

Announcement 98-9

Corrections are needed for the 1998 Circular E, Employer's Tax Guide (Publication 15). Paper copies of Circular E and copies downloaded from the IRS web site or bulletin board before January 9, 1998, contain errors.

The second paragraph under the heading "Family Employees" on page 7 should read:

Payments for the services of a child under the age of 21 who works for his or her parent whether or not in a trade or business are not subject to Federal unemployment (FUTA) tax.

In addition, the Advance EIC Payment Tables contain errors (page 59 only). If these tables are used, some employees may receive slightly lower advance EIC payments than they are entitled to receive. However, because the errors create only small differences in advance EIC payments, employers are not required to correct payments already made or reprogram for the remainder of 1998.

A corrected Circular E has been posted to the IRS web site at www.irs.ustreas.gov. The tables in Circular A, Agricultural Employer's Tax Guide (Pub. 51), and in Notice 1036, Early Release Copies of Income Tax Withholding and Advance Earned Income Credit Payment Tables, are correct as originally issued.