

Your Tax Status- What to Consider When Completing the W-4

Every year we are asked to assist students in completing the W-4 Tax Withholding Form. The following information is for use as a general guideline only; **if you have questions regarding your individual circumstances you should seek tax advice from a qualified tax advisor.**

Status	General Qualifications	Pros	Cons	Fill Out
EXEMPT	<p>Full-time student , U.S. citizen Did not owe taxes last year Does not expect to owe taxes this year If claimed by parents, will earn less than \$5,450 in 2008 If not claimed by parent, will earn less than \$8,950 in 2008</p> <p>Note: If another person can claim you as dependent on their tax return and your income exceeds \$900, after deducting the \$5,450, and includes more than 300.00 of unearned income, such as interest and dividends you can not claim exempt from withholding.</p>	No tax taken for federal withholding, more money in biweekly paycheck.	<p>Tax may be owed at the year's end; particularly if expected earnings are underestimated of student has other forms of income, such as interest inc. or capital gains.</p> <p>Must complete a new W-4 each calendar year.</p>	W-4 sections 1,2,3,4 and 7. Sign and date the form.
Single-0	<p>Any single U.S. citizen may claim this tax status.</p> <p>All non-U.S. citizens MUST Claim either Single-0 or Single-1 (below) as their tax status unless their country has a tax treaty with the United States. If you believe your country does have such a treaty, contact Sue Lunetta in the Payroll Office. Until such a treaty has been verified by the IRS, you will have federal tax withheld at this rate.</p>	Tax withheld if student earns more than \$102 per each bi-weekly pay period. Student will file a tax return at year's end to determine if eligible for refund or additional tax owed.	In any pay period that the student earns more than \$105, federal tax will be withheld, and the paycheck will be smaller.	W-4 sections 1,2,3,4 and 5. Enter a 0 on line 5. Sign and date the form.
Single-1	<p>Any single U.S. citizen who holds only one job.</p> <p>All non-U.S. citizens MUST Claim either Single-0 (above) or Single-1 as their tax status unless their country has a tax treaty with the United States. If you believe your country does have such a treaty, contact Sue Lunetta in the Payroll Office. Until such a treaty has been verified by the IRS, you will have federal tax withheld at this rate.</p>	Tax withheld if student earns at least \$240 per pay period but at a lower rate than Single-0. Student will file a tax return at year's end to determine if eligible for refund or additional tax owed.	In any pay period that the student earns more than \$240, federal tax will be withheld, and the paycheck will be smaller.	W-4 sections 1,2,3,4 and 5. Enter a 1 on line 5. Sign and date the form.

Massachusetts Withholding Certificate

All full-time students engaged in part-time or temporary employment whose estimated annual income will not exceed \$8,000 are eligible to claim exemption from Massachusetts tax withholding by check the appropriate box on line 5. Students may also elect to have state tax withheld at the Single-1 rate.