Parishes And Curia Together PARISH SUPPORT NEWSLETTER

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2019 Withholding Tax and MO W-4 Changes - clarifications

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The following article has resulted in many phone calls and emails to both Parish Support and Human Resources asking if newly submitted MO W-4s should be processed for payroll (both in Lawson using a Personnel Action Form and in QuickBooks by updating the employee file). Given the fact that the tax tables released by the state and used in both Lawson and QuickBooks meet the new guidelines, there is no need to process MO W-4 changes if the employee is satisfied with their current withholding.

We amend our recommendation to parishes as follows:

We recommend that parishes inform all employees of the MO W-4 changes. Employees may want to review their personal situation with their tax representative to determine what, if any, steps should be taken. If the employee decides changes are needed, the 2019 W-4 tax form should be completed and submitted to the parish for processing.



2019 Withholding Tax and MO W-4 Changes

We recommend asking <u>all</u> employees to complete a new MO W-4. In the 2018 legislative session, House Bill 2540 was passed and amended <u>Section 143.171</u>, <u>RSMo</u>, related to the federal tax deduction. Effective for tax year 2019, the federal income tax deduction taxpayers may claim is prorated based on the taxpayer's Missouri adjusted gross income. In an attempt to ease implementation of the new withholding formula, the Department of Revenue chose to remove the federal tax deduction from the withholding tax calculation. This change may result in

a small increase to the amount withheld from employees paychecks. Any withholding in excess of the tax owed will be refunded after the taxpayer files their individual income tax return.

The Department of Revenue encourages all employees to review their W-4 and to make corresponding changes based on their filing status. There are no longer allowances in the Missouri withholding tables. Employees can no longer increase or decrease the amount withheld from their paychecks by claiming allowances that are not consistent with their specific filing situation. If the employee needs additional amounts withheld, they should add the additional amount on line 2 of the W-4.

Click here for the Missouri Dept of Revenue website.



PARISH SUPPORT

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Parish Support exists to serve both parishes and Curia. We serve St. Louis pastors, parish staff, Cu-ria members, volunteers, USCCB and parishes out-side of the diocese. It is our mission to provide training and support. We either have the answer, will get the answer, or refer you to someone who can assist. We are here to help.

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