

New Tax Withholding Tables for 2018

The new IRS withholding tables were updated in Workday on January 19, 2018. All payrolls processed after that date will reflect the new tables and employees may begin to see their take-home pay increase. The new withholding tables are designed to work with employees current W-4 forms - *Employee's Withholding Allowance Certificate*, therefore employees do not need to complete a new W-4 Form at this time. The IRS is currently working on issuing a new Form W-4 and revising the withholding tax calculator available on its website.

According to the IRS news release, the new tables in IRS Notice 1036 reflect the increase in the standard deduction, the repeal of personal exemptions, and new tax rates and brackets. The new tables are designed to produce the correct amount of tax withholding and are also intended to avoid over and under withholding of tax.

The IRS announcement also indicates that there will be additional changes to its withholding tables in 2019 and will work with employers and the payroll industry on designing these changes.

For more information please refer to the IRS's FAQ "[frequently asked questions](https://www.irs.gov/newsroom/irs-withholding-tables-frequently-asked-questions)" section at <https://www.irs.gov/newsroom/irs-withholding-tables-frequently-asked-questions>.