 you submit for your highest paying job, and that you claim zero allowances on Form OR-W-4, line 2 for all of your (or your spouse's) other jobs. Doing so will help prevent under-withholding.

Complete this worksheet only if you (including your spouse) have more than one job **and** the combined earnings from **all** jobs exceed \$20,000.

C1. Enter the number from **Worksheet B**, line B15. If you didn't use Worksheet B, enter the number from **Worksheet A**, line A4..... C1.

C2. Enter the indicated number based on your 2023 anticipated filing status C2.
 • **Single, Head of Household, or Married Filing Separately:** Enter "2"; **however**, if two of your jobs individually exceed \$40,000, enter "4".
 • **Married Filing Jointly or Qualifying Surviving Spouse:** Enter "3"; **however**, if two of your jobs individually exceed \$50,000, enter "6".

C3. If you (including your spouse) will work three or more jobs at the same time at any point during the year, enter the indicated number for your 2023 anticipated filing status. Otherwise, enter 0 C3.
 • **Single, Head of Household, or Married Filing Separately:** Enter "2".
 • **Married Filing Jointly or Qualifying Surviving Spouse:** Enter "3".

C4. Add lines C2 and C3.....C4.

C5. Is line C1 **less** than line C4?
 • **Yes.** Enter 0 on line C5 and on Form OR-W-4, line 2. Continue with lines C6 through C8 to figure the additional withholding amount necessary to avoid owing tax with your return.
 • **No.** Line C1 minus line C4. Enter the result on line C5 (if zero, enter 0) and on Form OR-W-4, line 2. **Don't** complete the rest of this worksheet.....C5.

C6. Line C4 minus line C1C6.

C7. Line C6 multiplied by \$236C7.

C8. Line C7 divided by the number of **paychecks remaining in 2023** for the highest paying job and rounded to the nearest dollar. Enter the result here and on Form OR-W-4, line 3. This is the additional amount to be withheld from each paycheck..... C8.

– Keep this worksheet for your records –