If you claim EXEMPT on a Form W-4, USF will not withhold federal income taxes from your wages. The exemption does not apply to FICA (Social Security) or Medicare taxes.

You can claim exemption from withholding only if both of the following situations apply:

1. For the previous year you had a right to a refund of ALL federal income tax withheld because you had no tax liability.

2. For the current year you expect a refund of all federal income tax withheld because you expect to have no tax liability.

The exemption must be renewed annually by submitting a new Form W-4 before February 15 each year to continue your exemption.

Non-Resident Aliens (NRAs) may NOT claim EXEMPT on their Form W-4. NRAs may be eligible to be exempt from federal withholding taxes if a treaty exists between the U.S. and their country.

Detailed instructions are available on the IRS website at irs.gov.