



NC-4 Tax Compliance

Policy Area: HR/Payroll	Effective Date: 11/2011
Policy Sub Area: Payroll	Last Revision Date: NA
Authority: Income Tax Withholding Tables and Instructions for Employers - Dept. of Revenue Publication NC-30, Section 14	Policy Owner/Division: HR/PAYROLL

Policy

All State employees must have completed and signed a Form NC-4 or NC-4 EZ upon hire. The employer must withhold tax as if the employee’s status is single with zero withholding allowances, if the form is not completed.

The purpose of NC-4 or NC-4 EZ Employee’s Withholding Allowance Certificate is so the employer can withhold the correct amount of State income tax from an employee’s pay. A form NC-4 or NC-4 EZ becomes effective on the first payment of wages, and remains in effect until another one is completed. An employee should consider completing a new NC-4 or NC-4 EZ form when their personal or financial situation changes from the previous year.

Procedures

Submission of certain withholding allowance certificates:

Although no longer required by the Internal Revenue Service (IRS), North Carolina requires an employer to submit copies of any certificates (Form NC-4 and NC-4 EZ) on which the employee claims more than 10 withholding allowances or claims exemption from withholding and the employee’s wages would normally exceed \$200 per week. Retain the original certificate in your files.

When to submit:

An employer filing quarterly withholding reports is required to submit copies of the certificates received during the quarter at the time for filing the quarterly report. An employer filing monthly withholding reports is required to submit copies of the certificates received during the quarter at the time for filing the monthly report for the third month of the calendar quarter. Copies may be submitted earlier and for shorter reporting periods.

How to submit:

For state agencies served by the HR/Payroll System, OSC submits a quarterly file to NCDOR that includes data entered through employee self service. Universities and other state agencies operating their own payroll systems may have their own arrangements with NCDOR for electronic submission or they should complete boxes 8 and 9 on the certificate and mail to:

North Carolina Department of Revenue, Tax Compliance-Withholding Tax

PO Box 25000, Raleigh, North Carolina 27640-0001

Accounting Guidance

None noted.

Related Documents (Memos/Forms)

Dept. of Revenue Publication NC-30, Section 14

Form NC-4

http://www.dornrc.com/downloads/nc30_2012.pdf

http://dornrc.com/downloads/forms_trad.php?url=nc4.pdf

http://dornrc.com/downloads/forms_trad.php?url=nc4ez.pdf

Revision History

Date	Version	Revision Description	Initials