
Company Name

**Notification to Employees of Election Not to Withhold Income
Taxes on Personal Use of Company-Owned Vehicle**

TO: _____

DATE: _____
(Not later than January 31, 2026)

FOR YEAR ENDING: December 31, 2026

Generally, you are subject to Federal and State income tax withholding on the personal use value of a company-owned vehicle. Employers are allowed the option not to withhold Federal taxes on this value. We are still required, however, to include this taxable fringe benefit on your Form W-2.

This is your notification that the Company is electing not to withhold Federal or State income taxes on the personal use value of a company-owned vehicle. We are still required to withhold Social Security and Medicare taxes on this value, however, and will continue to do so. To avoid having to pay additional taxes due when you file your income tax return, you may wish to amend your Forms W-4 and State Withholding Certificate to provide additional withholding. Alternatively, you may wish to make estimated tax payments to the IRS and State of Residence.

*This notice must be given to the employee by January 31, 2026 for calendar year 2026 or within 30 days after a vehicle is first provided to the employee in 2026, if later.