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Circular E, Employer's Tax Guide

(Including 2001 Wage
Withholding and
Advance Earned Income
Credit Payment Tables)



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Changes To Note

Social security and Medicare tax for 2001. The social security wage base for 2001 is \$80,400. There is no wage base limit for Medicare tax. The tax rate remains 6.2% for social security and 1.45% for Medicare tax.

Threshold for deposit requirement increased from \$1,000 to \$2,500. For tax return periods beginning January 1, 2001, if your tax liability for the return period (line 13 for Form 941 or line 4 for Form 945) is less than **\$2,500**, you are not required to make deposits and may pay the taxes with the return. See section 11 for a complete discussion of the deposit rules.

Calendar

The following is a list of important dates. Also see **Pub. 509**, Tax Calendars for 2001.

Note: *If any date shown below falls on a Saturday, Sunday, or legal holiday, use the next business day. For any due date, you will meet the "file" or "furnish" requirement if the form is properly addressed and mailed First-Class or sent by an IRS designated private delivery service on or before the due date. See **Private Delivery Services** on page 5 for more information on IRS designated private delivery services.*

By January 31

Furnish Forms 1099 and W-2. Furnish each employee a completed **Form W-2**, Wage and Tax Statement. Furnish each recipient a completed Form 1099 (e.g., **Form 1099-R**, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., and **Form 1099-MISC**, Miscellaneous Income).

File Form 940 or 940-EZ. File **Form 940** or **Form 940-EZ**, Employer's Annual Federal Unemployment (FUTA) Tax Return. However, if you deposited all the FUTA tax when due, you may file Form 940 or 940-EZ by February 12.

File Form 945. File **Form 945**, Annual Return of Withheld Federal Income Tax, to report any nonpayroll income tax withheld in 2000. See **Nonpayroll Income Tax Withholding** on page 4 for more information.

By February 15

Request new Form W-4 from exempt employees. Ask for a new **Form W-4**, Employee's Withholding Allowance Certificate, from each employee who claimed exemption from withholding last year.

On February 16

Exempt Forms W-4 expire. Any Form W-4 previously given to you claiming exemption from withholding has expired. Begin withholding for any employee who previously claimed exemption from withholding but has not given you a new Form W-4 for the current year. If the

employee does not give you a new Form W-4, withhold tax as if he or she is single, with zero withholding allowances. (See section 9.)

By February 28

File Forms 1099 and 1096. File Copy A of all Forms 1099 with **Form 1096**, Annual Summary and Transmittal of U.S. Information Returns, with the IRS. For electronically filed returns, see **By March 31** below.

File Forms W-2 and W-3. File Copy A of all Forms W-2 with **Form W-3**, Transmittal of Wage and Tax Statements, with the Social Security Administration (SSA). For electronically filed returns, see **By March 31** below.

File Form 8027. File **Form 8027**, Employer's Annual Information Return of Tip Income and Allocated Tips, with the Internal Revenue Service. (See section 6.) For electronically filed returns, see **By March 31** below.

By March 31

File electronic Forms 1099, W-2, and 8027. File Copy A of electronic (not magnetic media) Forms 1099 with the IRS and W-2 with the Social Security Administration. File electronic (not magnetic media) Form 8027 with the IRS.

By April 30, July 31, October 31, and January 31

Deposit FUTA taxes. Deposit Federal unemployment (FUTA) tax due if it is more than \$100.

File Form 941. File **Form 941**, Employer's Quarterly Federal Tax Return, and **deposit** any undeposited income, social security, and Medicare taxes. You may pay these taxes with Form 941 if your total tax liability for the quarter is less than \$2,500. If you deposited all taxes when due, you have 10 additional days from the due dates above to file the return.

Before December 1

New Forms W-4. Remind employees to submit a new Form W-4 if their withholding allowances have changed or will change for the next year.

On December 31

Form W-5 expires. **Form W-5**, Earned Income Credit Advance Payment Certificate, expires. Eligible employees who want to receive advance payments of the earned income credit next year must give you a new Form W-5.

Employer Responsibilities: The following list provides a brief summary of your basic responsibilities. Because the individual circumstances for each employer can vary greatly, their responsibilities for withholding, depositing, and reporting employment taxes can differ. Each item in this list has a page reference to a more detailed discussion in this publication.

New Employees:	Page	Quarterly (By April 30, July 31, October 31, and January 31):	Page
<input type="checkbox"/> Verify work eligibility of employees	3	<input type="checkbox"/> Deposit FUTA tax in an authorized financial institution if undeposited amount is over \$100	27
<input type="checkbox"/> Record employees' names and SSNs from social security cards	3	<input type="checkbox"/> File Form 941 (pay tax with return if not required to deposit)	22
<input type="checkbox"/> Ask employees for 2001 Form W-4	13		
Each Payday:		Annually (See Calendar for due dates):	
<input type="checkbox"/> Withhold Federal income tax based on each employee's Form W-4	32	<input type="checkbox"/> Remind employees to submit a new Form W-4 if they need to change their withholding.	13
<input type="checkbox"/> Withhold employee's share of social security and Medicare taxes	15	<input type="checkbox"/> Ask for a new Form W-4 from employees claiming exemption from income tax withholding	13
<input type="checkbox"/> Include advance earned income credit in paycheck if employee requested it on Form W-5	15	<input type="checkbox"/> Reconcile Forms 941 with Forms W-2 and W-3	23
<input type="checkbox"/> Deposit:		<input type="checkbox"/> Furnish each employee a Form W-2	2
• Withheld income tax		<input type="checkbox"/> File Copy A of Forms W-2 and the transmittal Form W-3 with the SSA.	2
• Withheld and employer social security taxes		<input type="checkbox"/> Furnish each recipient a Form 1099 (e.g., Forms 1099-R and 1099-MISC)	2
• Withheld and employer Medicare taxes	17	<input type="checkbox"/> File Forms 1099 and the transmittal Form 1096	2
<i>Note: Due date of deposit depends on your deposit schedule (monthly or semiweekly).</i>		<input type="checkbox"/> File Form 940 or 940-EZ	27
		<input type="checkbox"/> File Form 945 for any nonpayroll income tax withholding	4

Important Reminders

Electronic Filing

Form 940 and **Form 941** may now be filed electronically. For more information, visit the IRS website at www.irs.gov or call 1-800-829-1040.

Electronic Deposit Requirement

You must make electronic deposits of all depository taxes (such as employment tax, excise tax, and corporate income tax) using the Electronic Federal Tax Payment System (EFTPS) in 2001 if:

- The total deposits of such taxes in 1999 were more than \$200,000 or
- You were required to use EFTPS in 2000.

If you are required to use EFTPS and fail to do so, you may be subject to a 10% penalty. If you are not required to use EFTPS, you may participate voluntarily. To get more information or to enroll in EFTPS, call 1-800-555-4477 or 1-800-945-8400.

See section 11 for more information.

Hiring New Employees

Eligibility for employment. You must verify that each new employee is legally eligible to work in the United States. This will include completing the Immigration and Naturalization Service (INS) **Form I-9**, Employment Eligibility Verification. You can get the form from INS offices. Contact the INS at 1-800-375-5283, or visit the INS Web Site at www.ins.usdoj.gov for further information.

New hire reporting. You are required to report any new employee to a designated state new hire registry. Many states accept a copy of Form W-4 with employer information added. Call the Office of Child Support Enforcement at (202) 401-9267 or access its website at www.acf.dhhs.gov/programs/cse/newhire for more information.

Income tax withholding. Ask each new employee to complete the 2001 Form W-4.

Name and social security number. Record each new employee's name and number from his or her social security card. Any employee without a social security card should apply for one. (See section 4.)

Paying Wages, Pensions, or Annuities

Income tax withholding. Withhold tax from each wage payment or supplemental unemployment compensation plan benefit payment according to the employee's Form W-4 and the correct withholding rate. (If you have nonresident alien employees, see section 9.) Withhold from periodic pension and annuity payments as if the recipient is married claiming three withholding allowances, unless he or she has provided **Form W-4P**, Withholding Certificate for Pension or Annuity Payments, either electing no withholding or giving a different number of allowances, marital status, or an additional amount to be withheld. Do not withhold on direct rollovers from qualified plans. See section 9 and **Pub. 15-A**, Employer's Supplemental Tax Guide. Pub. 15-A includes information on withholding on pensions and annuities.

Information Returns

You may have to file information returns to report certain types of payments made during the year. For example, you must file **Form 1099-MISC**, Miscellaneous Income, to report payments of \$600 or more to persons not treated as employees (e.g., independent contractors) for services performed for your trade or business. For details about filing Forms 1099 and for information about required electronic or magnetic media filing, see the **2001 General Instructions for Forms 1099, 1098, 5498, and W-2G** for general information and the separate specific instructions for each information return you file (for example, **2001 Instructions for Forms 1099-MISC**). Do not use Forms 1099 to report wages and other compensation you paid to employees; report these on Form W-2. See the separate **Instructions for Forms W-2 and W-3** for details about filing Form W-2 and for information about required magnetic media filing. If you file 250 or more Forms W-2 or 1099, you must file them on magnetic media or electronically.

Information reporting call site. The IRS operates a centralized call site to answer questions about reporting on Forms W-2, W-3, 1099, and other information returns. If you have questions related to reporting on information returns, call 304-263-8700.

Nonpayroll Income Tax Withholding

Nonpayroll income tax withholding must be reported on **Form 945**, Annual Return of Withheld Federal Income Tax. Form 945 is an annual tax return and the return for 2000 is due January 31, 2001. Separate deposits are required for payroll (Form 941) and nonpayroll (Form 945) withholding. Nonpayroll items include:

- Pensions, annuities, and IRAs.
- Military retirement.
- Gambling winnings.
- Indian gaming profits.
- Voluntary withholding on certain government payments.

- Backup withholding.

All income tax withholding reported on Forms 1099 or W-2G must be reported on Form 945. All income tax withholding reported on Form W-2 must be reported on Form 941, 943, or Schedule H (Form 1040).

Note: *Because distributions to participants from nonqualified pension plans and some other deferred compensation plans are treated as wages and are reported on Form W-2, income tax withheld must be reported on Form 941, not Form 945. However, because distributions from such plans to a beneficiary or estate of a deceased employee are not wages and are reported on Forms 1099-R, income tax withheld must be reported on Form 945.*

For details on depositing and reporting nonpayroll income tax withholding, see the separate **Instructions for Form 945**.

Backup withholding. You generally must withhold 31% of certain taxable payments if the payee fails to furnish you with his or her correct taxpayer identification number (TIN). This withholding is referred to as backup withholding.

Payments subject to backup withholding include interest, dividends, patronage dividends, rents, royalties, commissions, nonemployee compensation, and certain other payments you make in the course of your trade or business. In addition, transactions by brokers and barter exchanges and certain payments made by fishing boat operators are subject to backup withholding.

Note: *Backup withholding does not apply to wages, pensions, annuities, IRAs (including simplified employee pension (SEP) and SIMPLE retirement plans), section 404(k) distributions from an employee stock ownership plan (ESOP), medical savings accounts, long-term care benefits, or real estate transactions.*

You can use **Form W-9**, Request for Taxpayer Identification Number and Certification, to request payees to furnish a TIN and to certify that the number furnished is correct. You can also use Form W-9 to get certifications from payees that they are not subject to backup withholding or that they are exempt from backup withholding. The **Instructions for the Requester of Form W-9** includes a list of types of payees who are exempt from backup withholding. For more information, see **Pub. 1679**, A Guide to Backup Withholding.

Recordkeeping

Keep all records of employment taxes for at least 4 years. These should be available for IRS review. Records should include:

- Your employer identification number.
- Amounts and dates of all wage, annuity, and pension payments.
- Amounts of tips reported.
- Records of allocated tips.
- The fair market value of in-kind wages paid.

- Names, addresses, social security numbers, and occupations of employees and recipients.
- Any employee copies of Form W-2 that were returned to you as undeliverable.
- Dates of employment.
- Periods for which employees and recipients were paid while absent due to sickness or injury and the amount and weekly rate of payments you or third-party payers made to them.
- Copies of employees' and recipients' income tax withholding allowance certificates (Forms W-4, W-4P, W-4S, and W-4V).
- Dates and amounts of tax deposits you made and acknowledgment numbers for deposits made by EFTPS.
- Copies of returns filed, including 941TeleFile Tax Records and confirmation numbers.
- Records of fringe benefits provided, including substantiation.

Change of Address

To notify the IRS of a new business mailing address or business location, file **Form 8822**, Change of Address.

Private Delivery Services

You can use certain private delivery services designated by the IRS to mail tax returns and payments. If you mail by the due date using any of these services, you are considered to have filed on time. The most recent list of designated private delivery services was published in August 1999. The list includes only the following:

- Airborne Express (Airborne): Overnight Air Express Service, Next Afternoon Service, Second Day Service.
- DHL Worldwide Express (DHL): DHL "Same Day" Service, DHL USA Overnight.
- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2 Day.
- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M.

The private delivery service can tell you how to get written proof of the mailing date. **Caution:** Private delivery services cannot deliver items to P.O. boxes. You must use the U.S. Postal Service to mail any item to an IRS P.O. box address.

Telephone Help

Tax questions. You can call the IRS with your tax questions. Check your telephone book for the local number or call 1-800-829-1040.

Help for people with disabilities. Telephone help is available using TTY/TDD equipment. You may call 1-800-829-4059 with your tax question or to order forms and publications. You may also use this number for assistance with unresolved tax problems.

Recorded tax information (TeleTax). The TeleTax service provides recorded tax information on topics that answer many individual and business Federal tax questions. You can listen to up to three topics on each call you make. Touch-tone service is available 24 hours a day, 7 days a week. TeleTax topics are also available using a personal computer (connect to **www.irs.gov**).

A list of employment tax topics is provided below. Select, by number, the topic you want to hear and call 1-800-829-4477. For the directory of all topics, listen to topic 123.

TeleTax Topics

Topic No.	Subject
751	Social security and Medicare withholding rates
752	Form W-2—Where, when, and how to file
753	Form W-4—Employee's Withholding Allowance Certificate
754	Form W-5—Advance earned income credit
755	Employer identification number (EIN)—How to apply
756	Employment taxes for household employees
757	Form 941—Deposit requirements
758	Form 941—Employer's Quarterly Federal Tax Return
759	Form 940/940-EZ—Deposit requirements
760	Form 940/940-EZ—Employer's Annual Federal Unemployment Tax Return
761	Tips—Withholding and reporting
762	Independent contractor vs. employee

Unresolved Tax Issues

If you have attempted to deal with an IRS problem unsuccessfully, you should contact the Taxpayer Advocate. The Taxpayer Advocate independently represents your interests and concerns within the IRS by protecting your rights and resolving problems that have not been fixed through normal channels.

While Taxpayer Advocates cannot change the tax law or make a technical tax decision, they can clear up problems that resulted from previous contacts and ensure that your case is given a complete and impartial review.

Your assigned personal advocate will listen to your point of view and will work with you to address your concerns. You can expect the advocate to provide:

- A "fresh look" at a new or on-going problem.
- Timely acknowledgement.
- The name and phone number of the individual assigned to your case.
- Updates on progress.
- Timeframes for action.

- Speedy resolution.
- Courteous service.

When contacting the Taxpayer Advocate, you should provide the following information:

- Your name, address, and employer identification number.
- The name and telephone number of an authorized contact person and the hours he or she can be reached.
- The type of tax return and year(s)
- A detailed description of the problem.
- Previous attempts to solve the problem and the office that had been contacted.
- A description of the hardship you are facing (if applicable).

You may contact a Taxpayer Advocate by calling a toll-free number, **1-877-777-4778**. Persons who have access to TTY/TTD equipment may call 1-800-829-4059 and ask for Taxpayer Advocate assistance. If you prefer, you may call, write, or fax the Taxpayer Advocate office in your area. See **Pub. 1546**, The Taxpayer Advocate Service of the IRS, for a list of addresses and fax numbers.

General Information

This publication explains your tax responsibilities as an employer. It explains the requirements for withholding, depositing, reporting, and paying employment taxes. It explains the forms you must give your employees, those your employees must give you, and those you must send to the IRS and SSA. This guide also has tax tables you need to figure the taxes to withhold for each employee for 2000.

Additional employment tax information is available in **Pub. 15-A**, Employer's Supplemental Tax Guide. **Pub. 15-A** includes specialized information supplementing the basic employment tax information provided in this publication. **Pub. 15-B**, Employer's Tax Guide to Fringe Benefits, contains information about employment tax information about noncash compensation.

Most employers must withhold (except FUTA), deposit, report, and pay the following employment taxes—

- Income tax.
- Social security and Medicare taxes.
- Federal unemployment tax (FUTA).

There are exceptions to these requirements. See section 15, **Special Rules for Various Types of Services and Payments**. Railroad retirement taxes are explained in the **Instructions for Form CT-1**.

Federal Government employers. The information in this guide applies to Federal agencies except for the rules requiring deposit of Federal taxes only at Federal Reserve banks or through the FedTax option of the Government On-Line Accounting Link Systems

(GOALS). See the **Treasury Financial Manual (I TFM 3-4000)** for more information.

State and local government employers. Employee wages are generally subject to Federal income tax withholding, but not Federal unemployment (FUTA) tax. In addition, wages, with certain exceptions, are subject to social security and Medicare taxes. See section 15 for more information on the exceptions.

You can get information on reporting and social security coverage from your local IRS office. If you have any questions about coverage under a section 218 (Social Security Act) agreement, contact the appropriate state official.

1. Employer Identification Number (EIN)

If you are required to report employment taxes or give tax statements to employees or annuitants, you need an EIN.

The EIN is a nine-digit number the IRS issues. The digits are arranged as follows: 00-0000000. It is used to identify the tax accounts of employers and certain others that have no employees. **Use your EIN on all the items you send to the IRS and SSA.** For more information, get **Pub. 1635**, Understanding Your EIN.

If you have not asked for an EIN, request one on **Form SS-4**, Application for Employer Identification Number. Form SS-4 has information on how to apply for an EIN by mail or by telephone.

You should have only one EIN. If you have more than one and are not sure which one to use, please check with the Internal Revenue Service office where you file your return. Give the numbers you have, the name and address to which each was assigned, and the address of your main place of business. The IRS will tell you which number to use.

If you took over another employer's business, do not use that employer's EIN. If you do not have your own EIN by the time a return is due, write "Applied for" and the date you applied in the space shown for the number.

See **Depositing without an EIN** on page 20 if you must make a deposit and you do not have an EIN.

2. Who Are Employees?

Generally, employees are defined either under common law or under special statutes for certain situations.

Employee status under common law. Generally, a worker who performs services for you is your employee if you can control what will be done and how it will be done. This is so even when you give the employee freedom of action. What matters is that you have the right to control the details of how the services are performed. See **Pub. 15-A**, Employer's Supplemental Tax Guide, for more information on how to determine whether an individual providing services is an independent contractor or an employee.

Generally, people in business for themselves are not employees. For example, doctors, lawyers, veterinarians, construction contractors, and others in an independent trade in which they offer their services to the public are usually not employees. However, if the business is incorporated, corporate officers who work in the business are employees.

If an employer-employee relationship exists, it does not matter what it is called. The employee may be called an agent or independent contractor. It also does not matter how payments are measured or paid, what they are called, or if the employee works full or part time.

Statutory employees. If someone who works for you is not an employee under the common law rules discussed above, do not withhold Federal income tax from his or her pay. Although the following persons may not be common law employees, they may be considered employees by statute for social security, Medicare, and FUTA tax purposes under certain conditions.

- 1) An agent (or commission) driver who delivers food, beverages (other than milk), laundry, or dry cleaning for someone else.
- 2) A full-time life insurance salesperson.
- 3) A homemaker who works by guidelines of the person for whom the work is done, with materials furnished by and returned to that person or to someone that person designates.
- 4) A traveling or city salesperson (other than an agent-driver or commission-driver) who works full time (except for sideline sales activities) for one firm or person getting orders from customers. The orders must be for items for resale or use as supplies in the customer's business. The customers must be retailers, wholesalers, contractors, or operators of hotels, restaurants, or other businesses dealing with food or lodging.

See Pub. 15-A for details on statutory employees.

Statutory nonemployees. Direct sellers and qualified real estate agents are by law considered nonemployees. They are instead treated as self-employed for all Federal tax purposes, including income and employment taxes. See Pub. 15-A for details.

Treating employees as nonemployees. You will be liable for social security and Medicare taxes and withheld income tax if you do not deduct and withhold them because you treat an employee as a nonemployee. See Internal Revenue Code section 3509 for details.

Relief provisions. If you have a reasonable basis for not treating a worker as an employee, you may be relieved from having to pay employment taxes for that worker. To get this relief, you must file all required information returns (Form 1099-MISC) on a basis consistent with your treatment of the worker. You (or your predecessor) must not have treated any worker holding a substantially similar position as an employee for any periods beginning after 1977.

IRS help. If you want the IRS to determine whether a worker is an employee, file **Form SS-8**, Determination of Worker Status for Purposes of Federal Employment Taxes and Income Tax Withholding.

3. Family Employees

Child employed by parents. Payments for the services of a child under age 18 who works for his or her parent in a trade or business are not subject to social security and Medicare taxes if the trade or business is a sole proprietorship or a partnership in which each partner is a parent of the child. If these services are for work other than in a trade or business, such as domestic work in the parent's private home, they are not subject to social security and Medicare taxes until the child reaches age 21. However, see **Covered services of a child or spouse** below. Payments for the services of a child under age 21 who works for his or her parent whether or not in a trade or business are not subject to Federal unemployment (FUTA) tax. Although not subject to FUTA tax, the wages of a child may be subject to income tax withholding.

One spouse employed by another. The wages for the services of an individual who works for his or her spouse in a trade or business are subject to income tax withholding and social security and Medicare taxes, but not to FUTA tax. However, the services of one spouse employed by another in other than a trade or business, such as domestic service in a private home, are not subject to social security, Medicare, and FUTA taxes.

Covered services of a child or spouse. The wages for the services of a child or spouse are subject to income tax withholding as well as social security, Medicare, and FUTA taxes if he or she works for:

- 1) A corporation, even if it is controlled by the child's parent or the individual's spouse,
- 2) A partnership, even if the child's parent is a partner, unless each partner is a parent of the child,
- 3) A partnership, even if the individual's spouse is a partner, or
- 4) An estate, even if it is the estate of a deceased parent.

Parent employed by child. The wages for the services of a parent employed by his or her child in a trade or business are subject to income tax withholding and social security and Medicare taxes. Social security and Medicare taxes do not apply to wages paid to a parent for services not in a trade or business, but they do apply to domestic services if:

- 1) The parent cares for a child who lives with a son or daughter and who is under age 18 or requires adult supervision for at least 4 continuous weeks in a calendar quarter due to a mental or physical condition, and
- 2) The son or daughter is a widow or widower, divorced, or married to a person who, because of a

physical or mental condition, cannot care for the child during such period.

Wages paid to a parent employed by his or her child are not subject to FUTA tax, regardless of the type of services provided.

4. Employee's Social Security Number (SSN)

You are required to get each employee's name and SSN and to enter them on Form W-2. (This requirement also applies to resident and nonresident alien employees.) You should ask your employee to show you his or her social security card. The employee is required to show the card if it is available. You may, but are not required to, photocopy the social security card if the employee provides it. If you do not provide the correct employee name and SSN on Form W-2, you may owe a penalty.

Any employee without a social security card can get one by completing **Form SS-5**, Application for a Social Security Card. You can get this form at Social Security Administration (SSA) offices or by calling 1-800-772-1213. Form SS-5 can also be obtained from the SSA Web Site at www.ssa.gov. The employee must complete and sign Form SS-5; it cannot be filed by the employer. If your employee applied for an SSN but does not have it when you must file Form W-2, enter "Applied for" on the form. When the employee receives the SSN, file **Form W-2c**, Corrected Wage and Tax Statement, to show the employee's SSN and furnish a copy to the employee.

Note: Record the name and number of each employee exactly as they are shown on the employee's social security card. If the employee's name is not correct as shown on the card (for example, because of marriage or divorce), the employee should request a new card from the SSA. Continue to use the old name until the employee shows you the new social security card with the new name.

If your employee was given a new social security card to show his or her correct name and number after an adjustment to his or her alien residence status, correct your records and show the new information on Form W-2. If you filed Form W-2 for the same employee in prior years under the old name and SSN, file Form W-2c to correct the name and number. Use a separate Form W-2c to correct each prior year and furnish a copy of each Form W-2c to the employee. Advise the employee to contact the local SSA office no earlier than 9 months after the Form W-2c is filed to ensure that the records were updated.

IRS individual taxpayer identification numbers (ITINs) for aliens. A resident or nonresident alien may request an ITIN for tax purposes if he or she does not have and is not eligible to get an SSN. Possession of an ITIN does not change an individual's employment or immigration status under U.S. law. Do not accept an ITIN in place of an SSN for employee identification.

An individual with an ITIN who later becomes eligible to work in the United States must obtain an SSN.

Verification of social security numbers. The Social Security Administration (SSA) offers employers and authorized reporting agents two methods for verifying employee SSNs. Both methods match employee names and SSNs.

- **Telephone verification.** To verify up to five names and numbers, call 1-800-772-6270. To verify up to 50 names and numbers, contact your local social security office.
- **Large volume verification.** The **Enumeration Verification Service (EVS)** may be used to verify more than 50 employee names and SSNs. Preregistration is required for EVS and the information must be submitted on magnetic media. For more information, call the EVS information line at 410-965-7140 or visit SSA's Internet Web Site for Employers at www.ssa.gov/employer.

5. Wages and Other Compensation

Wages subject to Federal employment taxes include all pay you give an employee for services performed. The pay may be in cash or in other forms. It includes salaries, vacation allowances, bonuses, commissions, and fringe benefits. It does not matter how you measure or make the payments. Also, compensation paid to a former employee for services performed while still employed is wages subject to employment taxes. See section 6 for a discussion of tips and section 7 for a discussion of supplemental wages. Also see section 15 for exceptions to the general rules for wages. **Pub. 15-A**, Employer's Supplemental Tax Guide, provides additional information on wages and other compensation, including:

- Adoption assistance
- Awards
- Back pay
- Below-market loans
- Cafeteria plans
- Deferred compensation
- Dependent care assistance
- Educational assistance
- Employee stock options
- Group-term life insurance
- Leave sharing
- Outplacement services
- Retirement plans
- Supplemental unemployment benefits
- Withholding for idle time

Employee business expense reimbursements. A reimbursement or allowance arrangement is a system by which you substantiate and pay the advances, reimbursements, and charges for your employees' business expenses. How you report a reimbursement or allowance amount depends on whether you have an accountable or a nonaccountable plan. If a single payment includes both wages and an expense reimbursement, you must specify the amount of the reimbursement.

These rules apply to all ordinary and necessary employee business expenses that would otherwise qualify for a deduction by the employee.

Accountable plan. To be an accountable plan, your reimbursement or allowance arrangement must require your employees to meet all three of the following rules.

- 1) They must have paid or incurred deductible expenses while performing services as your employees.
- 2) They must adequately account to you for these expenses within a reasonable period of time.
- 3) They must return any amounts in excess of expenses within a reasonable period of time.

Amounts paid under an accountable plan are not wages and are not subject to income tax withholding and payment of social security, Medicare, and Federal unemployment (FUTA) taxes.

If the expenses covered by this arrangement are not substantiated or amounts in excess of expenses are not returned within a reasonable period of time, the amount is treated as paid under a nonaccountable plan. This amount is subject to income tax withholding and payment of social security, Medicare, and FUTA taxes for the first payroll period following the end of the reasonable period.

A reasonable period of time depends on the facts and circumstances. Generally, it is considered reasonable if your employees receive the advance within 30 days of the time they incur the expense, adequately account for the expenses within 60 days after the expenses were paid or incurred, and they return any amounts in excess of expenses within 120 days after the expense was paid or incurred. Also, it is considered reasonable if you give your employees a periodic statement (at least quarterly) that asks them to either return or adequately account for outstanding amounts and they do so within 120 days.

Nonaccountable plan. Payments to your employee for travel and other necessary expenses of your business under a nonaccountable plan are wages and are treated as supplemental wages and subject to income tax withholding and payment of social security, Medicare, and FUTA taxes. Your payments are treated as paid under a nonaccountable plan if:

- 1) Your employee is not required to or does not substantiate timely those expenses to you with receipts or other documentation or
- 2) You advance an amount to your employee for business expenses and your employee is not required to or does not return timely any amount he or she does not use for business expenses.

See section 7 for more information on supplemental wages.

Per diem or other fixed allowance. You may reimburse your employees by travel days, or miles, or some other fixed allowance. In these cases, your employee is considered to have accounted to you if the payments do not exceed rates established by the Federal Government. The 2000 standard mileage rate for auto expenses was 32.5 cents per mile. The rate for 2001 is 34.5 cents per mile. The government per diem rates for meals and lodging in the continental United States are listed in **Pub. 1542, Per Diem Rates**. Other than the amount of these expenses, your employees' business expenses must be substantiated (for example, the business purpose of the travel or the number of business miles driven).

If the per diem or allowance paid exceeds the amounts specified, you must report the excess amount as wages. This excess amount is subject to income tax withholding and payment of social security, Medicare, and FUTA taxes. Show the amount equal to the specified amount in box 13 of Form W-2 (box 12 on the 2001 form), using code L.

Wages not paid in money. If in the course of your trade or business you pay your employees in a medium that is neither cash nor a readily negotiable instrument, such as a check, you are said to pay them "in kind." Payments in kind may be in the form of goods, lodging, food, clothing, or services. Generally, the fair market value of such payments at the time they are provided is subject to income tax withholding and social security, Medicare, and FUTA taxes.

However, noncash payments for household work, agricultural labor, and service not in the employer's trade or business are exempt from social security, Medicare, and FUTA taxes. Withhold income tax on these payments only if you and the employee agree to do so. However, noncash payments for agricultural labor, such as commodity wages, are treated as cash payments subject to employment taxes if the substance of the transaction is a cash payment.

Moving expenses. Reimbursed and employer-paid qualified moving expenses (those that would otherwise be deductible by the employee) are not includible in an employee's income unless you have knowledge that the employee deducted the expenses in a prior year. Reimbursed and employer-paid nonqualified moving expenses are includible in income and are subject to employment taxes and income tax withholding. For more information on moving expenses, see **Pub. 521, Moving Expenses**.

Meals and lodging. The value of meals is not taxable income and is not subject to income tax withholding and social security, Medicare, and FUTA taxes if the meals are furnished for the employer's convenience and on the employer's premises. The value of lodging is not subject to income tax withholding and social security, Medicare, and FUTA taxes if the lodging is furnished for the employer's convenience, on the employer's premises, and as a condition of employment.

“For the convenience of the employer” means that you have a substantial business reason for providing the meals and lodging other than to provide additional compensation to the employee. For example, meals you provide at the place of work so an employee is available for emergencies during his or her lunch period are generally considered to be for your convenience.

However, whether meals or lodging are provided for the convenience of the employer depends on all the facts and circumstances. A written statement that the meals or lodging are for your convenience is not sufficient.

50% test. If over 50% of the employees who are provided meals on an employer's business premises receive these meals for the convenience of the employer, all meals provided on the premises are treated as furnished for the convenience of the employer. If this 50% test is met, the value of the meals is excludable for all employees and is not subject to income tax withholding or employment taxes.

For more information, see **Pub. 15-B**, Employer's Tax Guide to Fringe Benefits.

Health insurance plans. If you pay the cost of an accident or health insurance plan for your employees, which may include an employee's spouse and dependents, your payments are not wages and are not subject to social security, Medicare, and FUTA taxes, or income tax withholding. Generally, this exclusion applies to qualified long-term care insurance contracts. However, the cost of health insurance benefits must be included in the wages of S corporation employees who own more than 2% of the S corporation (2% shareholders).

Medical savings accounts. Your contributions to an employee's medical savings account (MSA) are not subject to social security, Medicare, or FUTA taxes, or income tax withholding if it is reasonable to believe at the time of payment of the contributions that they will be excludable from the income of the employee. To the extent that it is **not** reasonable to believe they will be excludable, your contributions are subject to these taxes. Employee contributions to their MSA through a payroll deduction plan must be included in wages and are subject to social security, Medicare, and FUTA taxes, and income tax withholding.

Medical care reimbursements. Medical care reimbursements paid for an employee under an employer's self-insured medical reimbursement plan are not wages and are not subject to social security, Medicare, and FUTA taxes, or income tax withholding.

Fringe benefits. You generally must include fringe benefits in an employee's gross income (but see **Non-taxable fringe benefits** below). The benefits are subject to income tax withholding and employment taxes. Fringe benefits include cars you provide, flights on aircraft you provide, free or discounted commercial flights, vacations, discounts on property or services, memberships in country clubs or other social clubs, and tickets to entertainment or sporting events. In general, the amount you must include is the amount by which the fair market value of the benefits is more than the sum of what the employee paid for it plus any amount the

law excludes. There are other special rules you and your employees may use to value certain fringe benefits. See Pub. 15-B for more information.

Nontaxable fringe benefits. Some fringe benefits are not taxable if certain conditions are met. See Pub. 15-B for details. Examples are:

- 1) Services provided to your employees at no additional cost to you.
- 2) Qualified employee discounts.
- 3) Working condition fringes that are property or services the employee could deduct as a business expense if he or she had paid for it. Examples include a company car for business use and subscriptions to business magazines.
- 4) Minimal value fringes (including an occasional cab ride when an employee must work overtime, local transportation benefits provided because of unsafe conditions and unusual circumstances, and meals you provide at eating places you run for your employees if the meals are not furnished at below cost).
- 5) Qualified transportation fringes subject to specified conditions and dollar limitations (including transportation in a commuter highway vehicle, any transit pass, and qualified parking).
- 6) Qualified moving expense reimbursement. See page 9 for details.
- 7) The use of on-premises athletic facilities if substantially all the use is by employees, their spouses, and their dependent children.
- 8) Qualified tuition reduction, which an educational organization provides its employees for education. For more information, see **Pub. 520**, Scholarships and Fellowships.

However, do not exclude the following fringe benefits from the income of highly compensated employees unless the benefit is available to employees on a nondiscriminatory basis.

- No-additional-cost services (item 1 above).
- Qualified employee discounts (item 2 above).
- Meals provided at an employer operated eating facility (included in item 4 above).
- Reduced tuition for education (item 8 above).

For more information, including the definition of a highly compensated employee, see Pub. 15-B.

When fringe benefits are treated as paid. You may choose to treat certain noncash fringe benefits as paid by the pay period, or by the quarter, or on any other basis you choose as long as you treat the benefits as paid at least once a year. You do not have to make a formal choice of payment dates or notify the IRS of the dates you choose. You do not have to make this choice for all employees. You may change methods as often as you like, as long as you treat all benefits provided in a calendar year as paid by December 31 of the calendar year. See Pub. 15-A for more information, including a discussion of the special accounting rule for

fringe benefits provided during November and December.

Valuation of fringe benefits. Generally, you must determine the value of fringe benefits no later than January 31 of the next year. Prior to January 31, you may reasonably estimate the value of the fringe benefits for purposes of withholding and depositing on time.

Withholding on fringe benefits. You may add the value of fringe benefits to regular wages for a payroll period and figure withholding taxes on the total, or you may withhold Federal income tax on the value of the fringe benefits at the flat 28% supplemental wage rate.

You may choose not to withhold income tax on the value of an employee's personal use of a vehicle you provide. You must, however, withhold social security and Medicare taxes on the use of the vehicle. See Pub. 15-A for more information on this election.

Depositing taxes on fringe benefits. Once you choose payment dates for fringe benefits (discussed above), you must deposit taxes in the same deposit period you treat the fringe benefits as paid. To avoid a penalty, deposit the taxes following the general deposit rules for that deposit period.

If you determine by January 31 that you overestimated the value of a fringe benefit at the time you withheld and deposited for it, you may claim a refund for the overpayment or have it applied to your next employment tax return (see **Valuation of fringe benefits** above). If you underestimated the value and deposited too little, you may be subject to the failure to deposit penalty. See section 11 for information on deposit penalties.

If you deposited the required amount of taxes but withheld a lesser amount from the employee, you can recover from the employee the social security, Medicare, or income taxes you deposited on his or her behalf, and included in the employee's Form W-2. However, you must recover the income taxes before April 1 of the following year.

Sick pay. In general, sick pay is any amount you pay, under a plan you take part in, to an employee who is unable to work because of sickness or injury. These amounts are sometimes paid by a third party, such as an insurance company or employees' trust. In either case, these payments are subject to social security, Medicare, and FUTA taxes. Sick pay becomes exempt from these taxes after the end of 6 calendar months after the calendar month the employee last worked for the employer. The payments are also subject to income tax. See Pub. 15-A for more information.

6. Tips

Tips your employee receives from customers are generally subject to withholding. Your employee must report cash tips to you by the 10th of the month after the month the tips are received. The report should include tips you paid over to the employee for charge customers and tips the employee received directly from customers. No report is required for months when tips are less than \$20. Your employee reports the tips on **Form 4070**, Employee's Report of Tips to Employer, or on a

similar statement. The statement must be signed by the employee and must show the following:

- The employee's name, address, and SSN.
- Your name and address.
- The month or period the report covers.
- The total tips.

Both Forms 4070 and **4070-A**, Employee's Daily Record of Tips, are included in **Pub. 1244**, Employee's Daily Record of Tips and Report to Employer.

You must collect income tax, employee social security tax, and employee Medicare tax on the employee's tips. You can collect these taxes from the employee's wages or from other funds he or she makes available. (See **Tips treated as supplemental wages** in section 7 for further information.) Stop collecting the employee social security tax when his or her wages and tips for tax year 2001 reach \$80,400; collect the income and employee Medicare taxes for the whole year on all wages and tips. You are responsible for the employer social security tax on wages and tips until the wages (including tips) reach the limit. You are responsible for the employer Medicare tax for the whole year on all wages and tips. File Form 941 to report withholding on tips.

If, by the 10th of the month after the month you received an employee's report on tips, you do not have enough employee funds available to deduct the employee tax, you no longer have to collect it. If there are not enough funds available, withhold taxes in the following order:

- 1) Withhold on regular wages and other compensation.
- 2) Withhold social security and Medicare taxes on tips.
- 3) Withhold income tax on tips.

Show these tips and any uncollected social security and Medicare taxes on Form W-2 and on lines 6c, 6d, 7a, and 7b of Form 941. Report an adjustment on line 9 of Form 941 for the uncollected social security and Medicare taxes. Enter the amount of uncollected social security and Medicare taxes in box 13 of Form W-2 (box 12 on 2001 Form W-2) with codes A and B. (See section 13 and the **Instructions for Forms W-2 and W-3**.)

If an employee reports to you in writing \$20 or more of tips in a month, the tips are subject to FUTA tax.

Note: You are permitted to establish a system for electronic tip reporting by employees. See *Proposed Regulations* section 31.6053-1.

Allocated tips. If you operate a large food or beverage establishment, you must report allocated tips under certain circumstances. However, do not withhold income, social security, or Medicare taxes on allocated tips.

A large food or beverage establishment is one that provides food or beverages for consumption on the premises, where tipping is customary, and where there are normally more than 10 employees on a typical business day during the preceding year.

The tips may be allocated by one of three methods—hours worked, gross receipts, or good faith agreement. For information about these allocation methods, including the requirement to file Forms 8027 on magnetic media if 250 or more forms are filed, see the separate **Instructions for Form 8027**.

Tip Rate Determination and Education Program. Employers may participate in the Tip Rate Determination and Education Program. The program consists of two voluntary agreements developed to improve tip income reporting by helping taxpayers to understand and meet their tip reporting responsibilities. The two agreements are the **Tip Rate Determination Agreement (TRDA)** and the **Tip Reporting Alternative Commitment (TRAC)**. To find out more about this program, or to identify the IRS Tip Coordinator for your state, call the IRS at 1-800-829-1040. To get more information about TRDA or TRAC agreements, access the IRS Web Site at www.irs.gov and search for Market Segment Understanding (MSU) agreements.

7. Supplemental Wages

Supplemental wages are compensation paid in addition to the employee's regular wages. They include, but are not limited to, bonuses, commissions, overtime pay, payments for accumulated sick leave, severance pay, awards, prizes, back pay and retroactive pay increases for current employees, and payments for nondeductible moving expenses. Other payments subject to the supplemental wage rules include taxable fringe benefits and expense allowances paid under a nonaccountable plan. How you withhold on supplemental payments depends on whether the supplemental payment is identified as a separate payment from regular wages.

Supplemental wages combined with regular wages. If you pay supplemental wages with regular wages but do not specify the amount of each, withhold income tax as if the total were a single payment for a regular payroll period.

Supplemental wages identified separately from regular wages. If you pay supplemental wages separately (or combine them in a single payment and specify the amount of each), the income tax withholding method depends partly on whether you withhold income tax from your employee's regular wages:

- 1) If you **withheld** income tax from an employee's regular wages, you can use one of the following methods for the supplemental wages:
 - a) Withhold a flat 28% (no other percentage allowed).
 - b) Add the supplemental and regular wages for the most recent payroll period this year. Then figure the income tax withholding as if the total were a single payment. Subtract the tax already withheld from the regular wages. Withhold the remaining tax from the supplemental wages.

- 2) If you **did not withhold** income tax from the employee's regular wages, use method **b** above. (This would occur, for example, when the value of the employee's withholding allowances claimed on Form W-4 is more than the wages.)

Regardless of the method you use to withhold income tax on supplemental wages, they are subject to social security, Medicare, and FUTA taxes.

Example 1. You pay John Peters a base salary on the 1st of each month. He is single and claims one withholding allowance. In January of 2001, he is paid \$1,000. Using the wage bracket tables, you withhold \$84 from this amount. In February 2001, he receives salary of \$1,000 plus a commission of \$2,000, which you include in regular wages. You figure the withholding based on the total of \$3,000. The correct withholding from the tables is \$434.

Example 2. You pay Sharon Warren a base salary on the 1st of each month. She is single and claims one allowance. Her May 1, 2001, pay is \$2,000. Using the wage bracket tables, you withhold \$234. On May 14, 2001, she receives a bonus of \$2,000. Electing to use supplemental payment method **b**, you:

- 1) Add the bonus amount to the amount of wages from the most recent pay date ($\$2,000 + \$2,000 = \$4,000$).
- 2) Determine the amount of withholding on the combined \$4,000 amount to be \$714 using the wage bracket tables.
- 3) Subtract the amount withheld from wages on the most recent pay date from the combined withholding amount ($\$714 - \$234 = \$480$).
- 4) Withhold \$480 from the bonus payment.

Example 3. The facts are the same as in Example 2, except that you elect to use the flat rate method of withholding on the bonus. You withhold 28% of \$2,000, or \$560, from Sharon's bonus payment.

Tips treated as supplemental wages. Withhold income tax on tips from wages or from other funds the employee makes available. If an employee receives regular wages and reports tips, figure income tax as if the tips were supplemental wages. If you have not withheld income tax from the regular wages, add the tips to the regular wages. Then withhold income tax on the total. If you withheld income tax from the regular wages, you can withhold on the tips by method **a** or **b** above.

Vacation pay. Vacation pay is subject to withholding as if it were a regular wage payment. When vacation pay is in addition to regular wages for the vacation period, treat it as a supplemental wage payment. If the vacation pay is for a time longer than your usual payroll period, spread it over the pay periods for which you pay it.

8. Payroll Period

The payroll period is a period of service for which you usually pay wages. When you have a regular payroll period, withhold income tax for that time period even if your employee does not work the full period.

When you do not have a payroll period, withhold the tax as if you paid wages for a daily or miscellaneous payroll period. Figure the number of days (including Sundays and holidays) in the period covered by the wage payment. If the wages are unrelated to a specific length of time (e.g., commissions paid on completion of a sale), count back the number of days from the payment period to the latest of:

- 1) The last wage payment made during the same calendar year,
- 2) The date employment began, if during the same calendar year, or
- 3) January 1 of the same year.

When you pay an employee for a period of less than 1 week, and the employee signs a statement under penalties of perjury that he or she is not working for any other employer during the same week for wages subject to withholding, figure withholding based on a weekly payroll period. If the employee later begins to work for another employer for wages subject to withholding, the employee must notify you within 10 days. You then figure withholding based on the daily or miscellaneous period.

9. Withholding From Employees' Wages

Income Tax Withholding

To know how much income tax to withhold from employees' wages, you should have a **Form W-4**, Employee's Withholding Allowance Certificate, on file for each employee. Ask all new employees to give you a signed Form W-4 when they start work. Make the form effective with the first wage payment. If a new employee does not give you a completed Form W-4, withhold tax as if he or she is single, with no withholding allowances.

You may establish a system to electronically receive Form W-4 from your employees. See Regulation 31.3402(f)(5)-1 for more information.

A Form W-4 remains in effect until the employee gives you a new one. If an employee gives you a Form W-4 that replaces an existing Form W-4, begin withholding no later than the start of the first payroll period ending on or after the 30th day from the date you received the replacement Form W-4. For exceptions, see **Exemption from income tax withholding, Sending certain Forms W-4 to the IRS, and Invalid Forms W-4** below.

The amount of income tax withholding must be based on marital status and withholding allowances. Your employees may not base their withholding amounts on a fixed dollar amount or percentage. How-

ever, the employee may specify a dollar amount to be withheld **in addition** to the amount of withholding based on filing status and withholding allowances claimed on Form W-4.

Employees may claim **fewer** withholding allowances than they are entitled to claim. They may wish to claim fewer allowances to ensure that they have enough withholding or to offset other sources of taxable income that are not subject to adequate withholding.

Note: *A Form W-4 that makes a change for the next calendar year will not take effect in the current calendar year.*

See **Pub. 505**, Tax Withholding and Estimated Tax, for detailed instructions for completing Form W-4. Along with Form W-4, you may wish to order Pub. 505 and **Pub. 919**, How Do I Adjust My Withholding?

When you receive a new Form W-4, do not adjust withholding for pay periods before the effective date of the new form. Also, do not accept any withholding or estimated tax payments from your employees in addition to withholding based on their Form W-4. If they require additional withholding, they should submit a new Form W-4 and, if necessary, pay estimated tax by filing **Form 1040-ES**, Estimated Tax for Individuals.

Exemption from income tax withholding. Generally, an employee may claim exemption from income tax withholding because he or she had no income tax liability last year and expects none this year. See the Form W-4 instructions for more information. However, the wages are still subject to social security and Medicare taxes.

A Form W-4 claiming exemption from withholding is valid for only one calendar year. To continue to be exempt from withholding in the next year, an employee must file a new Form W-4 by February 15 of that year. If the employee does not give you a new Form W-4, withhold tax as if the employee is single with zero withholding allowances.

Withholding on nonresident aliens. In general, if you pay wages to nonresident aliens, you must withhold income tax (unless excepted by regulations), social security, and Medicare taxes as you would for a U.S. citizen. However, income tax withholding from the wages of nonresident aliens is subject to the special rules shown in **Form W-4** below. You must also give a Form W-2 to the nonresident alien and file it with the SSA. The wages are subject to FUTA tax as well. However, see **Pub. 515**, Withholding of Tax on Nonresident Aliens and Foreign Corporations, and **Pub. 519**, U.S. Tax Guide for Aliens, for exceptions to these general rules.

Form W-4. When completing Form W-4 nonresident aliens are required to:

- Not claim exemption from income tax withholding.
- Request withholding as if they are single, regardless of their actual marital status.
- Claim only one allowance (if the nonresident alien is a resident of Canada, Mexico, Japan, or Korea, he or she may claim more than one allowance).

- Request an additional income tax withholding amount, depending on the payroll period, as follows:

<u>Payroll Period</u>	<u>Additional Withholding</u>
Weekly	7.60
Biweekly	15.30
Semimonthly	16.60
Monthly	33.10
Quarterly	99.40
Semiannually	198.80
Annually	397.50
Daily or Miscellaneous (each day of the payroll period)	1.50

Note: *Nonresident alien students from India are not subject to the additional income tax withholding requirement.*

Nonwage withholding. In some cases, an Internal Revenue Code section or a U.S. treaty provision will exempt payments to a nonresident alien from wages. These payments are not subject to regular income tax withholding. Form W-2 is not required in these cases. Instead, the payments are subject to withholding at a flat 30% or lower treaty rate, unless exempt from tax because of a Code or U.S. tax treaty provision.

Report these payments and any withheld tax on **Form 1042-S**, Foreign Person's U.S. Source Income Subject to Withholding. Form 1042-S is sent to the IRS with **Form 1042**, Annual Withholding Tax Return for U.S. Source Income of Foreign Persons. You may have to make deposits of the withheld income tax, using **Form 8109**, Federal Tax Deposit Coupon, or EFTPS (see page 20). See Pub. 515 and the **Instructions for Form 1042-S** for more information.

Sending certain Forms W-4 to the IRS. You must send to the IRS copies of certain Forms W-4 received during the quarter from employees still employed by you at the end of the quarter. Send copies when the employee claims (1) more than 10 withholding allowances or (2) exemption from withholding and his or her wages would normally be more than \$200 per week. You are not required to send any other Forms W-4 unless the IRS notifies you in writing to do so.

Send in Forms W-4 that meet either of the above conditions each quarter with Form 941. Complete boxes 8 and 10 on any Forms W-4 you send in. You may use box 9 to identify the office responsible for processing the employee's payroll information. Also send copies of any written statements from employees in support of the claims made on Forms W-4. Send these statements even if the Forms W-4 are not in effect at the end of the quarter. You can send them to the IRS more often if you like. If you do so, include a cover letter giving your name, address, EIN, and the number of forms included. In certain cases, the IRS may notify you in writing that you must submit specified Forms W-4 more frequently, separate from your Form 941.

Note: *Please make sure that the copies of Form W-4 you send to the IRS are clear and legible.*

If your Forms 941 are filed on magnetic media, this Form W-4 information also should be filed with the IRS on magnetic media. (See **Filing Form W-4 on magnetic media** below.) If you file Form 941 electronically or by TeleFile, send your paper Forms W-4 to the IRS with a cover letter. Magnetic media filers of Form 941 also may send paper Forms W-4 to the IRS with a cover letter if they are unable to file them on magnetic media.

Note: Any Form W-4 you send to the IRS without a Form 941 should be mailed to the "Return without payment" address on the back of Form 941.

Base withholding on the Forms W-4 that you send in unless the IRS notifies you in writing to do otherwise. If the IRS notifies you about a particular employee, base withholding on the number of withholding allowances shown in the IRS notice. The employee will get a similar notice directly from the IRS. If the employee later gives you a new Form W-4, follow it only if (1) exempt status is not claimed or (2) the number of withholding allowances is equal to or fewer than the number in the IRS notice. Otherwise, disregard it and do not submit it to the IRS. Continue to follow the IRS notice.

If the employee prepares a new Form W-4 explaining any difference with the IRS notice, he or she may either submit it to the IRS or to you. If submitted to you, send the Form W-4 and explanation to the IRS office shown in the notice. Continue to withhold based on the notice until the IRS tells you to follow the new Form W-4.

Filing Form W-4 on magnetic media. Form W-4 information may be filed with the IRS on magnetic media. If you wish to file on magnetic media, you must submit **Form 4419**, Application for Filing Information Returns Magnetically/Electronically, to request authorization. See **Pub. 1245**, Specifications for Filing Form W-4, Employee's Withholding Allowance Certificate, Magnetically or Electronically. To get more information about magnetic media filing, call the IRS Martinsburg Computing Center at 304-263-8700.

Invalid Forms W-4. Any unauthorized change or addition to Form W-4 makes it invalid. This includes taking out any language by which the employee certifies that the form is correct. A Form W-4 is also invalid if, by the date an employee gives it to you, he or she indicates in any way that it is false. An employee who files a false Form W-4 may be subject to a \$500 penalty.

When you get an invalid Form W-4, do not use it to figure withholding. Tell the employee it is invalid and ask for another one. If the employee does not give you a valid one, withhold taxes as if the employee were single and claiming no withholding allowances. However, if you have an earlier Form W-4 for this worker that is valid, withhold as you did before.

Amounts exempt from levy on wages, salary, and other income. If you receive a Notice of Levy on Wages, Salary, and Other Income (Forms 668-W, 668-W(c), or 668-W(c)(DO), you must withhold amounts as described in the instructions for these forms. **Pub. 1494**, Table for Figuring Amount Exempt

From Levy on Wages, Salary, and Other Income (Forms 668-W(c) and 668-W(c)(DO)) 2001, shows the exempt amount.

Social Security and Medicare Taxes

The Federal Insurance Contributions Act (FICA) provides for a Federal system of old-age, survivors, disability, and hospital insurance. The old-age, survivors, and disability insurance part is financed by the social security tax. The hospital insurance part is financed by the Medicare tax. Each of these taxes is reported separately.

Social security and Medicare taxes are levied on both you and your employees (unless you or your employees are not subject to these taxes; see section 15). You, as an employer, must withhold and deposit the employee's part of the taxes, and you must pay a matching amount. Generally, employee wages are subject to social security and Medicare taxes regardless of the employee's age or whether he or she is receiving social security benefits. (If the employee reported tips, see section 6.)

Tax rates and the social security wage base limit.

These taxes have different tax rates and only social security tax has a wage base limit. The wage base limit is the maximum wage that is subject to the tax for the year. Determine the amount of withholding for social security and Medicare taxes by multiplying each payment by the employee tax rate. There are no withholding allowances for social security and Medicare taxes.

The employee tax rate for social security is 6.2% (amount withheld). The employer tax rate for social security is also 6.2% (12.4% total). The 2000 wage base limit was \$76,200. For 2001, the wage base limit is \$80,400.

The employee tax rate for Medicare is 1.45% (amount withheld). The employer tax rate for Medicare tax is also 1.45% (2.9% total). There is no wage base limit for Medicare tax; all covered wages are subject to Medicare tax.

Successor employer. If you received all or most of the property used in the trade or business of another employer, or a unit of that employer's trade or business, you may include the wages the other employer paid to your employees when you figure the annual wage base limit for social security. See Regulations section 31.3121(a)(1)-1(b) for more information. Also see Rev. Proc. 96-60, 1996-2 C.B. 399, for the procedures used in filing returns in a predecessor-successor situation.

Example: Early in 2000, you bought all the assets of a plumbing business from Mr. Martin. Mr. Brown, who had been employed by Mr. Martin and received \$2,000 in wages before the date of purchase, continued to work for you. The wages you paid Mr. Brown are subject to social security taxes on the first \$74,200 (\$76,200 less \$2,000). Medicare tax is due on all wages you pay him during the calendar year.

International social security agreements. The United States has social security agreements with many countries that eliminate dual taxation and dual coverage. Compensation subject to social security and Medicare taxes may be exempt under one of these agreements. You can get more information and a list of agreement countries from SSA at www.ssa.gov/international, or see **Pub. 15-A**, Employer's Supplemental Tax Guide.

Part-Time Workers

For income tax withholding and social security, Medicare, and Federal unemployment (FUTA) tax purposes, there are no differences among full-time employees, part-time employees, and employees hired for short periods. It does not matter whether the worker has another job or has the maximum amount of social security tax withheld by another employer. Income tax withholding may be figured the same way as for full-time workers. Or it may be figured by the part-year employment method explained in Pub. 15-A.

10. Advance Earned Income Credit (EIC) Payment

An employee who is eligible for the earned income credit (EIC) and has a qualifying child is entitled to receive EIC payments with his or her pay during the year. To get these payments, the employee must provide to you a properly completed **Form W-5**, Earned Income Credit Advance Payment Certificate, using either the paper form or using an approved electronic format. You are required to make advance EIC payments to employees who give you a completed and signed Form W-5. You may establish a system to electronically receive Form W-5 from your employees. See Announcement 99-3 (1999-1 C.B. 272) for information on electronic requirements for Form W-5.

Certain employees who do not have a qualifying child may be able to claim the EIC on their tax return. However, they **cannot** get advance EIC payments.

For 2001, the advance payment can be as much as \$1,457. The tables that begin on page 56 reflect that limit.

Form W-5. Form W-5 states the eligibility requirements for receiving advance EIC payments. On Form W-5, an employee states that he or she expects to be eligible to claim the EIC and shows whether he or she has another Form W-5 in effect with any other current employer. The employee also shows the following:

- Whether he or she has a qualifying child.
- Whether he or she is married.
- If the employee is married, whether his or her spouse has a Form W-5 in effect with any employer.

An employee may have only one certificate in effect with a current employer at one time. If an employee is married and his or her spouse also works, each spouse should file a separate Form W-5.

Length of effective period. Form W-5 is effective for the first payroll period ending on or after the date the employee gives you the form (or the first wage payment made without regard to a payroll period). It remains in effect until the end of the calendar year unless the employee revokes it or files another one. Eligible employees must file a new Form W-5 each year.

Change of status. If an employee gives you a signed Form W-5 and later becomes ineligible for advance EIC payments, he or she must revoke Form W-5 within 10 days after learning about the change of circumstances. The employee must give you a new Form W-5 stating that he or she is no longer eligible for or no longer wants advance EIC payments.

If an employee's situation changes because his or her spouse files a Form W-5, the employee must file a new Form W-5 showing that his or her spouse has a Form W-5 in effect with an employer. This will reduce the maximum amount of advance payments you can make to that employee.

If an employee's spouse has filed a Form W-5 that is no longer in effect, the employee may file a new Form W-5 with you, but is not required to do so. A new form will certify that the spouse does not have a Form W-5 in effect and will increase the maximum amount of advance payments you can make to that employee.

Invalid Form W-5. The Form W-5 is invalid if it is incomplete, unsigned, or has an alteration or unauthorized addition. The form has been altered if any of the language has been deleted. Any writing added to the form other than the requested entries is an unauthorized addition.

You should consider a Form W-5 invalid if an employee has made an oral or written statement that clearly shows the Form W-5 to be false. If you receive an invalid form, tell the employee that it is invalid as of the date he or she made the oral or written statement. For advance EIC payment purposes, the invalid Form W-5 is considered void.

You are not required to determine if a completed and signed Form W-5 is correct. However, you should contact the IRS if you have reason to believe it has any incorrect statement.

How to figure the advance EIC payment. To figure the amount of the advance EIC payment to include with the employee's pay, you must consider:

- Wages, including reported tips, for the pay period.
- Whether the employee is married or single.
- Whether a married employee's spouse has a Form W-5 in effect with an employer.

Note: *If during the year you have paid an employee total wages of at least \$28,281, you must stop making advance EIC payments to that employee for the rest of the year.*

Figure the amount of advance EIC to include in the employee's pay by using the tables that begin on page 56. There are separate tables for employees whose spouses have a Form W-5 in effect. See page 33 for instructions on using the advance EIC payment tables.

The amount of advance EIC paid to an employee during 2001 cannot exceed \$1,457.

Paying the advance EIC to employees. An advance EIC payment is not wages and is not subject to withholding of income, social security, or Medicare taxes. An advance EIC payment does not change the amount of income, social security, or Medicare taxes you withhold from the employee's wages. You add the EIC payment to the employee's net pay for the pay period. At the end of the year, you show the total advance EIC payments in box 9 on Form W-2. Do not include this amount as wages in box 1.

Employer's returns. Show the total payments you made to employees on the advance EIC line of your Form 941. Subtract this amount from your total taxes (see the separate **Instructions for Form 941**). Reduce the amounts reported on line 17 of Form 941 or on appropriate lines of **Schedule B (Form 941)**, Employer's Record of Federal Tax Liability, by any advance EIC paid to employees.

Generally, employers will make the advance EIC payment from withheld income tax and employee and employer social security and Medicare taxes. These taxes are normally required to be paid over to the IRS either through Federal tax deposits or with employment tax returns. For purposes of deposit due dates, advance EIC payments are considered deposited on the day you pay wages (including the advance EIC payment) to your employees. The advance EIC payment reduces, in this order, the amount of income tax withholding, withheld employee social security and Medicare taxes, and the employer's share of social security and Medicare taxes.

Example: You have 10 employees, each entitled to an advance EIC payment of \$10. The total amount of advance EIC payments you make for the payroll period is \$100. The total amount of income tax withholding for the payroll period is \$90. The total employee and employer social security and Medicare taxes for the payroll period is \$122.60 (\$61.30 each).

You are considered to have made a deposit of \$100 advance EIC payment on the day you paid wages, and you subtract this amount from your employment taxes for the payroll period. The \$100 is treated as if you paid the IRS the \$90 total income tax withholding and \$10 of the employee social security and Medicare taxes. You remain liable only for \$112.60 of the social security and Medicare taxes (\$51.30 + \$61.30 = \$112.60).

Advance EIC payments more than taxes due. For any payroll period, if the total advance EIC payments are more than the total payroll taxes (withheld income tax and both employee and employer shares of social security and Medicare taxes), you may choose either to:

- 1) Reduce each employee's advance payment proportionally so that the total advance EIC payments equal the amount of taxes due or
- 2) Elect to make full payment of the advance EIC and treat the excess as an advance payment of employment taxes.

Example: You have 10 employees who are each entitled to an advance EIC payment of \$10. The total amount of advance EIC payable for the payroll period is \$100. The total employment tax for the payroll period is \$90 (including income tax withholding and social security and Medicare taxes). The advance EIC payable is \$10 more than the total employment tax. The \$10 excess is 10% of the advance EIC payable (\$100). You may—

- 1) Reduce each employee's payment by 10% (to \$9 each) so the advance EIC payments equal your total employment tax (\$90) or
- 2) Pay each employee \$10, and treat the excess \$10 as an advance payment of employment taxes. Attach a statement to Form 941 showing the excess advance EIC payments and the pay period(s) to which the excess applies.

U.S. territories. If you are in American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, or the U.S. Virgin Islands, consult your local tax office for information on the EIC. You cannot take advance EIC payments into account on Form 941-SS.

Required Notice to Employees

You must notify employees who have no income tax withheld that they may be able to claim a tax refund because of the EIC. Although you do not have to notify employees who claim exemption from withholding on **Form W-4**, Employee's Withholding Allowance Certificate, about the EIC, you are encouraged to notify any employees whose wages for 2000 were less than \$31,152 that they may be eligible to claim the credit for 2000. This is because eligible employees may get a refund of the amount of EIC that is more than the tax they owe. For example, an employee who had no tax withheld in 2000 and owes no tax, but is eligible for a \$790 EIC, can file a 2000 tax return to get a \$790 refund.

You will meet this notification requirement if you issue the IRS Form W-2 with the EIC notice on the back of Copy B, or a substitute Form W-2 with the same statement. You may also meet the requirement by providing **Notice 797**, Possible Federal Tax Refund Due to the Earned Income Credit (EIC), or your own statement that contains the same wording.

If a substitute Form W-2 is given on time but does not have the required statement, you must notify the employee within 1 week of the date the substitute Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 7, 2001.

11. Depositing Taxes

In general, you must deposit income tax withheld and both the employer and employee social security and Medicare taxes (minus any advance EIC payments) by mailing or delivering a check, money order, or cash to an authorized financial institution. However, some tax-

payers are required to deposit by electronic funds transfer. See **How To Deposit** on page 20 for information on electronic deposit requirements for 2001.

Payment with return. Beginning with the first quarter of 2001, you may make a payment with Form 941 instead of depositing if:

- You accumulate less than a \$2,500 tax liability (reduced by any advance earned income credit) during the quarter (line 13 of Form 941). However, if you are unsure that you will accumulate less than \$2,500, deposit under the appropriate rules so that you will not be subject to failure to deposit penalties, or
- You are a monthly schedule depositor (defined below) and make a payment in accordance with the **Accuracy of Deposits Rule** discussed on page 19. This payment may be \$2,500 or more. **Caution:** *Only monthly schedule depositors are allowed to make this payment with the return.*

Separate deposit requirements for nonpayroll (Form 945) tax liabilities. Separate deposits are required for nonpayroll and payroll income tax withholding. **Do not** combine deposits for Forms 941 and 945 tax liabilities. Generally, the deposit rules for nonpayroll liabilities are the same as discussed below, except that the rules apply to an annual rather than a quarterly return period. Thus, the \$2,500 threshold for the deposit requirement discussed above applies to Form 945 on an annual basis. See the separate **Instructions for Form 945** for more information.

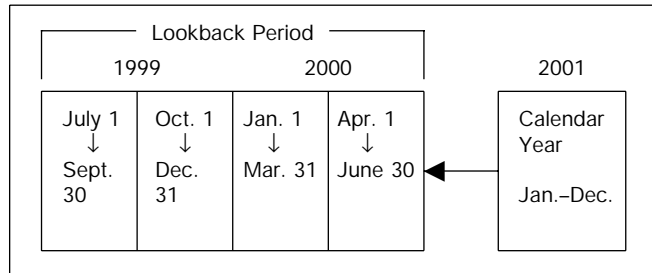
When To Deposit

There are two deposit schedules—**monthly** or **semi-weekly**—for determining when you deposit social security, Medicare, and withheld income taxes. These schedules tell you when a deposit is due after a tax liability arises (e.g., when you have a payday). Prior to the beginning of each calendar year, you must determine which of the two deposit schedules you are required to use. The deposit schedule you must use is based on the total tax liability you reported on Form 941 during a four-quarter **lookback period** discussed below. Your deposit schedule is **not** determined by how often you pay your employees or make deposits (see **Application of Monthly and Semiweekly Schedules** on page 19).

These rules do not apply to Federal unemployment (FUTA) tax. See section 14 for information on depositing FUTA tax.

Lookback period. Your deposit schedule for a calendar year is determined from the total taxes (not reduced by any advance EIC payments) reported on your Forms 941 (line 11) in a four-quarter lookback period. The lookback period begins July 1 and ends June 30 as shown in Table 1 below. If you reported \$50,000 or less of taxes for the lookback period, you are a monthly schedule depositor; if you reported more than \$50,000, you are a semiweekly schedule depositor.

Table 1. Lookback Period for Calendar Year 2001



Adjustments and the lookback rule. Determine your tax liability for the four quarters in the lookback period based on the tax liability as **originally** reported on Form 941. If you made adjustments to correct errors on previously filed Forms 941, these adjustments do not affect the amount of tax liability for purposes of the lookback rule. If you report adjustments on your current Form 941 to correct errors on prior Forms 941, include these adjustments as part of your tax liability for the current quarter. If you filed Form 843 to claim a refund for a prior period overpayment, your tax liability does not change for either the prior period or the current period for purposes of the lookback rule.

Example: An employer originally reported a tax liability of \$45,000 for the four quarters in the lookback period ending June 30, 2000. The employer discovered during January 2001 that the tax during one of the lookback period quarters was understated by \$10,000 and corrected this error with an adjustment on the 2001 first quarter return. This employer is a monthly schedule depositor for 2001 because the lookback period tax liabilities are based on the amounts originally reported, and they were less than \$50,000. The \$10,000 adjustment is part of the 2001 first quarter tax liability.

Monthly Deposit Schedule

You are a monthly schedule depositor for a calendar year if the total taxes on Form 941 (line 11) for the four quarters in your lookback period were \$50,000 or less. Under the monthly deposit schedule, deposit Form 941 taxes on payments made during a month by the 15th day of the following month.

Monthly schedule depositors should **not** file Form 941 on a monthly basis. Do not file **Form 941-M**, Employer's Monthly Federal Tax Return, unless you are instructed to do so by an IRS representative.

New employers. During the first calendar year of your business, your tax liability for each quarter in the lookback period is considered to be zero. Therefore, you are a monthly schedule depositor for the first calendar year of your business (but see the **\$100,000 Next-Day Deposit Rule** on page 19).

Semiweekly Deposit Schedule

You are a semiweekly schedule depositor for a calendar year if the total taxes on Form 941 (line 11) during your lookback period were more than \$50,000. Under the semiweekly deposit schedule, deposit Form 941

taxes on payments made on Wednesday, Thursday, and/or Friday by the following Wednesday. Deposit amounts accumulated on payments made on Saturday, Sunday, Monday, and/or Tuesday by the following Friday.

Table 2. Semiweekly Deposit Schedule

IF the payday falls on a . . .	THEN deposit taxes by the following . . .
Wednesday, Thursday, and/or Friday	Wednesday
Saturday, Sunday, Monday, and/or Tuesday	Friday

Deposit period. The term **deposit period** refers to the period during which tax liabilities are accumulated for each required deposit due date. For monthly schedule depositors, the deposit period is a calendar month. The deposit periods for semiweekly schedule depositors are Wednesday through Friday and Saturday through Tuesday.

Semiweekly deposit period spanning two quarters.

If a quarter ends on a day other than Tuesday or Friday, taxes accumulated on the days during the quarter just ending are subject to one deposit obligation, and taxes accumulated on the days covered by the new quarter are subject to a separate deposit obligation. For example, if one quarter ends on Thursday, taxes accumulated on Wednesday and Thursday are subject to one deposit obligation and taxes accumulated on Friday are subject to a separate obligation. Separate deposits are required because two different quarters are affected.

Summary of Steps To Determine Your Deposit Schedule

1. Identify your lookback period (see Table 1).
2. Add the total taxes (line 11 of Form 941) you reported during the lookback period.
3. Determine if you are a monthly or semiweekly schedule depositor:

If the total taxes you reported in the lookback period were . . .	Then you are a . . .
\$50,000 or less	Monthly Schedule Depositor
More than \$50,000	Semiweekly Schedule Depositor

Example of Monthly and Semiweekly Schedules

Rose Co. reported Form 941 taxes as follows:

2000 Lookback Period		2001 Lookback Period	
3rd Quarter	1998 – \$12,000	3rd Quarter	1999 – \$12,000
4th Quarter	1998 – \$12,000	4th Quarter	1999 – \$12,000
1st Quarter	1999 – \$12,000	1st Quarter	2000 – \$12,000
2nd Quarter	1999 – <u>\$12,000</u>	2nd Quarter	2000 – <u>\$15,000</u>
	\$48,000		\$51,000

Rose Co. is a monthly schedule depositor for 2000 because its tax liability for the four quarters in its lookback period (third quarter 1998 through second quarter 1999) was not more than \$50,000. However, for 2001, Rose Co. is a semiweekly schedule depositor because the total taxes exceeded \$50,000 for the four quarters in its lookback period (third quarter 1999 through second quarter 2000).

Deposits on Banking Days Only

If a deposit is required to be made on a day that is not a banking day, the deposit is considered timely if it is made by the close of the next banking day. In addition to Federal and state bank holidays, Saturdays and Sundays are treated as nonbanking days. For example, if a deposit is required to be made on a Friday and Friday is not a banking day, the deposit will be considered timely if it is made by the following Monday (if that Monday is a banking day).

Semiweekly schedule depositors have at least 3 banking days to make a deposit. That is, if any of the 3 weekdays after the end of a semiweekly period is a banking holiday, you will have one additional banking day to deposit. For example, if a semiweekly schedule depositor accumulated taxes for payments made on Friday and the following Monday is not a banking day, the deposit normally due on Wednesday may be made on Thursday (allowing 3 banking days to make the deposit).

Application of Monthly and Semiweekly Schedules

The terms “monthly schedule depositor” and “semiweekly schedule depositor” do **not** refer to how often your business pays its employees or even how often you are required to make deposits. The terms identify which set of deposit rules you must follow when an employment tax liability arises. The deposit rules are based on the dates wages are paid; **not** on when tax liabilities are accrued.

Monthly schedule example. Spruce Co. is a monthly schedule depositor with seasonal employees. It paid wages each Friday. During March it paid wages but did not pay any wages during April. Under the monthly deposit schedule, Spruce Co. must deposit the combined tax liabilities for the four March paydays by April 15. Spruce Co. does not have a deposit requirement for April (due by May 15) because no wages were paid and, therefore, it did not have a tax liability for April.

Semiweekly schedule example. Green Inc., which has a semiweekly deposit schedule, pays wages once each month on the last day of the month. Although Green Inc. has a semiweekly deposit schedule, it will deposit just once a month because it pays wages only once a month. The deposit, however, will be made

under the semiweekly deposit schedule as follows: Green Inc.'s tax liability for the October 31, 2001 (Wednesday) payday must be deposited by November 7, 2001 (Wednesday). Under the semiweekly deposit schedule, liabilities for wages paid on Wednesday through Friday must be deposited by the following Wednesday.

\$100,000 Next-Day Deposit Rule

If you accumulate a tax liability (reduced by any advance EIC payments) of \$100,000 or more on any day during a **deposit period**, you must deposit the tax by the next banking day, whether you are a monthly or semiweekly schedule depositor.

For purposes of the \$100,000 rule, do not continue accumulating tax liability after the end of a deposit period. For example, if a semiweekly schedule depositor has accumulated a liability of \$95,000 on a Tuesday (of a Saturday-through-Tuesday deposit period) and accumulated a \$10,000 liability on Wednesday, the \$100,000 next-day deposit rule does not apply. Thus, \$95,000 must be deposited by Friday and \$10,000 must be deposited by the following Wednesday.

In addition, once you accumulate at least \$100,000 in a deposit period, stop accumulating at the end of that day and begin to accumulate anew on the next day. For example, Fir Co. is a semiweekly schedule depositor. On Monday, Fir Co. accumulates taxes of \$110,000 and must deposit this amount on Tuesday, the next banking day. On Tuesday, Fir Co. accumulates additional taxes of \$30,000. Because the \$30,000 is not added to the previous \$110,000 and is less than \$100,000, Fir Co. must deposit the \$30,000 by Friday following the semiweekly deposit schedule.

If you are a monthly schedule depositor and accumulate a \$100,000 tax liability on any day, you become a semiweekly schedule depositor on the next day and remain so for at least the rest of the calendar year and for the following calendar year.

Example: Elm Inc. started its business on April 1, 2001. On April 16, it paid wages for the first time and accumulated a tax liability of \$40,000. On April 23, Elm Inc. paid wages and accumulated a liability of \$60,000, bringing its accumulated tax liability to \$100,000. Because this was the first year of its business, the tax liability for its lookback period is considered to be zero, and it would be a monthly schedule depositor based on the lookback rules. However, since Elm Inc. accumulated a \$100,000 liability on April 23, it became a semiweekly schedule depositor on April 24. It will be a semiweekly schedule depositor for the remainder of 2001 and for 2002. Elm Inc. is required to deposit the \$100,000 by April 24, the next banking day.

Accuracy of Deposits Rule

You are required to deposit 100% of your tax liability on or before the deposit due date. However, penalties will not be applied for depositing less than 100% if **both** of the following conditions are met:

- 1) Any deposit shortfall does not exceed the greater of \$100 or 2% of the amount of taxes otherwise required to be deposited and

- 2) The deposit shortfall is paid or deposited by the shortfall makeup date as described below.

Makeup Date for Deposit Shortfall:

- 1) **Monthly schedule depositor.** Deposit the shortfall or pay it with your return by the due date of the Form 941 for the quarter in which the shortfall occurred. You may pay the shortfall with Form 941 even if the amount is \$2,500 or more.
- 2) **Semiweekly schedule depositor.** Deposit by the earlier of:
 - a) The first Wednesday or Friday that falls on or after the 15th of the month following the month in which the shortfall occurred or
 - b) The due date of Form 941 (for the quarter of the tax liability).

For example, if a semiweekly schedule depositor has a deposit shortfall during February 2001, the shortfall makeup date is March 16, 2001 (Friday). However, if the shortfall occurred on the required April 4 (Wednesday) deposit due date for a March 28 (Wednesday) pay date, the return due date for the March 28 pay date (April 30) would come before the May 16 (Wednesday) shortfall makeup date. In this case, the shortfall must be deposited by April 30.

How To Deposit

The two methods of depositing employment taxes, including Form 945 taxes, are discussed below. See page 17 for exceptions explaining when taxes may be paid with the tax return instead of deposited.

Electronic deposit requirement. You must make electronic deposits of all depository taxes (such as employment tax, excise tax, and corporate income tax) using the Electronic Federal Tax Payment System (EFTPS) in 2001 if:

- The total deposits of such taxes in 1999 was more than \$200,000 or
- You were required to use EFTPS in 2000.

If you are required to use EFTPS and fail to do so, you may be subject to a 10% penalty. If you are not required to use EFTPS, you may participate voluntarily. To get more information or to enroll in EFTPS, call 1-800-555-4477 or 1-800-945-8400.

Depositing on time. For deposits made by EFTPS to be on time, you must initiate the transaction at least one business day before the date the deposit is due.

Making deposits with FTD coupons. If you are not making deposits by EFTPS, use **Form 8109**, Federal Tax Deposit Coupon, to make the deposits at an authorized financial institution.

For new employers, the IRS will send you a Federal Tax Deposit (FTD) coupon book 5 to 6 weeks after you receive an employer identification number (EIN). (Apply for an EIN on Form SS-4.) The IRS will keep track of the number of FTD coupons you use and **automatically** will send you additional coupons when you need them. If you do not receive your resupply of FTD cou-

pons, call 1-800-829-1040. You can have the FTD coupon books sent to a branch office, tax preparer, or service bureau that is making your deposits by showing that address on **Form 8109-C**, FTD Address Change, which is in the FTD coupon book. (Filing Form 8109-C will not change your address of record; it will change only the address where the FTD coupons are mailed.) The FTD coupons will be preprinted with your name, address, and EIN. They have entry boxes for indicating the type of tax and the tax period for which the deposit is made.

It is very important to clearly mark the correct type of tax and tax period on each FTD coupon. This information is used by the IRS to credit your account.

If you have branch offices depositing taxes, give them FTD coupons and complete instructions so they can deposit the taxes when due.

Please use only your FTD coupons. If you use anyone else's FTD coupon, you may be subject to the failure to deposit penalty. This is because your account will be underpaid by the amount of the deposit credited to the other person's account. See **Deposit Penalties** on page 21 for details.

How to deposit with an FTD coupon. Mail or deliver each FTD coupon and a single payment covering the taxes to be deposited to an authorized depository. An authorized depository is a financial institution (e.g., a commercial bank) that is authorized to accept Federal tax deposits. Follow the instructions in the FTD coupon book. Make the check or money order payable to the depository. To help ensure proper crediting of your account, include your EIN, the type of tax (e.g., Form 941), and tax period to which the payment applies on your check or money order.

Authorized depositories must accept cash, a postal money order drawn to the order of the depository, or a check or draft drawn on and to the order of the depository. You may deposit taxes with a check drawn on another financial institution only if the depository is willing to accept that form of payment.

Note: *Be sure that the financial institution where you make deposits is an authorized depository. Deposits made at an unauthorized institution may be subject to the failure to deposit penalty.*

Depositing on time. The IRS determines whether deposits are on time by the date they are received by an authorized depository. To be considered timely, the funds must be available to the depository on the deposit due date before the institution's daily cutoff deadline. Contact your local depository for information concerning check clearance and cutoff schedules. However, a deposit received by the authorized depository after the due date will be considered timely if the taxpayer establishes that it was mailed in the United States at least 2 days before the due date.

Note: *If you are required to deposit any taxes more than once a month, any deposit of \$20,000 or more must be made by its due date to be timely.*

Depositing without an EIN. If you have applied for an EIN but **have not** received it, and you must make a deposit, make the deposit with the IRS. **Do not** make the deposit at an authorized depository. Make it payable to the "United States Treasury" and show on it your

name (as shown on Form SS-4), address, kind of tax, period covered, and date you applied for an EIN. Send an explanation with the deposit. **Do not use Form 8109-B, Federal Tax Deposit Coupon**, in this situation.

Depositing without Form 8109. If you do not have the preprinted Form 8109, you may use Form 8109-B to make deposits. Form 8109-B is an over-the-counter FTD coupon that is not preprinted with your identifying information. You may get this form by calling 1-800-829-1040. Be sure to have your EIN ready when you call.

Use Form 8109-B to make deposits only if—

- You are a new employer and you have been assigned an EIN, but you have not received your initial supply of Forms 8109 or
- You have not received your resupply of preprinted Forms 8109.

Deposit record. For your records, a stub is provided with each FTD coupon in the coupon book. The FTD coupon itself will not be returned. It is used to credit your account. Your check, bank receipt, or money order is your receipt.

How to claim credit for overpayments. If you deposited more than the right amount of taxes for a quarter, you can choose on Form 941 for that quarter to have the overpayment refunded or applied as a credit to your next return. Do not ask the depository or EFTPS to request a refund from the IRS for you.

Deposit Penalties

Penalties may apply if you do not make required deposits on time, make deposits for less than the required amount, or if you do not use EFTPS when required. The penalties do not apply if any failure to make a proper and timely deposit was due to reasonable cause and not to willful neglect. For amounts not properly or timely deposited, the penalty rates are:

- 2%** - Deposits made 1 to 5 days late.
- 5%** - Deposits made 6 to 15 days late.
- 10%** - Deposits made 16 or more days late. Also applies to amounts paid within 10 days of the date of the first notice the IRS sent asking for the tax due.
- 10%** - Deposits made at an unauthorized financial institution, paid directly to the IRS, or paid with your tax return (but see **Depositing without an EIN** above and **Payment with return** earlier for exceptions).
- 10%** - Amounts subject to electronic deposit requirements but not deposited using EFTPS.
- 15%** - Amounts still unpaid more than 10 days after the date of the first notice the IRS sent asking for the tax due or the day on which you receive notice and demand for immediate payment, whichever is earlier.

Order in which deposits are applied. Generally, tax deposits are applied first to any past due undeposited amount within the same return period, with the oldest liability satisfied first. However, you may designate the period to which a deposit applies if you receive a penalty notice. You must respond within 90 days of the date of the notice. Follow the instructions on the notice you receive. For more information, see Revenue Procedure 99-10 (1999-1 C.B. 324).

Example: Cedar Inc. is required to make a deposit of \$1,000 on February 15 and \$1,500 on March 15. It does not make the deposit on February 15. On March 15, Cedar Inc. deposits \$1,700 assuming that it has paid its March deposit in full and applied \$200 to the late February deposit. However, because deposits are applied first to past due underdeposits in due date order, \$1,000 of the March 15 deposit is applied to the late February deposit. The remaining \$700 is applied to the March 15 deposit. Therefore, in addition to an underdeposit of \$1,000 for February 15, Cedar Inc. has an underdeposit for March 15 of \$800. Penalties will be applied to both underdeposits as explained above. However, Cedar Inc. may contact the IRS within 90 days of the date of the notice to request that the deposits be applied differently.

Trust fund recovery penalty. If income, social security, and Medicare taxes that must be withheld are not withheld or are not deposited or paid to the United States Treasury, the trust fund recovery penalty may apply. The penalty is the full amount of the unpaid trust fund tax. This penalty may apply to you if these unpaid taxes cannot be immediately collected from the employer or business.

The trust fund recovery penalty may be imposed on all persons who are determined by the IRS to be **responsible** for collecting, accounting for, and paying over these taxes, and who acted **willfully** in not doing so.

A **responsible person** can be an officer or employee of a corporation, a partner or employee of a partnership, an accountant, a volunteer director/trustee, or an employee of a sole proprietorship. A responsible person also may include one who signs checks for the business or otherwise has authority to cause the spending of business funds.

Willfully means voluntarily, consciously, and intentionally. A responsible person acts willfully if the person knows the required actions are not taking place.

Separate accounting when deposits are not made or withheld taxes are not paid. Separate accounting may be required if you do not pay over withheld employee social security, Medicare, or income taxes; deposit required taxes; make required payments; or file tax returns. In this case, you would receive written notice from the IRS requiring you to deposit taxes in a special trust account for the U.S. Government. You would also have to file monthly tax returns on **Form 941-M**, Employer's Monthly Federal Tax Return.

12. Filing Form 941

Each quarter, all employers who pay wages subject to income tax withholding (including withholding on sick pay and supplemental unemployment benefits) or social security and Medicare taxes must file **Form 941**, Employer's Quarterly Federal Tax Return. However, the following exceptions apply:

- 1) **Seasonal employers who no longer file for quarters when they regularly have no tax liability because they have paid no wages.** To alert the IRS that you will not have to file a return for one or more quarters during the year, mark the Seasonal employer box above line 1 on Form 941. The IRS will mail two Forms 941 to the seasonal filer once a year after March 1. The preprinted label will not include the date the quarter ended. You must enter the date the quarter ended when you file the return. Generally, the IRS will not inquire about unfiled returns if at least one taxable return is filed each year. However, you must mark the Seasonal employer box on every Form 941 you file. Otherwise, the IRS will expect a return to be filed for each quarter.
- 2) **Household employers reporting social security and Medicare taxes and/or withheld income tax.** If you are a sole proprietor and file Form 941 for business employees, you may include taxes for household employees on your Form 941. Otherwise, report social security and Medicare taxes and income tax withholding for household employees on **Schedule H (Form 1040)**, Household Employment Taxes. See **Pub. 926**, Household Employer's Tax Guide, for more information.
- 3) **Employers reporting wages for employees in American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, or Puerto Rico.** If the employees are not subject to U.S. income tax withholding, use Form 941-SS. Employers in Puerto Rico use Form 941-PR.
- 4) **Agricultural employers reporting social security, Medicare, and withheld income taxes.** Report these on **Form 943**, Employer's Annual Tax Return for Agricultural Employees.

Form 941 e-file. The Form 941 e-file program allows a taxpayer to electronically file Form 941 using a personal computer, modem, and commercial tax preparation software. Contact the IRS at 1-800-829-1040 or visit the IRS website at www.irs.gov/elec_sys/efile-bus.html for more information. See Pub. 1855 for technical specifications.

941TeleFile. You may be able to file Form 941 and pay any balance due by phone. If you receive TeleFile materials with your Form 941 package, check page TEL-1 of the 941TeleFile Instructions to see if you qualify for this method of filing. If you have questions related to filing Form 941 using TeleFile, call the **941TeleFile call site** at 901-546-2690. This phone

number is for 941TeleFile information only and is not the number used to file the return.

Electronic and magnetic tape filing by reporting agents. Reporting agents filing Forms 941 for groups of taxpayers can file them electronically or on magnetic tape. See the reporting agent discussion in section 8 of **Pub. 15-A**, Employer's Supplemental Tax Guide, for more information.

Penalties. For each whole or part month a return is not filed when required (disregarding any extensions of the filing deadline), there is a penalty of 5% of the unpaid tax due with that return. The maximum penalty is 25% of the tax due. Also, for each whole or part month the tax is paid late (disregarding any extensions of the payment deadline), a penalty of 0.5% per month of the amount of tax generally applies. This penalty is .25% per month if an installment agreement is in effect. You must have filed your return on or before the due date of the return to qualify for the reduced penalty. The maximum for this penalty is also 25%. The penalties will not be charged if you have a reasonable cause for failing to file or pay.

Use of a reporting agent or other third-party payroll service provider does not relieve an employer of the responsibility to ensure that tax returns are filed and all taxes are paid or deposited correctly and on time.

Do not file more than one Form 941 per quarter. Employers with multiple locations or divisions must file only one Form 941 per quarter. Filing more than one return may result in processing delays and may require correspondence between you and the IRS.

Hints on filing. Do not report more than one calendar quarter on a return.

Use the preaddressed form mailed to you. If you do not have the form, get one from the IRS in time to file the return when due. If you use a form that is not preaddressed, show your name and EIN on it. Be sure they are exactly as they appeared on earlier returns. See the **Instructions for Form 941** for information on preparing the form.

Final return. If you go out of business, you must file a final return for the last quarter in which wages are paid. If you continue to pay wages or other compensation for quarters following termination of your business, you must file returns for those quarters. See the Instructions for Form 941 for details on how to file a final return.

Note: If you are required to file a final Form 941, you are also required to furnish Form W-2 to your employees by the due date of the final Form 941. File Forms W-2 and W-3 with the SSA by the last day of the month that follows the due date of your final Form 941. See the **Instructions for Forms W-2 and W-3** for more information.

Filing late Forms 941 for prior years. If you are filing an original return for a quarter in a prior year and you are using the current year form, you will have to modify Form 941.

Caution: The instructions on the form may be inappropriate for the year for which you are reporting taxes because of changes in the law, regulations, or procedures. The revision date (found under the form number at the top of the form) will tell you the year for which the form was developed. Contact the IRS if you have any questions.

Note: A form for a particular year generally can be used without modification for any quarter within that year. For example, a form with any 2001 revision date (e.g., January or October 2001) generally can be used without modification for any quarter of 2001.

In all cases, however, be sure to correctly fill out the "Date quarter ended" section at the top of the form. If you are modifying a form with preprinted information, change the date (the date is shown with the month and year the quarter ends; for example, JUN01 would be for the quarter ending June 30, 2001). Cross out any inapplicable tax rate(s) shown on the form and write in the rate from Table 3 below. You can get tax rates and wage base limits for years not shown in the table from the IRS.

Table 3. **Social Security and Medicare Tax Rates (For 3 prior years)**

Calendar Year	Wage Base Limit (each employee)	Tax Rate on Taxable Wages and Tips
2000-Social Security	\$76,200	12.4%
2000-Medicare	All Wages	2.9%
1999-Social Security	\$72,600	12.4%
1999-Medicare	All Wages	2.9%
1998-Social Security	\$68,400	12.4%
1998-Medicare	All Wages	2.9%

Reconciling Forms W-2, W-3, and 941. When there are discrepancies between Forms 941 filed with the IRS and Forms W-2 and W-3 filed with the SSA, we must contact you to resolve the discrepancies.

To help reduce discrepancies—

- 1) Report bonuses as wages and as social security and Medicare wages on Forms W-2 and 941.
- 2) Report both social security and Medicare wages and taxes separately on Forms W-2, W-3, and 941.
- 3) Report social security taxes on Form W-2 in the box for social security tax withheld, not as social security wages.
- 4) Report Medicare taxes on Form W-2 in the box for Medicare tax withheld, not as Medicare wages.
- 5) Make sure the social security wage amount for each employee does not exceed the annual social security wage base limit.
- 6) Do not report noncash wages that are not subject to social security or Medicare taxes as social security or Medicare wages.

- 7) If you used an EIN on any Form 941 for the year that is different from the EIN reported on Form W-3, enter the other EIN on Form W-3 in the box for "Other EIN used this year."

To reduce the discrepancies between amounts reported on Forms W-2, W-3, and 941—

- 1) Be sure the amounts on Form W-3 are the total amounts from Forms W-2.
- 2) Reconcile Form W-3 with your four quarterly Forms 941 by comparing amounts reported for—
 - a) Income tax withholding.
 - b) Social security wages, social security tips, and Medicare wages and tips. Form W-3 should include Form 941 adjustments only for the current year (i.e., if the Form 941 adjustments include amounts for a prior year, do not report those prior year adjustments on the current-year Forms W-2 and W-3).
 - c) Social security and Medicare taxes. The amounts shown on the four quarterly Forms 941, including current-year adjustments, should be approximately twice the amounts shown on Form W-3. This is because Form 941 includes both the employer and employee shares of social security and Medicare taxes.
 - d) Advance earned income credit.

Do not report on Form 941 backup withholding or income tax withholding on nonpayroll payments such as pensions, annuities, and gambling winnings. Nonpayroll withholding must be reported on Form 945 (see the separate **Instructions for Form 945** for details). Income tax withholding required to be reported on Forms 1099 or W-2G must be reported on Form 945. Only taxes and withholding properly reported on Form W-2 should be reported on Form 941.

Amounts reported on Forms W-2, W-3, and 941 may not match for valid reasons. If they do not match, you should determine that the reasons are valid. Keep your reconciliation so you will have a record of why amounts did not match in case there are inquiries from the IRS or the SSA.

13. Reporting Adjustments on Form 941

There are two types of adjustments: current period adjustments and prior period adjustments to correct errors. See the instructions for Forms 941 and 941c for more information on how to report these adjustments.

Current Period Adjustments

In certain cases, amounts reported as social security and Medicare taxes on lines 6b, 6d, and 7b of Form 941 must be adjusted to arrive at your correct tax liability (e.g., excluding amounts withheld by a third-party payer or amounts you were not required to withhold). Current period adjustments are reported on line 9 of Form 941 and include the following:

Adjustment of tax on tips. If, by the 10th of the month after the month you received an employee's report on tips, you do not have enough employee funds available to withhold the employee's share of social security and Medicare taxes, you no longer have to collect it. Report the entire amount of these tips on lines 6c (social security tips) and 7a (Medicare wages and tips). Include as an adjustment in the "Other" space on line 9 the total uncollected employee share of the social security and Medicare taxes.

Adjustment of tax on group-term life insurance premiums paid for former employees. The employee share of social security and Medicare taxes on group-term life insurance over \$50,000 for a former employee is paid by the former employee with his or her tax return and is not collected by the employer. However, include all social security and Medicare taxes for such coverage on lines 6b and 7b (social security and Medicare taxes), and back out the amount of the employee share of these taxes as an adjustment in the "Other" space on line 9. See Pub. 15-A for more information on group-term life insurance.

Note: For the above adjustments, provide a brief supporting statement explaining the nature and amount of the adjustments (see the example of reporting current period adjustments below). Do not use Form 941c as the supporting statement for current period adjustments.

Adjustment of tax on third-party sick pay. Report both the employer and employee shares of social security and Medicare taxes for sick pay on lines 6b and 7b of Form 941. Deduct on line 9 the social security and Medicare taxes withheld on sick pay by a third-party payer. Also enter the sick pay tax adjustment in the "Sick Pay" adjustment entry space. No additional statement for this adjustment is required. See section 7 of Pub. 15-A for more information.

Fractions of cents adjustment. If there is a small difference between net taxes (line 13) and total deposits (line 14), it may have been caused, all or in part, by rounding to the nearest cent each time you computed payroll. This rounding occurs when you figure the amount of social security and Medicare tax to be withheld from each employee's wages. If you pay your taxes with Form 941 instead of making deposits because your total taxes for the quarter are less than

\$2,500, you also may report a fractions-of-cents adjustment.

To determine if you have a fractions-of-cents adjustment, multiply the total wages and tips for the quarter subject to:

- Social security tax (reported on lines 6a and 6c) by 6.2% (.062).
- Medicare tax (reported on line 7a) by 1.45% (.0145).

Compare these amounts (the employee share of social security and Medicare taxes) with the total social security and Medicare taxes actually withheld from employees for the quarter (from your payroll records). The difference, positive or negative, is your fractions-of-cents adjustment. If the actual amount withheld is less, report a negative adjustment in parentheses in the entry space for "Fractions of cents." If the actual amount is more, report a positive adjustment. No supporting statement is required for this adjustment.

Example of reporting current period adjustments. Cedar Inc. was entitled to the following current period adjustments:

- **Third-party sick pay.** Cedar included taxes of \$2,000 for sick pay on lines 6b and 7b for social security and Medicare taxes. However, the third-party payer of the sick pay withheld and paid the employee share (\$1,000) of these taxes. Cedar Inc. is entitled to a \$1,000 sick pay adjustment (negative).
- **Fractions of cents.** Cedar Inc. determined that the amounts withheld and deposited for social security and Medicare taxes during the quarter were a net \$1.44 more than the employee share of the amount figured on lines 6b, 6d, and 7b (social security and Medicare taxes). This difference was caused by adding or dropping fractions of cents when figuring social security and Medicare taxes for each wage payment. It must report a positive \$1.44 fractions-of-cents adjustment.
- **Life insurance premiums.** Cedar Inc. paid group-term life insurance premiums for policies in excess of \$50,000 for former employees. The former employees must pay the employee share of the social security and Medicare taxes (\$200) on the policies. However, Cedar Inc. must include the employee share of these taxes with the social security and Medicare taxes reported on lines 6b and 7b of Form 941. It is entitled to a negative \$200 adjustment.

Current Period Adjustment Example

7	Taxable Medicare wages and tips	7a	\$		x 2.9% (.029) =	7b		
8	Total social security and Medicare taxes (add lines 6b, 6d, and 7b). Check here if wages are not subject to social security and/or Medicare tax					8		
9	Adjustment of social security and Medicare taxes (see instructions for required explanation) Sick Pay \$ (1000.00) ± Fractions of Cents \$ 1.44 ± Other \$ (200.00) =					9	(1198	56)
10	Adjusted total of social security and Medicare taxes (line 8 as adjusted by line 9—see instructions).					10		
11	Total taxes (add lines 5 and 10)					11		

Cedar Inc. reported these adjustments on line 9 of Form 941 as shown in the **Current Period Adjustment Example** below. A brief supporting statement was filed with Form 941 explaining the life insurance adjustment.

Prior Period Adjustments

Generally, you can correct errors on prior quarter Forms 941 by making an adjustment on the Form 941 for the quarter during which the error was discovered. For example, if you made an error in reporting social security tax on your second quarter 2000 Form 941 and discovered the error during January 2001, correct the error by making an adjustment on your first quarter 2001 Form 941.

The adjustment increases or decreases your tax liability for the quarter in which it is reported (the quarter the error is discovered) and is interest free. The net adjustments reported on Form 941 may include any number of corrections for one or more previous quarters, including both overpayments and underpayments.

You are required to provide background information and certifications supporting prior quarter adjustments. File with Form 941 a **Form 941c**, Supporting Statement To Correct Information, or attach a statement that shows:

- What the error was.
- Quarter in which the error was made.
- The amount of the error for each quarter.
- Date on which you found the error.
- That you repaid the employee tax or received from each affected employee a written consent to this refund or credit, if the entry corrects an overcollection.
- If the entry corrects social security and Medicare taxes overcollected in an earlier year, that you received from the employee a written statement that he or she will not claim a refund or credit for the amount.

Do not file Form 941c or the equivalent supporting statement separately. The IRS will not be able to process your adjustments on Form 941 without this supporting information. See the instructions for Form 941c for more information.

Income tax withholding adjustments. Correct prior quarter income tax withholding errors by making an adjustment on line 4 of Form 941 for the quarter during which you discovered the error.

Note: You may make an adjustment to correct income tax withholding errors only for quarters during the **same calendar year**. This is because the employee uses the amount shown on Form W-2 as a credit when filing the income tax return (Form 1040, etc.).

You cannot adjust amounts reported as income tax withheld in a prior calendar year unless it is to correct an **administrative error**. An administrative error occurs if the amount you entered on Form 941 is not the amount you actually withheld. For example, if the total

income tax actually withheld was incorrectly reported on Form 941 due to a mathematical or transposition error, this would be an administrative error. The administrative error adjustment corrects the amount reported on Form 941 to agree with the amount actually withheld from employees.

Social security and Medicare tax adjustments. Correct prior quarter social security and Medicare tax errors by making an adjustment on line 9 of Form 941 for the quarter during which you discovered the error. You may report adjustments on the current quarter Form 941 for previous quarters in the current and prior years.

Reporting prior quarter adjustments on the record of Federal tax liability. Adjustments to correct errors in prior quarters must be taken into account on either Form 941, line 17, Monthly Summary of Federal Tax Liability, or on **Schedule B (Form 941)**, Employer's Record of Federal Tax Liability.

If the adjustment corrects an **underreported liability** in a prior quarter, report the adjustment on the entry space corresponding to the date the error was discovered. If the adjustment corrects an **overreported liability**, use the adjustment amount as a credit to offset subsequent liabilities until it is used up.

Example of reporting prior period adjustments: Elm Co., a monthly schedule depositor, discovered on January 9, 2001, that it overreported social security tax on a prior quarter return by \$5,000. Its total tax liabilities for the first quarter of 2001 were: January—\$4,500, February—\$4,500, and March—\$4,500. Elm Co. completed line 17 of Form 941 as shown in the **Prior Period Adjustment Example** on page 26.

The adjustment for the \$5,000 overreported liability offset the January liability, so the \$4,500 liability was not deposited and a -0- liability was reported on line 17, column (a). The remaining \$500 of the \$5,000 adjustment credit was used to partially offset the liability for February, so only \$4,000 of the \$4,500 liability was deposited and reported on line 17, column (b).

Note: Do not make any changes to the record of Federal tax liability for current quarter adjustments. The amounts reported on the record reflect the **actual** amounts you withheld from employees' wages for social security and Medicare taxes. Because the current quarter adjustments make the amounts reported on lines 6b, 6d, and 7b of Form 941 equal the actual amounts you withheld (the amounts reported on the record), no additional changes to the record of Federal tax liability are necessary for these adjustments.

Filing a claim for overreported prior period liabilities. If you discover an error on a prior quarter return resulting in a tax overpayment, you may file **Form 843**, Claim for Refund and Request for Abatement, for a refund. This form also can be used to request an abatement of an overassessment of employment taxes, interest, and/or penalties. You must file Form 941c, or an equivalent statement, with Form 843. See the separate **Instructions for Form 843**.

Prior Period Adjustment Example

- **All filers:** If line 13 is less than \$1,000, you need not complete line 17 or Schedule B (Form 941).
- **Semiweekly schedule depositors:** Complete Schedule B (Form 941) and check here
- **Monthly schedule depositors:** Complete line 17, columns (a) through (d), and check here

17 Monthly Summary of Federal Tax Liability. Do not complete if you were a semiweekly schedule depositor.			
(a) First month liability	(b) Second month liability	(c) Third month liability	(d) Total liability for quarter
-0-	4000.00	4500.00	8500.00

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature ▶ Print Your Name and Title ▶ Date ▶

For Privacy Act and Paperwork Reduction Act Notice, see back of Payment Voucher. Cat. No. 17001Z Form **941** (Rev. 10-2000)

Collecting underwithheld taxes from employees. If you withheld no income, social security, or Medicare taxes or less than the right amount from an employee's wages, you can make it up from later pay to that employee. But you are the one who owes the underpayment. Reimbursement is a matter for settlement between you and the employee. Underwithheld income tax must be recovered from the employee *on or before the last day of the calendar year*. There are special rules for tax on tips (see section 6) and fringe benefits (see section 5).

Refunding amounts incorrectly withheld from employees. If you withheld more than the right amount of income, social security, or Medicare taxes from wages paid, give the employee the excess. Any excess income tax withholding must be reimbursed to the employee prior to the end of the calendar year. Keep in your records the employee's written receipt showing the date and amount of the repayment. If you do not have a receipt, you must report and pay each excess amount when you file Form 941 for the quarter in which you withheld too much tax.

Correcting filed Forms W-2 and W-3. When adjustments are made to correct social security and Medicare taxes because of a change in the wage totals reported for a previous year, you also may need to file **Form W-2c**, Corrected Wage and Tax Statement, and **Form W-3c**, Transmittal of Corrected Wage and Tax Statements.

Wage Repayments

If an employee repays you for wages received in error, do not offset the repayments against current-year wages unless the repayments are for amounts received in error in the current year.

Repayment of current-year wages. If you receive repayments for wages paid during a prior quarter in the current year, report adjustments on Form 941 to recover income tax withholding and social security and Medicare taxes for the repaid wages (as discussed earlier). Report the adjustments on Form 941 for the quarter during which the repayment occurred.

Repayment of prior year wages. If you receive repayments for wages paid during a prior year, report an adjustment on the Form 941 for the quarter during which the repayment was made to recover the social security and Medicare taxes. Instead of making an adjustment on Form 941, you may file a claim for these taxes using Form 843. You may not make an adjustment for income tax withholding because the wages were paid during a prior year.

You also must file Forms W-2c and W-3c with the SSA to correct social security and Medicare wages and taxes. **Do not** correct wages (box 1) on Form W-2c for the amount paid in error. Give a copy of Form W-2c to the employee.

***Note:** The wages paid in error in the prior year remain taxable to the employee for that year. This is because the employee received and had use of those funds during that year. The employee is not entitled to file an amended return (Form 1040X) to recover the income tax on these wages. Instead, the employee is entitled to a deduction (or credit in some cases) for the repaid wages on his or her income tax return for the year of repayment.*

14. Federal Unemployment (FUTA) Tax

The Federal Unemployment Tax Act (FUTA), with state unemployment systems, provides for payments of unemployment compensation to workers who have lost their jobs. Most employers pay both a Federal and a state unemployment tax. A list of state unemployment tax agencies, including addresses and phone numbers, is available in **Pub. 926**, Household Employer's Tax Guide. Only the employer pays FUTA tax; it is not deducted from the employee's wages. For more information, see the **Instructions for Form 940**.

Use the following three tests to determine whether you must pay FUTA tax. Each test applies to a different category of employee, and each is independent of the others. If a test describes your situation, you are subject to FUTA tax on the wages you pay to employees in that category during the current calendar year.

- 1) General test.
You are subject to FUTA tax in 2001 on the wages you pay employees who are not

farmworkers or household workers if in the current or preceding calendar year:

- a) You paid wages of \$1,500 or more in any calendar quarter in 2000 or 2001 or
 - b) You had one or more employees for at least some part of a day in any 20 or more different weeks in 2000 or 20 or more different weeks in 2001.
- 2) Household employees test.
You are subject to FUTA tax only if you paid total cash wages of \$1,000 or more (for all household employees) in any calendar quarter in 2000 or 2001. A household worker is an employee who performs household work in a private home, local college club, or local fraternity or sorority chapter.
- 3) Farmworkers test.
You are subject to FUTA tax on the wages you pay to farmworkers if:
- a) You paid cash wages of \$20,000 or more to farmworkers during any calendar quarter in 2000 or 2001 or
 - b) You employed 10 or more farmworkers during at least some part of a day (whether or not at the same time) during any 20 or more different weeks in 2000 or 20 or more different weeks in 2001.

Computing FUTA tax. For 2000 and 2001, the FUTA tax rate is 6.2%. The tax applies to the first \$7,000 you pay each employee as wages during the year. The \$7,000 is the Federal wage base. Your state wage base may be different. Generally, you can take a credit against your FUTA tax for amounts you paid into state unemployment funds. This credit cannot be more than 5.4% of taxable wages. If you are entitled to the maximum 5.4% credit, the FUTA tax rate after the credit is .8%.

Successor employer. If you acquired a business from an employer who was liable for FUTA tax, you may be able to count the wages that employer paid to the employees who continue to work for you when you figure the \$7,000 FUTA wage base. See the Instructions for Form 940.

Depositing FUTA tax. For deposit purposes, figure FUTA tax quarterly. Determine your FUTA tax liability by multiplying the amount of wages paid during the quarter by .008 (.8%). Stop depositing FUTA tax on an employee's wages when he or she reaches \$7,000 in wages for the calendar year. If any part of the wages subject to FUTA are exempt from state unemployment tax, you may have to deposit more than the tax using the .008 rate. For example, in certain states, wages paid to corporate officers, certain payments of sick pay by unions, and certain fringe benefits, are exempt from state unemployment tax.

If your FUTA tax liability for a quarter is \$100 or less, you do not have to deposit the tax. Instead, you may carry it forward and add it to the liability figured in the next quarter to see if you must make a deposit. If your FUTA tax liability for any calendar quarter in 2001 is over \$100 (including any FUTA tax carried forward from an earlier quarter), you must deposit the tax by electronic funds transfer (EFTPS) or in an authorized financial institution using **Form 8109**, Federal Tax Deposit Coupon. See section 11 for information on these two deposit methods.

Note: You are not required to deposit FUTA taxes for household employees unless you report their wages on Form 941 or 943. See **Pub. 926**, Household Employer's Tax Guide, for more information.

When to deposit. Deposit the FUTA tax by the last day of the first month after the quarter ends.

If your liability for the fourth quarter (plus any undeposited amount from any earlier quarter) is over \$100, deposit the entire amount by the due date of Form 940 or Form 940-EZ (January 31). If it is \$100 or less, you can either make a deposit or pay the tax with your Form 940 or 940-EZ by January 31.

Table 4. When To Deposit FUTA Taxes

Quarter	Ending	Due Date
Jan.–Feb.–Mar.	Mar. 31	Apr. 30
Apr.–May–June	June 30	July 31
July–Aug.–Sept.	Sept. 30	Oct. 31
Oct.–Nov.–Dec.	Dec. 31	Jan. 31

Reporting FUTA tax. Use **Form 940** or **940-EZ**, Employer's Annual Federal Unemployment (FUTA) Tax Return, to report this tax. The IRS will mail a preaddressed Form 940 or 940-EZ to you if you filed a return the year before. If you do not receive Form 940 or 940-EZ, you can get the form by calling 1-800-TAX-FORM (1-800-829-3676).

Form 940-EZ requirements. You may be able to use Form 940-EZ instead of Form 940 if (1) you paid unemployment taxes ("contributions") to only one state, (2) you paid state unemployment taxes by the due date of Form 940 or 940-EZ, and (3) all wages that were taxable for FUTA tax purposes were also taxable for your state's unemployment tax. For example, if you paid wages to corporate officers (these wages are subject to FUTA tax) in a state that exempts these wages from its unemployment taxes, you cannot use Form 940-EZ.

Household employees. If you did not report employment taxes for household employees on Form 941 or 943, report FUTA tax for these employees on **Schedule H (Form 1040)**, Household Employment Taxes. See Pub. 926 for more information.

15. Special Rules for Various Types of Services and Payments

(Section references are to the Internal Revenue Code unless otherwise noted.)

Special Classes of Employment and Special Types of Payments	Treatment Under Employment Taxes		
	Income Tax Withholding	Social Security and Medicare	Federal Unemployment
Aliens, nonresident.	See page 12 and Pub. 515 , Withholding of Tax on Nonresident Aliens and Foreign Corporations, and Pub. 519 , U.S. Tax Guide for Aliens.		
Aliens, resident: 1. Service performed in the U.S. 2. Service performed outside U.S.	Same as U.S. citizen. Withhold	Same as U.S. citizen. (Exempt if any part of service as crew member of foreign vessel or aircraft is performed outside U.S.) Taxable if (1) working for an American employer or (2) an American employer by agreement covers U.S. citizens and residents employed by its foreign affiliates.	Same as U.S. citizen. Exempt unless on or in connection with an American vessel or aircraft and either performed under contract made in U.S., or alien is employed on such vessel or aircraft when it touches U.S. port.
Cafeteria plan benefits under section 125.	If employee chooses cash, subject to all employment taxes. If employee chooses another benefit, the treatment is the same as if the benefit were provided outside the plan. (See Pub. 15-A for more information.)		
Deceased worker: 1. Wages paid to beneficiary or estate in same calendar year as worker's death. (See Instructions for Form W-2 for details.) 2. Wages paid to beneficiary or estate after calendar year of worker's death.	Exempt Exempt	Taxable Exempt	Taxable Exempt
Dependent care assistance programs (limited to \$5,000; \$2,500 if married filing separately).	Exempt to the extent it is reasonable to believe that amounts are excludable from gross income under section 129.		
Disabled worker's wages paid after year in which worker became entitled to disability insurance benefits under the Social Security Act.	Withhold	Exempt, if worker did not perform any service for employer during period for which payment is made.	Taxable
Employee business expense reimbursement: a. Accountable plan. 1. Amounts not exceeding specified government rate for per diem or standard mileage. 2. Amounts in excess of specified government rate for per diem or standard mileage. b. Nonaccountable plan. (See page 9 for details.)	Exempt Withhold Withhold	Exempt Taxable Taxable	Exempt Taxable Taxable
Family employees: 1. Child employed by parent (or partnership in which each partner is a parent of the child). 2. Parent employed by child. 3. Spouse employed by spouse. (See section 3 for more information.)	Withhold Withhold Withhold	Exempt until age 18; age 21 for domestic service Taxable if in course of the son's or daughter's business. For domestic services, see section 3. Taxable if in course of spouse's business.	Exempt until age 21 Exempt Exempt
Fishing and related activities.	See Pub. 595 , Tax Highlights for Commercial Fishermen.		
Foreign governments and international organizations.	Exempt	Exempt	Exempt

Special Classes of Employment and Special Types of Payments	Treatment Under Employment Taxes		
	Income Tax Withholding	Social Security and Medicare	Federal Unemployment
Foreign service by U.S. citizens: 1. As U.S. government employee. 2. For foreign affiliates of American employers and other private employers.	Withhold Exempt if at time of payment (1) it is reasonable to believe employee is entitled to exclusion from income under section 911 or (2) the employer is required by law of the foreign country to withhold income tax on such payment.	Same as within U.S. Exempt unless (1) an American employer by agreement covers U.S. citizens employed by its foreign affiliates or (2) U.S. citizen works for American employer.	Exempt Exempt unless (1) on American vessel or aircraft and work is performed under contract made in U.S. or worker is employed on vessel when it touches U.S. port or (2) U.S. citizen works for American employer (except in a contiguous country with which the U.S. has an agreement for unemployment compensation) or in the U.S. Virgin Islands.
Homeworkers (industrial, cottage industry): 1. Common law employees. 2. Statutory employees. (See page 6 for details.)	Withhold Exempt	Taxable Taxable if paid \$100 or more in cash in a year.	Taxable Exempt
Hospital employees: 1. Interns 2. Patients	Withhold Withhold	Taxable Taxable (Exempt for state or local government hospitals.)	Exempt Exempt
Household employees: 1. Domestic service in private homes. (Farmers see Circular A.) 2. Domestic service in college clubs, fraternities, and sororities.	Exempt (withhold if both employer and employee agree). Exempt (withhold if both employer and employee agree).	Taxable if paid \$1,300 or more in cash in 2001. Exempt if performed by an individual under age 18 during any portion of the calendar year and is not the principal occupation of the employee. Exempt if paid to regular student; also exempt if employee is paid less than \$100 in a year by an income-tax-exempt employer.	Taxable if employer paid total cash wages of \$1,000 or more (for all household employees) in any quarter in the current or preceding calendar year. Taxable if employer paid total cash wages of \$1,000 or more (for all household employees) in any quarter in the current or preceding calendar year.
Insurance for employees: 1. Accident and health insurance premiums under a plan or system for employees and their dependents generally or for a class or classes of employees and their dependents. 2. Group-term life insurance costs. (See Pub. 15-A for more details.)	Exempt (except 2% shareholder-employees of S corporations). Exempt	Exempt Exempt, except for the cost of group-term life insurance that is includible in the employee's gross income. (Special rules apply for former employees.)	Exempt Exempt
Insurance agents or solicitors: 1. Full-time life insurance salesperson. 2. Other salesperson of life, casualty, etc., insurance.	Withhold only if employee under common law. (See page 6.) Withhold only if employee under common law.	Taxable Taxable only if employee under common law.	Taxable if (1) employee under common law and (2) not paid solely by commissions. Taxable if (1) employee under common law and (2) not paid solely by commissions.

Special Classes of Employment and Special Types of Payments	Treatment Under Employment Taxes		
	Income Tax Withholding	Social Security and Medicare	Federal Unemployment
Interest on loans with below-market interest rates (foregone interest and deemed original issue discount). (See Pub. 15-A for more information.)	Exempt (but deemed payments of compensation-related loans must be shown on Form W-2).	Exempt, unless loans are compensation related.	Exempt, unless loans are compensation related.
Leave-sharing plans: Amounts paid to an employee under a leave-sharing plan.	Withhold	Taxable	Taxable
Newspaper carriers and vendors: Newspaper carriers under age 18; newspaper and magazine vendors buying at fixed prices and retaining receipts from sales to customers. See Pub 15-A for information on statutory nonemployee status.	Exempt (withhold if both employer and employee voluntarily agree).	Exempt	Exempt
Noncash payments: 1. For household work, agricultural labor, and service not in the course of the employer's trade or business. 2. To certain retail commission salespersons ordinarily paid solely on a cash commission basis.	Exempt (withhold if both employer and employee voluntarily agree). Optional with employer.	Exempt Taxable	Exempt Taxable
Nonprofit organizations.	See Pub. 15-A.		
Partners: Payments to members of general partnership.	Exempt	Exempt	Exempt
Railroads: Payments subject to the Railroad Retirement Act	Withhold	Exempt	Exempt
Religious exemptions.	See Pub. 15-A.		
Retirement and pension plans: 1. Employer contributions to a qualified plan. 2. Elective employee contributions and deferrals to a plan containing a qualified cash or deferred compensation arrangement (e.g., 401(k)). 3. Employer contributions to individual retirement accounts under simplified employee pension plan (SEP). 4. Employer contributions to section 403(b) annuities. 5. Employee salary reduction contributions to a SIMPLE retirement account. 6. Distributions from qualified retirement and pension plans and section 403(b) annuities. (See Pub. 15-A for information on pensions, annuities, and employer contributions to nonqualified deferred compensation arrangements.)	Exempt Generally exempt, but see section 402(g) for limitation. Generally exempt, but see section 402(g) for salary reduction SEP limitation. Generally exempt, but see section 402(g) for limitation.	Exempt Taxable Exempt, except for amounts contributed under a salary reduction SEP agreement. Taxable if paid through a salary reduction agreement (written or otherwise). Taxable Exempt	Exempt Taxable Taxable Exempt
Salespersons: 1. Common law employees. 2. Statutory employees. 3. Statutory nonemployees (qualified real estate agents and direct sellers). (See page 7 for details.)	Withhold Exempt Exempt	Taxable Taxable Exempt	Taxable Taxable, except for full-time life insurance sales agents. Exempt
Scholarships and fellowship grants: (includible in income under section 117(c)).	Withhold	Taxability depends on the nature of the employment and the status of the organization. See Students on page 31.	

Special Classes of Employment and Special Types of Payments	Treatment Under Employment Taxes		
	Income Tax Withholding	Social Security and Medicare	Federal Unemployment
Severance or dismissal pay.	Withhold	Taxable	Taxable
Service not in the course of the employer's trade or business, other than on a farm operated for profit or for household employment in private homes.	Withhold only if employee earns \$50 or more in cash in a quarter and works on 24 or more different days in that quarter or in the preceding quarter.	Taxable if employee receives \$100 or more in a calendar year.	Taxable only if employee earns \$50 or more in cash in a quarter and works on 24 or more different days in that quarter or in the preceding quarter.
Sick pay. (See Pub. 15-A for more information.)	Withhold	Exempt after end of 6 calendar months after the calendar month employee last worked for employer.	
State governments and political subdivisions, employees of: 1. Fees of public official. 2. Salaries and wages. 3. Election workers.	Exempt Withhold Exempt	Taxable if certain transportation services or if covered by a section 218 (Social Security Act) agreement. Taxable (1) for services performed by employees not covered by a public retirement system or a section 218 agreement and (2) (for Medicare tax only) for employees hired after 3/31/86 who are members of a public retirement system not covered by a section 218 social security agreement. Taxable if paid \$1,100 or more in 2000 (lesser amount if specified by a section 218 social security agreement); file Form W-2 for \$600 or more.	Exempt Exempt Exempt
Students, scholars, trainees, teachers, etc.: 1. Student enrolled and regularly attending classes, performing services for: a. Private school, college, or university b. Auxillary nonprofit organization operated for and controlled by school, college, or university. c. Public school, college, or university 2. Full-time student performing service for academic credit, combining instruction with work experience as an integral part of the program. 3. Student nurse performing part-time services for nominal earnings at hospital as incidental part of training. 4. Student employed by organized camps. 5. Student, scholar, trainee, teacher, etc., as nonimmigrant alien under section 101(a)(15)(F), (J), (M), or (Q) of Immigration and Nationality Act (i.e., aliens holding F-1, J-1, M-1, or Q-1 visas).	Withhold Withhold Withhold Withhold Withhold Withhold unless excepted by regulations.	Exempt Exempt unless services are covered by a section 218 (Social Security Act) agreement Exempt unless services are covered by a section 218 (Social Security Act) agreement Taxable Exempt Taxable Exempt if service is performed for purpose specified in section 101(a)(15)(F), (J), (M), or (Q) of Immigration and Nationality Act. However, these taxes may apply if the employee becomes a resident alien.	Exempt Exempt Exempt Exempt unless program was established for or on behalf of an employer or group of employers. Exempt Exempt
Supplemental unemployment compensation plan benefits.	Withhold	Exempt	Exempt
Tips: 1. If \$20 or more in a month. 2. If less than \$20 in a month. (See section 6 for more information.)	Withhold Exempt	Taxable Exempt	Taxable for all tips reported in writing to employer. Exempt
Worker's compensation.	Exempt	Exempt	Exempt

16. How To Use the Income Tax Withholding and Advance Earned Income Credit (EIC) Payment Tables

Income Tax Withholding

There are several ways to figure income tax withholding. The following methods of withholding are based on information you get from your employees on **Form W-4**, Employee's Withholding Allowance Certificate. See section 9 for more information on Form W-4.

Wage Bracket Method

Under the wage bracket method, find the proper table (on pages 36-55) for your payroll period and the employee's marital status as shown on his or her Form W-4. Then, based on the number of withholding allowances claimed on the Form W-4 and the amount of wages, find the amount of tax to withhold. If your employee is claiming more than 10 withholding allowances, see below.

Note: If you cannot use the wage bracket tables because wages exceed the amount shown in the last bracket of the table, use the percentage method of withholding described below. Be sure to reduce wages by the amount of total withholding allowances in Table 5 before using the percentage method tables (pages 34-35).

Adjusting wage bracket withholding for employees claiming more than 10 withholding allowances. The wage bracket tables can be used if an employee claims up to 10 allowances. More than 10 allowances may be claimed because of the special withholding allowance, additional allowances for deductions and credits, and the system itself.

To adapt the tables to more than 10 allowances:

- 1) Multiply the number of withholding allowances over 10 by the allowance value for the payroll period. (The allowance values are in Table 5, **Percentage Method—2001 Amount for One Withholding Allowance** below.)
- 2) Subtract the result from the employee's wages.
- 3) On this amount, find and withhold the tax in the column for 10 allowances.

This is a voluntary method. If you use the wage bracket tables, you may continue to withhold the amount in the "10" column when your employee has more than 10 allowances, using the method above. You can also use any other method described below.

Percentage Method

If you do not want to use the wage bracket tables on pages 36 through 55 to figure how much income tax to withhold, you can use a percentage computation based on Table 5 and the appropriate rate table. This method

works for any number of withholding allowances the employee claims and any amount of wages.

Use these steps to figure the income tax to withhold under the percentage method:

- 1) Multiply one withholding allowance for your payroll period (see Table 5 below) by the number of allowances the employee claims.
- 2) Subtract that amount from the employee's wages.
- 3) Determine the amount to withhold from the appropriate table on pages 34 and 35.

Table 5. Percentage Method—2001 Amount for One Withholding Allowance

Payroll Period	One Withholding Allowance
Weekly	\$ 55.77
Biweekly	111.54
Semimonthly	120.83
Monthly	241.67
Quarterly	725.00
Semiannually	1,450.00
Annually	2,900.00
Daily or miscellaneous (each day of the payroll period)	11.15

Example: An unmarried employee is paid \$600 weekly. This employee has in effect a Form W-4 claiming two withholding allowances. Using the percentage method, figure the income tax to withhold as follows:

1. Total wage payment \$600.00
2. One allowance \$55.77
3. Allowances claimed on Form W-4 2
4. Multiply line 2 by line 3 \$111.54
5. Amount subject to withholding (subtract line 4 from line 1) \$488.46
6. Tax to be withheld on \$488.46 from Table 1—single person, page 34 \$ 65.62

To figure the income tax to withhold, you may reduce the last digit of the wages to zero, or figure the wages to the nearest dollar.

Annual income tax withholding. Figure the income tax to withhold on annual wages under the Percentage Method for an annual payroll period. Then prorate the tax back to the payroll period.

Example: A married person claims four withholding allowances. She is paid \$1,000 a week. Multiply the weekly wages by 52 weeks to figure the annual wage of \$52,000. Subtract \$11,600 (the value of four withholding allowances for 2001) for a balance of \$40,400. Using the table for the annual payroll period on page 35, \$5,092.50 is withheld. Divide the annual tax by 52. The weekly tax to withhold is \$97.93.

Alternative Methods of Income Tax Withholding

Rather than the Percentage or Wage Bracket Methods described on page 32, you can use an alternative method to withhold income tax. **Pub. 15-A**, Employer's Supplemental Tax Guide, describes these alternative methods and contains:

- 1) Formula tables for percentage method withholding (for automated payroll systems).
- 2) Wage bracket percentage method tables (for automated payroll systems).
- 3) Combined income, social security, and Medicare tax withholding tables.

Some alternative methods explained in Pub. 15-A are annualized wages, average estimated wages, cumulative wages, and part-year employment.

Advance Payment Methods for the Earned Income Credit (EIC)

To figure the advance EIC payment, you may use either the Wage Bracket Method or the Percentage Method explained below. You may use other methods for figuring advance EIC payments if the amount of the payment is about the same as it would be using tables in this booklet. See the tolerances allowed in the chart in section 10 of Pub. 15-A. See section 10 in this booklet for an explanation of the advance payment of the EIC.

The number of withholding allowances an employee claims on Form W-4 is not used in figuring the advance EIC payment. Nor does it matter that the employee has claimed exemption from income tax withholding on Form W-4.

Wage Bracket Method

If you use the wage bracket tables on pages 58 through 61, figure the advance EIC payment as follows.

Find the employee's gross wages before any deductions using the appropriate table. There are different

tables for **(a)** single or married employees without the spouse filing a certificate and **(b)** married employees with both spouses filing certificates. Determine the amount of the advance EIC payment shown in the appropriate table for the amount of wages paid.

Percentage Method

If you do not want to use the wage bracket tables to figure how much to include in an employee's wages for the advance EIC payment, you can use the percentage method based on the appropriate rate table on pages 56 and 57.

Find the employee's gross wages before any deductions in the appropriate table on pages 56 and 57. There are different tables for **(a)** single or married employees without the spouse filing a certificate and **(b)** married employees with both spouses filing certificates. Find the advance EIC payment shown in the appropriate table for the amount of wages paid.

Whole-Dollar Withholding and Paying Advance EIC (Rounding)

The income tax withholding amounts in the wage bracket tables (pages 36-55) have been rounded to whole-dollar amounts.

When employers use the percentage method (pages 34-35) or an alternative method of income tax withholding, the tax for the pay period may be rounded to the nearest dollar.

The wage bracket tables for advance EIC payments (pages 58-61) have also been rounded to whole-dollar amounts. If you use the percentage method for advance EIC payments (pages 56-57), the payments may be rounded to the nearest dollar.

The wage bracket tables for advance EIC payments (pages 58-61) have also been rounded to whole-dollar amounts. If you use the percentage method for advance EIC payments (pages 56-57), the payments may be rounded to the nearest dollar.

Tables for Percentage Method of Withholding (For Wages Paid in 2001)

TABLE 1—WEEKLY Payroll Period

(a) SINGLE person (including head of household)—				(b) MARRIED person—			
If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:		If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$51		\$0		Not over \$124		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$51	—\$552	15%	—51	\$124	—\$960	15%	—\$124
\$552	—\$1,196	\$75.15 plus 28%	—552	\$960	—\$2,023	\$125.40 plus 28%	—\$960
\$1,196	—\$2,662	\$255.47 plus 31%	—1,196	\$2,023	—\$3,292	\$423.04 plus 31%	—\$2,023
\$2,662	—\$5,750	\$709.93 plus 36%	—2,662	\$3,292	—\$5,809	\$816.43 plus 36%	—\$3,292
\$5,750	. . . . .	\$1,821.61 plus 39.6%	—5,750	\$5,809	. . . . .	\$1,722.55 plus 39.6%	—\$5,809

TABLE 2—BIWEEKLY Payroll Period

(a) SINGLE person (including head of household)—				(b) MARRIED person—			
If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:		If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$102		\$0		Not over \$248		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$102	—\$1,104	15%	—\$102	\$248	—\$1,919	15%	—\$248
\$1,104	—\$2,392	\$150.30 plus 28%	—\$1,104	\$1,919	—\$4,046	\$250.65 plus 28%	—\$1,919
\$2,392	—\$5,323	\$510.94 plus 31%	—\$2,392	\$4,046	—\$6,585	\$846.21 plus 31%	—\$4,046
\$5,323	—\$11,500	\$1,419.55 plus 36%	—\$5,323	\$6,585	—\$11,617	\$1,633.30 plus 36%	—\$6,585
\$11,500	. . . . .	\$3,643.27 plus 39.6%	—\$11,500	\$11,617	. . . . .	\$3,444.82 plus 39.6%	—\$11,617

TABLE 3—SEMIMONTHLY Payroll Period

(a) SINGLE person (including head of household)—				(b) MARRIED person—			
If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:		If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$110		\$0		Not over \$269		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$110	—\$1,196	15%	—\$110	\$269	—\$2,079	15%	—\$269
\$1,196	—\$2,592	\$162.90 plus 28%	—\$1,196	\$2,079	—\$4,383	\$271.50 plus 28%	—\$2,079
\$2,592	—\$5,767	\$553.78 plus 31%	—\$2,592	\$4,383	—\$7,133	\$916.62 plus 31%	—\$4,383
\$5,767	—\$12,458	\$1,538.03 plus 36%	—\$5,767	\$7,133	—\$12,585	\$1,769.12 plus 36%	—\$7,133
\$12,458	. . . . .	\$3,946.79 plus 39.6%	—\$12,458	\$12,585	. . . . .	\$3,731.84 plus 39.6%	—\$12,585

TABLE 4—MONTHLY Payroll Period

(a) SINGLE person (including head of household)—				(b) MARRIED person—			
If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:		If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$221		\$0		Not over \$538		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$221	—\$2,392	15%	—\$221	\$538	—\$4,158	15%	—\$538
\$2,392	—\$5,183	\$325.65 plus 28%	—\$2,392	\$4,158	—\$8,767	\$543.00 plus 28%	—\$4,158
\$5,183	—\$11,533	\$1,107.13 plus 31%	—\$5,183	\$8,767	—\$14,267	\$1,833.52 plus 31%	—\$8,767
\$11,533	—\$24,917	\$3,075.63 plus 36%	—\$11,533	\$14,267	—\$25,171	\$3,538.52 plus 36%	—\$14,267
\$24,917	. . . . .	\$7,893.87 plus 39.6%	—\$24,917	\$25,171	. . . . .	\$7,463.96 plus 39.6%	—\$25,171

Tables for Percentage Method of Withholding (Continued)
(For Wages Paid in 2001)

TABLE 5—QUARTERLY Payroll Period

(a) SINGLE person (including head of household)—				(b) MARRIED person—			
If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:		If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$663		\$0		Not over \$1,613		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$663	—\$7,175	15%	—\$663	\$1,613	—\$12,475	15%	—\$1,613
\$7,175	—\$15,550	\$976.80 plus 28%	—\$7,175	\$12,475	—\$26,300	\$1,629.30 plus 28%	—\$12,475
\$15,550	—\$34,600	\$3,321.80 plus 31%	—\$15,550	\$26,300	—\$42,800	\$5,500.30 plus 31%	—\$26,300
\$34,600	—\$74,750	\$9,227.30 plus 36%	—\$34,600	\$42,800	—\$75,513	\$10,615.30 plus 36%	—\$42,800
\$74,750	. . . . .	\$23,681.30 plus 39.6%	—\$74,750	\$75,513	. . . . .	\$22,391.98 plus 39.6%	—\$75,513

TABLE 6—SEMIANNUAL Payroll Period

(a) SINGLE person (including head of household)—				(b) MARRIED person—			
If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:		If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$1,325		\$0		Not over \$3,225		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$1,325	—\$14,350	15%	—\$1,325	\$3,225	—\$24,950	15%	—\$3,225
\$14,350	—\$31,100	\$1,953.75 plus 28%	—\$14,350	\$24,950	—\$52,600	\$3,258.75 plus 28%	—\$24,950
\$31,100	—\$69,200	\$6,643.75 plus 31%	—\$31,100	\$52,600	—\$85,600	\$11,000.75 plus 31%	—\$52,600
\$69,200	—\$149,500	\$18,454.75 plus 36%	—\$69,200	\$85,600	—\$151,025	\$21,230.75 plus 36%	—\$85,600
\$149,500	. . . . .	\$47,362.75 plus 39.6%	—\$149,500	\$151,025	. . . . .	\$44,783.75 plus 39.6%	—\$151,025

TABLE 7—ANNUAL Payroll Period

(a) SINGLE person (including head of household)—				(b) MARRIED person—			
If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:		If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$2,650		\$0		Not over \$6,450		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$2,650	—\$28,700	15%	—\$2,650	\$6,450	—\$49,900	15%	—\$6,450
\$28,700	—\$62,200	\$3,907.50 plus 28%	—\$28,700	\$49,900	—\$105,200	\$6,517.50 plus 28%	—\$49,900
\$62,200	—\$138,400	\$13,287.50 plus 31%	—\$62,200	\$105,200	—\$171,200	\$22,001.50 plus 31%	—\$105,200
\$138,400	—\$299,000	\$36,909.50 plus 36%	—\$138,400	\$171,200	—\$302,050	\$42,461.50 plus 36%	—\$171,200
\$299,000	. . . . .	\$94,725.50 plus 39.6%	—\$299,000	\$302,050	. . . . .	\$89,567.50 plus 39.6%	—\$302,050

TABLE 8—DAILY or MISCELLANEOUS Payroll Period

(a) SINGLE person (including head of household)—				(b) MARRIED person—			
If the amount of wages (after subtracting withholding allowances) divided by the number of days in the payroll period is:		The amount of income tax to withhold per day is:		If the amount of wages (after subtracting withholding allowances) divided by the number of days in the payroll period is:		The amount of income tax to withhold per day is:	
Not over \$10.20		\$0		Not over \$24.80		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$10.20	—\$110.40	15%	—\$10.20	\$24.80	—\$191.90	15%	—\$24.80
\$110.40	—\$239.20	\$15.03 plus 28%	—\$110.40	\$191.90	—\$404.60	\$25.07 plus 28%	—\$191.90
\$239.20	—\$532.30	\$51.09 plus 31%	—\$239.20	\$404.60	—\$658.50	\$84.63 plus 31%	—\$404.60
\$532.30	—\$1,150.00	\$141.95 plus 36%	—\$532.30	\$658.50	—\$1,161.70	\$163.34 plus 36%	—\$658.50
\$1,150.00	. . . . .	\$364.32 plus 39.6%	—\$1,150.00	\$1,161.70	. . . . .	\$344.49 plus 39.6%	—\$1,161.70

SINGLE Persons—WEEKLY Payroll Period
(For Wages Paid in 2001)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$0	\$55	0	0	0	0	0	0	0	0	0	0	0
55	60	1	0	0	0	0	0	0	0	0	0	0
60	65	2	0	0	0	0	0	0	0	0	0	0
65	70	2	0	0	0	0	0	0	0	0	0	0
70	75	3	0	0	0	0	0	0	0	0	0	0
75	80	4	0	0	0	0	0	0	0	0	0	0
80	85	5	0	0	0	0	0	0	0	0	0	0
85	90	5	0	0	0	0	0	0	0	0	0	0
90	95	6	0	0	0	0	0	0	0	0	0	0
95	100	7	0	0	0	0	0	0	0	0	0	0
100	105	8	0	0	0	0	0	0	0	0	0	0
105	110	8	0	0	0	0	0	0	0	0	0	0
110	115	9	1	0	0	0	0	0	0	0	0	0
115	120	10	2	0	0	0	0	0	0	0	0	0
120	125	11	2	0	0	0	0	0	0	0	0	0
125	130	11	3	0	0	0	0	0	0	0	0	0
130	135	12	4	0	0	0	0	0	0	0	0	0
135	140	13	5	0	0	0	0	0	0	0	0	0
140	145	14	5	0	0	0	0	0	0	0	0	0
145	150	14	6	0	0	0	0	0	0	0	0	0
150	155	15	7	0	0	0	0	0	0	0	0	0
155	160	16	8	0	0	0	0	0	0	0	0	0
160	165	17	8	0	0	0	0	0	0	0	0	0
165	170	17	9	1	0	0	0	0	0	0	0	0
170	175	18	10	2	0	0	0	0	0	0	0	0
175	180	19	11	2	0	0	0	0	0	0	0	0
180	185	20	11	3	0	0	0	0	0	0	0	0
185	190	20	12	4	0	0	0	0	0	0	0	0
190	195	21	13	5	0	0	0	0	0	0	0	0
195	200	22	14	5	0	0	0	0	0	0	0	0
200	210	23	15	6	0	0	0	0	0	0	0	0
210	220	25	16	8	0	0	0	0	0	0	0	0
220	230	26	18	9	1	0	0	0	0	0	0	0
230	240	28	19	11	3	0	0	0	0	0	0	0
240	250	29	21	12	4	0	0	0	0	0	0	0
250	260	31	22	14	6	0	0	0	0	0	0	0
260	270	32	24	15	7	0	0	0	0	0	0	0
270	280	34	25	17	9	0	0	0	0	0	0	0
280	290	35	27	18	10	2	0	0	0	0	0	0
290	300	37	28	20	12	3	0	0	0	0	0	0
300	310	38	30	21	13	5	0	0	0	0	0	0
310	320	40	31	23	15	6	0	0	0	0	0	0
320	330	41	33	24	16	8	0	0	0	0	0	0
330	340	43	34	26	18	9	1	0	0	0	0	0
340	350	44	36	27	19	11	2	0	0	0	0	0
350	360	46	37	29	21	12	4	0	0	0	0	0
360	370	47	39	30	22	14	5	0	0	0	0	0
370	380	49	40	32	24	15	7	0	0	0	0	0
380	390	50	42	33	25	17	8	0	0	0	0	0
390	400	52	43	35	27	18	10	1	0	0	0	0
400	410	53	45	36	28	20	11	3	0	0	0	0
410	420	55	46	38	30	21	13	4	0	0	0	0
420	430	56	48	39	31	23	14	6	0	0	0	0
430	440	58	49	41	33	24	16	7	0	0	0	0
440	450	59	51	42	34	26	17	9	1	0	0	0
450	460	61	52	44	36	27	19	10	2	0	0	0
460	470	62	54	45	37	29	20	12	4	0	0	0
470	480	64	55	47	39	30	22	13	5	0	0	0
480	490	65	57	48	40	32	23	15	7	0	0	0
490	500	67	58	50	42	33	25	16	8	0	0	0
500	510	68	60	51	43	35	26	18	10	1	0	0
510	520	70	61	53	45	36	28	19	11	3	0	0
520	530	71	63	54	46	38	29	21	13	4	0	0
530	540	73	64	56	48	39	31	22	14	6	0	0
540	550	74	66	57	49	41	32	24	16	7	0	0
550	560	76	67	59	51	42	34	25	17	9	0	0
560	570	79	69	60	52	44	35	27	19	10	2	0
570	580	82	70	62	54	45	37	28	20	12	3	0
580	590	84	72	63	55	47	38	30	22	13	5	0
590	600	87	73	65	57	48	40	31	23	15	6	0

SINGLE Persons—WEEKLY Payroll Period
(For Wages Paid in 2001)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$600	\$610	90	75	66	58	50	41	33	25	16	8	0
610	620	93	77	68	60	51	43	34	26	18	9	1
620	630	96	80	69	61	53	44	36	28	19	11	2
630	640	98	83	71	63	54	46	37	29	21	12	4
640	650	101	86	72	64	56	47	39	31	22	14	5
650	660	104	88	74	66	57	49	40	32	24	15	7
660	670	107	91	76	67	59	50	42	34	25	17	8
670	680	110	94	78	69	60	52	43	35	27	18	10
680	690	112	97	81	70	62	53	45	37	28	20	11
690	700	115	100	84	72	63	55	46	38	30	21	13
700	710	118	102	87	73	65	56	48	40	31	23	14
710	720	121	105	90	75	66	58	49	41	33	24	16
720	730	124	108	92	77	68	59	51	43	34	26	17
730	740	126	111	95	80	69	61	52	44	36	27	19
740	750	129	114	98	82	71	62	54	46	37	29	20
750	760	132	116	101	85	72	64	55	47	39	30	22
760	770	135	119	104	88	74	65	57	49	40	32	23
770	780	138	122	106	91	75	67	58	50	42	33	25
780	790	140	125	109	94	78	68	60	52	43	35	26
790	800	143	128	112	96	81	70	61	53	45	36	28
800	810	146	130	115	99	84	71	63	55	46	38	29
810	820	149	133	118	102	86	73	64	56	48	39	31
820	830	152	136	120	105	89	74	66	58	49	41	32
830	840	154	139	123	108	92	76	67	59	51	42	34
840	850	157	142	126	110	95	79	69	61	52	44	35
850	860	160	144	129	113	98	82	70	62	54	45	37
860	870	163	147	132	116	100	85	72	64	55	47	38
870	880	166	150	134	119	103	88	73	65	57	48	40
880	890	168	153	137	122	106	90	75	67	58	50	41
890	900	171	156	140	124	109	93	78	68	60	51	43
900	910	174	158	143	127	112	96	80	70	61	53	44
910	920	177	161	146	130	114	99	83	71	63	54	46
920	930	180	164	148	133	117	102	86	73	64	56	47
930	940	182	167	151	136	120	104	89	74	66	57	49
940	950	185	170	154	138	123	107	92	76	67	59	50
950	960	188	172	157	141	126	110	94	79	69	60	52
960	970	191	175	160	144	128	113	97	81	70	62	53
970	980	194	178	162	147	131	116	100	84	72	63	55
980	990	196	181	165	150	134	118	103	87	73	65	56
990	1,000	199	184	168	152	137	121	106	90	75	66	58
1,000	1,010	202	186	171	155	140	124	108	93	77	68	59
1,010	1,020	205	189	174	158	142	127	111	95	80	69	61
1,020	1,030	208	192	176	161	145	130	114	98	83	71	62
1,030	1,040	210	195	179	164	148	132	117	101	85	72	64
1,040	1,050	213	198	182	166	151	135	120	104	88	74	65
1,050	1,060	216	200	185	169	154	138	122	107	91	75	67
1,060	1,070	219	203	188	172	156	141	125	109	94	78	68
1,070	1,080	222	206	190	175	159	144	128	112	97	81	70
1,080	1,090	224	209	193	178	162	146	131	115	99	84	71
1,090	1,100	227	212	196	180	165	149	134	118	102	87	73
1,100	1,110	230	214	199	183	168	152	136	121	105	89	74
1,110	1,120	233	217	202	186	170	155	139	123	108	92	77
1,120	1,130	236	220	204	189	173	158	142	126	111	95	79
1,130	1,140	238	223	207	192	176	160	145	129	113	98	82
1,140	1,150	241	226	210	194	179	163	148	132	116	101	85
1,150	1,160	244	228	213	197	182	166	150	135	119	103	88
1,160	1,170	247	231	216	200	184	169	153	137	122	106	91
1,170	1,180	250	234	218	203	187	172	156	140	125	109	93
1,180	1,190	252	237	221	206	190	174	159	143	127	112	96
1,190	1,200	255	240	224	208	193	177	162	146	130	115	99
1,200	1,210	258	242	227	211	196	180	164	149	133	117	102
1,210	1,220	261	245	230	214	198	183	167	151	136	120	105
1,220	1,230	264	248	232	217	201	186	170	154	139	123	107
1,230	1,240	268	251	235	220	204	188	173	157	141	126	110
1,240	1,250	271	254	238	222	207	191	176	160	144	129	113

\$1,250 and over

Use Table 1(a) for a **SINGLE** person on page 34. Also see the instructions on page 32.

MARRIED Persons—WEEKLY Payroll Period
(For Wages Paid in 2001)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$0	\$125	0	0	0	0	0	0	0	0	0	0	0
125	130	1	0	0	0	0	0	0	0	0	0	0
130	135	1	0	0	0	0	0	0	0	0	0	0
135	140	2	0	0	0	0	0	0	0	0	0	0
140	145	3	0	0	0	0	0	0	0	0	0	0
145	150	4	0	0	0	0	0	0	0	0	0	0
150	155	4	0	0	0	0	0	0	0	0	0	0
155	160	5	0	0	0	0	0	0	0	0	0	0
160	165	6	0	0	0	0	0	0	0	0	0	0
165	170	7	0	0	0	0	0	0	0	0	0	0
170	175	7	0	0	0	0	0	0	0	0	0	0
175	180	8	0	0	0	0	0	0	0	0	0	0
180	185	9	0	0	0	0	0	0	0	0	0	0
185	190	10	1	0	0	0	0	0	0	0	0	0
190	195	10	2	0	0	0	0	0	0	0	0	0
195	200	11	3	0	0	0	0	0	0	0	0	0
200	210	12	4	0	0	0	0	0	0	0	0	0
210	220	14	5	0	0	0	0	0	0	0	0	0
220	230	15	7	0	0	0	0	0	0	0	0	0
230	240	17	8	0	0	0	0	0	0	0	0	0
240	250	18	10	1	0	0	0	0	0	0	0	0
250	260	20	11	3	0	0	0	0	0	0	0	0
260	270	21	13	4	0	0	0	0	0	0	0	0
270	280	23	14	6	0	0	0	0	0	0	0	0
280	290	24	16	7	0	0	0	0	0	0	0	0
290	300	26	17	9	1	0	0	0	0	0	0	0
300	310	27	19	10	2	0	0	0	0	0	0	0
310	320	29	20	12	4	0	0	0	0	0	0	0
320	330	30	22	13	5	0	0	0	0	0	0	0
330	340	32	23	15	7	0	0	0	0	0	0	0
340	350	33	25	16	8	0	0	0	0	0	0	0
350	360	35	26	18	10	1	0	0	0	0	0	0
360	370	36	28	19	11	3	0	0	0	0	0	0
370	380	38	29	21	13	4	0	0	0	0	0	0
380	390	39	31	22	14	6	0	0	0	0	0	0
390	400	41	32	24	16	7	0	0	0	0	0	0
400	410	42	34	25	17	9	0	0	0	0	0	0
410	420	44	35	27	19	10	2	0	0	0	0	0
420	430	45	37	28	20	12	3	0	0	0	0	0
430	440	47	38	30	22	13	5	0	0	0	0	0
440	450	48	40	31	23	15	6	0	0	0	0	0
450	460	50	41	33	25	16	8	0	0	0	0	0
460	470	51	43	34	26	18	9	1	0	0	0	0
470	480	53	44	36	28	19	11	2	0	0	0	0
480	490	54	46	37	29	21	12	4	0	0	0	0
490	500	56	47	39	31	22	14	5	0	0	0	0
500	510	57	49	40	32	24	15	7	0	0	0	0
510	520	59	50	42	34	25	17	8	0	0	0	0
520	530	60	52	43	35	27	18	10	2	0	0	0
530	540	62	53	45	37	28	20	11	3	0	0	0
540	550	63	55	46	38	30	21	13	5	0	0	0
550	560	65	56	48	40	31	23	14	6	0	0	0
560	570	66	58	49	41	33	24	16	8	0	0	0
570	580	68	59	51	43	34	26	17	9	1	0	0
580	590	69	61	52	44	36	27	19	11	2	0	0
590	600	71	62	54	46	37	29	20	12	4	0	0
600	610	72	64	55	47	39	30	22	14	5	0	0
610	620	74	65	57	49	40	32	23	15	7	0	0
620	630	75	67	58	50	42	33	25	17	8	0	0
630	640	77	68	60	52	43	35	26	18	10	1	0
640	650	78	70	61	53	45	36	28	20	11	3	0
650	660	80	71	63	55	46	38	29	21	13	4	0
660	670	81	73	64	56	48	39	31	23	14	6	0
670	680	83	74	66	58	49	41	32	24	16	7	0
680	690	84	76	67	59	51	42	34	26	17	9	0
690	700	86	77	69	61	52	44	35	27	19	10	2
700	710	87	79	70	62	54	45	37	29	20	12	3
710	720	89	80	72	64	55	47	38	30	22	13	5
720	730	90	82	73	65	57	48	40	32	23	15	6
730	740	92	83	75	67	58	50	41	33	25	16	8

MARRIED Persons—WEEKLY Payroll Period (For Wages Paid in 2001)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$740	\$750	93	85	76	68	60	51	43	35	26	18	9
750	760	95	86	78	70	61	53	44	36	28	19	11
760	770	96	88	79	71	63	54	46	38	29	21	12
770	780	98	89	81	73	64	56	47	39	31	22	14
780	790	99	91	82	74	66	57	49	41	32	24	15
790	800	101	92	84	76	67	59	50	42	34	25	17
800	810	102	94	85	77	69	60	52	44	35	27	18
810	820	104	95	87	79	70	62	53	45	37	28	20
820	830	105	97	88	80	72	63	55	47	38	30	21
830	840	107	98	90	82	73	65	56	48	40	31	23
840	850	108	100	91	83	75	66	58	50	41	33	24
850	860	110	101	93	85	76	68	59	51	43	34	26
860	870	111	103	94	86	78	69	61	53	44	36	27
870	880	113	104	96	88	79	71	62	54	46	37	29
880	890	114	106	97	89	81	72	64	56	47	39	30
890	900	116	107	99	91	82	74	65	57	49	40	32
900	910	117	109	100	92	84	75	67	59	50	42	33
910	920	119	110	102	94	85	77	68	60	52	43	35
920	930	120	112	103	95	87	78	70	62	53	45	36
930	940	122	113	105	97	88	80	71	63	55	46	38
940	950	123	115	106	98	90	81	73	65	56	48	39
950	960	125	116	108	100	91	83	74	66	58	49	41
960	970	127	118	109	101	93	84	76	68	59	51	42
970	980	130	119	111	103	94	86	77	69	61	52	44
980	990	132	121	112	104	96	87	79	71	62	54	45
990	1,000	135	122	114	106	97	89	80	72	64	55	47
1,000	1,010	138	124	115	107	99	90	82	74	65	57	48
1,010	1,020	141	125	117	109	100	92	83	75	67	58	50
1,020	1,030	144	128	118	110	102	93	85	77	68	60	51
1,030	1,040	146	131	120	112	103	95	86	78	70	61	53
1,040	1,050	149	134	121	113	105	96	88	80	71	63	54
1,050	1,060	152	136	123	115	106	98	89	81	73	64	56
1,060	1,070	155	139	124	116	108	99	91	83	74	66	57
1,070	1,080	158	142	126	118	109	101	92	84	76	67	59
1,080	1,090	160	145	129	119	111	102	94	86	77	69	60
1,090	1,100	163	148	132	121	112	104	95	87	79	70	62
1,100	1,110	166	150	135	122	114	105	97	89	80	72	63
1,110	1,120	169	153	138	124	115	107	98	90	82	73	65
1,120	1,130	172	156	140	125	117	108	100	92	83	75	66
1,130	1,140	174	159	143	128	118	110	101	93	85	76	68
1,140	1,150	177	162	146	130	120	111	103	95	86	78	69
1,150	1,160	180	164	149	133	121	113	104	96	88	79	71
1,160	1,170	183	167	152	136	123	114	106	98	89	81	72
1,170	1,180	186	170	154	139	124	116	107	99	91	82	74
1,180	1,190	188	173	157	142	126	117	109	101	92	84	75
1,190	1,200	191	176	160	144	129	119	110	102	94	85	77
1,200	1,210	194	178	163	147	132	120	112	104	95	87	78
1,210	1,220	197	181	166	150	134	122	113	105	97	88	80
1,220	1,230	200	184	168	153	137	123	115	107	98	90	81
1,230	1,240	202	187	171	156	140	125	116	108	100	91	83
1,240	1,250	205	190	174	158	143	127	118	110	101	93	84
1,250	1,260	208	192	177	161	146	130	119	111	103	94	86
1,260	1,270	211	195	180	164	148	133	121	113	104	96	87
1,270	1,280	214	198	182	167	151	136	122	114	106	97	89
1,280	1,290	216	201	185	170	154	138	124	116	107	99	90
1,290	1,300	219	204	188	172	157	141	126	117	109	100	92
1,300	1,310	222	206	191	175	160	144	128	119	110	102	93
1,310	1,320	225	209	194	178	162	147	131	120	112	103	95
1,320	1,330	228	212	196	181	165	150	134	122	113	105	96
1,330	1,340	230	215	199	184	168	152	137	123	115	106	98
1,340	1,350	233	218	202	186	171	155	140	125	116	108	99
1,350	1,360	236	220	205	189	174	158	142	127	118	109	101
1,360	1,370	239	223	208	192	176	161	145	130	119	111	102
1,370	1,380	242	226	210	195	179	164	148	132	121	112	104
1,380	1,390	244	229	213	198	182	166	151	135	122	114	105

\$1,390 and over

Use Table 1(b) for a MARRIED person on page 34. Also see the instructions on page 32.

SINGLE Persons—BIWEEKLY Payroll Period
(For Wages Paid in 2001)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$0	\$105	0	0	0	0	0	0	0	0	0	0	0
105	110	1	0	0	0	0	0	0	0	0	0	0
110	115	2	0	0	0	0	0	0	0	0	0	0
115	120	2	0	0	0	0	0	0	0	0	0	0
120	125	3	0	0	0	0	0	0	0	0	0	0
125	130	4	0	0	0	0	0	0	0	0	0	0
130	135	5	0	0	0	0	0	0	0	0	0	0
135	140	5	0	0	0	0	0	0	0	0	0	0
140	145	6	0	0	0	0	0	0	0	0	0	0
145	150	7	0	0	0	0	0	0	0	0	0	0
150	155	8	0	0	0	0	0	0	0	0	0	0
155	160	8	0	0	0	0	0	0	0	0	0	0
160	165	9	0	0	0	0	0	0	0	0	0	0
165	170	10	0	0	0	0	0	0	0	0	0	0
170	175	11	0	0	0	0	0	0	0	0	0	0
175	180	11	0	0	0	0	0	0	0	0	0	0
180	185	12	0	0	0	0	0	0	0	0	0	0
185	190	13	0	0	0	0	0	0	0	0	0	0
190	195	14	0	0	0	0	0	0	0	0	0	0
195	200	14	0	0	0	0	0	0	0	0	0	0
200	205	15	0	0	0	0	0	0	0	0	0	0
205	210	16	0	0	0	0	0	0	0	0	0	0
210	215	17	0	0	0	0	0	0	0	0	0	0
215	220	17	1	0	0	0	0	0	0	0	0	0
220	225	18	1	0	0	0	0	0	0	0	0	0
225	230	19	2	0	0	0	0	0	0	0	0	0
230	235	20	3	0	0	0	0	0	0	0	0	0
235	240	20	4	0	0	0	0	0	0	0	0	0
240	245	21	4	0	0	0	0	0	0	0	0	0
245	250	22	5	0	0	0	0	0	0	0	0	0
250	260	23	6	0	0	0	0	0	0	0	0	0
260	270	24	8	0	0	0	0	0	0	0	0	0
270	280	26	9	0	0	0	0	0	0	0	0	0
280	290	27	11	0	0	0	0	0	0	0	0	0
290	300	29	12	0	0	0	0	0	0	0	0	0
300	310	30	14	0	0	0	0	0	0	0	0	0
310	320	32	15	0	0	0	0	0	0	0	0	0
320	330	33	17	0	0	0	0	0	0	0	0	0
330	340	35	18	2	0	0	0	0	0	0	0	0
340	350	36	20	3	0	0	0	0	0	0	0	0
350	360	38	21	5	0	0	0	0	0	0	0	0
360	370	39	23	6	0	0	0	0	0	0	0	0
370	380	41	24	8	0	0	0	0	0	0	0	0
380	390	42	26	9	0	0	0	0	0	0	0	0
390	400	44	27	11	0	0	0	0	0	0	0	0
400	410	45	29	12	0	0	0	0	0	0	0	0
410	420	47	30	14	0	0	0	0	0	0	0	0
420	430	48	32	15	0	0	0	0	0	0	0	0
430	440	50	33	17	0	0	0	0	0	0	0	0
440	450	51	35	18	1	0	0	0	0	0	0	0
450	460	53	36	20	3	0	0	0	0	0	0	0
460	470	54	38	21	4	0	0	0	0	0	0	0
470	480	56	39	23	6	0	0	0	0	0	0	0
480	490	57	41	24	7	0	0	0	0	0	0	0
490	500	59	42	26	9	0	0	0	0	0	0	0
500	520	61	44	28	11	0	0	0	0	0	0	0
520	540	64	47	31	14	0	0	0	0	0	0	0
540	560	67	50	34	17	0	0	0	0	0	0	0
560	580	70	53	37	20	3	0	0	0	0	0	0
580	600	73	56	40	23	6	0	0	0	0	0	0
600	620	76	59	43	26	9	0	0	0	0	0	0
620	640	79	62	46	29	12	0	0	0	0	0	0
640	660	82	65	49	32	15	0	0	0	0	0	0
660	680	85	68	52	35	18	2	0	0	0	0	0
680	700	88	71	55	38	21	5	0	0	0	0	0
700	720	91	74	58	41	24	8	0	0	0	0	0
720	740	94	77	61	44	27	11	0	0	0	0	0
740	760	97	80	64	47	30	14	0	0	0	0	0
760	780	100	83	67	50	33	17	0	0	0	0	0
780	800	103	86	70	53	36	20	3	0	0	0	0

SINGLE Persons—BIWEEKLY Payroll Period
(For Wages Paid in 2001)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$800	\$820	106	89	73	56	39	23	6	0	0	0	0
820	840	109	92	76	59	42	26	9	0	0	0	0
840	860	112	95	79	62	45	29	12	0	0	0	0
860	880	115	98	82	65	48	32	15	0	0	0	0
880	900	118	101	85	68	51	35	18	1	0	0	0
900	920	121	104	88	71	54	38	21	4	0	0	0
920	940	124	107	91	74	57	41	24	7	0	0	0
940	960	127	110	94	77	60	44	27	10	0	0	0
960	980	130	113	97	80	63	47	30	13	0	0	0
980	1,000	133	116	100	83	66	50	33	16	0	0	0
1,000	1,020	136	119	103	86	69	53	36	19	2	0	0
1,020	1,040	139	122	106	89	72	56	39	22	5	0	0
1,040	1,060	142	125	109	92	75	59	42	25	8	0	0
1,060	1,080	145	128	112	95	78	62	45	28	11	0	0
1,080	1,100	148	131	115	98	81	65	48	31	14	0	0
1,100	1,120	152	134	118	101	84	68	51	34	17	1	0
1,120	1,140	158	137	121	104	87	71	54	37	20	4	0
1,140	1,160	163	140	124	107	90	74	57	40	23	7	0
1,160	1,180	169	143	127	110	93	77	60	43	26	10	0
1,180	1,200	174	146	130	113	96	80	63	46	29	13	0
1,200	1,220	180	149	133	116	99	83	66	49	32	16	0
1,220	1,240	186	154	136	119	102	86	69	52	35	19	2
1,240	1,260	191	160	139	122	105	89	72	55	38	22	5
1,260	1,280	197	166	142	125	108	92	75	58	41	25	8
1,280	1,300	202	171	145	128	111	95	78	61	44	28	11
1,300	1,320	208	177	148	131	114	98	81	64	47	31	14
1,320	1,340	214	182	151	134	117	101	84	67	50	34	17
1,340	1,360	219	188	157	137	120	104	87	70	53	37	20
1,360	1,380	225	194	162	140	123	107	90	73	56	40	23
1,380	1,400	230	199	168	143	126	110	93	76	59	43	26
1,400	1,420	236	205	174	146	129	113	96	79	62	46	29
1,420	1,440	242	210	179	149	132	116	99	82	65	49	32
1,440	1,460	247	216	185	154	135	119	102	85	68	52	35
1,460	1,480	253	222	190	159	138	122	105	88	71	55	38
1,480	1,500	258	227	196	165	141	125	108	91	74	58	41
1,500	1,520	264	233	202	170	144	128	111	94	77	61	44
1,520	1,540	270	238	207	176	147	131	114	97	80	64	47
1,540	1,560	275	244	213	182	150	134	117	100	83	67	50
1,560	1,580	281	250	218	187	156	137	120	103	86	70	53
1,580	1,600	286	255	224	193	161	140	123	106	89	73	56
1,600	1,620	292	261	230	198	167	143	126	109	92	76	59
1,620	1,640	298	266	235	204	173	146	129	112	95	79	62
1,640	1,660	303	272	241	210	178	149	132	115	98	82	65
1,660	1,680	309	278	246	215	184	153	135	118	101	85	68
1,680	1,700	314	283	252	221	189	158	138	121	104	88	71
1,700	1,720	320	289	258	226	195	164	141	124	107	91	74
1,720	1,740	326	294	263	232	201	169	144	127	110	94	77
1,740	1,760	331	300	269	238	206	175	147	130	113	97	80
1,760	1,780	337	306	274	243	212	181	150	133	116	100	83
1,780	1,800	342	311	280	249	217	186	155	136	119	103	86
1,800	1,820	348	317	286	254	223	192	161	139	122	106	89
1,820	1,840	354	322	291	260	229	197	166	142	125	109	92
1,840	1,860	359	328	297	266	234	203	172	145	128	112	95
1,860	1,880	365	334	302	271	240	209	177	148	131	115	98
1,880	1,900	370	339	308	277	245	214	183	152	134	118	101
1,900	1,920	376	345	314	282	251	220	189	157	137	121	104
1,920	1,940	382	350	319	288	257	225	194	163	140	124	107
1,940	1,960	387	356	325	294	262	231	200	169	143	127	110
1,960	1,980	393	362	330	299	268	237	205	174	146	130	113
1,980	2,000	398	367	336	305	273	242	211	180	149	133	116
2,000	2,020	404	373	342	310	279	248	217	185	154	136	119
2,020	2,040	410	378	347	316	285	253	222	191	160	139	122
2,040	2,060	415	384	353	322	290	259	228	197	165	142	125
2,060	2,080	421	390	358	327	296	265	233	202	171	145	128
2,080	2,100	426	395	364	333	301	270	239	208	177	148	131

\$2,100 and over

Use Table 2(a) for a **SINGLE person** on page 34. Also see the instructions on page 32.

MARRIED Persons—BIWEEKLY Payroll Period
(For Wages Paid in 2001)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$0	\$250	0	0	0	0	0	0	0	0	0	0	0
250	260	1	0	0	0	0	0	0	0	0	0	0
260	270	3	0	0	0	0	0	0	0	0	0	0
270	280	4	0	0	0	0	0	0	0	0	0	0
280	290	6	0	0	0	0	0	0	0	0	0	0
290	300	7	0	0	0	0	0	0	0	0	0	0
300	310	9	0	0	0	0	0	0	0	0	0	0
310	320	10	0	0	0	0	0	0	0	0	0	0
320	330	12	0	0	0	0	0	0	0	0	0	0
330	340	13	0	0	0	0	0	0	0	0	0	0
340	350	15	0	0	0	0	0	0	0	0	0	0
350	360	16	0	0	0	0	0	0	0	0	0	0
360	370	18	1	0	0	0	0	0	0	0	0	0
370	380	19	2	0	0	0	0	0	0	0	0	0
380	390	21	4	0	0	0	0	0	0	0	0	0
390	400	22	5	0	0	0	0	0	0	0	0	0
400	410	24	7	0	0	0	0	0	0	0	0	0
410	420	25	8	0	0	0	0	0	0	0	0	0
420	430	27	10	0	0	0	0	0	0	0	0	0
430	440	28	11	0	0	0	0	0	0	0	0	0
440	450	30	13	0	0	0	0	0	0	0	0	0
450	460	31	14	0	0	0	0	0	0	0	0	0
460	470	33	16	0	0	0	0	0	0	0	0	0
470	480	34	17	1	0	0	0	0	0	0	0	0
480	490	36	19	2	0	0	0	0	0	0	0	0
490	500	37	20	4	0	0	0	0	0	0	0	0
500	520	39	23	6	0	0	0	0	0	0	0	0
520	540	42	26	9	0	0	0	0	0	0	0	0
540	560	45	29	12	0	0	0	0	0	0	0	0
560	580	48	32	15	0	0	0	0	0	0	0	0
580	600	51	35	18	1	0	0	0	0	0	0	0
600	620	54	38	21	4	0	0	0	0	0	0	0
620	640	57	41	24	7	0	0	0	0	0	0	0
640	660	60	44	27	10	0	0	0	0	0	0	0
660	680	63	47	30	13	0	0	0	0	0	0	0
680	700	66	50	33	16	0	0	0	0	0	0	0
700	720	69	53	36	19	2	0	0	0	0	0	0
720	740	72	56	39	22	5	0	0	0	0	0	0
740	760	75	59	42	25	8	0	0	0	0	0	0
760	780	78	62	45	28	11	0	0	0	0	0	0
780	800	81	65	48	31	14	0	0	0	0	0	0
800	820	84	68	51	34	17	1	0	0	0	0	0
820	840	87	71	54	37	20	4	0	0	0	0	0
840	860	90	74	57	40	23	7	0	0	0	0	0
860	880	93	77	60	43	26	10	0	0	0	0	0
880	900	96	80	63	46	29	13	0	0	0	0	0
900	920	99	83	66	49	32	16	0	0	0	0	0
920	940	102	86	69	52	35	19	2	0	0	0	0
940	960	105	89	72	55	38	22	5	0	0	0	0
960	980	108	92	75	58	41	25	8	0	0	0	0
980	1,000	111	95	78	61	44	28	11	0	0	0	0
1,000	1,020	114	98	81	64	47	31	14	0	0	0	0
1,020	1,040	117	101	84	67	50	34	17	0	0	0	0
1,040	1,060	120	104	87	70	53	37	20	3	0	0	0
1,060	1,080	123	107	90	73	56	40	23	6	0	0	0
1,080	1,100	126	110	93	76	59	43	26	9	0	0	0
1,100	1,120	129	113	96	79	62	46	29	12	0	0	0
1,120	1,140	132	116	99	82	65	49	32	15	0	0	0
1,140	1,160	135	119	102	85	68	52	35	18	1	0	0
1,160	1,180	138	122	105	88	71	55	38	21	4	0	0
1,180	1,200	141	125	108	91	74	58	41	24	7	0	0
1,200	1,220	144	128	111	94	77	61	44	27	10	0	0
1,220	1,240	147	131	114	97	80	64	47	30	13	0	0
1,240	1,260	150	134	117	100	83	67	50	33	16	0	0
1,260	1,280	153	137	120	103	86	70	53	36	19	3	0
1,280	1,300	156	140	123	106	89	73	56	39	22	6	0
1,300	1,320	159	143	126	109	92	76	59	42	25	9	0
1,320	1,340	162	146	129	112	95	79	62	45	28	12	0
1,340	1,360	165	149	132	115	98	82	65	48	31	15	0
1,360	1,380	168	152	135	118	101	85	68	51	34	18	1

MARRIED Persons—BIWEEKLY Payroll Period
(For Wages Paid in 2001)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$1,380	\$1,400	171	155	138	121	104	88	71	54	37	21	4
1,400	1,420	174	158	141	124	107	91	74	57	40	24	7
1,420	1,440	177	161	144	127	110	94	77	60	43	27	10
1,440	1,460	180	164	147	130	113	97	80	63	46	30	13
1,460	1,480	183	167	150	133	116	100	83	66	49	33	16
1,480	1,500	186	170	153	136	119	103	86	69	52	36	19
1,500	1,520	189	173	156	139	122	106	89	72	55	39	22
1,520	1,540	192	176	159	142	125	109	92	75	58	42	25
1,540	1,560	195	179	162	145	128	112	95	78	61	45	28
1,560	1,580	198	182	165	148	131	115	98	81	64	48	31
1,580	1,600	201	185	168	151	134	118	101	84	67	51	34
1,600	1,620	204	188	171	154	137	121	104	87	70	54	37
1,620	1,640	207	191	174	157	140	124	107	90	73	57	40
1,640	1,660	210	194	177	160	143	127	110	93	76	60	43
1,660	1,680	213	197	180	163	146	130	113	96	79	63	46
1,680	1,700	216	200	183	166	149	133	116	99	82	66	49
1,700	1,720	219	203	186	169	152	136	119	102	85	69	52
1,720	1,740	222	206	189	172	155	139	122	105	88	72	55
1,740	1,760	225	209	192	175	158	142	125	108	91	75	58
1,760	1,780	228	212	195	178	161	145	128	111	94	78	61
1,780	1,800	231	215	198	181	164	148	131	114	97	81	64
1,800	1,820	234	218	201	184	167	151	134	117	100	84	67
1,820	1,840	237	221	204	187	170	154	137	120	103	87	70
1,840	1,860	240	224	207	190	173	157	140	123	106	90	73
1,860	1,880	243	227	210	193	176	160	143	126	109	93	76
1,880	1,900	246	230	213	196	179	163	146	129	112	96	79
1,900	1,920	249	233	216	199	182	166	149	132	115	99	82
1,920	1,940	254	236	219	202	185	169	152	135	118	102	85
1,940	1,960	259	239	222	205	188	172	155	138	121	105	88
1,960	1,980	265	242	225	208	191	175	158	141	124	108	91
1,980	2,000	270	245	228	211	194	178	161	144	127	111	94
2,000	2,020	276	248	231	214	197	181	164	147	130	114	97
2,020	2,040	282	251	234	217	200	184	167	150	133	117	100
2,040	2,060	287	256	237	220	203	187	170	153	136	120	103
2,060	2,080	293	262	240	223	206	190	173	156	139	123	106
2,080	2,100	298	267	243	226	209	193	176	159	142	126	109
2,100	2,120	304	273	246	229	212	196	179	162	145	129	112
2,120	2,140	310	278	249	232	215	199	182	165	148	132	115
2,140	2,160	315	284	253	235	218	202	185	168	151	135	118
2,160	2,180	321	290	258	238	221	205	188	171	154	138	121
2,180	2,200	326	295	264	241	224	208	191	174	157	141	124
2,200	2,220	332	301	270	244	227	211	194	177	160	144	127
2,220	2,240	338	306	275	247	230	214	197	180	163	147	130
2,240	2,260	343	312	281	250	233	217	200	183	166	150	133
2,260	2,280	349	318	286	255	236	220	203	186	169	153	136
2,280	2,300	354	323	292	261	239	223	206	189	172	156	139
2,300	2,320	360	329	298	266	242	226	209	192	175	159	142
2,320	2,340	366	334	303	272	245	229	212	195	178	162	145
2,340	2,360	371	340	309	278	248	232	215	198	181	165	148
2,360	2,380	377	346	314	283	252	235	218	201	184	168	151
2,380	2,400	382	351	320	289	258	238	221	204	187	171	154
2,400	2,420	388	357	326	294	263	241	224	207	190	174	157
2,420	2,440	394	362	331	300	269	244	227	210	193	177	160
2,440	2,460	399	368	337	306	274	247	230	213	196	180	163
2,460	2,480	405	374	342	311	280	250	233	216	199	183	166
2,480	2,500	410	379	348	317	286	254	236	219	202	186	169
2,500	2,520	416	385	354	322	291	260	239	222	205	189	172
2,520	2,540	422	390	359	328	297	266	242	225	208	192	175
2,540	2,560	427	396	365	334	302	271	245	228	211	195	178
2,560	2,580	433	402	370	339	308	277	248	231	214	198	181
2,580	2,600	438	407	376	345	314	282	251	234	217	201	184
2,600	2,620	444	413	382	350	319	288	257	237	220	204	187
2,620	2,640	450	418	387	356	325	294	262	240	223	207	190
2,640	2,660	455	424	393	362	330	299	268	243	226	210	193
2,660	2,680	461	430	398	367	336	305	274	246	229	213	196

\$2,680 and over

Use Table 2(b) for a MARRIED person on page 34. Also see the instructions on page 32.

SINGLE Persons—SEMIMONTHLY Payroll Period
(For Wages Paid in 2001)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$0	\$115	0	0	0	0	0	0	0	0	0	0	0
115	120	1	0	0	0	0	0	0	0	0	0	0
120	125	2	0	0	0	0	0	0	0	0	0	0
125	130	3	0	0	0	0	0	0	0	0	0	0
130	135	3	0	0	0	0	0	0	0	0	0	0
135	140	4	0	0	0	0	0	0	0	0	0	0
140	145	5	0	0	0	0	0	0	0	0	0	0
145	150	6	0	0	0	0	0	0	0	0	0	0
150	155	6	0	0	0	0	0	0	0	0	0	0
155	160	7	0	0	0	0	0	0	0	0	0	0
160	165	8	0	0	0	0	0	0	0	0	0	0
165	170	9	0	0	0	0	0	0	0	0	0	0
170	175	9	0	0	0	0	0	0	0	0	0	0
175	180	10	0	0	0	0	0	0	0	0	0	0
180	185	11	0	0	0	0	0	0	0	0	0	0
185	190	12	0	0	0	0	0	0	0	0	0	0
190	195	12	0	0	0	0	0	0	0	0	0	0
195	200	13	0	0	0	0	0	0	0	0	0	0
200	205	14	0	0	0	0	0	0	0	0	0	0
205	210	15	0	0	0	0	0	0	0	0	0	0
210	215	15	0	0	0	0	0	0	0	0	0	0
215	220	16	0	0	0	0	0	0	0	0	0	0
220	225	17	0	0	0	0	0	0	0	0	0	0
225	230	18	0	0	0	0	0	0	0	0	0	0
230	235	18	0	0	0	0	0	0	0	0	0	0
235	240	19	1	0	0	0	0	0	0	0	0	0
240	245	20	2	0	0	0	0	0	0	0	0	0
245	250	21	2	0	0	0	0	0	0	0	0	0
250	260	22	4	0	0	0	0	0	0	0	0	0
260	270	23	5	0	0	0	0	0	0	0	0	0
270	280	25	7	0	0	0	0	0	0	0	0	0
280	290	26	8	0	0	0	0	0	0	0	0	0
290	300	28	10	0	0	0	0	0	0	0	0	0
300	310	29	11	0	0	0	0	0	0	0	0	0
310	320	31	13	0	0	0	0	0	0	0	0	0
320	330	32	14	0	0	0	0	0	0	0	0	0
330	340	34	16	0	0	0	0	0	0	0	0	0
340	350	35	17	0	0	0	0	0	0	0	0	0
350	360	37	19	0	0	0	0	0	0	0	0	0
360	370	38	20	2	0	0	0	0	0	0	0	0
370	380	40	22	3	0	0	0	0	0	0	0	0
380	390	41	23	5	0	0	0	0	0	0	0	0
390	400	43	25	6	0	0	0	0	0	0	0	0
400	410	44	26	8	0	0	0	0	0	0	0	0
410	420	46	28	9	0	0	0	0	0	0	0	0
420	430	47	29	11	0	0	0	0	0	0	0	0
430	440	49	31	12	0	0	0	0	0	0	0	0
440	450	50	32	14	0	0	0	0	0	0	0	0
450	460	52	34	15	0	0	0	0	0	0	0	0
460	470	53	35	17	0	0	0	0	0	0	0	0
470	480	55	37	18	0	0	0	0	0	0	0	0
480	490	56	38	20	2	0	0	0	0	0	0	0
490	500	58	40	21	3	0	0	0	0	0	0	0
500	520	60	42	24	6	0	0	0	0	0	0	0
520	540	63	45	27	9	0	0	0	0	0	0	0
540	560	66	48	30	12	0	0	0	0	0	0	0
560	580	69	51	33	15	0	0	0	0	0	0	0
580	600	72	54	36	18	0	0	0	0	0	0	0
600	620	75	57	39	21	2	0	0	0	0	0	0
620	640	78	60	42	24	5	0	0	0	0	0	0
640	660	81	63	45	27	8	0	0	0	0	0	0
660	680	84	66	48	30	11	0	0	0	0	0	0
680	700	87	69	51	33	14	0	0	0	0	0	0
700	720	90	72	54	36	17	0	0	0	0	0	0
720	740	93	75	57	39	20	2	0	0	0	0	0
740	760	96	78	60	42	23	5	0	0	0	0	0
760	780	99	81	63	45	26	8	0	0	0	0	0
780	800	102	84	66	48	29	11	0	0	0	0	0
800	820	105	87	69	51	32	14	0	0	0	0	0
820	840	108	90	72	54	35	17	0	0	0	0	0

SINGLE Persons—SEMIMONTHLY Payroll Period
(For Wages Paid in 2001)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$840	\$860	111	93	75	57	38	20	2	0	0	0	0
860	880	114	96	78	60	41	23	5	0	0	0	0
880	900	117	99	81	63	44	26	8	0	0	0	0
900	920	120	102	84	66	47	29	11	0	0	0	0
920	940	123	105	87	69	50	32	14	0	0	0	0
940	960	126	108	90	72	53	35	17	0	0	0	0
960	980	129	111	93	75	56	38	20	2	0	0	0
980	1,000	132	114	96	78	59	41	23	5	0	0	0
1,000	1,020	135	117	99	81	62	44	26	8	0	0	0
1,020	1,040	138	120	102	84	65	47	29	11	0	0	0
1,040	1,060	141	123	105	87	68	50	32	14	0	0	0
1,060	1,080	144	126	108	90	71	53	35	17	0	0	0
1,080	1,100	147	129	111	93	74	56	38	20	2	0	0
1,100	1,120	150	132	114	96	77	59	41	23	5	0	0
1,120	1,140	153	135	117	99	80	62	44	26	8	0	0
1,140	1,160	156	138	120	102	83	65	47	29	11	0	0
1,160	1,180	159	141	123	105	86	68	50	32	14	0	0
1,180	1,200	162	144	126	108	89	71	53	35	17	0	0
1,200	1,220	167	147	129	111	92	74	56	38	20	2	0
1,220	1,240	172	150	132	114	95	77	59	41	23	5	0
1,240	1,260	178	153	135	117	98	80	62	44	26	8	0
1,260	1,280	184	156	138	120	101	83	65	47	29	11	0
1,280	1,300	189	159	141	123	104	86	68	50	32	14	0
1,300	1,320	195	162	144	126	107	89	71	53	35	17	0
1,320	1,340	200	167	147	129	110	92	74	56	38	20	2
1,340	1,360	206	172	150	132	113	95	77	59	41	23	5
1,360	1,380	212	178	153	135	116	98	80	62	44	26	8
1,380	1,400	217	183	156	138	119	101	83	65	47	29	11
1,400	1,420	223	189	159	141	122	104	86	68	50	32	14
1,420	1,440	228	195	162	144	125	107	89	71	53	35	17
1,440	1,460	234	200	166	147	128	110	92	74	56	38	20
1,460	1,480	240	206	172	150	131	113	95	77	59	41	23
1,480	1,500	245	211	178	153	134	116	98	80	62	44	26
1,500	1,520	251	217	183	156	137	119	101	83	65	47	29
1,520	1,540	256	223	189	159	140	122	104	86	68	50	32
1,540	1,560	262	228	194	162	143	125	107	89	71	53	35
1,560	1,580	268	234	200	166	146	128	110	92	74	56	38
1,580	1,600	273	239	206	172	149	131	113	95	77	59	41
1,600	1,620	279	245	211	177	152	134	116	98	80	62	44
1,620	1,640	284	251	217	183	155	137	119	101	83	65	47
1,640	1,660	290	256	222	188	158	140	122	104	86	68	50
1,660	1,680	296	262	228	194	161	143	125	107	89	71	53
1,680	1,700	301	267	234	200	166	146	128	110	92	74	56
1,700	1,720	307	273	239	205	171	149	131	113	95	77	59
1,720	1,740	312	279	245	211	177	152	134	116	98	80	62
1,740	1,760	318	284	250	216	183	155	137	119	101	83	65
1,760	1,780	324	290	256	222	188	158	140	122	104	86	68
1,780	1,800	329	295	262	228	194	161	143	125	107	89	71
1,800	1,820	335	301	267	233	199	166	146	128	110	92	74
1,820	1,840	340	307	273	239	205	171	149	131	113	95	77
1,840	1,860	346	312	278	244	211	177	152	134	116	98	80
1,860	1,880	352	318	284	250	216	182	155	137	119	101	83
1,880	1,900	357	323	290	256	222	188	158	140	122	104	86
1,900	1,920	363	329	295	261	227	194	161	143	125	107	89
1,920	1,940	368	335	301	267	233	199	165	146	128	110	92
1,940	1,960	374	340	306	272	239	205	171	149	131	113	95
1,960	1,980	380	346	312	278	244	210	177	152	134	116	98
1,980	2,000	385	351	318	284	250	216	182	155	137	119	101
2,000	2,020	391	357	323	289	255	222	188	158	140	122	104
2,020	2,040	396	363	329	295	261	227	193	161	143	125	107
2,040	2,060	402	368	334	300	267	233	199	165	146	128	110
2,060	2,080	408	374	340	306	272	238	205	171	149	131	113
2,080	2,100	413	379	346	312	278	244	210	176	152	134	116
2,100	2,120	419	385	351	317	283	250	216	182	155	137	119
2,120	2,140	424	391	357	323	289	255	221	188	158	140	122

\$2,140 and over

Use Table 3(a) for a SINGLE person on page 34. Also see the instructions on page 32.

MARRIED Persons—SEMIMONTHLY Payroll Period
(For Wages Paid in 2001)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$0	\$270	0	0	0	0	0	0	0	0	0	0	0
270	280	1	0	0	0	0	0	0	0	0	0	0
280	290	2	0	0	0	0	0	0	0	0	0	0
290	300	4	0	0	0	0	0	0	0	0	0	0
300	310	5	0	0	0	0	0	0	0	0	0	0
310	320	7	0	0	0	0	0	0	0	0	0	0
320	330	8	0	0	0	0	0	0	0	0	0	0
330	340	10	0	0	0	0	0	0	0	0	0	0
340	350	11	0	0	0	0	0	0	0	0	0	0
350	360	13	0	0	0	0	0	0	0	0	0	0
360	370	14	0	0	0	0	0	0	0	0	0	0
370	380	16	0	0	0	0	0	0	0	0	0	0
380	390	17	0	0	0	0	0	0	0	0	0	0
390	400	19	1	0	0	0	0	0	0	0	0	0
400	410	20	2	0	0	0	0	0	0	0	0	0
410	420	22	4	0	0	0	0	0	0	0	0	0
420	430	23	5	0	0	0	0	0	0	0	0	0
430	440	25	7	0	0	0	0	0	0	0	0	0
440	450	26	8	0	0	0	0	0	0	0	0	0
450	460	28	10	0	0	0	0	0	0	0	0	0
460	470	29	11	0	0	0	0	0	0	0	0	0
470	480	31	13	0	0	0	0	0	0	0	0	0
480	490	32	14	0	0	0	0	0	0	0	0	0
490	500	34	16	0	0	0	0	0	0	0	0	0
500	520	36	18	0	0	0	0	0	0	0	0	0
520	540	39	21	3	0	0	0	0	0	0	0	0
540	560	42	24	6	0	0	0	0	0	0	0	0
560	580	45	27	9	0	0	0	0	0	0	0	0
580	600	48	30	12	0	0	0	0	0	0	0	0
600	620	51	33	15	0	0	0	0	0	0	0	0
620	640	54	36	18	0	0	0	0	0	0	0	0
640	660	57	39	21	3	0	0	0	0	0	0	0
660	680	60	42	24	6	0	0	0	0	0	0	0
680	700	63	45	27	9	0	0	0	0	0	0	0
700	720	66	48	30	12	0	0	0	0	0	0	0
720	740	69	51	33	15	0	0	0	0	0	0	0
740	760	72	54	36	18	0	0	0	0	0	0	0
760	780	75	57	39	21	3	0	0	0	0	0	0
780	800	78	60	42	24	6	0	0	0	0	0	0
800	820	81	63	45	27	9	0	0	0	0	0	0
820	840	84	66	48	30	12	0	0	0	0	0	0
840	860	87	69	51	33	15	0	0	0	0	0	0
860	880	90	72	54	36	18	0	0	0	0	0	0
880	900	93	75	57	39	21	3	0	0	0	0	0
900	920	96	78	60	42	24	6	0	0	0	0	0
920	940	99	81	63	45	27	9	0	0	0	0	0
940	960	102	84	66	48	30	12	0	0	0	0	0
960	980	105	87	69	51	33	15	0	0	0	0	0
980	1,000	108	90	72	54	36	18	0	0	0	0	0
1,000	1,020	111	93	75	57	39	21	2	0	0	0	0
1,020	1,040	114	96	78	60	42	24	5	0	0	0	0
1,040	1,060	117	99	81	63	45	27	8	0	0	0	0
1,060	1,080	120	102	84	66	48	30	11	0	0	0	0
1,080	1,100	123	105	87	69	51	33	14	0	0	0	0
1,100	1,120	126	108	90	72	54	36	17	0	0	0	0
1,120	1,140	129	111	93	75	57	39	20	2	0	0	0
1,140	1,160	132	114	96	78	60	42	23	5	0	0	0
1,160	1,180	135	117	99	81	63	45	26	8	0	0	0
1,180	1,200	138	120	102	84	66	48	29	11	0	0	0
1,200	1,220	141	123	105	87	69	51	32	14	0	0	0
1,220	1,240	144	126	108	90	72	54	35	17	0	0	0
1,240	1,260	147	129	111	93	75	57	38	20	2	0	0
1,260	1,280	150	132	114	96	78	60	41	23	5	0	0
1,280	1,300	153	135	117	99	81	63	44	26	8	0	0
1,300	1,320	156	138	120	102	84	66	47	29	11	0	0
1,320	1,340	159	141	123	105	87	69	50	32	14	0	0
1,340	1,360	162	144	126	108	90	72	53	35	17	0	0
1,360	1,380	165	147	129	111	93	75	56	38	20	2	0
1,380	1,400	168	150	132	114	96	78	59	41	23	5	0
1,400	1,420	171	153	135	117	99	81	62	44	26	8	0

MARRIED Persons—SEMIMONTHLY Payroll Period (For Wages Paid in 2001)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$1,420	\$1,440	174	156	138	120	102	84	65	47	29	11	0
1,440	1,460	177	159	141	123	105	87	68	50	32	14	0
1,460	1,480	180	162	144	126	108	90	71	53	35	17	0
1,480	1,500	183	165	147	129	111	93	74	56	38	20	2
1,500	1,520	186	168	150	132	114	96	77	59	41	23	5
1,520	1,540	189	171	153	135	117	99	80	62	44	26	8
1,540	1,560	192	174	156	138	120	102	83	65	47	29	11
1,560	1,580	195	177	159	141	123	105	86	68	50	32	14
1,580	1,600	198	180	162	144	126	108	89	71	53	35	17
1,600	1,620	201	183	165	147	129	111	92	74	56	38	20
1,620	1,640	204	186	168	150	132	114	95	77	59	41	23
1,640	1,660	207	189	171	153	135	117	98	80	62	44	26
1,660	1,680	210	192	174	156	138	120	101	83	65	47	29
1,680	1,700	213	195	177	159	141	123	104	86	68	50	32
1,700	1,720	216	198	180	162	144	126	107	89	71	53	35
1,720	1,740	219	201	183	165	147	129	110	92	74	56	38
1,740	1,760	222	204	186	168	150	132	113	95	77	59	41
1,760	1,780	225	207	189	171	153	135	116	98	80	62	44
1,780	1,800	228	210	192	174	156	138	119	101	83	65	47
1,800	1,820	231	213	195	177	159	141	122	104	86	68	50
1,820	1,840	234	216	198	180	162	144	125	107	89	71	53
1,840	1,860	237	219	201	183	165	147	128	110	92	74	56
1,860	1,880	240	222	204	186	168	150	131	113	95	77	59
1,880	1,900	243	225	207	189	171	153	134	116	98	80	62
1,900	1,920	246	228	210	192	174	156	137	119	101	83	65
1,920	1,940	249	231	213	195	177	159	140	122	104	86	68
1,940	1,960	252	234	216	198	180	162	143	125	107	89	71
1,960	1,980	255	237	219	201	183	165	146	128	110	92	74
1,980	2,000	258	240	222	204	186	168	149	131	113	95	77
2,000	2,020	261	243	225	207	189	171	152	134	116	98	80
2,020	2,040	264	246	228	210	192	174	155	137	119	101	83
2,040	2,060	267	249	231	213	195	177	158	140	122	104	86
2,060	2,080	270	252	234	216	198	180	161	143	125	107	89
2,080	2,100	275	255	237	219	201	183	164	146	128	110	92
2,100	2,120	280	258	240	222	204	186	167	149	131	113	95
2,120	2,140	286	261	243	225	207	189	170	152	134	116	98
2,140	2,160	291	264	246	228	210	192	173	155	137	119	101
2,160	2,180	297	267	249	231	213	195	176	158	140	122	104
2,180	2,200	303	270	252	234	216	198	179	161	143	125	107
2,200	2,220	308	274	255	237	219	201	182	164	146	128	110
2,220	2,240	314	280	258	240	222	204	185	167	149	131	113
2,240	2,260	319	286	261	243	225	207	188	170	152	134	116
2,260	2,280	325	291	264	246	228	210	191	173	155	137	119
2,280	2,300	331	297	267	249	231	213	194	176	158	140	122
2,300	2,320	336	302	270	252	234	216	197	179	161	143	125
2,320	2,340	342	308	274	255	237	219	200	182	164	146	128
2,340	2,360	347	314	280	258	240	222	203	185	167	149	131
2,360	2,380	353	319	285	261	243	225	206	188	170	152	134
2,380	2,400	359	325	291	264	246	228	209	191	173	155	137
2,400	2,420	364	330	297	267	249	231	212	194	176	158	140
2,420	2,440	370	336	302	270	252	234	215	197	179	161	143
2,440	2,460	375	342	308	274	255	237	218	200	182	164	146
2,460	2,480	381	347	313	279	258	240	221	203	185	167	149
2,480	2,500	387	353	319	285	261	243	224	206	188	170	152
2,500	2,520	392	358	325	291	264	246	227	209	191	173	155
2,520	2,540	398	364	330	296	267	249	230	212	194	176	158
2,540	2,560	403	370	336	302	270	252	233	215	197	179	161
2,560	2,580	409	375	341	307	274	255	236	218	200	182	164
2,580	2,600	415	381	347	313	279	258	239	221	203	185	167
2,600	2,620	420	386	353	319	285	261	242	224	206	188	170
2,620	2,640	426	392	358	324	290	264	245	227	209	191	173
2,640	2,660	431	398	364	330	296	267	248	230	212	194	176
2,660	2,680	437	403	369	335	302	270	251	233	215	197	179
2,680	2,700	443	409	375	341	307	273	254	236	218	200	182
2,700	2,720	448	414	381	347	313	279	257	239	221	203	185

\$2,720 and over

Use Table 3(b) for a **MARRIED** person on page 34. Also see the instructions on page 32.

SINGLE Persons—MONTHLY Payroll Period
(For Wages Paid in 2001)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
The amount of income tax to be withheld is—												
\$0	\$220	0	0	0	0	0	0	0	0	0	0	0
220	230	1	0	0	0	0	0	0	0	0	0	0
230	240	2	0	0	0	0	0	0	0	0	0	0
240	250	4	0	0	0	0	0	0	0	0	0	0
250	260	5	0	0	0	0	0	0	0	0	0	0
260	270	7	0	0	0	0	0	0	0	0	0	0
270	280	8	0	0	0	0	0	0	0	0	0	0
280	290	10	0	0	0	0	0	0	0	0	0	0
290	300	11	0	0	0	0	0	0	0	0	0	0
300	320	13	0	0	0	0	0	0	0	0	0	0
320	340	16	0	0	0	0	0	0	0	0	0	0
340	360	19	0	0	0	0	0	0	0	0	0	0
360	380	22	0	0	0	0	0	0	0	0	0	0
380	400	25	0	0	0	0	0	0	0	0	0	0
400	420	28	0	0	0	0	0	0	0	0	0	0
420	440	31	0	0	0	0	0	0	0	0	0	0
440	460	34	0	0	0	0	0	0	0	0	0	0
460	480	37	1	0	0	0	0	0	0	0	0	0
480	500	40	4	0	0	0	0	0	0	0	0	0
500	520	43	7	0	0	0	0	0	0	0	0	0
520	540	46	10	0	0	0	0	0	0	0	0	0
540	560	49	13	0	0	0	0	0	0	0	0	0
560	580	52	16	0	0	0	0	0	0	0	0	0
580	600	55	19	0	0	0	0	0	0	0	0	0
600	640	60	24	0	0	0	0	0	0	0	0	0
640	680	66	30	0	0	0	0	0	0	0	0	0
680	720	72	36	0	0	0	0	0	0	0	0	0
720	760	78	42	5	0	0	0	0	0	0	0	0
760	800	84	48	11	0	0	0	0	0	0	0	0
800	840	90	54	17	0	0	0	0	0	0	0	0
840	880	96	60	23	0	0	0	0	0	0	0	0
880	920	102	66	29	0	0	0	0	0	0	0	0
920	960	108	72	35	0	0	0	0	0	0	0	0
960	1,000	114	78	41	5	0	0	0	0	0	0	0
1,000	1,040	120	84	47	11	0	0	0	0	0	0	0
1,040	1,080	126	90	53	17	0	0	0	0	0	0	0
1,080	1,120	132	96	59	23	0	0	0	0	0	0	0
1,120	1,160	138	102	65	29	0	0	0	0	0	0	0
1,160	1,200	144	108	71	35	0	0	0	0	0	0	0
1,200	1,240	150	114	77	41	5	0	0	0	0	0	0
1,240	1,280	156	120	83	47	11	0	0	0	0	0	0
1,280	1,320	162	126	89	53	17	0	0	0	0	0	0
1,320	1,360	168	132	95	59	23	0	0	0	0	0	0
1,360	1,400	174	138	101	65	29	0	0	0	0	0	0
1,400	1,440	180	144	107	71	35	0	0	0	0	0	0
1,440	1,480	186	150	113	77	41	5	0	0	0	0	0
1,480	1,520	192	156	119	83	47	11	0	0	0	0	0
1,520	1,560	198	162	125	89	53	17	0	0	0	0	0
1,560	1,600	204	168	131	95	59	23	0	0	0	0	0
1,600	1,640	210	174	137	101	65	29	0	0	0	0	0
1,640	1,680	216	180	143	107	71	35	0	0	0	0	0
1,680	1,720	222	186	149	113	77	41	4	0	0	0	0
1,720	1,760	228	192	155	119	83	47	10	0	0	0	0
1,760	1,800	234	198	161	125	89	53	16	0	0	0	0
1,800	1,840	240	204	167	131	95	59	22	0	0	0	0
1,840	1,880	246	210	173	137	101	65	28	0	0	0	0
1,880	1,920	252	216	179	143	107	71	34	0	0	0	0
1,920	1,960	258	222	185	149	113	77	40	4	0	0	0
1,960	2,000	264	228	191	155	119	83	46	10	0	0	0
2,000	2,040	270	234	197	161	125	89	52	16	0	0	0
2,040	2,080	276	240	203	167	131	95	58	22	0	0	0
2,080	2,120	282	246	209	173	137	101	64	28	0	0	0
2,120	2,160	288	252	215	179	143	107	70	34	0	0	0
2,160	2,200	294	258	221	185	149	113	76	40	4	0	0
2,200	2,240	300	264	227	191	155	119	82	46	10	0	0
2,240	2,280	306	270	233	197	161	125	88	52	16	0	0
2,280	2,320	312	276	239	203	167	131	94	58	22	0	0
2,320	2,360	318	282	245	209	173	137	100	64	28	0	0
2,360	2,400	324	288	251	215	179	143	106	70	34	0	0
2,400	2,440	334	294	257	221	185	149	112	76	40	4	0

SINGLE Persons—MONTHLY Payroll Period
(For Wages Paid in 2001)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$2,440	\$2,480	345	300	263	227	191	155	118	82	46	10	0
2,480	2,520	356	306	269	233	197	161	124	88	52	16	0
2,520	2,560	367	312	275	239	203	167	130	94	58	22	0
2,560	2,600	378	318	281	245	209	173	136	100	64	28	0
2,600	2,640	390	324	287	251	215	179	142	106	70	34	0
2,640	2,680	401	333	293	257	221	185	148	112	76	40	3
2,680	2,720	412	344	299	263	227	191	154	118	82	46	9
2,720	2,760	423	355	305	269	233	197	160	124	88	52	15
2,760	2,800	434	367	311	275	239	203	166	130	94	58	21
2,800	2,840	446	378	317	281	245	209	172	136	100	64	27
2,840	2,880	457	389	323	287	251	215	178	142	106	70	33
2,880	2,920	468	400	333	293	257	221	184	148	112	76	39
2,920	2,960	479	411	344	299	263	227	190	154	118	82	45
2,960	3,000	490	423	355	305	269	233	196	160	124	88	51
3,000	3,040	502	434	366	311	275	239	202	166	130	94	57
3,040	3,080	513	445	377	317	281	245	208	172	136	100	63
3,080	3,120	524	456	389	323	287	251	214	178	142	106	69
3,120	3,160	535	467	400	332	293	257	220	184	148	112	75
3,160	3,200	546	479	411	343	299	263	226	190	154	118	81
3,200	3,240	558	490	422	355	305	269	232	196	160	124	87
3,240	3,280	569	501	433	366	311	275	238	202	166	130	93
3,280	3,320	580	512	445	377	317	281	244	208	172	136	99
3,320	3,360	591	523	456	388	323	287	250	214	178	142	105
3,360	3,400	602	535	467	399	332	293	256	220	184	148	111
3,400	3,440	614	546	478	411	343	299	262	226	190	154	117
3,440	3,480	625	557	489	422	354	305	268	232	196	160	123
3,480	3,520	636	568	501	433	365	311	274	238	202	166	129
3,520	3,560	647	579	512	444	376	317	280	244	208	172	135
3,560	3,600	658	591	523	455	388	323	286	250	214	178	141
3,600	3,640	670	602	534	467	399	331	292	256	220	184	147
3,640	3,680	681	613	545	478	410	342	298	262	226	190	153
3,680	3,720	692	624	557	489	421	354	304	268	232	196	159
3,720	3,760	703	635	568	500	432	365	310	274	238	202	165
3,760	3,800	714	647	579	511	444	376	316	280	244	208	171
3,800	3,840	726	658	590	523	455	387	322	286	250	214	177
3,840	3,880	737	669	601	534	466	398	331	292	256	220	183
3,880	3,920	748	680	613	545	477	410	342	298	262	226	189
3,920	3,960	759	691	624	556	488	421	353	304	268	232	195
3,960	4,000	770	703	635	567	500	432	364	310	274	238	201
4,000	4,040	782	714	646	579	511	443	376	316	280	244	207
4,040	4,080	793	725	657	590	522	454	387	322	286	250	213
4,080	4,120	804	736	669	601	533	466	398	330	292	256	219
4,120	4,160	815	747	680	612	544	477	409	341	298	262	225
4,160	4,200	826	759	691	623	556	488	420	353	304	268	231
4,200	4,240	838	770	702	635	567	499	432	364	310	274	237
4,240	4,280	849	781	713	646	578	510	443	375	316	280	243
4,280	4,320	860	792	725	657	589	522	454	386	322	286	249
4,320	4,360	871	803	736	668	600	533	465	397	330	292	255
4,360	4,400	882	815	747	679	612	544	476	409	341	298	261
4,400	4,440	894	826	758	691	623	555	488	420	352	304	267
4,440	4,480	905	837	769	702	634	566	499	431	363	310	273
4,480	4,520	916	848	781	713	645	578	510	442	375	316	279
4,520	4,560	927	859	792	724	656	589	521	453	386	322	285
4,560	4,600	938	871	803	735	668	600	532	465	397	329	291
4,600	4,640	950	882	814	747	679	611	544	476	408	341	297
4,640	4,680	961	893	825	758	690	622	555	487	419	352	303
4,680	4,720	972	904	837	769	701	634	566	498	431	363	309
4,720	4,760	983	915	848	780	712	645	577	509	442	374	315
4,760	4,800	994	927	859	791	724	656	588	521	453	385	321
4,800	4,840	1,006	938	870	803	735	667	600	532	464	397	329
4,840	4,880	1,017	949	881	814	746	678	611	543	475	408	340
4,880	4,920	1,028	960	893	825	757	690	622	554	487	419	351
4,920	4,960	1,039	971	904	836	768	701	633	565	498	430	362
4,960	5,000	1,050	983	915	847	780	712	644	577	509	441	374
5,000	5,040	1,062	994	926	859	791	723	656	588	520	453	385

\$5,040 and over

Use Table 4(a) for a **SINGLE** person on page 34. Also see the instructions on page 32.

MARRIED Persons—MONTHLY Payroll Period
(For Wages Paid in 2001)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$0	\$540	0	0	0	0	0	0	0	0	0	0	0
540	560	2	0	0	0	0	0	0	0	0	0	0
560	580	5	0	0	0	0	0	0	0	0	0	0
580	600	8	0	0	0	0	0	0	0	0	0	0
600	640	12	0	0	0	0	0	0	0	0	0	0
640	680	18	0	0	0	0	0	0	0	0	0	0
680	720	24	0	0	0	0	0	0	0	0	0	0
720	760	30	0	0	0	0	0	0	0	0	0	0
760	800	36	0	0	0	0	0	0	0	0	0	0
800	840	42	6	0	0	0	0	0	0	0	0	0
840	880	48	12	0	0	0	0	0	0	0	0	0
880	920	54	18	0	0	0	0	0	0	0	0	0
920	960	60	24	0	0	0	0	0	0	0	0	0
960	1,000	66	30	0	0	0	0	0	0	0	0	0
1,000	1,040	72	36	0	0	0	0	0	0	0	0	0
1,040	1,080	78	42	6	0	0	0	0	0	0	0	0
1,080	1,120	84	48	12	0	0	0	0	0	0	0	0
1,120	1,160	90	54	18	0	0	0	0	0	0	0	0
1,160	1,200	96	60	24	0	0	0	0	0	0	0	0
1,200	1,240	102	66	30	0	0	0	0	0	0	0	0
1,240	1,280	108	72	36	0	0	0	0	0	0	0	0
1,280	1,320	114	78	42	6	0	0	0	0	0	0	0
1,320	1,360	120	84	48	12	0	0	0	0	0	0	0
1,360	1,400	126	90	54	18	0	0	0	0	0	0	0
1,400	1,440	132	96	60	24	0	0	0	0	0	0	0
1,440	1,480	138	102	66	30	0	0	0	0	0	0	0
1,480	1,520	144	108	72	36	0	0	0	0	0	0	0
1,520	1,560	150	114	78	42	5	0	0	0	0	0	0
1,560	1,600	156	120	84	48	11	0	0	0	0	0	0
1,600	1,640	162	126	90	54	17	0	0	0	0	0	0
1,640	1,680	168	132	96	60	23	0	0	0	0	0	0
1,680	1,720	174	138	102	66	29	0	0	0	0	0	0
1,720	1,760	180	144	108	72	35	0	0	0	0	0	0
1,760	1,800	186	150	114	78	41	5	0	0	0	0	0
1,800	1,840	192	156	120	84	47	11	0	0	0	0	0
1,840	1,880	198	162	126	90	53	17	0	0	0	0	0
1,880	1,920	204	168	132	96	59	23	0	0	0	0	0
1,920	1,960	210	174	138	102	65	29	0	0	0	0	0
1,960	2,000	216	180	144	108	71	35	0	0	0	0	0
2,000	2,040	222	186	150	114	77	41	5	0	0	0	0
2,040	2,080	228	192	156	120	83	47	11	0	0	0	0
2,080	2,120	234	198	162	126	89	53	17	0	0	0	0
2,120	2,160	240	204	168	132	95	59	23	0	0	0	0
2,160	2,200	246	210	174	138	101	65	29	0	0	0	0
2,200	2,240	252	216	180	144	107	71	35	0	0	0	0
2,240	2,280	258	222	186	150	113	77	41	5	0	0	0
2,280	2,320	264	228	192	156	119	83	47	11	0	0	0
2,320	2,360	270	234	198	162	125	89	53	17	0	0	0
2,360	2,400	276	240	204	168	131	95	59	23	0	0	0
2,400	2,440	282	246	210	174	137	101	65	29	0	0	0
2,440	2,480	288	252	216	180	143	107	71	35	0	0	0
2,480	2,520	294	258	222	186	149	113	77	41	4	0	0
2,520	2,560	300	264	228	192	155	119	83	47	10	0	0
2,560	2,600	306	270	234	198	161	125	89	53	16	0	0
2,600	2,640	312	276	240	204	167	131	95	59	22	0	0
2,640	2,680	318	282	246	210	173	137	101	65	28	0	0
2,680	2,720	324	288	252	216	179	143	107	71	34	0	0
2,720	2,760	330	294	258	222	185	149	113	77	40	4	0
2,760	2,800	336	300	264	228	191	155	119	83	46	10	0
2,800	2,840	342	306	270	234	197	161	125	89	52	16	0
2,840	2,880	348	312	276	240	203	167	131	95	58	22	0
2,880	2,920	354	318	282	246	209	173	137	101	64	28	0
2,920	2,960	360	324	288	252	215	179	143	107	70	34	0
2,960	3,000	366	330	294	258	221	185	149	113	76	40	4
3,000	3,040	372	336	300	264	227	191	155	119	82	46	10
3,040	3,080	378	342	306	270	233	197	161	125	88	52	16
3,080	3,120	384	348	312	276	239	203	167	131	94	58	22
3,120	3,160	390	354	318	282	245	209	173	137	100	64	28
3,160	3,200	396	360	324	288	251	215	179	143	106	70	34
3,200	3,240	402	366	330	294	257	221	185	149	112	76	40

MARRIED Persons—MONTHLY Payroll Period
(For Wages Paid in 2001)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$3,240	\$3,280	408	372	336	300	263	227	191	155	118	82	46
3,280	3,320	414	378	342	306	269	233	197	161	124	88	52
3,320	3,360	420	384	348	312	275	239	203	167	130	94	58
3,360	3,400	426	390	354	318	281	245	209	173	136	100	64
3,400	3,440	432	396	360	324	287	251	215	179	142	106	70
3,440	3,480	438	402	366	330	293	257	221	185	148	112	76
3,480	3,520	444	408	372	336	299	263	227	191	154	118	82
3,520	3,560	450	414	378	342	305	269	233	197	160	124	88
3,560	3,600	456	420	384	348	311	275	239	203	166	130	94
3,600	3,640	462	426	390	354	317	281	245	209	172	136	100
3,640	3,680	468	432	396	360	323	287	251	215	178	142	106
3,680	3,720	474	438	402	366	329	293	257	221	184	148	112
3,720	3,760	480	444	408	372	335	299	263	227	190	154	118
3,760	3,800	486	450	414	378	341	305	269	233	196	160	124
3,800	3,840	492	456	420	384	347	311	275	239	202	166	130
3,840	3,880	498	462	426	390	353	317	281	245	208	172	136
3,880	3,920	504	468	432	396	359	323	287	251	214	178	142
3,920	3,960	510	474	438	402	365	329	293	257	220	184	148
3,960	4,000	516	480	444	408	371	335	299	263	226	190	154
4,000	4,040	522	486	450	414	377	341	305	269	232	196	160
4,040	4,080	528	492	456	420	383	347	311	275	238	202	166
4,080	4,120	534	498	462	426	389	353	317	281	244	208	172
4,120	4,160	540	504	468	432	395	359	323	287	250	214	178
4,160	4,200	549	510	474	438	401	365	329	293	256	220	184
4,200	4,240	560	516	480	444	407	371	335	299	262	226	190
4,240	4,280	572	522	486	450	413	377	341	305	268	232	196
4,280	4,320	583	528	492	456	419	383	347	311	274	238	202
4,320	4,360	594	534	498	462	425	389	353	317	280	244	208
4,360	4,400	605	540	504	468	431	395	359	323	286	250	214
4,400	4,440	616	549	510	474	437	401	365	329	292	256	220
4,440	4,480	628	560	516	480	443	407	371	335	298	262	226
4,480	4,520	639	571	522	486	449	413	377	341	304	268	232
4,520	4,560	650	582	528	492	455	419	383	347	310	274	238
4,560	4,600	661	594	534	498	461	425	389	353	316	280	244
4,600	4,640	672	605	540	504	467	431	395	359	322	286	250
4,640	4,680	684	616	548	510	473	437	401	365	328	292	256
4,680	4,720	695	627	559	516	479	443	407	371	334	298	262
4,720	4,760	706	638	571	522	485	449	413	377	340	304	268
4,760	4,800	717	650	582	528	491	455	419	383	346	310	274
4,800	4,840	728	661	593	534	497	461	425	389	352	316	280
4,840	4,880	740	672	604	540	503	467	431	395	358	322	286
4,880	4,920	751	683	615	548	509	473	437	401	364	328	292
4,920	4,960	762	694	627	559	515	479	443	407	370	334	298
4,960	5,000	773	706	638	570	521	485	449	413	376	340	304
5,000	5,040	784	717	649	581	527	491	455	419	382	346	310
5,040	5,080	796	728	660	593	533	497	461	425	388	352	316
5,080	5,120	807	739	671	604	539	503	467	431	394	358	322
5,120	5,160	818	750	683	615	547	509	473	437	400	364	328
5,160	5,200	829	762	694	626	559	515	479	443	406	370	334
5,200	5,240	840	773	705	637	570	521	485	449	412	376	340
5,240	5,280	852	784	716	649	581	527	491	455	418	382	346
5,280	5,320	863	795	727	660	592	533	497	461	424	388	352
5,320	5,360	874	806	739	671	603	539	503	467	430	394	358
5,360	5,400	885	818	750	682	615	547	509	473	436	400	364
5,400	5,440	896	829	761	693	626	558	515	479	442	406	370
5,440	5,480	908	840	772	705	637	569	521	485	448	412	376
5,480	5,520	919	851	783	716	648	580	527	491	454	418	382
5,520	5,560	930	862	795	727	659	592	533	497	460	424	388
5,560	5,600	941	874	806	738	671	603	539	503	466	430	394
5,600	5,640	952	885	817	749	682	614	546	509	472	436	400
5,640	5,680	964	896	828	761	693	625	558	515	478	442	406
5,680	5,720	975	907	839	772	704	636	569	521	484	448	412
5,720	5,760	986	918	851	783	715	648	580	527	490	454	418
5,760	5,800	997	930	862	794	727	659	591	533	496	460	424
5,800	5,840	1,008	941	873	805	738	670	602	539	502	466	430

\$5,840 and over

Use Table 4(b) for a MARRIED person on page 34. Also see the instructions on page 32.

SINGLE Persons—DAILY OR MISCELLANEOUS Payroll Period
(For Wages Paid in 2001)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$0	\$15	0	0	0	0	0	0	0	0	0	0	0
15	18	1	0	0	0	0	0	0	0	0	0	0
18	21	1	0	0	0	0	0	0	0	0	0	0
21	24	2	0	0	0	0	0	0	0	0	0	0
24	27	2	1	0	0	0	0	0	0	0	0	0
27	30	3	1	0	0	0	0	0	0	0	0	0
30	33	3	2	0	0	0	0	0	0	0	0	0
33	36	4	2	0	0	0	0	0	0	0	0	0
36	39	4	2	1	0	0	0	0	0	0	0	0
39	42	5	3	1	0	0	0	0	0	0	0	0
42	45	5	3	2	0	0	0	0	0	0	0	0
45	48	5	4	2	0	0	0	0	0	0	0	0
48	51	6	4	3	1	0	0	0	0	0	0	0
51	54	6	5	3	1	0	0	0	0	0	0	0
54	57	7	5	3	2	0	0	0	0	0	0	0
57	60	7	6	4	2	1	0	0	0	0	0	0
60	63	8	6	4	3	1	0	0	0	0	0	0
63	66	8	6	5	3	1	0	0	0	0	0	0
66	69	9	7	5	4	2	0	0	0	0	0	0
69	72	9	7	6	4	2	1	0	0	0	0	0
72	75	9	8	6	4	3	1	0	0	0	0	0
75	78	10	8	7	5	3	2	0	0	0	0	0
78	81	10	9	7	5	4	2	0	0	0	0	0
81	84	11	9	8	6	4	2	1	0	0	0	0
84	87	11	10	8	6	5	3	1	0	0	0	0
87	90	12	10	8	7	5	3	2	0	0	0	0
90	93	12	11	9	7	6	4	2	0	0	0	0
93	96	13	11	9	8	6	4	3	1	0	0	0
96	99	13	11	10	8	6	5	3	1	0	0	0
99	102	14	12	10	9	7	5	4	2	0	0	0
102	105	14	12	11	9	7	6	4	2	1	0	0
105	108	14	13	11	9	8	6	4	3	1	0	0
108	111	15	13	12	10	8	7	5	3	2	0	0
111	114	16	14	12	10	9	7	5	4	2	0	0
114	117	16	14	12	11	9	7	6	4	2	1	0
117	120	17	15	13	11	10	8	6	5	3	1	0
120	123	18	15	13	12	10	8	7	5	3	2	0
123	126	19	16	14	12	10	9	7	5	4	2	0
126	129	20	17	14	13	11	9	8	6	4	3	1
129	132	21	18	15	13	11	10	8	6	5	3	1
132	135	22	18	15	13	12	10	8	7	5	3	2
135	138	22	19	16	14	12	11	9	7	6	4	2
138	141	23	20	17	14	13	11	9	8	6	4	3
141	144	24	21	18	15	13	11	10	8	6	5	3
144	147	25	22	19	15	14	12	10	9	7	5	4
147	150	26	23	19	16	14	12	11	9	7	6	4
150	153	27	23	20	17	15	13	11	9	8	6	4
153	156	27	24	21	18	15	13	12	10	8	7	5
156	159	28	25	22	19	16	14	12	10	9	7	5
159	162	29	26	23	20	17	14	13	11	9	7	6
162	165	30	27	24	21	17	15	13	11	10	8	6
165	168	31	28	24	21	18	15	13	12	10	8	7
168	171	32	28	25	22	19	16	14	12	11	9	7
171	174	32	29	26	23	20	17	14	13	11	9	8
174	177	33	30	27	24	21	18	15	13	11	10	8
177	180	34	31	28	25	22	18	15	14	12	10	9
180	183	35	32	29	26	22	19	16	14	12	11	9
183	186	36	33	30	26	23	20	17	14	13	11	9
186	189	37	33	30	27	24	21	18	15	13	12	10
189	192	37	34	31	28	25	22	19	16	14	12	10
192	195	38	35	32	29	26	23	20	16	14	12	11
195	198	39	36	33	30	27	24	20	17	15	13	11
198	201	40	37	34	31	27	24	21	18	15	13	12
201	204	41	38	35	31	28	25	22	19	16	14	12
204	207	42	39	35	32	29	26	23	20	17	14	13
207	210	43	39	36	33	30	27	24	21	18	15	13
210	213	43	40	37	34	31	28	25	21	18	15	13
213	216	44	41	38	35	32	29	25	22	19	16	14
216	219	45	42	39	36	33	29	26	23	20	17	14
219	222	46	43	40	36	33	30	27	24	21	18	15

SINGLE Persons—DAILY OR MISCELLANEOUS Payroll Period
(For Wages Paid in 2001)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$222	\$225	47	44	40	37	34	31	28	25	22	19	15
225	228	48	44	41	38	35	32	29	26	23	19	16
228	231	48	45	42	39	36	33	30	27	23	20	17
231	234	49	46	43	40	37	34	30	27	24	21	18
234	237	50	47	44	41	38	34	31	28	25	22	19
237	240	51	48	45	42	38	35	32	29	26	23	20
240	243	52	49	45	42	39	36	33	30	27	24	21
243	246	53	49	46	43	40	37	34	31	28	24	21
246	249	54	50	47	44	41	38	35	32	28	25	22
249	252	55	51	48	45	42	39	36	32	29	26	23
252	255	56	52	49	46	43	39	36	33	30	27	24
255	258	56	53	50	47	43	40	37	34	31	28	25
258	261	57	54	51	47	44	41	38	35	32	29	26
261	264	58	55	51	48	45	42	39	36	33	30	26
264	267	59	56	52	49	46	43	40	37	33	30	27
267	270	60	57	53	50	47	44	41	37	34	31	28
270	273	61	58	54	51	48	45	41	38	35	32	29
273	276	62	59	55	52	48	45	42	39	36	33	30
276	279	63	60	56	53	49	46	43	40	37	34	31
279	282	64	60	57	54	50	47	44	41	38	35	31
282	285	65	61	58	54	51	48	45	42	39	35	32
285	288	66	62	59	55	52	49	46	42	39	36	33
288	291	67	63	60	56	53	50	46	43	40	37	34
291	294	68	64	61	57	54	50	47	44	41	38	35
294	297	69	65	62	58	55	51	48	45	42	39	36
297	300	69	66	63	59	56	52	49	46	43	40	36
300	303	70	67	63	60	57	53	50	47	44	40	37
303	306	71	68	64	61	58	54	51	48	44	41	38
306	309	72	69	65	62	58	55	52	48	45	42	39
309	312	73	70	66	63	59	56	52	49	46	43	40
312	315	74	71	67	64	60	57	53	50	47	44	41
315	318	75	72	68	65	61	58	54	51	48	45	42
318	321	76	73	69	66	62	59	55	52	49	45	42
321	324	77	73	70	67	63	60	56	53	49	46	43
324	327	78	74	71	67	64	61	57	54	50	47	44
327	330	79	75	72	68	65	61	58	55	51	48	45
330	333	80	76	73	69	66	62	59	56	52	49	46
333	336	81	77	74	70	67	63	60	56	53	50	47
336	339	82	78	75	71	68	64	61	57	54	51	47
339	341	82	79	75	72	69	65	62	58	55	51	48
341	343	83	80	76	73	69	66	62	59	55	52	49
343	345	84	80	77	73	70	66	63	59	56	52	49
345	347	84	81	77	74	70	67	63	60	57	53	50
347	349	85	81	78	74	71	68	64	61	57	54	50
349	351	85	82	79	75	72	68	65	61	58	54	51
351	353	86	83	79	76	72	69	65	62	58	55	51
353	355	87	83	80	76	73	69	66	62	59	56	52
355	357	87	84	80	77	73	70	67	63	60	56	53
357	359	88	84	81	78	74	71	67	64	60	57	53
359	361	89	85	82	78	75	71	68	64	61	57	54
361	363	89	86	82	79	75	72	68	65	62	58	55
363	365	90	86	83	79	76	72	69	66	62	59	55
365	367	90	87	83	80	77	73	70	66	63	59	56
367	369	91	88	84	81	77	74	70	67	63	60	56
369	371	92	88	85	81	78	74	71	67	64	61	57
371	373	92	89	85	82	78	75	72	68	65	61	58
373	375	93	89	86	83	79	76	72	69	65	62	58
375	377	94	90	87	83	80	76	73	69	66	62	59
377	379	94	91	87	84	80	77	73	70	66	63	60
379	381	95	91	88	84	81	77	74	71	67	64	60
381	383	95	92	88	85	82	78	75	71	68	64	61
383	385	96	93	89	86	82	79	75	72	68	65	61
385	387	97	93	90	86	83	79	76	72	69	65	62
387	389	97	94	90	87	83	80	76	73	70	66	63
389	391	98	94	91	87	84	81	77	74	70	67	63

\$391 and over

Use Table 8(a) for a **SINGLE** person on page 35. Also see the instructions on page 32.

MARRIED Persons—DAILY OR MISCELLANEOUS Payroll Period
(For Wages Paid in 2001)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$0	\$27	0	0	0	0	0	0	0	0	0	0	0
27	30	1	0	0	0	0	0	0	0	0	0	0
30	33	1	0	0	0	0	0	0	0	0	0	0
33	36	1	0	0	0	0	0	0	0	0	0	0
36	39	2	0	0	0	0	0	0	0	0	0	0
39	42	2	1	0	0	0	0	0	0	0	0	0
42	45	3	1	0	0	0	0	0	0	0	0	0
45	48	3	2	0	0	0	0	0	0	0	0	0
48	51	4	2	0	0	0	0	0	0	0	0	0
51	54	4	2	1	0	0	0	0	0	0	0	0
54	57	5	3	1	0	0	0	0	0	0	0	0
57	60	5	3	2	0	0	0	0	0	0	0	0
60	63	6	4	2	0	0	0	0	0	0	0	0
63	66	6	4	3	1	0	0	0	0	0	0	0
66	69	6	5	3	1	0	0	0	0	0	0	0
69	72	7	5	4	2	0	0	0	0	0	0	0
72	75	7	6	4	2	1	0	0	0	0	0	0
75	78	8	6	4	3	1	0	0	0	0	0	0
78	81	8	7	5	3	2	0	0	0	0	0	0
81	84	9	7	5	4	2	0	0	0	0	0	0
84	87	9	7	6	4	2	1	0	0	0	0	0
87	90	10	8	6	5	3	1	0	0	0	0	0
90	93	10	8	7	5	3	2	0	0	0	0	0
93	96	10	9	7	5	4	2	0	0	0	0	0
96	99	11	9	8	6	4	3	1	0	0	0	0
99	102	11	10	8	6	5	3	1	0	0	0	0
102	105	12	10	8	7	5	3	2	0	0	0	0
105	108	12	11	9	7	6	4	2	1	0	0	0
108	111	13	11	9	8	6	4	3	1	0	0	0
111	114	13	11	10	8	6	5	3	1	0	0	0
114	117	14	12	10	9	7	5	4	2	0	0	0
117	120	14	12	11	9	7	6	4	2	1	0	0
120	123	15	13	11	9	8	6	4	3	1	0	0
123	126	15	13	12	10	8	7	5	3	2	0	0
126	129	15	14	12	10	9	7	5	4	2	0	0
129	132	16	14	13	11	9	7	6	4	2	1	0
132	135	16	15	13	11	10	8	6	5	3	1	0
135	138	17	15	13	12	10	8	7	5	3	2	0
138	141	17	16	14	12	11	9	7	5	4	2	0
141	144	18	16	14	13	11	9	8	6	4	3	1
144	147	18	16	15	13	11	10	8	6	5	3	1
147	150	19	17	15	14	12	10	9	7	5	3	2
150	153	19	17	16	14	12	11	9	7	6	4	2
153	156	19	18	16	14	13	11	9	8	6	4	3
156	159	20	18	17	15	13	12	10	8	7	5	3
159	162	20	19	17	15	14	12	10	9	7	5	4
162	165	21	19	17	16	14	12	11	9	7	6	4
165	168	21	20	18	16	15	13	11	10	8	6	5
168	171	22	20	18	17	15	13	12	10	8	7	5
171	174	22	20	19	17	15	14	12	10	9	7	5
174	177	23	21	19	18	16	14	13	11	9	8	6
177	180	23	21	20	18	16	15	13	11	10	8	6
180	183	24	22	20	18	17	15	13	12	10	8	7
183	186	24	22	21	19	17	16	14	12	11	9	7
186	189	24	23	21	19	18	16	14	13	11	9	8
189	192	25	23	22	20	18	16	15	13	11	10	8
192	195	26	24	22	20	19	17	15	14	12	10	9
195	198	26	24	22	21	19	17	16	14	12	11	9
198	201	27	25	23	21	20	18	16	14	13	11	9
201	204	28	25	23	22	20	18	17	15	13	12	10
204	207	29	26	24	22	20	19	17	15	14	12	10
207	210	30	27	24	23	21	19	18	16	14	12	11
210	213	31	27	25	23	21	20	18	16	15	13	11
213	216	31	28	25	23	22	20	18	17	15	13	12
216	219	32	29	26	24	22	21	19	17	16	14	12
219	222	33	30	27	24	23	21	19	18	16	14	13
222	225	34	31	28	25	23	21	20	18	16	15	13
225	228	35	32	29	25	24	22	20	19	17	15	14
228	231	36	32	29	26	24	22	21	19	17	16	14
231	234	36	33	30	27	24	23	21	19	18	16	14

MARRIED Persons—DAILY OR MISCELLANEOUS Payroll Period
(For Wages Paid in 2001)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$234	\$237	37	34	31	28	25	23	22	20	18	17	15
237	240	38	35	32	29	26	24	22	20	19	17	15
240	243	39	36	33	30	26	24	22	21	19	17	16
243	246	40	37	34	30	27	25	23	21	20	18	16
246	249	41	38	34	31	28	25	23	22	20	18	17
249	252	41	38	35	32	29	26	24	22	20	19	17
252	255	42	39	36	33	30	27	24	23	21	19	18
255	258	43	40	37	34	31	28	25	23	21	20	18
258	261	44	41	38	35	31	28	25	23	22	20	18
261	264	45	42	39	35	32	29	26	24	22	21	19
264	267	46	43	39	36	33	30	27	24	23	21	19
267	270	47	43	40	37	34	31	28	25	23	21	20
270	273	47	44	41	38	35	32	29	25	24	22	20
273	276	48	45	42	39	36	33	29	26	24	22	21
276	279	49	46	43	40	37	33	30	27	25	23	21
279	282	50	47	44	40	37	34	31	28	25	23	22
282	285	51	48	44	41	38	35	32	29	26	24	22
285	288	52	48	45	42	39	36	33	30	27	24	23
288	291	52	49	46	43	40	37	34	31	27	25	23
291	294	53	50	47	44	41	38	34	31	28	25	23
294	297	54	51	48	45	42	38	35	32	29	26	24
297	300	55	52	49	46	42	39	36	33	30	27	24
300	303	56	53	50	46	43	40	37	34	31	28	25
303	306	57	53	50	47	44	41	38	35	32	28	25
306	309	57	54	51	48	45	42	39	36	32	29	26
309	312	58	55	52	49	46	43	40	36	33	30	27
312	315	59	56	53	50	47	43	40	37	34	31	28
315	318	60	57	54	51	47	44	41	38	35	32	29
318	321	61	58	55	51	48	45	42	39	36	33	30
321	324	62	59	55	52	49	46	43	40	37	34	30
324	327	62	59	56	53	50	47	44	41	37	34	31
327	330	63	60	57	54	51	48	45	41	38	35	32
330	333	64	61	58	55	52	49	45	42	39	36	33
333	336	65	62	59	56	52	49	46	43	40	37	34
336	339	66	63	60	56	53	50	47	44	41	38	35
339	341	67	63	60	57	54	51	48	45	42	38	35
341	343	67	64	61	58	55	51	48	45	42	39	36
343	345	68	65	61	58	55	52	49	46	43	40	36
345	347	68	65	62	59	56	53	49	46	43	40	37
347	349	69	66	63	59	56	53	50	47	44	41	38
349	351	69	66	63	60	57	54	51	47	44	41	38
351	353	70	67	64	61	57	54	51	48	45	42	39
353	355	70	67	64	61	58	55	52	49	45	42	39
355	357	71	68	65	62	59	55	52	49	46	43	40
357	359	72	68	65	62	59	56	53	50	47	43	40
359	361	72	69	66	63	60	57	53	50	47	44	41
361	363	73	70	66	63	60	57	54	51	48	45	41
363	365	73	70	67	64	61	58	55	51	48	45	42
365	367	74	71	68	64	61	58	55	52	49	46	43
367	369	74	71	68	65	62	59	56	53	49	46	43
369	371	75	72	69	66	62	59	56	53	50	47	44
371	373	75	72	69	66	63	60	57	54	51	47	44
373	375	76	73	70	67	64	60	57	54	51	48	45
375	377	77	73	70	67	64	61	58	55	52	49	45
377	379	77	74	71	68	65	62	58	55	52	49	46
379	381	78	75	71	68	65	62	59	56	53	50	46
381	383	78	75	72	69	66	63	60	56	53	50	47
383	385	79	76	73	69	66	63	60	57	54	51	48
385	387	79	76	73	70	67	64	61	58	54	51	48
387	389	80	77	74	71	67	64	61	58	55	52	49
389	391	81	77	74	71	68	65	62	59	56	52	49
391	393	81	78	75	72	69	65	62	59	56	53	50
393	395	82	79	75	72	69	66	63	60	57	54	50
395	397	82	79	76	73	70	67	63	60	57	54	51
397	399	83	80	77	73	70	67	64	61	58	55	52

\$399 and over

Use Table 8(b) for a MARRIED person on page 35. Also see the instructions on page 32.

Tables for Percentage Method of Advance EIC Payments

(For Wages Paid in 2001)

Table 1. WEEKLY Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate			(b) MARRIED With Both Spouses Filing Certificate		
If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—		Over—	But not over—	
\$0	\$137 . . .	20.40% of wages	\$0	\$68 . . .	20.40% of wages
\$137	\$251 . . .	\$28	\$68	\$125 . . .	\$14
\$251	. . . . .	\$28 less 9.588% of wages in excess of \$251	\$125	. . . . .	\$14 less 9.588% of wages in excess of \$125

Table 2. BIWEEKLY Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate			(b) MARRIED With Both Spouses Filing Certificate		
If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—		Over—	But not over—	
\$0	\$274 . . .	20.40% of wages	\$0	\$137 . . .	20.40% of wages
\$274	\$503 . . .	\$56	\$137	\$251 . . .	\$28
\$503	. . . . .	\$56 less 9.588% of wages in excess of \$503	\$251	. . . . .	\$28 less 9.588% of wages in excess of \$251

Table 3. SEMIMONTHLY Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate			(b) MARRIED With Both Spouses Filing Certificate		
If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—		Over—	But not over—	
\$0	\$297 . . .	20.40% of wages	\$0	\$148 . . .	20.40% of wages
\$297	\$545 . . .	\$61	\$148	\$272 . . .	\$30
\$545	. . . . .	\$61 less 9.588% of wages in excess of \$545	\$272	. . . . .	\$30 less 9.588% of wages in excess of \$272

Table 4. MONTHLY Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate			(b) MARRIED With Both Spouses Filing Certificate		
If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—			Over—	But not over—	
\$0	\$595 . . .	20.40% of wages	\$0	\$297 . . .	20.40% of wages
\$595	\$1,090 . . .	\$121	\$297	\$545 . . .	\$61
\$1,090	. . . . .	\$121 less 9.588% of wages in excess of \$1,090	\$545	. . . . .	\$61 less 9.588% of wages in excess of \$545

Tables for Percentage Method of Advance EIC Payments (Continued)

(For Wages Paid in 2001)

Table 5. QUARTERLY Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate			(b) MARRIED With Both Spouses Filing Certificate		
If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—		Over—	But not over—	
\$0	\$1,785 . . .	20.40% of wages	\$0	\$892 . . .	20.40% of wages
\$1,785	\$3,272 . . .	\$364	\$892	\$1,636 . . .	\$182
\$3,272	. . . . .	\$364 less 9.588% of wages in excess of \$3,272	\$1,636	. . . . .	\$182 less 9.588% of wages in excess of \$1,636

Table 6. SEMIANNUAL Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate			(b) MARRIED With Both Spouses Filing Certificate		
If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—		Over—	But not over—	
\$0	\$3,570 . . .	20.40% of wages	\$0	\$1,785 . . .	20.40% of wages
\$3,570	\$6,545 . . .	\$728	\$1,785	\$3,272 . . .	\$364
\$6,545	. . . . .	\$728 less 9.588% of wages in excess of \$6,545	\$3,272	. . . . .	\$364 less 9.588% of wages in excess of \$3,272

Table 7. ANNUAL Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate			(b) MARRIED With Both Spouses Filing Certificate		
If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—		Over—	But not over—	
\$0	\$7,140 . . .	20.40% of wages	\$0	\$3,570 . . .	20.40% of wages
\$7,140	\$13,090 . . .	\$1,457	\$3,570	\$6,545 . . .	\$728
\$13,090	. . . . .	\$1,457 less 9.588% of wages in excess of \$13,090	\$6,545	. . . . .	\$728 less 9.588% of wages in excess of \$6,545

Table 8. DAILY or MISCELLANEOUS Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate			(b) MARRIED With Both Spouses Filing Certificate		
If the wages divided by the number of days in such period (before deducting withholding allowances) are:		The amount of payment to be made is the following amount multiplied by the number of days in such period:	If the wages divided by the number of days in such period (before deducting withholding allowances) are:		The amount of payment to be made is the following amount multiplied by the number of days in such period:
Over—	But not over—		Over—	But not over—	
\$0	\$27	20.40% of wages	\$0	\$13	20.40% of wages
\$27	\$50	\$6	\$13	\$25	\$3
\$50	. . . . .	\$6 less 9.588% of wages in excess of \$50	\$25	. . . . .	\$3 less 9.588% of wages in excess of \$25

Tables for Wage Bracket Method of Advance EIC Payments (For Wages Paid in 2001)

WEEKLY Payroll Period

SINGLE or MARRIED Without Spouse Filing Certificate

Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$75	\$80	\$15	\$270	\$280	\$25	\$420	\$430	\$11
5	10	1	80	85	16	280	290	24	430	440	10
10	15	2	85	90	17	290	300	23	440	450	9
15	20	3	90	95	18	300	310	22	450	460	8
20	25	4	95	100	19	310	320	21	460	470	7
25	30	5	100	105	20	320	330	21	470	480	6
30	35	6	105	110	21	330	340	20	480	490	5
35	40	7	110	115	22	340	350	19	490	500	4
40	45	8	115	120	23	350	360	18	500	510	3
45	50	9	120	125	24	360	370	17	510	520	2
50	55	10	125	130	26	370	380	16	520	530	1
55	60	11	130	135	27	380	390	15	530	- - -	0
60	65	12	135	250	28	390	400	14			
65	70	13	250	260	27	400	410	13			
70	75	14	260	270	26	410	420	12			

MARRIED With Both Spouses Filing Certificate

Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$40	\$45	\$8	\$135	\$145	\$12	\$205	\$215	\$5
5	10	1	45	50	9	145	155	11	215	225	4
10	15	2	50	55	10	155	165	10	225	235	4
15	20	3	55	60	11	165	175	9	235	245	3
20	25	4	60	65	12	175	185	8	245	255	2
25	30	5	65	125	13	185	195	7	255	265	1
30	35	6	125	135	13	195	205	6	265	- - -	0
35	40	7									

BIWEEKLY Payroll Period

SINGLE or MARRIED Without Spouse Filing Certificate

Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$145	\$150	\$30	\$530	\$540	\$53	\$820	\$830	\$25
5	10	1	150	155	31	540	550	52	830	840	24
10	15	2	155	160	32	550	560	51	840	850	23
15	20	3	160	165	33	560	570	50	850	860	22
20	25	4	165	170	34	570	580	49	860	870	21
25	30	5	170	175	35	580	590	48	870	880	20
30	35	6	175	180	36	590	600	47	880	890	19
35	40	7	180	185	37	600	610	46	890	900	18
40	45	8	185	190	38	610	620	45	900	910	17
45	50	9	190	195	39	620	630	44	910	920	16
50	55	10	195	200	40	630	640	43	920	930	15
55	60	11	200	205	41	640	650	42	930	940	14
60	65	12	205	210	42	650	660	41	940	950	13
65	70	13	210	215	43	660	670	40	950	960	12
70	75	14	215	220	44	670	680	39	960	970	11
75	80	15	220	225	45	680	690	38	970	980	10
80	85	16	225	230	46	690	700	37	980	990	9
85	90	17	230	235	47	700	710	36	990	1,000	8
90	95	18	235	240	48	710	720	35	1,000	1,010	7
95	100	19	240	245	49	720	730	34	1,010	1,020	7
100	105	20	245	250	50	730	740	33	1,020	1,030	6
105	110	21	250	255	51	740	750	32	1,030	1,040	5
110	115	22	255	260	52	750	760	31	1,040	1,050	4
115	120	23	260	265	53	760	770	30	1,050	1,060	3
120	125	24	265	270	54	770	780	30	1,060	1,070	2
125	130	26	270	500	55	780	790	29	1,070	1,080	1
130	135	27	500	510	55	790	800	28	1,080	- - -	0
135	140	28	510	520	54	800	810	27			
140	145	29	520	530	53	810	820	26			

BIWEEKLY Payroll Period

MARRIED With Both Spouses Filing Certificate

Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$75	\$80	\$15	\$270	\$280	\$25	\$420	\$430	\$11
5	10	1	80	85	16	280	290	24	430	440	10
10	15	2	85	90	17	290	300	23	440	450	9
15	20	3	90	95	18	300	310	22	450	460	8
20	25	4	95	100	19	310	320	21	460	470	7
25	30	5	100	105	20	320	330	20	470	480	6
30	35	6	105	110	21	330	340	20	480	490	5
35	40	7	110	115	22	340	350	19	490	500	4
40	45	8	115	120	23	350	360	18	500	510	3
45	50	9	120	125	24	360	370	17	510	520	2
50	55	10	125	130	26	370	380	16	520	530	1
55	60	11	130	135	27	380	390	15	530	- - -	0
60	65	12	135	250	28	390	400	14			
65	70	13	250	260	27	400	410	13			
70	75	14	260	270	26	410	420	12			

SEMIMONTHLY Payroll Period

SINGLE or MARRIED Without Spouse Filing Certificate

Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$155	\$160	\$32	\$565	\$575	\$58	\$875	\$885	\$28
5	10	1	160	165	33	575	585	57	885	895	27
10	15	2	165	170	34	585	595	56	895	905	26
15	20	3	170	175	35	595	605	55	905	915	25
20	25	4	175	180	36	605	615	54	915	925	24
25	30	5	180	185	37	615	625	53	925	935	23
30	35	6	185	190	38	625	635	52	935	945	22
35	40	7	190	195	39	635	645	51	945	955	21
40	45	8	195	200	40	645	655	50	955	965	20
45	50	9	200	205	41	655	665	49	965	975	20
50	55	10	205	210	42	665	675	48	975	985	19
55	60	11	210	215	43	675	685	47	985	995	18
60	65	12	215	220	44	685	695	46	995	1,005	17
65	70	13	220	225	45	695	705	45	1,005	1,015	16
70	75	14	225	230	46	705	715	44	1,015	1,025	15
75	80	15	230	235	47	715	725	43	1,025	1,035	14
80	85	16	235	240	48	725	735	43	1,035	1,045	13
85	90	17	240	245	49	735	745	42	1,045	1,055	12
90	95	18	245	250	50	745	755	41	1,055	1,065	11
95	100	19	250	255	51	755	765	40	1,065	1,075	10
100	105	20	255	260	52	765	775	39	1,075	1,085	9
105	110	21	260	265	53	775	785	38	1,085	1,095	8
110	115	22	265	270	54	785	795	37	1,095	1,105	7
115	120	23	270	275	55	795	805	36	1,105	1,115	6
120	125	24	275	280	56	805	815	35	1,115	1,125	5
125	130	26	280	285	57	815	825	34	1,125	1,135	4
130	135	27	285	290	58	825	835	33	1,135	1,145	3
135	140	28	290	295	59	835	845	32	1,145	1,155	2
140	145	29	295	545	60	845	855	31	1,155	1,165	1
145	150	30	545	555	60	855	865	30	1,165	- - -	0
150	155	31	555	565	59	865	875	29			

MARRIED With Both Spouses Filing Certificate

Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$50	\$55	\$10	\$100	\$105	\$20	\$270	\$280	\$30
5	10	1	55	60	11	105	110	21	280	290	29
10	15	2	60	65	12	110	115	22	290	300	28
15	20	3	65	70	13	115	120	23	300	310	27
20	25	4	70	75	14	120	125	24	310	320	26
25	30	5	75	80	15	125	130	26	320	330	25
30	35	6	80	85	16	130	135	27	330	340	24
35	40	7	85	90	17	135	140	28	340	350	23
40	45	8	90	95	18	140	145	29	350	360	22
45	50	9	95	100	19	145	270	30	360	370	21

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SEMIMONTHLY Payroll Period

MARRIED With Both Spouses Filing Certificate

Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$370	\$380	\$20	\$430	\$440	\$14	\$490	\$500	\$9	\$550	\$560	\$3
380	390	19	440	450	13	500	510	8	560	570	2
390	400	18	450	460	12	510	520	7	570	580	1
400	410	17	460	470	11	520	530	6	580	- - -	0
410	420	16	470	480	10	530	540	5			
420	430	15	480	490	9	540	550	4			

MONTHLY Payroll Period

SINGLE or MARRIED Without Spouse Filing Certificate

Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$250	\$255	\$51	\$500	\$505	\$102	\$1,390	\$1,400	\$92
5	10	1	255	260	52	505	510	103	1,400	1,410	91
10	15	2	260	265	53	510	515	104	1,410	1,420	90
15	20	3	265	270	54	515	520	105	1,420	1,430	89
20	25	4	270	275	55	520	525	106	1,430	1,440	88
25	30	5	275	280	56	525	530	107	1,440	1,450	87
30	35	6	280	285	57	530	535	108	1,450	1,460	86
35	40	7	285	290	58	535	540	109	1,460	1,470	85
40	45	8	290	295	59	540	545	110	1,470	1,480	84
45	50	9	295	300	60	545	550	111	1,480	1,490	83
50	55	10	300	305	61	550	555	112	1,490	1,500	82
55	60	11	305	310	62	555	560	113	1,500	1,510	81
60	65	12	310	315	63	560	565	114	1,510	1,520	80
65	70	13	315	320	64	565	570	115	1,520	1,530	79
70	75	14	320	325	65	570	575	116	1,530	1,540	78
75	80	15	325	330	66	575	580	117	1,540	1,550	77
80	85	16	330	335	67	580	585	118	1,550	1,560	76
85	90	17	335	340	68	585	590	119	1,560	1,570	75
90	95	18	340	345	69	590	595	120	1,570	1,580	75
95	100	19	345	350	70	595	1,090	121	1,580	1,590	74
100	105	20	350	355	71	1,090	1,100	121	1,590	1,600	73
105	110	21	355	360	72	1,100	1,110	120	1,600	1,610	72
110	115	22	360	365	73	1,110	1,120	119	1,610	1,620	71
115	120	23	365	370	74	1,120	1,130	118	1,620	1,630	70
120	125	24	370	375	75	1,130	1,140	117	1,630	1,640	69
125	130	26	375	380	77	1,140	1,150	116	1,640	1,650	68
130	135	27	380	385	78	1,150	1,160	115	1,650	1,660	67
135	140	28	385	390	79	1,160	1,170	114	1,660	1,670	66
140	145	29	390	395	80	1,170	1,180	113	1,670	1,680	65
145	150	30	395	400	81	1,180	1,190	112	1,680	1,690	64
150	155	31	400	405	82	1,190	1,200	111	1,690	1,700	63
155	160	32	405	410	83	1,200	1,210	110	1,700	1,710	62
160	165	33	410	415	84	1,210	1,220	109	1,710	1,720	61
165	170	34	415	420	85	1,220	1,230	108	1,720	1,730	60
170	175	35	420	425	86	1,230	1,240	107	1,730	1,740	59
175	180	36	425	430	87	1,240	1,250	106	1,740	1,750	58
180	185	37	430	435	88	1,250	1,260	105	1,750	1,760	57
185	190	38	435	440	89	1,260	1,270	104	1,760	1,770	56
190	195	39	440	445	90	1,270	1,280	103	1,770	1,780	55
195	200	40	445	450	91	1,280	1,290	102	1,780	1,790	54
200	205	41	450	455	92	1,290	1,300	101	1,790	1,800	53
205	210	42	455	460	93	1,300	1,310	100	1,800	1,810	52
210	215	43	460	465	94	1,310	1,320	99	1,810	1,820	52
215	220	44	465	470	95	1,320	1,330	98	1,820	1,830	51
220	225	45	470	475	96	1,330	1,340	98	1,830	1,840	50
225	230	46	475	480	97	1,340	1,350	97	1,840	1,850	49
230	235	47	480	485	98	1,350	1,360	96	1,850	1,860	48
235	240	48	485	490	99	1,360	1,370	95	1,860	1,870	47
240	245	49	490	495	100	1,370	1,380	94	1,870	1,880	46
245	250	50	495	500	101	1,380	1,390	93	1,880	1,890	45

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MONTHLY Payroll Period

SINGLE or MARRIED Without Spouse Filing Certificate

Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$1,890	\$1,900	\$44	\$2,010	\$2,020	\$32	\$2,130	\$2,140	\$21	\$2,250	\$2,260	\$9
1,900	1,910	43	2,020	2,030	31	2,140	2,150	20	2,260	2,270	8
1,910	1,920	42	2,030	2,040	30	2,150	2,160	19	2,270	2,280	7
1,920	1,930	41	2,040	2,050	29	2,160	2,170	18	2,280	2,290	6
1,930	1,940	40	2,050	2,060	28	2,170	2,180	17	2,290	2,300	5
1,940	1,950	39	2,060	2,070	28	2,180	2,190	16	2,300	2,310	5
1,950	1,960	38	2,070	2,080	27	2,190	2,200	15	2,310	2,320	4
1,960	1,970	37	2,080	2,090	26	2,200	2,210	14	2,320	2,330	3
1,970	1,980	36	2,090	2,100	25	2,210	2,220	13	2,330	2,340	2
1,980	1,990	35	2,100	2,110	24	2,220	2,230	12	2,340	2,350	1
1,990	2,000	34	2,110	2,120	23	2,230	2,240	11	2,350	- - -	0
2,000	2,010	33	2,120	2,130	22	2,240	2,250	10			

MARRIED With Both Spouses Filing Certificate

Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$155	\$160	\$32	\$565	\$575	\$58	\$875	\$885	\$28
5	10	1	160	165	33	575	585	57	885	895	27
10	15	2	165	170	34	585	595	56	895	905	26
15	20	3	170	175	35	595	605	55	905	915	25
20	25	4	175	180	36	605	615	54	915	925	24
25	30	5	180	185	37	615	625	53	925	935	23
30	35	6	185	190	38	625	635	52	935	945	22
35	40	7	190	195	39	635	645	51	945	955	21
40	45	8	195	200	40	645	655	50	955	965	20
45	50	9	200	205	41	655	665	49	965	975	19
50	55	10	205	210	42	665	675	48	975	985	19
55	60	11	210	215	43	675	685	47	985	995	18
60	65	12	215	220	44	685	695	46	995	1,005	17
65	70	13	220	225	45	695	705	45	1,005	1,015	16
70	75	14	225	230	46	705	715	44	1,015	1,025	15
75	80	15	230	235	47	715	725	43	1,025	1,035	14
80	85	16	235	240	48	725	735	42	1,035	1,045	13
85	90	17	240	245	49	735	745	42	1,045	1,055	12
90	95	18	245	250	50	745	755	41	1,055	1,065	11
95	100	19	250	255	51	755	765	40	1,065	1,075	10
100	105	20	255	260	52	765	775	39	1,075	1,085	9
105	110	21	260	265	53	775	785	38	1,085	1,095	8
110	115	22	265	270	54	785	795	37	1,095	1,105	7
115	120	23	270	275	55	795	805	36	1,105	1,115	6
120	125	24	275	280	56	805	815	35	1,115	1,125	5
125	130	26	280	285	57	815	825	34	1,125	1,135	4
130	135	27	285	290	58	825	835	33	1,135	1,145	3
135	140	28	290	295	59	835	845	32	1,145	1,155	2
140	145	29	295	545	60	845	855	31	1,155	1,165	1
145	150	30	545	555	60	855	865	30	1,165	- - -	0
150	155	31	555	565	59	865	875	29			

DAILY Payroll Period

SINGLE or MARRIED Without Spouse Filing Certificate

Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$15	\$20	\$3	\$50	\$60	\$5	\$80	\$90	\$2
5	10	1	20	25	4	60	70	4	90	100	1
10	15	2	25	50	5	70	80	3	100	- - -	0

MARRIED With Both Spouses Filing Certificate

Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$10	\$25	\$2	\$35	\$45	\$1	\$45	- - -	\$0
5	10	1	25	35	2						

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