



STATE OF DELAWARE  
DEPARTMENT OF FINANCE  
DIVISION OF REVENUE  
DELAWARE STATE BUILDING  
820 N. FRENCH STREET  
WILMINGTON, DELAWARE 19801

DIVISION OF REVENUE  
TAX RULING 80-4

December 15, 1980

- Personal Income Tax  
Withholding Exemption Certificates

For purposes of withholding Delaware income tax, employers, in general, are authorized to withhold Delaware income tax on the basis of the number of exemptions claimed in the Federal Form W-4 filed by the employee. Effective with respect to withholding exemption certificates received from employees after December 31, 1980, every employer shall submit to the Division of Revenue a copy of any withholding exemption certificate which is received from an employee during the withholding reporting period if:

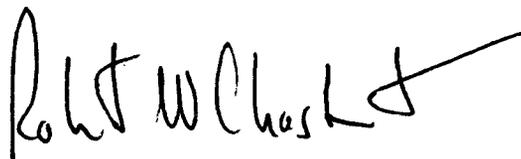
- (1) the total number of exemptions claimed for Delaware personal income tax purposes on the certificate exceeds 9, or
- (2) the certificate indicates the employee claims to be exempt from withholding of Delaware income tax and the employer reasonably expects that the employees wages will exceed \$100 per week.

Copies of certificates required to be submitted under this ruling shall be submitted to the Division of Revenue at the time for filing the employers monthly or quarterly withholding return.

Pending receipt of notice from the Division of Revenue with respect to a copy of any certificate submitted, the employer shall withhold on the basis of the statements in the certificate. If the Division of Revenue finds that the certificate submitted contains materially incorrect statements, or, after seeking verification from the employee, determines that it lacks sufficient information to find that the certificate is correct, and so notifies the em-

ployer, then the employer shall consider the certificate defective and shall withhold amounts from the employee as if the employee were a single person claiming no withholding exemptions. The employer shall notify the employee of the action taken by the Division of Revenue, and request the employee to file another withholding exemption certificate.

The regulations entitled "Withholding of Delaware Income Tax from Compensation for Personal Services" (issued by the Division of Revenue effective January 1, 1979) are modified accordingly.



Robert W. Chasant  
Director of Revenue

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