Employment Development Department
State of California

This form can be used to manually compute your withholding allowances, or you can electronically compute them at **www.taxes.ca.gov/de4.xls** (Microsoft Excel required).

EMPLOYEE'S WITHHOLDING ALLOWANCE CERTIFICATE

Type or Print Your Full Name	Your Social Security Number
Home Address (Number and Street or Rural Route)	Filing Status Withholding Allowances ☐ SINGLE or MARRIED (with two or more incomes) ☐ MARRIED (one income) ☐ HEAD OF HOUSEHOLD
City, State, and ZIP Code	

1. Number of allowances for Regular Withholding Allowances, Worksheet A _____

   Number of allowances from the Estimated Deductions, Worksheet B _____

   Total Number of Allowances (A + B) when using the California Withholding Schedules for 2009 _____

OR

2. Additional amount of state income tax to be withheld each pay period (if employer agrees), Worksheet C _____

Under the penalties of perjury, I certify that the number of withholding allowances claimed on this certificate does not exceed the number to which I am entitled or, if claiming exemption from withholding, that I am entitled to claim the exempt status.

Signature _____ Date _____

Employer's Name and Address	California Employer Account Number

cut here

Give the top portion of this page to your employer and keep the remainder for your records.

YOUR CALIFORNIA PERSONAL INCOME TAX MAY BE UNDERWITHHELD IF YOU DO NOT FILE THIS DE 4 FORM

IF YOU RELY ON THE FEDERAL W-4 FOR YOUR CALIFORNIA WITHHOLDING ALLOWANCES, YOUR CALIFORNIA STATE PERSONAL INCOME TAX MAY BE UNDERWITHHELD AND YOU MAY OWE MONEY AT THE END OF THE YEAR.

PURPOSE: This certificate, DE 4, is for **California personal income tax withholding** purposes only. The DE 4 is used to compute the amount of taxes to be withheld from your wages, by your employer, to accurately reflect your state tax withholding obligation.

You should complete this form if either:

(1) You claim a different marital status, number of regular allowances, or different additional dollar amount to be withheld for California personal income tax withholding than you claim for federal income tax withholding or,

(2) You claim additional allowances for estimated deductions.

THIS FORM WILL NOT CHANGE YOUR **FEDERAL** WITHHOLDING ALLOWANCES.

The federal Form W-4 is applicable for California withholding purposes if you wish to claim the same marital status, number of regular allowances, and/or the same additional dollar amount to be withheld for state and federal purposes. However, federal tax brackets and withholding methods do not reflect state personal income tax withholding tables. **If you rely on the number of withholding allowances you claim on your Form W-4 withholding allowance certificate for your state income tax withholding, you may be significantly underwithheld**. This is particularly true if your household income is derived from more than one source.

CHECK YOUR WITHHOLDING: After your W-4 and/or DE 4 takes effect, compare the state income tax withheld with your estimated total annual tax. For state withholding, use the worksheets on this form, and for federal withholding use the Internal Revenue Service (IRS) Publication 919 or federal withholding calculations.

EXEMPTION FROM WITHHOLDING: If you wish to claim exempt, complete the federal Form W-4. You may only claim exempt from withholding California income tax if you did not owe any federal income tax last year and you do not expect to owe any federal income tax this year. The exemption automatically expires on February 15 of the next year. If you continue to qualify for the exempt filing status, a new Form W-4 designating EXEMPT must be submitted before February 15. If you are not having federal income tax withheld this year but expect to have a tax liability next year, the law requires you to give your employer a new Form W-4 by December 1.

IF YOU NEED MORE DETAILED INFORMATION, SEE THE INSTRUCTIONS THAT CAME WITH YOUR LAST CALIFORNIA INCOME TAX RETURN OR CALL THE FRANCHISE TAX BOARD.

IF YOU ARE CALLING FROM WITHIN THE UNITED STATES 1-800-852-5711 (voice)
1-800-822-6268 (TTY)

IF YOU ARE CALLING FROM OUTSIDE THE UNITED STATES (Not Toll Free) (916) 845-6500

The California Employer's Guide (DE 44) provides the income tax withholding tables. This publication may be found on EDD's Web site at **www.edd.ca.gov/Payroll_Taxes/Forms_and_Publications.htm**. To assist you in calculating your tax liability, please visit the Franchise Tax Board's Web site at: **www.ftb.ca.gov/individuals/index.shtml**.

NOTIFICATION: Your employer is required to send a copy of your DE 4 to the Franchise Tax Board (FTB) if it meets either of the following two conditions:

- You claim more than 10 withholding allowances
- You claim exemption from state or federal income tax withholding and your employer expects your usual weekly wages to exceed $200 per week.

IF THE IRS INSTRUCTS YOUR EMPLOYER TO WITHHOLD FEDERAL INCOME TAX BASED ON A CERTAIN WITHHOLDING STATUS, YOUR EMPLOYER IS REQUIRED TO USE THE SAME WITHHOLDING STATUS FOR STATE INCOME TAX WITHHOLDING IF YOUR WITHHOLDING ALLOWANCES FOR STATE PURPOSES MEET THE REQUIREMENTS LISTED UNDER "NOTIFICATION." IF YOU FEEL THAT THE FEDERAL DETERMINATION IS NOT CORRECT FOR STATE WITHHOLDING PURPOSES, YOU MAY REQUEST A REVIEW.

To do so, write to:

W-4 Unit
Franchise Tax Board MS F180
P.O. Box 2952
Sacramento, CA 95812-2952
Fax: (916) 843-1094

Your letter should contain the basis of your request for review. You will have the burden of showing the federal determination incorrect for state withholding purposes. The Franchise Tax Board (FTB) will limit its review to that issue. FTB will notify both you and your employer of its findings. Your employer is then required to withhold state income tax as instructed by FTB. In the event FTB or IRS finds there is no reasonable basis for the number of withholding exemptions that you claimed on your W-4/DE 4, you may be subject to a penalty.

PENALTY: You may be fined $500 if you file, with no reasonable basis, a DE 4 that results in less tax being withheld than is properly allowable. In addition, criminal penalties apply for willfully supplying false or fraudulent information or failing to supply information requiring an increase in withholding. This is provided for by Section 19176 of the California Revenue and Taxation Code.

INSTRUCTIONS — 1 — ALLOWANCES*

When determining your withholding allowances, you must consider your personal situation:
— Do you claim allowances for dependents or blindness?
— Are you going to itemize your deductions?
— Do you have more than one income coming into the household?

TWO-EARNER/TWO-JOBS: When earnings are derived from more than one source, underwithholding may occur. If you have a working spouse or more than one job, it is best to check the box "SINGLE or MARRIED (with two or more incomes)." Figure the total number of allowances you are entitled to claim on all jobs using only one DE 4 form. Claim allowances with one employer. Do not claim the same allowances with more than one employer. Your withholding will usually be most accurate when all allowances are claimed on the DE 4 or W-4 filed for the highest paying job and zero allowances are claimed for the others.

MARRIED BUT NOT LIVING WITH YOUR SPOUSE: You may check the "Head of Household" marital status box if you meet all of the following tests:
(1) Your spouse will not live with you at any time during the year;
(2) You will furnish over half of the cost of maintaining a home for the entire year for yourself and your child or stepchild who qualifies as your dependent; and
(3) You will file a separate return for the year.

HEAD OF HOUSEHOLD: To qualify, you must be unmarried or legally separated from your spouse and pay more than 50% of the costs of maintaining a home for the entire year for yourself and your dependent(s) or other qualifying individuals. Cost of maintaining the home includes such items as rent, property insurance, property taxes, mortgage interest, repairs, utilities, and cost of food. It does not include the individual's personal expenses or any amount which represents value of services

WORKSHEET A — REGULAR WITHHOLDING ALLOWANCES

(A) Allowance for yourself — enter 1	**(A)**	_____
(B) Allowance for your spouse (if not separately claimed by your spouse) — enter 1	**(B)**	_____
(C) Allowance for blindness — yourself — enter 1	**(C)**	_____
(D) Allowance for blindness — your spouse (if not separately claimed by your spouse) — enter 1	**(D)**	_____
(E) Allowance(s) for dependent(s) — do not include yourself or your spouse	**(E)**	_____
(F) Total — add lines (A) through (E) above	**(F)**	_____

INSTRUCTIONS — 2 — ADDITIONAL WITHHOLDING ALLOWANCES

If you expect to itemize deductions on your California income tax return, you can claim additional withholding allowances. Use Worksheet B to determine whether your expected estimated deductions may entitle you to claim one or more additional withholding allowances. Use last year's FTB 540 form as a model to calculate this year's withholding amounts.

Do not include deferred compensation, qualified pension payments or flexible benefits, etc., that are deducted from your gross pay but are not taxed on this worksheet.

You may reduce the amount of tax withheld from your wages by claiming one additional withholding allowance for each $1,000, or fraction of $1,000, by which you expect your estimated deductions for the year to exceed your allowable standard deduction.

WORKSHEET B — ESTIMATED DEDUCTIONS

1.	Enter an estimate of your itemized deductions for California taxes for this tax year as listed in the schedules in the FTB 540 form		1. _____
2.	Enter $7,384 if married filing joint, head of household, or qualifying widow(er) with dependent(s) or $3,692 if single or married filing separately	-	2. _____
3.	Subtract line 2 from line 1, enter difference	=	3. _____
4.	Enter an estimate of your adjustments to income (alimony payments, IRA deposits)	+	4. _____
5.	Add line 4 to line 3, enter sum	=	5. _____
6.	Enter an estimate of your nonwage income (dividends, interest income, alimony receipts)	-	6. _____
7.	If line 5 is greater than line 6 (if less, see below); Subtract line 6 from line 5, enter difference	=	7. _____
8.	Divide the amount on line 7 by $1,000, round any fraction to the nearest whole number Enter this number on line 1 of the DE 4. Complete Worksheet C, if needed.		8. _____
9.	If line 6 is greater than line 5; Enter amount from line 6 (nonwage income)		9. _____
10.	Enter amount from line 5 (deductions)		10. _____
11.	Subtract line 10 from line 9, enter difference Complete Worksheet C		11. _____

*Wages paid to registered domestic partners will be treated the same for state income tax purposes as wages paid to spouses for California personal income tax (PIT) withholding and PIT wages. This new law does not impact federal income tax law. A registered domestic partner means an individual partner in a domestic partner relationship within the meaning of Section 297 of the Family Code. For more information, please call our Taxpayer Assistance Center at 1-888-745-3886.

WORKSHEET C — TAX WITHHOLDING AND ESTIMATED TAX

1. Enter estimate of total wages for tax year 2009 . . . . . 1. _____
2. Enter estimate of nonwage income (line 6 of Worksheet B) . . . . . 2. _____
3. Add line 1 and line 2. Enter sum . . . . . 3. _____
4. Enter itemized deductions or standard deduction (line 1 or 2 of Worksheet B, whichever is largest) . . . . 4. _____
5. Enter adjustments to income (line 4 of Worksheet B) . . . . . 5. _____
6. Add line 4 and line 5. Enter sum . . . . . 6. _____
7. Subtract line 6 from line 3. Enter difference . . . . . 7. _____
8. Figure your tax liability for the amount on line 7 by using the 2009 tax rate schedules below . . . . . 8. _____
9. Enter personal exemptions (line F of Worksheet A x $99) . . . . . 9. _____
10. Subtract line 9 from line 8. Enter difference . . . . . 10. _____
11. Enter any tax credits. (See FTB Form 540) . . . . . 11. _____
12. Subtract line 11 from line 10. Enter difference. This is your total tax liability . . . . . 12. _____
13. Calculate the tax withheld and estimated to be withheld during 2009. Contact your employer to request the amount that will be withheld on your wages based on the marital status and number of withholding allowances you will claim for 2009. Multiply the estimated amount to be withheld by the number of pay periods left in the year. Add the total to the amount already withheld for 2009 . . . . . 13. _____
14. Subtract line 13 from line 12. Enter difference. If this is less than zero, you do not need to have additional taxes withheld . . . . . 14. _____
15. Divide line 14 by the number of pay periods remaining in the year. Enter this figure on line 2 of the DE 4 . 15. _____

NOTE: Your employer is not required to withhold the additional amount requested on line 2 of your DE 4. If your employer does not agree to withhold the additional amount, you may increase your withholdings as much as possible by using the "single" status with "zero" allowances. If the amount withheld still results in an underpayment of state income taxes, you may need to file quarterly estimates on Form 540-ES with the FTB to avoid a penalty.

THESE TABLES ARE FOR CALCULATING WORKSHEET C AND FOR 2009 ONLY

SINGLE OR MARRIED WITH DUAL EMPLOYERS				
IF THE TAXABLE INCOME IS		COMPUTED TAX IS		
OVER	BUT NOT OVER	OF AMOUNT OVER . . .		PLUS*
$ 0	$ 7,168	1.25%	$ 0	$ 0.00
$ 7,168	$ 16,994	2.25%	$ 7,168	$ 89.60
$ 16,994	$ 26,821	4.25%	$ 16,994	$ 310.69
$ 26,821	$ 37,233	6.25%	$ 26,821	$ 728.34
$ 37,233	$ 47,055	8.25%	$ 37,233	$ 1,379.09
$ 47,055	$1,000,000	9.55%	$ 47,055	$ 2,189.41
$1,000,000	and over	10.55%	$1,000,000	$ 93,195.66

MARRIED FILING JOINT OR QUALIFYING WIDOW(ER) TAXPAYERS				
IF THE TAXABLE INCOME IS		COMPUTED TAX IS		
OVER	BUT NOT OVER	OF AMOUNT OVER . . .		PLUS*
$ 0	$ 14,336	1.25%	$ 0	$ 0.00
$ 14,336	$ 33,988	2.25%	$ 14,336	$ 179.20
$ 33,988	$ 53,642	4.25%	$ 33,988	$ 621.27
$ 53,642	$ 74,466	6.25%	$ 53,642	$ 1,456.67
$ 74,466	$ 94,110	8.25%	$ 74,466	$ 2,758.17
$ 94,110	$ 1,000,000	9.55%	$ 94,110	$ 4,378.80
$ 1,000,000	and over	10.55%	$ 1,000,000	$ 90,891.30

HEAD OF HOUSEHOLD TAXPAYERS				
IF THE TAXABLE INCOME IS		COMPUTED TAX IS		
OVER	BUT NOT OVER	OF AMOUNT OVER . . .		PLUS*
$ 0	$ 14,345	1.25%	$ 0	$ 0.00
$ 14,345	$ 33,989	2.25%	$ 14,345	$ 179.31
$ 33,989	$ 43,814	4.25%	$ 33,989	$ 621.30
$ 43,814	$ 54,225	6.25%	$ 43,814	$ 1,038.86
$ 54,225	$ 64,050	8.25%	$ 54,225	$ 1,689.55
$ 64,050	$ 1,000,000	9.55%	$ 64,050	$ 2,500.11
$ 1,000,000	and over	10.55%	$ 1,000,000	$ 91,883.34

*marginal tax

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IF YOU ARE CALLING FROM OUTSIDE THE UNITED STATES (Not Toll Free) — (916) 845-6500

DE 4 information is collected for purposes of administering the Personal Income Tax law and under the Authority of Title 22 of the California Code of Regulations and the Revenue and Taxation Code, including Section 18624. The Information Practices Act of 1977 requires that individuals be notified of how information they provide may be used. Further information is contained in the instructions that came with your last California income tax return.