Overview

An employee’s Federal and/or State exempt tax withholding status is valid for only the calendar year in which it’s filed with the employer. For an employee to maintain their exempt status, they must provide their employer new Federal and/or State Withholding Allowance Certificate(s) claiming exempt status by Feb. 15 of each year.

The Federal withholding exemption can be updated in OneUSG Connect Employee Self Service. However, for State withholding, OneUSG Connect does not provide the option for claiming “exempt” so the employee needs to complete the actual G-4 form and submit it to UGA Central Payroll. This is due to Georgia state law that requires employers to send forms to the Georgia Department of Revenue for approval for any employees claiming more than 14 allowances or exempt from withholding. UGA will honor the properly completed form as submitted pending notification from the State Withholding Tax Unit. Upon approval, such forms remain in effect until changed or until February 15 of the following year.

Roles and Responsibilities

Roles involved in the Annual Process to Support Employees Claiming Exempt include the following:

- **UGA Employee**: enters Federal withholding information in OneUSG Connect and submits new G-4 form to UGA Central Payroll
- **UGA Central Payroll**: notifies employees, enters state exemption information, and sends G-4 to State of Georgia Department of Revenue

Key Process Steps

1. In early January (no later than January 15) of each calendar year, **UGA Central Payroll** will run the query, `BOR_PY_SPEC_FED_TAX_STATUS`, in OneUSG Connect that provides a list of impacted employees. No action is necessary for employees listed on the report with an effective date of Jan. 1 of the current year or greater.

2. **UGA Central Payroll** will notify impacted employees via email about updating their Federal and/or State exempt status by February 15.
3. If an employee fails to comply and does not provide new Federal and/or State Withholding Allowance Certificate(s), UGA Central Payroll will change the employee’s withholding status to single (0) with no withholding allowances. This change in the employee’s record will occur no later than March 1.

Relevant Resources

List of resources and links:

- OneSource Training Library
  - Updating Your W-4 Withholding Information
  - Updating Your G-4 Withholding Information

Approval

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<td>Julie Camp</td>
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