



National Finance Center
Customer Notification

Pay Period 26 Employee Federal Tax Withholding Issue – 2nd Update

January 14, 2020

Reference Number: NFC-1579031347

Dear Customer:

This notice is to provide an update to the [customer notification](#) dated January 13, 2020.

The National Finance Center (NFC) has identified the root cause of the issue and continues to test and perform analysis on the system calculation of the Federal tax withholding for Pay Period 26. NFC is dedicated to giving our utmost attention to this issue and determine the appropriate corrective action to resolve.

NFC implemented system changes to correct this issue prior to the second pass of Pay Period 26 payroll processing. NFC has determined employees who submitted a new 2020 Form W-4 or had XT (exempt) were not affected.

For the employees who did not submit a new 2020 Form W-4, the below criteria has been discovered:

1. Employees with a marital status of Single (S) were withheld at Single and two exemptions.
2. Employees with a marital status of Married (M) were withheld at Married and three exemptions.

NFC is still compiling the data of the affected employees. We expect to have this completed by end of day tomorrow. Updates will be forthcoming as additional information becomes available and the corrective action is finalized.

In addition, NFC is researching the action items captured during the customer meeting held January 13, 2020. The updates to the action items will be provided by end of day on Tuesday, January 21, 2020.

Authorized Agency representatives with questions concerning this notification should contact the NFC's Contact Center at 1-855-NFC-4GOV (1-855-632-4468) or via ServiceNow at <https://nfcerp.service-now.com/ess>.