The INTERNAL REVENUE SERVICE (IRS) is sending this information as part of our customer service and outreach efforts to reduce taxpayer burden. We hope this information helps you decide whether to stop the withholding on your income. Changing your Federal withholding will prevent you from filing unnecessary returns, and you will receive larger paychecks throughout the year.

To find out more about Form W-4 and claiming an exemption for 2005, you can access the IRS on the internet web site. Connect to www.irs.gov, select the Forms and Publications option, follow the directions to access the information on Form W-4. You can reach us by phone at 1-800-829-1040. Our normal hours of operation are Monday through Friday from 7:00 a.m. to 10:00 p.m. local time. Beginning January 22 - April 9, 2005, assistance will be available on Saturday from 10:00 a.m. to 3:00 p.m. local time. Assistance provided to callers from Alaska and Hawaii will be based on hours of operation in the Pacific Time Zone. We continue to offer around the clock service for refund and account callers.

Sincerely,

Mark W. Everson
COMMISSIONER, Internal Revenue Service
People 15 to 19 Years Old

You May Not Be Required To Have Federal Tax Withheld
Dear Taxpayer

Did you know you might not have to file a Federal income tax return in the year 2005?

Please answer the following questions “Yes” or “No.”

1. Will you be less than 20 years old on January 1, 2005 and single with no dependents?  ○ Y  ○ N

2. Will all your income for 2004 and 2005 be from wages, taxable interest and dividends?  ○ Y  ○ N

If both 1 and 2 are “Yes”, go to 3. Otherwise, you should not use this mailing to claim an exemption from Federal income tax withholding; please discard it.

3. Can anyone, such as your parent, claim you as a dependent for 2004 or 2005?  ○ Y  ○ N

If 3 is “No,” go to 6. If 3 is “Yes”, go to 4.

4. For 2004 and 2005, will your total interest and dividends be $250 or less each year, or will your total income be $750 or less each year?  ○ Y  ○ N

5. Will your total income for 2004 and 2005 be $4,850 or less each year?  ○ Y  ○ N

If both 4 and 5 are “Yes,” see Claiming an Exemption. Otherwise, you should not use this mailing to claim an exemption from Federal income tax withholding; please discard it.

6. For 2004 and 2005, will your total interest, dividends, and wages be $7,950 or less each year?  ○ Y  ○ N

If 6 is “Yes”, see Claiming an Exemption. Otherwise, you should not use this mailing to claim an exemption from Federal income tax withholding; please discard it.
Claiming an Exemption. Complete lines 1 through 4 of the attached Form W-4. Complete line 7 of Form W-4 and enter “Exempt” in the space provided to claim an exemption from Federal income tax withholding.

REMINDER: The exemption is valid for one year only. You must file a new Form W-4 each year if you qualify for an exemption from income tax withholding. Give the completed Form W-4 to your employer as soon as possible so you will not have any income tax withheld. If you change your employer during the year, ensure you claim the exemption when you fill out your Form W-4 with your new employer.

Send a Form W-4 to your employer by early December 2004

so

Your employer can stop deducting Federal taxes for all of the 2005 tax year

then

You probably will not have to file a tax return in the year 2006
Do not mail to the IRS. Give to your employer.

Form W-4

Employee’s Withholding Allowance Certificate

Whether you are entitled to claim a certain number of allowances or exemption from withholding is subject to review by the IRS. Your employer may be required to send a copy of this form to the IRS.

1 Type or print your first name and middle initial  

2 Last name

Home address (number and street or rural route)

3 □ Single  □ Married  □ Married, but withhold at higher Single rate.

Note. If married, but legally separated, or spouse is a nonresident alien, check the “Single” box.

City or town, state, and ZIP code

4 If your last name differs from that shown on your social security card, check here. You must call 1-800-772-1213 for a new card. □

5 Total number of allowances you are claiming (from line H above or from the applicable worksheet on page 2)

6 Additional amount, if any, you want withheld from each paycheck

7 I claim exemption from withholding for 2005, and I certify that I meet both of the following conditions for exemption.

- Last year I had a right to a refund of all federal income tax withheld because I had no tax liability and
- This year I expect a refund of all federal income tax withheld because I expect to have no tax liability.

If you meet both conditions, write “Exempt” here.

Under penalties of perjury, I declare that I have examined this certificate and to the best of my knowledge and belief, it is true, correct, and complete.

Employee’s signature

Date

8 Employer’s name and address (Employer: Complete lines 8 and 10 only if sending to the IRS.)

9 Office code (optional)

10 Employer identification number (EIN)

For Privacy Act and Paperwork Reduction Act Notice, see page 2.