

Voluntary Withholding Agreement
Termination or Withdrawal from W-4 agreement

▶ **Employees incurring no income tax liability—26 CFR 31.3402(n)-1**

Employer's name and address

Employer identification number

Submitted for:

- In lieu of W-4, *Employee's Withholding Certificate*. Employer will not make any payroll withholding. Employee is responsible for all taxes.
- Termination of previous W-4 agreement. Beginning effective on the last day of pay period in _____ of _____.

Employee's Liability Release Statement:

I _____, understand that termination or withdrawal of a W-4, *Employee's Withholding Certificate*, releases the employer from any obligation to make payroll withholdings. Furthermore, I understand that I am responsible for all taxes due and I release the employer from any tax liability associated with this employee.

I certify that the foregoing statement is correct and I release the employer from any withholding obligations or claims.

Employee's signature

▶

Date ▶

Employee's information

Type or print employee/payee first name and initial

Last name

Social security number (write "None" if you do not have a SSN or "Declined" if you do not wish to provide a SSN)

Home address (number and street or rural route)

City or town, State and ZIP code

Internal Revenue Manual 5.14.10.2.2 (09-30-2004)

Private employers, states, and political subdivisions are not required to enter into payroll deduction agreements. Taxpayers should determine whether their employers will accept and process executed agreements before agreements are submitted for approval or finalized.

26 CFR 31.3402(n)-1 — Employees incurring no income tax liability

(a) In general. Notwithstanding any other provision of this subpart (except to the extent a payment of wages is subject to withholding under §31.3402(g)-1(a)(2)), an employer shall not deduct and withhold any tax under Chapter 24 upon a payment of wages made to an employee, if there is in effect with respect to the payment a withholding exemption certificate furnished to the employer by the employee which certifies that —

- (1) The employee incurred no liability for income tax imposed under subtitle A of the Internal Revenue Code for his preceding taxable year; and
- (2) The employee anticipates that he will incur no liability for income tax imposed under subtitle A for his current taxable year.

26 USC 6013(g)(4) — Termination of election

An election under this subsection shall terminate at the earliest of the following times:

- (A) — Revocation by taxpayers. If either taxpayer revokes the election, as of the first taxable year for which the last day prescribed by law for filing the return of tax under chapter 1 has not yet occurred.