



TaxNewsFlash

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Final regulations released to Federal Register: Federal income tax withholding from employees' wages

The final regulations implement changes made by the 2017 U.S. tax law (Pub. L. No. 115-97)—the law that is often referred to as the “Tax Cuts and Jobs Act” (TCJA)—and reflect the redesigned withholding allowance certificate (Form W-4, *Employee’s Withholding Certificate*) and related IRS publications.

The [final regulations](#) [PDF 311 KB] (19 pages as published in the Federal Register on October 6, 2020) adopt regulations that were proposed in February 2020 but, according to the preamble, with revisions in response to the comments received in response to the proposed regulations. Read more about the proposed regulations: [TaxNewsFlash](#)

The final regulations generally apply on and after the date of publication in the Federal Register (October 6, 2020). However, certain provisions have an earlier applicability date. Taxpayers may also choose to apply certain provisions of the final regulations on and after January 1, 2020, and before their applicability date as set forth in the regulations.

Advance release of regulations by IRS

The IRS on October 1, 2020, posted a version of these final regulations on its website. That version of the final regulations includes the following statement:

This document has been submitted to the Office of the Federal Register (OFR) for publication and will be pending placement on public display at the OFR and publication in the Federal Register. The version of the final regulations released today may vary slightly from the published document if minor editorial changes are made during the OFR review process. The document published in the Federal Register will be the official document.

Read a [computer-generated document](#) [PDF 1 MB] that provides a comparison of the version of the final regulations submitted today to the Federal Register against the version posted by the IRS on October 1, 2020. This unofficial document was produced by KPMG for the purpose of showing what changes, if any, were made to the regulations prior to being released to the Federal Register for publication. It has not been reviewed for accuracy.

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