

# International Tax FAQ

## Form W-4

This guide answers some of the most frequently asked questions for international employees about IRS Form W-4. More resources are available at [www.irs.gov/forms-pubs/about-form-w-4](http://www.irs.gov/forms-pubs/about-form-w-4), or you can contact the International Tax Office at [intltax@cu.edu](mailto:intltax@cu.edu).

### Frequently Asked Questions

#### Q. What is Form W-4?

- A. Form W-4 is a form used to tell U.S. employers how to calculate the amount of income tax to withhold from employees' paychecks. Nonresident aliens are subject to restrictions in how they complete Form W-4 to ensure accurate income tax withholding.

#### Q. Who needs to fill out Form W-4?

- A. All employees of a U.S. employer, who are receiving wage payments, are expected to fill out Form W-4. This includes individuals who are eligible for exemption from tax under a U.S. tax treaty.

#### Q. When does Form W-4 need to be filled out?

- A. Form W-4 is filled out when starting a job with a new employer or when changes to withholding are necessary.

#### Q. What if I can't get an appointment with the International Tax Office before my first paycheck?

- A. It isn't always possible to meet with the International Tax Office to complete Form W-4 before your first paycheck. Prior to your scheduled appointment, please do not make changes to your Form W-4 in the CU Employee portal. The IRS provides U.S. employers with withholding rules to follow until an employee submits a valid Form W-4. When you meet with an international tax specialist you can discuss options to address under withholding that may result from a delay.

#### Q. What if I have a life event that warrants a change in withholding?

- A. When life events, including a change of U.S. tax residency status, warrant a change in withholding, please contact the International Tax Office to discuss allowable changes to your Form W-4.

#### Q. Why do employers use Form W-4?

- A. Form W-4 is used by employers to calculate the amount of income tax withheld from employee paychecks, depending on variables including tax and filing statuses, eligible tax credits and benefits, and whether a taxpayer has other sources of income. Form W-4 does not calculate an individual's annual tax liability (that happens on the individual's annual income tax return) but instead calculates how much tax will be paid towards the individual's annual tax liability throughout the year.

#### Q. Why do individuals use Form W-4?

- A. Form W-4 helps eligible individuals manage their cash flow by allowing them to take advantage of tax benefits they expect to qualify for when they file their income tax returns throughout the year.

**Q. Why do I need to consult with the International Tax Office before completing my Form W-4?**

A. Not all international employees will qualify for tax benefits so they should not complete a new Form W-4 before consulting with the International Tax Office to avoid under withholding.

**Q. What if I don't submit a valid Form W-4?**

A. When an employee does not submit a valid Form W-4, the IRS requires the employer to withhold tax at the default Form W-4 rate which could result in under withholding of income tax and the need to pay additional tax with their income tax return.

**Q. How is Form W-4 filled out?**

A. How an employee fills out the Form W-4 depends on their U.S. tax residency status. To minimize the risks of under withholding, we ask new international employees to wait until their meeting with the International Tax Office to complete Form W-4.

**Q. How do I know if I have Form W-4 restrictions?**

A. During your initial meeting with the International Tax Office, you will be advised about any Form W-4 restrictions that might apply to you and when those restrictions might be lifted allowing the employee more control over their tax withholding.

**Q. Where do I fill out Form W-4?**

A. You will complete Form W-4 initially during your international tax appointment. You can submit allowable changes to via paper or through your CU Employee portal. Nonresident alien taxpayers (NRAs) should only make changes in consultation with an international tax specialist. Making changes without a tax specialist's guidance might result in under withholding.