

Tables for Percentage Method of Withholding (For Wages Paid in 2006)

Effective January 1, 2006
To Calculate Withholding Tax for 2006

1. Find your taxable gross at the bottom of the second column on the far right side of your earnings statement.

Note: With the exception of students from India, nonresident employees should add an additional \$221 to their taxable gross calculation. This additional amount is added only once per month to the first check written.
2. Subtract \$275.00 for each allowance claimed on My Paycheck Profile (or Form W-4).
3. If claiming Single or Married but withholding at higher rate, use table (a) Single person. If claiming Married, then use table (b) Married Person.
4. All encumbered (Monthly) checks paying for the same month (pay period) will be added together for tax purposes even if written in separate months.
5. All unencumbered (Hourly) checks with a check date in the same month will be taxed together regardless of the pay period. They will also be added to any encumbered payments with a check date in the same month. Exceptions include vacation checks (taxed separately) and award checks (25% of taxable gross).
6. For **additional** withholding, the amount of tax is first calculated according to the withholding allowances claimed on IRS Form W-4. The additional amount entered on Line 6 of IRS Form W-4 is added to that figure. This amount is added only once per month to the first check written.
7. Changes to withholding status made during the month will be applied to **all** payments that are taxed together (as described in 4 and 5) for that month. This will occur even if one or more of those payments have already been taxed using a different withholding status.

MONTHLY Payroll Period

(a) SINGLE person (including head of household)

If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$221		\$0	
Over --	But not over --		of excess over --
\$221	---\$833	10%	---\$221
\$833	---\$2,687	\$61.20 plus 15%	---\$833
\$2,687	---\$6,104	\$339.30 plus 25%	---\$2,687
\$6,104	---\$13,054	\$1,193.55 plus 28%	---\$6,104
\$13,054	---\$28,200	\$3,139.55 plus 33%	---\$13,054
\$28,200		\$8,137.73 plus 35%	---\$28,200

(b) MARRIED person

If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$667		\$0	
Over --	But not over --		of excess over--
\$667	---\$1,908	10%	\$667
\$1,908	---\$5,670	\$124.10 plus 15%	\$1,908
\$5,670	---\$10,575	\$688.40 plus 25%	---\$5,670
\$10,575	---\$16,288	\$1,914.65 plus 28%	---\$10,575
\$16,288	---\$28,629	\$3,514.29 plus 33%	---\$16,288
\$28,629		\$7,586.82 plus 35%	---\$28,629