



LOW-INCOME EARNED INCOME EXCLUSION  
ELECTION OUT-OF-STATE WITHHOLDING INSTRUCTIONS

Individuals, head of households, and married couples (who file a joint return), who have federal adjusted gross income of \$10,000 or less for the taxable year may receive an earned income exclusion. If married and filing separately, federal adjusted gross income may not exceed \$5,000.

**Earned income** includes wages, salaries, tips, commissions and other employee compensation.

**Unearned income** includes interest, dividends, retirement income in the form of pensions or annuities, and other income that is not employee compensation.

**ELECTION:** A taxpayer who qualifies for this low-income earned income exclusion may elect to have his or her employer NOT withhold West Virginia income tax by taking this income exclusion into consideration when determining the amount of West Virginia personal income taxes the employer is required to withhold from the employee's paycheck. This election is made by completing the certificate below and giving it to your employer or payroll officer. The completed certificate is authorization for your employer to stop withholding West Virginia Personal Income Tax from your paycheck.

**CAUTION:** When deciding whether to elect out of state income tax withholding, you should keep in mind that if your federal adjusted gross income for the year exceeds \$10,000, the earned income exclusion does not apply, and your state income tax bill on April 15th could be \$240 or more. Events that could result in your federal adjusted gross income exceeding \$10,000 even though your annual wages are currently less than \$10,000 include: the likelihood of working overtime hours; whether you have a second job or will take a second job; whether you will receive a pay raise during the year; if married, whether your spouse works; whether your spouse's earned income will increase during the year; whether you have unearned income, the amount of your unearned income and whether that amount will increase during the year.

If you reasonably believe your federal adjusted gross income for the year will be \$10,000 or less and you actually receive federal adjusted gross income that is more than \$10,000, you will owe interest on the amount of West Virginia tax that should have been withheld by your employer.

**For more information, you can:**

- Call a Taxpayer Services Representative at (304)558-3333 or toll-free at (800) 982-8297
- Email [taxhelp@wv.gov](mailto:taxhelp@wv.gov)
- Go Online to [tax.wv.gov](http://tax.wv.gov)

CUT HERE

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**LOW-INCOME EARNED INCOME EXCLUSION CERTIFICATE  
ELECTION TO NOT WITHHOLD STATE INCOME TAX**

GIVE THIS CERTIFICATE TO YOUR EMPLOYER

Name \_\_\_\_\_ Social Security Number \_\_\_\_\_

Home Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

*I believe my federal adjusted gross income for the current calendar year will be \$10,000 or less (\$5,000 or less if married and filing separately). By signing this certificate, I authorize my employer to not withhold West Virginia income taxes on up to \$10,000 of wages and salaries paid to me during the calendar year, (\$5,000 if employee is married and files on a separate return basis).*

*I certify, under penalties provided by law, that the information and representations set forth herein are true and correct.*

Date \_\_\_\_\_ Employee Signature \_\_\_\_\_