



## GLO Report – November 2020

### *Internal Revenue Service:*

- The IRS has released the [2021 Publication 15-T](#), *Federal Income Tax Withholding Methods*, and the [2021 Form W-4](#), *Employee's Withholding Certificate*. The 2021 Form W-4 has few changes and is very similar to the 2020 Form W-4.
- **2021 Publication 15-T** Publication 15-T describes how to figure federal income tax withholding using the percentage method and the wage bracket method and describes alternative methods for figuring withholding. The publication explains how to withhold income tax based on pre-2020 Forms W-4 and 2020 or later Forms W-4.
- **New optional computational bridge** Adjustments for an employer to figure withholding based on pre-2020 Forms W-4 and 2020 or later Forms W-4 are described in more detail in the various worksheets. In addition, a new optional computational bridge is available. The computational bridge allows employers to treat 2019 or earlier Forms W-4 as if they were 2020 or later Forms W-4. Employers use computational procedures and data fields for a 2020 and later Form W-4 to arrive at the equivalent withholding for an employee that would have applied using the computational procedures and data fields on a 2019 or earlier Form W-4. *Note:* The new computational bridge only applies to pre-2020 Forms W-4 that were provided to employers before 2020. No employee may now complete a pre-2020 Form W-4. The computational bridge may also be used for lock-in letters based on pre-2020 Forms W-4, and to convert a nonresident alien employee's pre-2020 Form W-4 to a 2020 or later Form W-4.
- **Withholding on periodic payments of pensions and annuities** Employers should use Worksheet 5 and the percentage method tables in that section to figure withholding on periodic payments of pensions or annuities. If the recipient does not submit Form W-4P, *Withholding Certificate for Pension or Annuity Payments*, withholding on periodic payments is calculated as if the recipient were married claiming three allowances.
- **Withholding adjustment for nonresident aliens** Publication 15-T provides the amounts that employers should add to the wages paid to nonresident alien employees working in the United States when figuring their income tax withholding.
- **Help for smaller employers** The IRS [Income Tax Withholding Assistant](#), which is an Excel spreadsheet that is designed to help small employers calculate the amount of federal

income tax to withhold, has been updated for 2021. Employers that use an automated payroll system do not need to use the assistant.

***Department of Labor:***

- DOL Cements 60-Day Delay of Business-Friendly Gig-Worker Rule
  - The U.S. Labor Department has delayed implementation of the Trump administration's late-term rule making it easier for companies to classify workers as independent contractors, paving a path to adopt a less employer-friendly policy.
  - Adhering to President Joe Biden's Inauguration Day directive to freeze all pending regulations, DOL finalized its decision—initially proposed Feb. 3—to stall the high-profile independent contractor rule's effective date by 60 days until May 7. The rule—which got strong backing from businesses and Republicans for embracing a shorter, simpler standard to determine when workers are exempt from minimum wage and overtime protections—originally was slated to take effect March 8 when it was released in Trump's final days in office.
  - DOL's Wage and Hour Administration said the delay is necessary to consider the legality of the independent contractor test. The agency could re-open the rulemaking process with a different standard.
  - Employer representatives submitted written comments opposing the proposed delay, arguing that a truncated window for public comment violated the Administrative Procedure Act. Management attorneys have been preparing to file a lawsuit against the delay.
  - Meanwhile, worker advocates and Democratic state attorneys general urged the department to delay and rescind the rule, restoring a legal interpretation that makes it more difficult for businesses to treat their workforce as independent contractors who, unlike employees, aren't subject to wage laws.
  - The Trump DOL's final rule considers five factors to determine whether a worker is economically dependent on an employer, and therefore an employee—not a contractor.
  - Formulating an updated economic reality test, DOL gives greatest weight to two core factors: the nature and degree of the worker's control over the work, and the worker's opportunity for profit or loss based on personal initiative or investment.

***USICE / Department of Homeland Security:***

- **myE-Verify Has a New Feature Called myUploads**
  - **myUploads** is a new feature from [myE-Verify](#) that helps employees and individuals electronically resolve their E-Verify DHS Tentative Nonconfirmations (TNCs) by uploading images of their documentation as a JPEG, PNG or PDF through a computer or smart device. This new free feature



**GA Garnishment Changes – Effective 1/1/2021:**

Effective 1-1-21, creditor garnishments will continue for 1,095 days (currently 179 days). The maximum amount that can be garnished for private student loan debts will be 15% of the employee’s weekly disposable income. The employer is required to comply with the 15% maximum, rather than the usual 25% maximum for other creditor garnishments, only if the summons of garnishment or court order in the pending garnishment conspicuously states that it is based on private student loan debt.

**Local News – Minimum Wage as of January 2021:**



Happy Spring!!

