Do I need to update my withholding allowance certificate due to the new tax reform bill?

Tell Me

A tax reform bill (H.R.1, or the Tax Cuts and Jobs Act) was signed into law on Dec. 22, 2017. Many of the provisions are effective for the 2018 tax year. While the bill affects many aspects of tax law, these Tax Reform FAQ pages highlight a few changes that may impact UNC Charlotte employees. The Tax Office cannot provide tax advice regarding individual tax return questions or filings.

No action is needed by employees at this time. We will send updates as guidance is released by the IRS.

1. The 2018 Federal withholding tables have been released by the IRS (Internal Revenue Service) to account for new individual income tax brackets and rates.
2. The tables will be implemented by UNC Charlotte beginning with the February 15 payroll.
3. Once the withholding tables are updated, employees' paychecks will reflect the new withholding table calculations.
4. No changes have been made to the North Carolina withholding tables or withholding allowance at this time.

North Carolina income tax is generally not tied to the federal withholding system, but if updates are made, UNC Charlotte will make changes accordingly.

5. Form W-4, Employee's Withholding Allowance Certificate, will also be updated by the IRS. For now, all existing Forms W-4 that employees already have filed will continue to be used by UNC Charlotte, per current IRS guidance.

Form W-4 is used to indicate marital status and the number of withholding allowances to be claimed for federal income tax purposes, which affects federal tax withholding amounts on employees' paychecks.

6. We encourage employees to evaluate their own tax situations and to refer to this IRS news page and the IRS withholding tables FAQ page for more information and updates.

Employees can complete their Form W-4 and NC-4 (Employee's Withholding Allowance Certificate) to update their withholding allowances anytime through My UNC Charlotte.

Related FAQs

- Why are parking permits paid via payroll deduction changing to a post-tax deduction?
- Do I need to update my withholding allowance certificate due to the new tax reform bill?
- Will changes be made to University Policy 101.18, Gifts, Awards, and Prizes due to the tax reform bill?
- Will moving reimbursements be taxable due to the tax reform bill?