

17 NCAC 06C .0123 EMPLOYEE'S WITHHOLDING ALLOWANCE CERTIFICATE

(a) Requirement. -- Each new employee, before beginning employment, shall furnish his or her employer with a signed North Carolina Employee's Withholding Allowance Certificate, Form NC-4, Form NC-4 EZ, or Form NC-4 NRA. A federal exemption certificate shall not be acceptable. A certificate filed by a new employee shall be effective upon the first payment of wages after it is filed and remains in effect until the employee furnishes a new one. G.S. 105-153.3 defines the terms married individual, head of household, and surviving spouse (qualifying widow(er)) by reference to the Internal Revenue Code; however, the number of allowances to which an individual is entitled may differ under federal and state law. If an employee fails to furnish an allowance certificate, Form NC-4, Form NC-4 EZ, or Form NC-4 NRA, the employer shall withhold tax as if the employee is single with no allowances.

(b) Notice. -- The employer is not required to ascertain whether or not the total amount of allowances claimed is greater than the total number to which the employee is entitled. If, however, the employer has reason to believe that the number of allowances claimed by an employee is greater than the number to which the employee is entitled, the employer shall notify the Department of Revenue at the time for filing the quarterly report for the quarter during which the certificate is received, if the employer files quarterly withholding reports. If the employer files monthly withholding reports, the employer shall notify the Department of Revenue of certificates received during the quarter at the time for filing the monthly report for the third month of the quarter.

(c) Military spouse. -- A military spouse exempt from withholding under the Military Spouse Residency Relief Act shall furnish an employer a Form NC-4 EZ certifying the spouse meets the requirements of the Military Spouse Residency Relief Act and the state in which the spouse is domiciled, a copy of the spouse's spousal military identification card, and a copy of the servicemember's most recent leave and earnings statement. A new Form NC-4 EZ shall be submitted each calendar year, along with the supplemental information set forth in this Paragraph.

History Note: *Authority G.S. 105-163.2; 105-163.5; 105-262; 50 U.S.C. 571;*
Eff. June 1, 1990;
Amended Eff. August 1, 2002; June 1, 1993; October 1, 1991;
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