

WITHHOLDING TAX TABLE CHANGE EFFECTIVE MARCH 1, 2020

Beginning January 1, 2020, the Employer's Income Tax Withholding Tax Tables have been adjusted with an effective date of March 1, 2020 as a result of Income Tax reductions enacted by the General Assembly. The new tax tables, instructions and computer formula can be found on the Department's web site at:

<http://ar.gov/WithholdingTaxTables>

The tables and computer formula should be used for all payroll periods ending on or after March 1, 2020.

The change in the tax table will reduce the amount of State Withholding from an employee's paycheck. If an employee wants to remain at their current level of Withholding, a new Employee's Withholding Exemption Certificate (form AR-4EC) should be completed and submitted to the employer. To change the employee's withholding amount, complete Line #4 on the AR-4EC by entering a dollar amount the employee would like withheld in addition to the tax amount already being withheld.

For more information, please contact the Withholding Tax Section at 501-682-7290 or by email at Withholding@dfa.arkansas.gov

Sincerely,
Jill Windle
Withholding Tax Manager