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**(Circular E),
Employer's
Tax Guide**

**(Including 2005 Wage
Withholding and Advance
Earned Income Credit
Payment Tables)**



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What's New

Additional federal holiday. January 20, 2005, is Inauguration Day and has been designated as a federal holiday for tax purposes. Tax returns due on that day may be filed on the next business day. Also, January 20, 2005, is not a banking day under federal tax deposit rules.

Redesigned Form 941. Form 941, Employer's Quarterly Federal Tax Return, was completely redesigned for tax periods beginning after December 31, 2004. Many of the reporting lines on the redesigned Form 941 have changed from those shown on the January 2004 revision. Form 941 line references in this publication relate to the January 2005 revision of Form 941. Use only the redesigned version of Form 941 (revision date of January 2005 or later) to report employment taxes for tax periods beginning after December 31, 2004. Use the January 2004 revision of this publication for Form 941 line references relating to tax periods ending before 2005, including the fourth quarter 2004 Form 941 that is due January 31, 2005.

Increase to FUTA tax deposit threshold. The Treasury Department recently amended Regulations section 31.6302(c)-3 to increase the accumulated FUTA tax deposit threshold from \$100 to \$500. The \$500 threshold applies to FUTA tax deposits required for taxes reported on Forms 940, 940-EZ, and 940-PR, Employer's Annual Federal Unemployment (FUTA) Tax Return for tax periods beginning after December 31, 2004. For more information about this and other important tax changes, see Publication 553, Highlights of 2004 Tax Changes.

Changes to nonqualified deferred compensation plans. New section 409A added by the American Jobs Creation Act of 2004 provides that all amounts deferred under a nonqualified deferred compensation (NQDC) plan for all taxable years are currently includible in gross income unless certain requirements are satisfied. If section 409A requires an amount to be included in gross income, the statute imposes a substantial additional tax. Section 409A generally is effective with respect to amounts deferred in taxable years beginning after December 31, 2004, but deferrals made prior to that year may be subject to the statute under certain circumstances. The Act also provides significant withholding and reporting requirements for the NQDC. See section 5 of Publication 15-A, Employer's Supplemental Tax Guide, for more information.

New form for reporting discrepancies between Forms 941 and Forms W-2. We recently developed Schedule D (Form 941), Report of Discrepancies Caused by Acquisitions, Statutory Mergers, or Consolidations. You may use Schedule D (Form 941) to explain certain wage, tax, and payment discrepancies between Forms 941 and Forms W-2 that were caused by acquisitions, statutory mergers, or consolidations.

Social security and Medicare tax for 2005. Do not withhold social security tax after an employee reaches \$90,000 in social security wages. (There is no limit on the amount of wages subject to Medicare tax.)

Increase to withholding on supplemental wage payments exceeding \$1,000,000. Section 904 of the American Jobs Creation Act of 2004 increased the flat withholding rate on supplemental wage payments that exceed \$1,000,000 during the year to 35%. See section 7 for more information.

Employment contract signing and cancellation payments. Amounts an employer pays as a bonus for signing or ratifying a contract in connection with the establishment of an employer-employee relationship and an amount paid to an employee for cancellation of an employment contract

and relinquishment of contract rights are wages subject to social security, Medicare, and federal unemployment taxes and income tax withholding. The IRS will not apply this rule to certain signing bonuses or similar amounts paid in connection with an employee's initial employment with the employer pursuant to a contract entered into before January 12, 2005, or to certain payments made by an employer to an employee or former employee before that date to cancel an employment contract and relinquish contract rights. For more information, see Rev. Ruls. 2004-109 and 2004-110 in Internal Revenue Bulletin 2004-50.

Calendar

The following is a list of important dates. Also see Publication 509, Tax Calendars for 2005.

Note. If any date shown below falls on a Saturday, Sunday, or federal holiday, use the next business day. A statewide legal holiday delays a filing due date only if the IRS office where you are required to file is located in that state. 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 other payee a completed Form 1099 (for example, 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 of the FUTA tax when due, you have ten additional days to file.

File Form 945. File Form 945, Annual Return of Withheld Federal Income Tax, to report any nonpayroll income tax withheld in 2004. See *Nonpayroll Income Tax Withholding* on page 4 for more information.

By February 15

Request a 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 income tax 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

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	4	<input type="checkbox"/> Deposit FUTA tax in an authorized financial institution if undeposited amount is over \$500	29
<input type="checkbox"/> Record employees' names and SSNs from social security cards	8	<input type="checkbox"/> File Form 941 (pay tax with return if not required to deposit)	23
<input type="checkbox"/> Ask employees for 2005 Form W-4	14		
Each Payday:		Annually (See Calendar for due dates):	
<input type="checkbox"/> Withhold federal income tax based on each employee's Form W-4	14	<input type="checkbox"/> Remind employees to submit a new Form W-4 if they need to change their withholding	14
<input type="checkbox"/> Withhold employee's share of social security and Medicare taxes	16	<input type="checkbox"/> Ask for a new Form W-4 from employees claiming exemption from income tax withholding	14
<input type="checkbox"/> Include advance earned income credit payment in paycheck if employee requested it on Form W-5	17	<input type="checkbox"/> Reconcile Forms 941 with Forms W-2 and W-3	25
<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	3
● Withheld and employer social security taxes		<input type="checkbox"/> Furnish each other payee a Form 1099 (for example, Forms 1099-R and 1099-MISC)	2
● Withheld and employer Medicare taxes	18	<input type="checkbox"/> File Forms 1099 and the transmittal Form 1096	3
Note: Due date of deposit generally depends on your deposit schedule (monthly or semiweekly).		<input type="checkbox"/> File Form 940 or Form 940-EZ	29
		<input type="checkbox"/> File Form 945 for any nonpayroll income tax withholding	4

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. However, if you have an earlier Form W-4 for this employee that is valid, withhold based on the earlier Form W-4.

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 (not magnetic media) Forms 1099, W-2, and 8027. File electronic (not magnetic media) Forms 1099 and 8027 with the IRS. File electronic (not magnetic media) Forms W-2 with the Social Security Administration. For information on reporting Form W-2 and Form W-2c information to the SSA electronically, visit the Social Se-

curity Administration's Employer Reporting Instructions and Information web page at www.socialsecurity.gov/employer

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

Deposit FUTA taxes. Deposit federal unemployment (FUTA) tax due if it is more than \$500.

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 and the taxes are paid in full with a timely filed return. 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.

Reminders

Electronic Filing and Payment

Now, more than ever before, businesses can enjoy the benefits of filing and paying their federal taxes electronically. Whether you rely on a tax professional or handle your own taxes, IRS offers you convenient programs to make it easier.

Spend less time and worry on taxes and more time running your business. Use *e-file* and Electronic Federal Tax Payment System (EFTPS) to your benefit.

- For *e-file*, visit www.irs.gov for additional information.
- For EFTPS, visit www.eftps.gov or call EFPTS Customer Service at 1-800-555-4477.

Use the electronic options available from IRS and make filing and paying taxes easier.

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 U.S. Citizenship and Immigration Services (USCIS) Form I-9, Employment Eligibility Verification. You can get the form from USCIS offices or by calling 1-800-870-3676. Contact the USCIS at 1-800-375-5283, or visit the USCIS website at www.uscis.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.hhs.gov/programs/cse/newhire for more information.

Income tax withholding. Ask each new employee to complete the 2005 Form W-4. See section 9.

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 federal income 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 or governmental section 457(b) plans. See section 9 and Publication 15-A, Employer's Supplemental Tax Guide. Publication 15-A includes information about withholding on pensions and annuities.

Zero Wage return. All U.S.-based (domestic) taxpayers may file their "Zero Wage" Forms 941 by telephone using the 941TeleFile system. See Publication 3950 for details. Eligible filers must have had (a) no withholding, (b) no federal tax deposits, and (c) no taxes to report for the quarter. Dial 1-800-583-5345 (toll free) to use 941TeleFile.

Information Returns

You may be required 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 (for example, 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 2005 General Instructions for Forms 1099, 1098, 5498, and W-2G for general information and the separate, specific instructions for each information return that you file (for example, 2005 Instructions for Forms 1099-MISC). Do not use Forms 1099 to report wages and other compensation that 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 or electronic filing. If you file 250 or more Forms W-2 or 1099, you must file them on magnetic media or electronically. Beginning with tax year 2005 forms (due to SSA in calendar year 2006), SSA will no longer accept Forms W-2 and W-3 filed on tape and cartridge.

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 1-866-455-7438 (toll free) or 304-263-8700 (not toll free). The call site can also be reached by email at mccirp@irs.gov.

Nonpayroll Income Tax Withholding

Nonpayroll federal 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 2004 is due January 31, 2005. 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.

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

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

Note. Because distributions to participants from some nonqualified pension plans and deferred compensation plans are treated as wages and are reported on Form W-2, income tax withheld must be reported on Form 941, not on Form 945. However, 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.

Backup withholding. You generally must withhold 28% 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 that 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, health 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 that payees 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 Publication 1679, A Guide to Backup Withholding For Missing and Incorrect Name/TIN(s).

Recordkeeping

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

- Your employer identification number (EIN),
- Amounts and dates of all wage, annuity, and pension payments,
- Amounts of tips reported to you by your employees,
- 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 Forms W-2 and W-2c that were returned to you as undeliverable,
- Dates of employment for each employee,
- 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 that you made and acknowledgment numbers for deposits made by EFTPS,
- Copies of returns filed, including 941TeleFile Tax Records and confirmation numbers, and
- Records of fringe benefits and expense reimbursements provided to your employees, including substantiation.

Change of Address

To notify the IRS of a new business mailing address or business location, file Form 8822, Change of Address. For information on how to change your address for deposit coupons, see *Making deposits with FTD coupons* in section 11.

Private Delivery Services

You can use certain private delivery services designated by the IRS to mail tax returns and payments. The list includes only the following:

- DHL Express (DHL): DHL Same Day Service; DHL Next Day 10:30 am; DHL Next Day 12:00 pm; DHL Next Day 3:00 pm; and DHL 2nd Day Service.
- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2 Day, FedEx International Priority, and FedEx International First.
- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M., UPS Worldwide Express Plus, and UPS Worldwide Express.

Your private delivery service can tell you how to get written proof of the mailing date.



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 employment tax questions at 1-800-829-4933.

Help for people with disabilities. Telephone help is available using TTY/TDD equipment. You may call 1-800-829-4059 with any 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 IRS 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 that 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/taxtopics.

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, select Topic 123.

TeleTax Topics

Topic No.	Subject
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 and 940-EZ—Deposit Requirements
760	Form 940 and 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 ongoing problem,
- Timely acknowledgement,
- The name and phone number of the individual assigned to your case,
- Updates on progress,
- Timeframes for action,
- Speedy resolution, and

- Courteous service.

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

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

You may contact a Taxpayer Advocate online at www.irs.gov/advocate or by calling a toll-free number, 1-877-777-4778. Persons who have access to TTY/TDD 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 Publication 1546, The Taxpayer Advocate Service of the IRS, for a list of addresses and fax numbers.

Filing Addresses. Generally, your filing address for Forms 940, 940-EZ, 941, 943, and 945 depends on the location of your residence or principal place of business and whether or not you included a payment with your return. There are separate filing addresses for these returns if you are an exempt organization or government entity. If you are located in the United States and do not include a payment with your return, you should file at either the Cincinnati or Ogden Service Centers. File Form CT-1 (for railroad retirement taxes) at the Cincinnati Service Center. See Form CT-1 for details on where to file.

Photographs of Missing Children The Internal Revenue Service is a proud partner with the National Center for Missing and Exploited Children. Photographs of missing children selected by the Center may appear in this booklet on pages that would otherwise be blank. You can help bring these children home by looking at the photographs and calling 1-800-THE-LOST (1-800-843-5678) if you recognize a child.

Introduction

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 that you must give to your employees, those that your employees must give to you, and those that you must send to the IRS and SSA. This guide also has tax tables that you need to figure the taxes to withhold from each employee for 2005. References to “income tax” in this guide apply only to “federal” income tax. Contact your state or local tax department to determine if their rules are different.

Additional employment tax information is available in Publication 15-A, Employer's Supplemental Tax Guide.

Publication 15-A includes specialized information supplementing the basic employment tax information provided in this publication. Publication 15-B, Employer's Tax Guide to Fringe Benefits, contains information about the employment tax treatment and valuation of various types of non-cash 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. Payments to employees for services in the employ of state and local government employers are generally subject to federal income tax withholding but not federal unemployment (FUTA) tax. Most elected and appointed public officials of state or local governments are employees under common law rules. See chapter 3 of Publication 963, Federal-State Reference Guide. In addition, wages, with certain exceptions, are subject to social security and Medicare taxes. See section 15 of this guide 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. To find your State Social Security Administrator, contact the National Conference of State Social Security Administrators website at www.ncsssa.org.

Comments and Suggestions. We welcome your comments about this publication and your suggestions for future editions. You can email us at [*taxforms@irs.gov](mailto:taxforms@irs.gov). Please put "Publications Comment" on the subject line.

You can write to us at the following address:

Internal Revenue Service
TE-GE Forms and Publications Branch
SE:W:CAR:MP:T:T
1111 Constitution Ave. NW, IR-6406
Washington, DC 20224

We respond to many letters by telephone. Therefore, it would be helpful if you would include your daytime phone number, including the area code, in your correspondence.

1. Employer Identification Number (EIN)

If you are required to report employment taxes or give tax statements to employees or annuitants, you need an employer identification number (EIN).

The EIN is a 9-digit number that the IRS issues. The digits are arranged as follows: 00-0000000. It is used to identify the tax accounts of employers and certain others who have no employees. Use your EIN on all of the items that you send to the IRS and SSA. For more information, get Publication 1635, *Understanding Your EIN*.

If you do not have 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, fax, or by telephone. You may also apply for an EIN online by visiting the IRS website at www.irs.gov/smallbiz. Do not use a social security number (SSN) in place of an EIN.

You should have only one EIN. If you have more than one and are not sure which one to use, please check with the IRS office where you file your return. Give the numbers that 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 (see *Successor employer* in section 9), 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 that you applied for it in the space shown for the number.

See *Depositing without an EIN* in section 11 if you must make a tax deposit and you do not have an EIN.

2. Who Are Employees?

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

Employee status under common law. Generally, a worker who performs services for you is your employee if you have the right to 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 Publication 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.

- An agent (or commission) driver who delivers food, beverages (other than milk), laundry, or dry cleaning for someone else.
- A full-time life insurance salesperson who sells primarily for one company.
- 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.
- 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 Publication 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 Publication 15-A for details.

Treating employees as nonemployees. You will generally 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. Also see *Special additions to tax liability* in section 13.

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* later. 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:

- A corporation, even if it is controlled by the child's parent or the individual's spouse,
- A partnership, even if the child's parent is a partner, unless each partner is a parent of the child,
- A partnership, even if the individual's spouse is a partner, or
- 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:

- 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
- 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 may 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 unless you have reasonable cause. See Publication 1586, Reasonable Cause Regulations and Requirements for Missing and Incorrect Name/ TINs.

Any employee who is legally eligible to work in the United States and does not have a social security card can get one by completing Form SS-5, Application for a Social Security Card, and submitting the necessary documentation. You can get this form at SSA offices, by calling 1-800-772-1213, or from the SSA website at www.socialsecurity.gov/online/ss-5.html. The employee must complete and sign Form SS-5; it cannot be filed by the employer. If you file Form W-2 on paper and your employee applied for an SSN but does not have one when you must file Form W-2, enter "Applied For" on the form. If you are filing on magnetic media or electronically, enter all zeros (000-00-000) in the social security number field. When the employee receives the SSN, file Copy A of Form W-2c, Corrected Wage and Tax Statement, with the SSA to show the employee's SSN. Furnish copies B, C, and 2 of Form W-2c to the employee. Up to five Forms W-2c per Form W-3c may now be filed over the Internet. For more information, visit the Social Security Administration's Employer Reporting Instructions and Information page at www.socialsecurity.gov/employer. Advise your employee to correct the SSN on his or her original Form W-2.

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 corrected card from the SSA. Continue to report the employee's wages under the old name until the employee shows you an updated social security card with the new name.

If your employee is given a new social security card following an adjustment to his or her resident status that shows a different name or SSN, file a Form W-2c for the most current year only.

IRS individual taxpayer identification numbers (ITINs) for aliens. Do not accept an ITIN in place of an SSN for employee identification or for work. An ITIN is only available to resident and nonresident aliens who are not eligible for U.S. employment and need identification for other tax purposes. You can identify an ITIN because it is a 9-digit number, beginning with the number "9" with either a "7" or "8" as the fourth digit and is formatted like an SSN (for example, 9NN-7N-NNNN).



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 **Employee Verification Service (EVS)** may be used to verify more than 50 employee names and SSNs. Paper listings are limited to 300 verifications. Preregistration is required for EVS or for requests made on magnetic media. For more information, call the EVS information line at 410-965-7140 or visit SSA's Employer Reporting Instructions and Information website at www.socialsecurity.gov/employer.

5. Wages and Other Compensation

Wages subject to federal employment taxes generally include all pay that you give to an employee for services performed. The pay may be in cash or in other forms. It includes salaries, nonqualified deferred compensation recognized under section 409A, vacation allowances, bonuses, commissions, and fringe benefits. It does not matter how you measure or make the payments. Amounts an employer pays as a bonus for signing or ratifying a contract in connection with the establishment of an employer-employee relationship and an amount paid to an employee for cancellation of an employment contract and relinquishment of contract rights are wages subject to social security, Medicare, and federal unemployment taxes and income tax withholding. 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. Publication 15-A, Employer's Supplemental Tax Guide, provides additional information on wages and other compensation. Publication 15-B, Employer's Tax Guide to Fringe Benefits, provides information on other forms of compensation, including:

- Accident and health benefits,
- Achievement awards,
- Adoption assistance,
- Athletic facilities,
- De minimis (minimal) benefits,
- Dependent care assistance,
- Educational assistance,
- Employee discounts,
- Employee stock options,
- Group-term life insurance coverage,
- Lodging on your business premises,
- Meals,
- Moving expense reimbursements,
- No-additional-cost services,
- Retirement planning services,
- Transportation (commuting) benefits,
- Tuition reduction, and

- Working condition benefits.

Employee business expense reimbursements. A reimbursement or allowance arrangement is a system by which you pay the advances, reimbursements, and charges for your employees' substantiated 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 paid under the arrangement in excess of the substantiated expenses 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 their advance within 30 days of the time that they incur the expenses, adequately account for the expenses within 60 days after the expenses were paid or incurred, and return any amounts in excess of expenses within 120 days after the expenses were 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:

- Your employee is not required to or does not substantiate timely those expenses to you with receipts or other documentation,
- 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, or

- You advance or pay an amount to your employee without regard for anticipated or incurred 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, miles, or some other fixed allowance. In these cases, your employee is considered to have accounted to you if your reimbursement does not exceed rates established by the Federal Government. The 2004 standard mileage rate for auto expenses was 37.5 cents per mile. The rate for 2005 is 40.5 cents per mile. The government per diem rates for meals and lodging in the continental United States are listed in Publication 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 (for example, the nontaxable portion) in box 12 of Form W-2 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 that they are provided is subject to federal 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. Nonetheless, 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 Publication 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 that you provide at the place of work so that 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 of 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 from income for all employees and is not subject to federal income tax withholding or employment taxes.

For more information, see Publication 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, that 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 federal income tax withholding. Generally, this exclusion also 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).

Health Savings Accounts and medical savings accounts. Your contributions to an employee's Health Savings Account (HSA) or medical savings account (Archer MSA) are not subject to social security, Medicare, or FUTA taxes, or federal 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 that they will be excludable, your contributions are subject to these taxes. Employee contributions to their HSAs or MSAs through a payroll deduction plan must be included in wages and are subject to social security, Medicare, and FUTA taxes, and income tax withholding. For more information, see the Instructions for Form 8889.

Medical care reimbursements. Generally, 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. See Publication 15-B for an exception for highly compensated employees.

Fringe benefits. You generally must include fringe benefits in an employee's gross income (but see *Nontaxable fringe benefits* next). The benefits are subject to income tax withholding and employment taxes. Fringe benefits include cars that you provide, flights on aircraft that 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 that 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 that the law excludes. There are other special rules that you and your employees may use to value certain fringe benefits. See Publication 15-B for more information.

Nontaxable fringe benefits. Some fringe benefits are not taxable (or are minimally taxable) if certain conditions are met. See Publication 15-B for details. Examples include:

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 that 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 that you provide at eating places that 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 *Moving expenses*, above for details,
7. The use of on-premises athletic facilities, if substantially all of the use is by employees, their spouses, and their dependent children, and
8. Qualified tuition reduction that an educational organization provides to its employees for education. For more information, see Publication 970, Tax Benefits for Education.

However, do not exclude the following fringe benefits from the income of highly compensated employees unless the benefit is available to other 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 Publication 15-B.

When fringe benefits are treated as paid. You may choose to treat certain noncash fringe benefits as paid by the pay period, by the quarter, or on any other basis that 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 that 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 Publication 15-B 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 25% supplemental wage rate. However, see *Supplemental wage payments exceeding \$1,000,000* in section 7.

You may choose not to withhold income tax on the value of an employee's personal use of a vehicle that you provide. You must, however, withhold social security and Medicare taxes on the use of the vehicle. See Publication 15-B 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 that 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 a 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 that 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 that you pay under a plan 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 an 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 six calendar months after the calendar month that the employee last worked for the employer. The payments are also subject to federal income tax. See Publication 15-A for more information.

6. Tips

Tips that your employee receives from customers are generally subject to withholding. Your employee must re-

port cash tips to you by the 10th of the month after the month that the tips are received. The report should include tips that you paid over to the employee for charge customers and tips that 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 that the report covers.
- The total of tips received during the month or period.

Both Forms 4070 and 4070-A, Employee's Daily Record of Tips, are included in Publication 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 that 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 2005 reach \$90,000; 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 and employment taxes on tips.

If, by the 10th of the month after the month for which 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 5b and 5c of Form 941. Report an adjustment on line 7c of Form 941 for the uncollected social security and Medicare taxes. Enter the amount of uncollected social security and Medicare taxes in box 12 of 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 also subject to FUTA tax.

Note. You are permitted to establish a system for electronic tip reporting by employees. See Regulations section 31.6053-1(d).

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 were

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 or electronically 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 1-800-829-4933. To get more information about TRDA or TRAC agreements, access the IRS website at www.irs.gov and search for Market Segment Understanding (MSU) agreements.

7. Supplemental Wages

Supplemental wages are compensation paid in addition to an 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 federal 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 federal income tax withholding method depends partly on whether you withhold income tax from your employee's regular wages. However, separate rules apply to the extent the supplemental wages paid to any one employee during the year exceed \$1,000,000. The American Jobs Creation Act of 2004 provides that if a supplemental wage payment, together with other supplemental wage payments made to the employee during the calendar year exceeds \$1,000,000, the excess will be subject to withholding at 35 percent (or the highest rate of income tax for the year). This provision is effective with respect to payments made after December 31, 2004. The Internal Revenue Service will be providing guidance about this provision in the near future.

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 25% (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 was 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 1-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 that 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 2005, he is paid \$1,000. Using the wage bracket tables, you withhold \$53 from this amount. In February 2005, 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 \$363.

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, 2005, pay is \$2,000. Using the wage bracket tables, you withhold \$200. On May 14, 2005, she receives a bonus of \$2,000. Electing to use supplemental payment method 1-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 \$613 using the wage bracket tables,
3. Subtract the amount withheld from wages on the most recent pay date from the combined withholding amount ($\$613 - \$200 = \$413$), and
4. Withhold \$413 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 25% of \$2,000, or \$500, from Sharon's bonus payment.

Supplemental wage payments exceeding \$1,000,000. You must withhold federal income tax of 35% on any supplemental wages exceeding \$1,000,000 that you pay to an individual during the year. Withhold using the 35% rate without regard to the employee's Form W-4. In determining supplemental wages paid to the employee during the year, include payments from all businesses under common control.

Tips treated as supplemental wages. Withhold income tax on tips from wages or from other funds that 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 1-a or 1-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

Your 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 regular 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 (for example, commissions paid on completion of a sale), count back the number of days from the payment period to the latest of:

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

When you pay an employee for a period of less than one week, and the employee signs a statement under penalties of perjury indicating 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 federal income tax to withhold from employees' wages, you should have a Form W-4, Employee's Withholding Allowance Certificate, on file for each employee. Encourage your employees to file an updated Form W-4 for 2005, especially if they owed taxes or received a large refund when filing their 2004 tax return. Advise your employees to use the Withholding Calculator

on the IRS website at www.irs.gov/individuals for help in determining how many withholding allowances to claim on their Form W-4.

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 income tax as if he or she is single, with no withholding allowances.

You may establish a system to electronically receive Forms W-4 from your employees. See Regulations section 31.3402(f)(5)-1(c) 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 when you received the replacement Form W-4. For exceptions, see *Exemption from federal income tax withholding, Sending certain Forms W-4 to the IRS, and Invalid Forms W-4* later.

The amount of any federal 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. However, an 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 the tax on 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 Publication 505, Tax Withholding and Estimated Tax, for detailed instructions for completing Form W-4. Along with Form W-4, you may wish to order Publication 505 and Publication 919, How Do I Adjust My Tax Withholding, for use by your employees.

When you receive a new Form W-4 from an employee, 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 federal income tax withholding. Generally, an employee may claim exemption from federal 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 give you 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 or withhold based on the last valid Form W-4 you have for the employee.

Withholding on nonresident aliens. In general, if you pay wages to nonresident aliens, you must withhold federal income tax, social security, and Medicare taxes as you would for a U.S. citizen. However, see Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*, 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 South Korea, he or she may claim more than one allowance), and
- 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.

Form 8233. If a nonresident alien employee claims a tax treaty exemption from withholding, the employee must submit Form 8233, *Exemption from Withholding or Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual*, with respect to the income exempt under the treaty, instead of Form W-4. See Publication 515 for details.

Sending certain Forms W-4 to the IRS. Generally, you must send to the IRS copies of certain Forms W-4 that you received during the quarter from employees still employed by you at the end of the quarter. Send copies of Form W-4 when the employee claims (a) more than 10 withholding allowances or (b) exemption from withholding and his or her wages would normally be more than \$200 per week. Send the copies to the IRS office where you file your Form 941. 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 that 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 their 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 that you send to the IRS are clear and legible.

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

Note. Any Form W-4 that you send to the IRS without a Form 941 should be mailed to the "Return Without A Payment" address in the instructions for Form 941.

Base any employee federal income tax 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 his or her income tax 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: (a) exempt status is not claimed and (b) the number of withholding allowances is equal to or lower 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 an 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 or electronically. Form W-4 information may be filed with the IRS electronically. If you wish to file electronically, you must submit Form 4419, *Application for Filing Information Returns Electronically/Magnetically*, to request authorization. See Publication 1245, *Specification for Filing Form W-4, Employee's Withholding Allowance Certificate, Magnetically or Electronically*. To get more information about electronic filing, call the IRS Martinsburg Computing Center at 1-866-455-7438 (toll free) or 304-263-8700 (not toll free).

Note. Any Forms W-4 with employee supporting statements that you are required to submit to the IRS must be submitted on paper. They cannot be submitted on magnetic media or electronically.

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 federal income tax withholding. Tell the employee

that it is invalid and ask for another one. If the employee does not give you a valid one, withhold taxes as if the employee was 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(c), or 668-W(c)(DO)), you must withhold amounts as described in the instructions for these forms. Publication 1494, Table for Figuring Amount Exempt From Levy on Wages, Salary, and Other Income (Forms 668-W(c), 668-W(c)(DO) and 668-W(ICS)) 2005, shows the exempt amount. If a levy issued in a prior year is still in effect and the taxpayer submits a new Statement of Exemptions and Filing Status, use the current year Publication 1494 to compute 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.

Generally, you are required to withhold social security and Medicare taxes from your employees' wages and you must also pay a matching amount of these taxes. Certain types of wages and compensation are not subject to social security taxes. See sections 5 and 15 for details. 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. Social security and Medicare taxes have different rates and only the 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 2004 wage base limit was \$87,900. For 2005, the wage base limit is \$90,000.

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 that the other employer paid to your acquired employees before the transfer of property when you figure the annual wage base limit for social security. You should determine whether or not you should file Schedule D (Form 941), Report of Discrepancies Caused by Acquisitions, Statutory Mergers, or Consolidations, by reviewing the Instructions for Schedule D (Form 941). See Regulations section 31.3121(a)(1)-1(b) for more information. Also see Rev. Proc. 2004-53 for more information.

You can find Rev. Proc. 2004-53 on page 320 of Internal Revenue Bulletin 2004-34 at www.irs.gov/pub/irs-irbs/irb04-34.pdf.

Example. Early in 2005, you bought all of 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 that you paid to Mr. Brown are subject to social security taxes on the first \$88,000 (\$90,000 minus \$2,000). Medicare tax is due on all of the wages that 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.socialsecurity.gov/international or see section 7 of Publication 15-A, Employer's Supplemental Tax Guide.

Part-Time Workers

For federal 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 section 9 of Publication 15-A.

10. Advance Earned Income Credit (EIC) Payment

An employee who expects to be eligible for the earned income credit (EIC) and expects to have 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 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 Forms W-5 from your employees. See Announcement 99-3 for information on electronic requirements for Form W-5. You can find Announcement 99-3 on page 15 of Internal Revenue Bulletin 1999-3 at www.irs.gov/pub/irs-irbs/irb99-03.pdf.

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 2005, the advance payment can be as much as \$1,597. The tables that begin on page 58 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 expects to have a qualifying child.
- Whether he or she will file a joint return.
- 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 that 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 that 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 that it contains an 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 same period. Generally, figure advance EIC payments using the amount of wages subject to income tax withholding. If an employee's wages are not subject to income

tax withholding, use the amount of wages subject to withholding for social security and Medicare taxes.

- Whether the employee is married or single.
- Whether a married employee's spouse has a Form W-5 in effect with an employer.

Do not consider combat zone pay received by the employee and excluded from income as earned income when figuring the advance EIC payment.

Note. If during the year you have paid an employee total wages of at least \$31,030 (\$33,030 if married filing jointly), 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 58. There are separate tables for employees whose spouses have a Form W-5 in effect. See page 35 for instructions on using the advance EIC payment tables. The amount of advance EIC paid to an employee during 2005 cannot exceed \$1,597.

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 that 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 that you made to employees on the advance EIC payments line (line 9) of your Form 941. Subtract this amount from your total taxes on line 8. See the separate Instructions for Form 941. Reduce the amounts reported on line 15 of Form 941 or on appropriate lines of Schedule B (Form 941), Report of Tax Liability for Semiweekly Schedule Depositors, by any advance EIC paid to your 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 treated as deposits of these taxes on the day that you pay wages (including the advance EIC payment) to your employees. The payments are treated as deposits of these taxes in the following order: (1) income tax withholding, (2) withheld employee social security and Medicare taxes, and (3) 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 that 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 that you paid wages. The \$100 is treated as if you deposited the \$90 total income tax withholding and \$10 of the employee social security and

Medicare taxes. You remain liable for depositing the remaining \$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—

- Reduce each employee's payment by 10% (to \$9 each) so that the advance EIC payments equal your total employment tax (\$90) or
- 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 federal 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 2004 were less than \$34,458 (\$35,458 if married filing jointly) that they may be eligible to claim the credit for 2004. This is because eligible employees may get a refund of the amount of EIC that is more than the tax that they owe.

You will meet this notification requirement if you issue to the employee 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 will 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 to the employee on time but does not have the required statement, you must

notify the employee within one week of the date that 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 that Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 7, 2005.

11. Depositing Taxes

In general, you must deposit federal income tax withheld and both the employer and employee social security and Medicare taxes plus or minus any prior period adjustments to your tax liability (minus any advance EIC payments) by mailing or delivering a check, money order, or cash to a financial institution that is an authorized depository for federal taxes. However, some taxpayers are required to deposit using the Electronic Federal Tax Payment System (EFTPS). See *How To Deposit* on page 21 for information on electronic deposit requirements for 2005.

Payment with return. You may make a payment with Form 941 instead of depositing if one of the following applies.

- You report less than a \$2,500 tax liability for the quarter on line 10 of Form 941, and you pay in full with a timely filed return. (However, if you are unsure that you will report less than \$2,500, deposit under the appropriate rules so that you will not be subject to failure to deposit penalties.)
- You are a monthly schedule depositor (defined below) and make a payment in accordance with the *Accuracy of Deposits Rule* discussed on page 21. This payment may be \$2,500 or more.

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

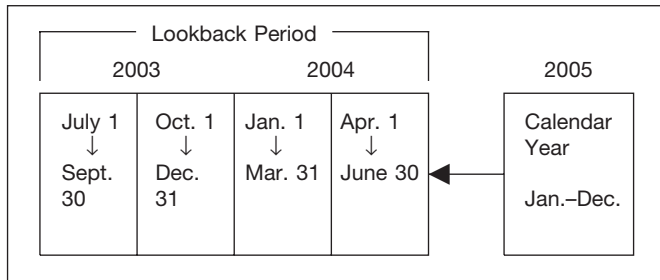
There are two deposit schedules—monthly or semi-weekly—for determining when you deposit social security, Medicare, and withheld income taxes. These schedules tell you when a deposit is due after a tax liability arises (for example, when you have a payday). Prior to the beginning of each calendar year, you must determine which of the two deposit schedules that you are required to use. The deposit schedule that you must use is based on the total tax liability that 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 20.



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 (that is, not reduced by any advance EIC payments) reported on line 8 of your Forms 941 in a four-quarter lookback period. (Refer to line 11 on pre-2005 versions of Form 941.) 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 2005



Adjustments and the lookback rule. Determine your tax liability for the four quarters in the lookback period based on the tax liability as reported on your 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 and adjust your deposits accordingly. 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, 2004. The employer discovered during January 2005 that the tax during one of the lookback period quarters was understated by \$10,000 and corrected this error with an adjustment on the 2005 first quarter return. This employer is a monthly schedule depositor for 2005 because the lookback period tax liabilities are based on the amounts originally reported, and they were \$50,000 or less. The \$10,000 adjustment is part of the 2005 first quarter tax liability.

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.

Monthly Deposit Schedule

You are a monthly schedule depositor for a calendar year if the total taxes on line 8 of Form 941 for the four quarters in your lookback period were \$50,000 or less. (Refer to line 11 on pre-2005 versions of Form 941.) Under the monthly deposit schedule, deposit Form 941 taxes on payments made during a month by the 15th day of the following month. See also *Deposits on Banking Days Only* later.

Monthly schedule depositors should not file Form 941 on a monthly basis. Also, 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 20.

Semiweekly Deposit Schedule

You are a semiweekly schedule depositor for a calendar year if the total taxes on line 8 of Form 941 during your lookback period were more than \$50,000. (Refer to line 11 on pre-2005 versions of Form 941.) Under the semiweekly deposit schedule, deposit Form 941 taxes for payments made on Wednesday, Thursday, and/or Friday by the following Wednesday. Deposit amounts accumulated for payments made on Saturday, Sunday, Monday, and/or Tuesday by the following Friday. See also *Deposits on Banking Days Only* later.

Note. Semiweekly schedule depositors must complete Schedule B (Form 941), Report of Tax Liability for Semiweekly Schedule Depositors, and submit it with Form 941.

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

Semiweekly deposit period spanning two quarters. If you have more than one pay date during a semiweekly period and the pay dates fall in different calendar quarters, you will need to make **separate deposits** for the separate liabilities. For example, if you have a pay date on Wednesday, March 30, 2005 (first quarter), and another pay date on Friday, April 1, 2005 (second quarter), two separate deposits would be required even though the pay dates fall within the same semiweekly period. Both deposits would be due Wednesday, April 6, 2005 (three banking days from the end of the semiweekly deposit period).

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:

2004 Lookback Period		2005 Lookback Period	
3rd Quarter 2002	\$12,000	3rd Quarter 2003	\$12,000
4th Quarter 2002	\$12,000	4th Quarter 2003	\$12,000
1st Quarter 2003	\$12,000	1st Quarter 2004	\$12,000
2nd Quarter 2003	\$12,000	2nd Quarter 2004	\$15,000
	\$48,000		\$51,000

Rose Co. is a monthly schedule depositor for 2004 because its tax liability for the four quarters in its lookback period (third quarter 2002 through second quarter 2003) was not more than \$50,000. However, for 2005, Rose Co. is a semiweekly schedule depositor because the total taxes exceeded \$50,000 for the four quarters in its lookback period (third quarter 2003 through second quarter 2004).

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 three banking days to make a deposit. That is, if any of the three 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 three 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 that you must follow when an employment tax liability arises. The deposit rules are based on the dates when wages are paid (for example, cash basis); not on when tax liabilities are accrued for accounting purposes.

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 April 29, 2005 (Friday) payday must be deposited by May 4, 2005 (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 a 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.

However, 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, 2005. On April 15, it paid wages for the first time and accumulated a tax liability of \$40,000. On April 22, 2005, 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 22, it became a semiweekly schedule depositor on April 23. It will be a semiweekly schedule depositor for the remainder of 2005 and for 2006. Elm, Inc. is required to deposit the \$100,000 by April 23, 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.

- Any deposit shortfall does not exceed the greater of \$100 or 2% of the amount of taxes otherwise required to be deposited and
- 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 your 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 (whichever comes first) 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 July 2005, the shortfall makeup date is August 17, 2005 (Wednesday). However, if the shortfall occurred on the required October 5 (Wednesday) deposit due date for a September 30 (Friday) pay date, the return due date for the September 30 pay date (October 31) would come before the November 16 (Wednesday) shortfall makeup date. In this case, the shortfall must be deposited by October 31.

How To Deposit

The two methods of depositing employment taxes, including Form 945 taxes, are discussed below. See *Payment with return* on page 18 for exceptions explaining when taxes may be paid with the tax return instead of being 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 2005 if:

- Your total deposits of such taxes in 2003 were more than \$200,000 or
- You were required to use EFTPS in 2004.

If you are required to use EFTPS and fail to do so, you may be subject to a 10% penalty. EFTPS is a free service provided by the Department of Treasury. 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. You can also visit the EFTPS website at www.eftps.gov.

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 that the deposit is due.

Deposit record. For your records an Electronic Funds Transfer (EFT) Trace Number will be provided with each successful payment that can be used as a receipt or to trace the payment.

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, if you would like to receive a Federal Tax Deposit (FTD) coupon booklet, call 1-800-829-4933. Allow 5 to 6 weeks for delivery. The IRS will keep track of the number of FTD coupons that you use and automatically will send you additional coupons when you need them. If you do not receive your resupply of FTD coupons, call 1-800-829-4933. 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 that 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 a 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* below for penalty amounts.

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 (for example, a commercial bank) that is authorized to accept federal tax deposits. Follow the instructions in the FTD coupon book. Make your check or money order payable to the depository. To help ensure proper crediting of your account, include your EIN, the type of tax (for example, Form 941), and the 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. 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.

If you prefer, you may mail your coupon and payment to: Financial Agent, Federal Tax Deposit Processing, P.O. Box 970030, St. Louis, MO 63197. Make your check or money order payable to "Financial Agent."

Depositing on time. The IRS determines whether deposits are on time by the date that 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 two 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 received by the authorized depository by its due date to be timely. See section 7502(e)(3).

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 your deposit with an explanation to your local IRS office or the service center where you will file Form 941. The service center addresses are in the Instructions for Form 941 and are also available on the IRS website at www.irs.gov. Do not use Form 8109-B, Federal Tax Deposit Coupon, in this situation.

Depositing without Form 8109. If you have an EIN but do not have a 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 1-800-829-4933. Be sure to have your EIN ready when you call. You will not be able to obtain Form 8109-B by calling 1-800-TAX-FORM.

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, if you 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 as follows.

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* on page 22 and *Payment with return* on page 18 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 that the IRS sent asking for the tax due or the day on which you received notice and demand for immediate payment, whichever is earlier.

Note. Late deposit penalty amounts are determined using calendar days, starting from the due date of the liability.

Order in which deposits are applied. Deposits generally are applied to the most recent tax liability within the quarter. If you receive a failure-to-deposit penalty notice, you may designate how your payment is to be applied in order to minimize the amount of the penalty. Follow the instructions on the penalty notice that you received. For more information on designating deposits, see Rev. Proc. 2001-58. You can find Rev. Proc. 2001-58 on page 579 of Internal Revenue Bulletin 2001-50 at www.irs.gov/pub/irs-irbs/irb01-50.pdf.

Example. Cedar, Inc. is required to make a deposit of \$1,000 on June 15 and \$1,500 on July 15. It does not make the deposit on June 15. On July 15, Cedar, Inc. deposits \$2,000. Under the deposits rule, which applies deposits to the most recent tax liability, \$1,500 of the deposit is applied to the July 15 deposit and the remaining \$500 is applied to the June deposit. Accordingly, \$500 of the June 15 liability

remains undeposited. The penalty on this underdeposit will apply as explained above.

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 that 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 into 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.

"Averaged" failure to deposit penalty. IRS may assess an "averaged" failure to deposit (FTD) penalty of 2% to 10% if you are a monthly schedule depositor and did not properly complete line 15 of Form 941 when your tax liability (line 10) shown on Form 941 was \$2,500 or more. IRS may also assess this penalty of 2% to 10% if you are a semiweekly schedule depositor and your tax liability (line 10) shown on Form 941 was \$2,500 or more and you did any of the following.

- Completed line 15 of Form 941 instead of Schedule B (Form 941).
- Failed to attach a properly completed Schedule B (Form 941).
- Completed Schedule B (Form 941) incorrectly, for example, by entering tax deposits instead of tax liabilities in the numbered spaces.

IRS figures the penalty by allocating your total tax liability on line 10, Form 941 equally throughout the tax period. Your deposits and payments may not be counted as timely because IRS does not know the actual dates of your tax liabilities.

You can avoid the penalty by reviewing your return before filing it. Follow these steps before filing your Form 941.

- If you are a monthly schedule depositor, report your tax liabilities (not your deposits) in the monthly entry spaces on line 15.

- If you are a semiweekly schedule depositor, report your tax liabilities (not your deposits) on Schedule B (Form 941) in the lines that represent the dates you paid your employees.
- Verify that your total liability shown on line 15 of Form 941 or the bottom of Schedule B (Form 941) equals your tax liability shown on line 10 of Form 941.
- Do not show negative amounts on line 15 or Schedule B (Form 941). If a prior period adjustment results in a decrease in your tax liability, reduce your liability for the day you discovered the error by the tax decrease resulting from the error, but not below zero. Apply any remaining decrease to subsequent liabilities.

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, by the last day of the month that follows the end of the quarter. See the *Calendar* on page 2. However, the following exceptions apply:

- **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, check the "Seasonal employer" box on line 17 of Form 941. The IRS will mail two Forms 941 to the seasonal filer once a year after March 1. The preprinted forms will not include the date that the quarter ended. You must enter the date that 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 check the "Seasonal employer" box on every Form 941 you file. Otherwise, the IRS will expect a return to be filed for each quarter.
- **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 Publication 926, Household Employer's Tax Guide, for more information.
- **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 your employees are not subject to U.S. income tax withholding, use Form 941-SS. Employers in Puerto Rico use Form 941-PR.
- **Agricultural employers reporting social security, Medicare, and withheld income taxes.** Report

these taxes on Form 943, Employer's Annual Federal 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 1-866-255-0654 or visit the IRS website at www.irs.gov/efile for more information. See Publication 1855, Technical Specifications Guide for the Electronic Filing of Form 941, Employee's Quarterly Federal Tax Return, for technical specifications.

941TeleFile. You may be able to file Form 941 and pay any balance due by phone. If you received 941TeleFile 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 941TeleFile, call 1-866-255-0654. This phone number is for 941TeleFile information only and is not the number used to file the return.

Electronic filing by reporting agents. Reporting agents filing Forms 941 for groups of taxpayers can file them electronically. See *Reporting Agents* in section 7 of Publication 15-A, Employer's Supplemental Tax Guide, for more information.

Penalties. For each whole or part month that 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 generally 25% of the tax due. Also, for each whole or part month that 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 0.25% per month, and applies to individual filers only, 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 amount of this penalty is also 25% of the tax due. If both penalties apply in any month, the failure-to-file penalty is reduced by the amount of the failure-to-pay penalty. The penalties will not be charged if you have a reasonable cause for failing to file or pay. If you file or pay late, attach an explanation to your Form 941.

Note. In addition to any penalties, interest accrues from the due date of the tax on any unpaid balance.

If income, social security, or Medicare taxes that must be withheld are not withheld or are not paid, you may be personally liable for the trust fund recovery penalty. See *Trust fund recovery penalty* in section 11.

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. For information on making adjustments to previously filed returns, see section 13.

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 that 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 Forms W-2 to your employees by the due date of your 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. Do not send an original or copy of Form 941 to the SSA. See the Instructions for Forms W-2 and W-3 for more information.

Filing late Forms 941 for prior years. If possible, get a copy of Form 941 (and separate instructions) with a revision date showing the year for which your delinquent return is being filed. See *Quick and Easy Access to Tax Help and Forms* on page 68 for various ways to secure any necessary forms and instructions.

However, 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. (Do not modify post-2004 versions of Form 941 for pre-2005 quarters.) A form for a particular year generally can be used without modification for any quarter within that year. For example, a form with any 2005 revision date (for example, January or October 2005) generally can be used without modification for any quarter of 2005.

In all cases, 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, JUN05 would be for the quarter ending June 30, 2005. 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.



The instructions on the form may be inappropriate for the year that 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 at 1-800-829-4933 if you have any questions.

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
2004–Social Security	\$87,900	12.4%
2004–Medicare	All Wages	2.9%
2003–Social Security	\$87,000	12.4%
2003–Medicare	All Wages	2.9%
2002–Social Security	\$84,900	12.4%
2002–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, the IRS must contact you to resolve the discrepancies. This costs time and money for the Government and for you.

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 employee share of social security taxes on Form W-2 in the box for social security tax withheld (box 4), not as social security wages,
4. Report employee share of Medicare taxes on Form W-2 in the box for Medicare tax withheld (box 6), 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 (for example, \$87,900 for 2004),
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,”
8. Be sure that the amounts on Form W-3 are the total of amounts from Forms W-2, and
9. 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 (that is, 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; and
- d. Advance earned income credit (EIC).

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, Annual Return of Withheld Federal Income Tax. 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 that you will have a record of why amounts did not match in case there are inquiries from the IRS or the SSA. See the Instructions for Schedule D (Form 941) if you need to explain any discrepancies that were caused by an acquisition, statutory merger, or consolidation.

13. Reporting Adjustments on Form 941

There are two types of adjustments reported on Form 941: current period adjustments and prior period adjustments to correct errors. See the Instructions for Form 941 and the Instructions for Form 941c, Supporting Statement to Correct Information, for more information on how to report these adjustments.

Current Period Adjustments

In certain cases, amounts reported as social security and Medicare taxes in column 2 of lines 5a, 5b, and 5c of Form 941 must be adjusted to arrive at your correct tax liability (for example, excluding amounts withheld by a third-party payer or amounts you were not required to withhold). Current period adjustments are reported on lines 7a, 7b, and 7c 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. However, report the entire amount of these tips on lines 5b (social security tips) and 5c (Medicare wages and tips). Include as a negative adjustment on line 7c 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 5a and 5c (social security and Medicare taxes), and back out the amount of the employee share of these taxes as a negative adjustment on line 7c. See Publication 15-B for more information on group-term life insurance.

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 5a and 5c of Form 941. Show as a negative adjustment on line 7b the social security and Medicare taxes withheld on sick pay by a third-party payer. See section 6 of Publication 15-A for more information.

Fractions of cents adjustment. If there is a small difference between total taxes after adjustment for advance EIC (line 10) and total deposits (line 11), 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 and deposited from each employee's wages. IRS refers to rounding differences relating to employee withholding of social security and Medicare taxes as "fractions-of-cents" adjustments. (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 5a, column 1 and 5b, column 1) by 6.2% (.062) and
- Medicare tax (reported on line 5c column 1) 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 to be reported on line 7a. If the actual amount withheld is less, report a negative adjustment in parentheses (if possible) in the entry space. If the actual amount is more, report a positive adjustment.

Note. For the above adjustments, prepare and retain a brief supporting statement explaining the nature and amount of each. Do not attach the statement to Form 941.

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

- **Third-party sick pay.** Cedar, Inc. included taxes of \$2,000 for sick pay on lines 5a, column 2 and 5c, column 2 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) on line 7b.
- **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 5a, column 2, 5b, column 2, and 5c, column 2 (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. Cedar, Inc. must report a positive \$1.44 fractions-of-cents adjustment on line 7a.
- **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 5a, column 2 and 5c, column 2 of Form 941. Therefore, Cedar, Inc. is entitled to a negative \$200 adjustment on line 7c.

Cedar, Inc. reported these adjustments on line 7 of Form 941 as shown in the *Current Period Adjustment Example* below.

Note. Do not make any changes to your record of federal tax liability reported on line 15 or Schedule B (Form 941) for current period 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 period adjustments make the amounts reported on lines 5a, column 2, 5b, column 2, and 5c, column 2 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.

7 Tax adjustments (If your answer is a negative number, write it in brackets.):	
7a Current quarter's fractions of cents	1.44
7b Current quarter's sick pay	(1000.00)
7c Current quarter's adjustments for tips and group-term life insurance	(200.00)
7d Current year's income tax withholding (Attach Form 941c)	▪
7e Prior quarter's social security and Medicare taxes (Attach Form 941c)	▪
7f Special additions to federal income tax (reserved use)	▪
7g Special additions to social security and Medicare (reserved use)	▪
7h Total adjustments (Combine all amounts: lines 7a through 7g.) 7h	(1198.56)

Prior Period Adjustments

Generally, you can correct errors on prior period Forms 941 by making an adjustment on your 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 2004 Form 941 and discovered the error during January 2005, correct the error by making an adjustment on your first quarter 2005 Form 941.

The adjustment increases or decreases your tax liability for the quarter in which it is reported (that is, 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, and
- 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 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 7d 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 his or her 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 7e 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 15, or on Schedule B (Form 941), Report of Tax Liability for Semiweekly Schedule Depositors.

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 7, 2005, that it overreported social security tax on a prior quarter return by \$5,000. Its total tax liabilities for the first quarter of 2005 were: January—\$4,500, February—\$4,500, and March—\$4,500. Elm Co. completed line 15 of Form 941 as shown in the *Prior Period Adjustment Example* below.

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 15, Month 1. The remaining \$500 of the \$5,000 adjustment

Prior Period Adjustment Example

15 Check one: Line 10 is less than \$2,500, go to Part 3.

You were a monthly schedule depositor for the entire quarter and line 10 is \$2,500 or more, fill out the tax liability for each month. Then go to Part 3.

Tax liability: Month 1	-0- ■
Month 2	4000 ■ 00
Month 3	4500 ■ 00
Total	8500 ■ 00

Total must equal line 10.

You were a semiweekly schedule depositor for any part of this quarter. Fill out Schedule B (Form 941): Report of Tax Liability for Semiweekly Schedule Depositors and attach it to this form.

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 15, Month 2.

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.

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 before the end of the calendar year in which it was withheld. 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, with the SSA. Up to five Forms W-2c per Form W-3c may be filed over the Internet. For more information, visit the Social Security Administration's Employer Reporting Instructions and Information page at www.socialsecurity.gov/employer.

Special additions to tax liability. The revised Form 941 includes new lines to report special additions to federal income tax and social security and Medicare tax. However, these lines are specifically reserved for special circumstances and are to be used only if the IRS sends the employer a notice instructing the employer to use them.

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 adjust-

ments 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 Publication 926, Household Employer's Tax Guide. Only the employer pays FUTA tax; it is not withheld from the employee's wages. For more information, see the Instructions for Form 940.

Note. Services rendered after December 20, 2000, to a federally recognized Indian tribal government (or any subdivision, subsidiary, or business wholly owned by such an Indian tribe) are exempt from FUTA tax, subject to the tribe's compliance with state law. For more information, see Code section 3309(d).

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 that you pay to employees in that category during the current calendar year.

1. General test.

You are subject to FUTA tax in 2005 on the wages that 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 2004 or 2005 or

- b. You had one or more employees for at least some part of a day in any 20 or more different weeks in 2004 or 20 or more different weeks in 2005.
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 2004 or 2005. 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 that you pay to farmworkers if:
- a. You paid cash wages of \$20,000 or more to farmworkers during any calendar quarter in 2004 or 2005 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 2004 or 20 or more different weeks in 2005.

Computing FUTA tax. For 2004 and 2005, the FUTA tax rate is 6.2%. The tax applies to the first \$7,000 that you pay to 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 that 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 0.8%.

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 (0.8%). 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 is exempt from state unemployment tax, you may have to deposit more than the tax using the 0.8% 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 after 2004 is \$500 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 2005 is over \$500 (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 Form 943. See Publication 926, Household Employer's Tax Guide, for more information.

When to deposit. Deposit the FUTA tax by the last day of the first month that follows the end of the quarter. If the due date (below) for making your deposit falls on a Saturday, Sunday, or legal holiday, you may make your deposit on the next business day.

If your liability for the fourth quarter (plus any undeposited amount from any earlier quarter) is over \$500, deposit the entire amount by the due date of Form 940 or Form 940-EZ (January 31). If it is \$500 or less, you can either make a deposit or pay the tax with your Form 940 or Form 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 Form 940-EZ, Employer's Annual Federal Unemployment (FUTA) Tax Return, to report FUTA tax. File Form 940 or Form 940-EZ by January 31. However, if you deposited all FUTA tax when due, you may file on or before February 10. The IRS will mail a preaddressed Form 940 or Form 940-EZ to you if you filed a return for the year before. If you do not receive Form 940 or Form 940-EZ, you can get a 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 (a) you paid unemployment taxes ("contributions") to only one state, (b) you paid state unemployment taxes by the due date of Form 940 or Form 940-EZ, (c) all wages that were taxable for FUTA tax purposes were also taxable for your state's unemployment tax, and (d) you did not make contributions to a credit reduction state. 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 Form 943, report FUTA tax for these employees on Schedule H (Form 1040), Household Employment Taxes. See Publication 926 for more information.

Electronic filing by Reporting Agents. Reporting agents filing Forms 940 for groups of taxpayers can file them electronically. See the *Reporting Agent* discussion in section 7 of Publication 15-A, Employer's Supplemental Tax Guide, 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 14 and Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities, and Publication 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 was provided outside the plan. See Publication 15-B for more information.		
Deceased worker: 1. Wages paid to beneficiary or estate in same calendar year as worker's death. See Instructions for Forms W-2 and W-3 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 that 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: 1. Accountable plan. a. Amounts not exceeding specified government rate for per diem or standard mileage. b. Amounts in excess of specified government rate for per diem or standard mileage. 2. Nonaccountable plan. See page 10 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 Publication 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 7 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 Publication 51 (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 \$1,400 or more in cash in 2005. 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 Publication 15-B for 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 7. 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 Publication 15-A.		
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 Publication 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 Publication 15-A.		
Officers or shareholders of an S Corporation. Distributions and other payments by an S corporation to a corporate officer or shareholder must be treated as wages to the extent the amounts are reasonable compensation for services to the corporation by an employee. (See the Instructions for Form 1120S.)	Withhold	Taxable	Taxable
Partners: Payments to general or limited partners of a partnership. (See Publication 541, Partnerships, and Publication 533, Self-Employment Tax, for partner reporting rules.)	Exempt	Exempt	Exempt
Railroads: Payments subject to the Railroad Retirement Act.	Withhold	Exempt	Exempt
Religious exemptions.	See Publication 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 (for example, 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 Publication 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 Withhold, but recipient may elect exemption on Form W-4P in certain cases; mandatory 20% withholding applies to an eligible rollover distribution that is not a direct rollover. See Publication 15-A.	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 8 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 <i>Students</i> on next page.	

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 cash 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 Publication 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. Salaries and wages. (Includes payments to most elected and appointed officials. See chapter 3 of Publication 963, Federal-State Reference Guide.) 2. Election workers. Election workers are individuals who are employed to perform services for state or local governments at election booths in connection with national, state or local elections. Note. File Form W-2 for payments of \$600 or more even if no social security or Medicare taxes were withheld.	Withhold	Taxable (1) for services performed by employees who are either (a) covered under a section 218 agreement or (b) not a member of a public retirement system, 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.	Exempt
	Exempt	Taxable if paid \$1,200 or more in 2005 (lesser amount if specified by a section 218 social security agreement).	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 (that is, aliens holding F-1, J-1, M-1, or Q-1 visas).	Withhold	Exempt	Exempt
	Withhold	Exempt unless services are covered by a section 218 (Social Security Act) agreement	Exempt
	Withhold	Exempt unless services are covered by a section 218 (Social Security Act) agreement	Exempt
	Withhold	Taxable	Exempt unless program was established for or on behalf of an employer or group of employers.
	Withhold	Exempt	Exempt
Withhold	Taxable	Exempt	
Withhold unless excepted by regulations.	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. See the special residency tests for exempt individuals in chapter 1 of Publication 519.		
Supplemental unemployment compensation plan benefits.	Withhold	Exempt under certain conditions. See Publication 15-A.	
Tips: 1. If \$20 or more in a month. 2. If less than \$20 in a month. See section 6 for more information.	Withhold	Taxable	Taxable for all tips reported in writing to employer.
	Exempt	Exempt	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 the information that 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 38-57) 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 federal 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 on this page before using the percentage method tables (pages 36-37).

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.

Adapt the tables to more than 10 allowances as follows:

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—2005 Amount for One Withholding Allowance* later.)
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 38 through 57 to figure how much income tax to withhold, you can use a percentage computation based on Table 5

below 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 that the employee claims.
2. Subtract that amount from the employee's wages.
3. Determine the amount to withhold from the appropriate table on page 36 or 37.

Table 5. Percentage Method—2005 Amount for One Withholding Allowance

Payroll Period	One Withholding Allowance
Weekly	\$61.54
Biweekly	123.08
Semimonthly	133.33
Monthly	266.67
Quarterly	800.00
Semiannually	1,600.00
Annually	3,200.00
Daily or miscellaneous (each day of the payroll period)	12.31

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 \$61.54
3. Allowances claimed on Form W-4 2
4. Multiply line 2 by line 3 \$123.08
5. Amount subject to withholding (subtract line 4 from line 1) \$476.92
6. Tax to be withheld on \$476.92 from Table 1—single person, page 36 \$ 57.04

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 \$12,800 (the value of four withholding allowances for 2005) for a balance of \$39,200. Using the table for the annual payroll period on page 37, \$3,950 is withheld. Divide the annual tax by 52. The weekly income tax to withhold is \$75.96.

Alternative Methods of Income Tax Withholding

Rather than the *Wage Bracket Method* or *Percentage Method* described above, you can use an alternative method to withhold income tax. Publication 15-A,

Employer's Supplemental Tax Guide, describes these alternative methods and contains:

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

Some of the alternative methods explained in Publication 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* as 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 9 of Publication 15-A. See also section 10 in this booklet for an explanation of the advance payment of the EIC.

The number of withholding allowances that 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 60 through 65, 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 head of household, (b) married without spouse filing certificate, and (c) married 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 58 and 59.

Find the employee's gross wages before any deductions in the appropriate table on pages 58 and 59. There are different tables for (a) single or head of household, (b) married without spouse filing certificate, and (c) married 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 38-57) have been rounded to whole-dollar amounts.

When employers use the Percentage Method (pages 36-37) 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 60-65) have also been rounded to whole-dollar amounts. If you use the Tables for Percentage Method of Advance EIC Payments (pages 58-59), the payments may be rounded to the nearest dollar.

Tables for Percentage Method of Withholding
(For Wages Paid in 2005)

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 \$154		\$0	
Over—	But not over—		of excess over—	Over—	But not over—		of excess over—
\$51	—\$188	10%	—\$51	\$154	—\$435	10%	—\$154
\$188	—\$606	\$13.70 plus 15%	—\$188	\$435	—\$1,273	\$28.10 plus 15%	—\$435
\$606	—\$1,341	\$76.40 plus 25%	—\$606	\$1,273	—\$2,322	\$153.80 plus 25%	—\$1,273
\$1,341	—\$2,922	\$260.15 plus 28%	—\$1,341	\$2,322	—\$3,646	\$416.05 plus 28%	—\$2,322
\$2,922	—\$6,313	\$702.83 plus 33%	—\$2,922	\$3,646	—\$6,409	\$786.77 plus 33%	—\$3,646
\$6,313	. . . . .	\$1,821.86 plus 35%	—\$6,313	\$6,409	. . . . .	\$1,698.56 plus 35%	—\$6,409

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 \$308		\$0	
Over—	But not over—		of excess over—	Over—	But not over—		of excess over—
\$102	—\$377	10%	—\$102	\$308	—\$869	10%	—\$308
\$377	—\$1,212	\$27.50 plus 15%	—\$377	\$869	—\$2,546	\$56.10 plus 15%	—\$869
\$1,212	—\$2,683	\$152.75 plus 25%	—\$1,212	\$2,546	—\$4,644	\$307.65 plus 25%	—\$2,546
\$2,683	—\$5,844	\$520.50 plus 28%	—\$2,683	\$4,644	—\$7,292	\$832.15 plus 28%	—\$4,644
\$5,844	—\$12,625	\$1,405.58 plus 33%	—\$5,844	\$7,292	—\$12,817	\$1,573.59 plus 33%	—\$7,292
\$12,625	. . . . .	\$3,643.31 plus 35%	—\$12,625	\$12,817	. . . . .	\$3,396.84 plus 35%	—\$12,817

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 \$333		\$0	
Over—	But not over—		of excess over—	Over—	But not over—		of excess over—
\$110	—\$408	10%	—\$110	\$333	—\$942	10%	—\$333
\$408	—\$1,313	\$29.80 plus 15%	—\$408	\$942	—\$2,758	\$60.90 plus 15%	—\$942
\$1,313	—\$2,906	\$165.55 plus 25%	—\$1,313	\$2,758	—\$5,031	\$333.30 plus 25%	—\$2,758
\$2,906	—\$6,331	\$563.80 plus 28%	—\$2,906	\$5,031	—\$7,900	\$901.55 plus 28%	—\$5,031
\$6,331	—\$13,677	\$1,522.80 plus 33%	—\$6,331	\$7,900	—\$13,885	\$1,704.87 plus 33%	—\$7,900
\$13,677	. . . . .	\$3,946.98 plus 35%	—\$13,677	\$13,885	. . . . .	\$3,679.92 plus 35%	—\$13,885

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 \$667		\$0	
Over—	But not over—		of excess over—	Over—	But not over—		of excess over—
\$221	—\$817	10%	—\$221	\$667	—\$1,883	10%	—\$667
\$817	—\$2,625	\$59.60 plus 15%	—\$817	\$1,883	—\$5,517	\$121.60 plus 15%	—\$1,883
\$2,625	—\$5,813	\$330.80 plus 25%	—\$2,625	\$5,517	—\$10,063	\$666.70 plus 25%	—\$5,517
\$5,813	—\$12,663	\$1,127.80 plus 28%	—\$5,813	\$10,063	—\$15,800	\$1,803.20 plus 28%	—\$10,063
\$12,663	—\$27,354	\$3,045.80 plus 33%	—\$12,663	\$15,800	—\$27,771	\$3,409.56 plus 33%	—\$15,800
\$27,354	. . . . .	\$7,893.83 plus 35%	—\$27,354	\$27,771	. . . . .	\$7,359.99 plus 35%	—\$27,771

Tables for Percentage Method of Withholding (Continued)

(For Wages Paid in 2005)

TABLE 5—QUARTERLY Payroll Period

(a) SINGLE person (including head of household)—

If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$663		\$0	
Over—	But not over—	of excess over—	
\$663	—\$2,450	10%	—\$663
\$2,450	—\$7,875	\$178.70 plus 15%	—\$2,450
\$7,875	—\$17,438	\$992.45 plus 25%	—\$7,875
\$17,438	—\$37,988	\$3,383.20 plus 28%	—\$17,438
\$37,988	—\$82,063	\$9,137.20 plus 33%	—\$37,988
\$82,063	. . . . .	\$23,681.95 plus 35%	—\$82,063

(b) MARRIED person—

If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$2,000		\$0	
Over—	But not over—	of excess over—	
\$2,000	—\$5,650	10%	—\$2,000
\$5,650	—\$16,550	\$365.00 plus 15%	—\$5,650
\$16,550	—\$30,188	\$2,000.00 plus 25%	—\$16,550
\$30,188	—\$47,400	\$5,409.50 plus 28%	—\$30,188
\$47,400	—\$83,313	\$10,228.86 plus 33%	—\$47,400
\$83,313	. . . . .	\$22,080.15 plus 35%	—\$83,313

TABLE 6—SEMIANNUAL Payroll Period

(a) SINGLE person (including head of household)—

If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$1,325		\$0	
Over—	But not over—	of excess over—	
\$1,325	—\$4,900	10%	—\$1,325
\$4,900	—\$15,750	\$357.50 plus 15%	—\$4,900
\$15,750	—\$34,875	\$1,985.00 plus 25%	—\$15,750
\$34,875	—\$75,975	\$6,766.25 plus 28%	—\$34,875
\$75,975	—\$164,125	\$18,274.25 plus 33%	—\$75,975
\$164,125	. . . . .	\$47,363.75 plus 35%	—\$164,125

(b) MARRIED person—

If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$4,000		\$0	
Over—	But not over—	of excess over—	
\$4,000	—\$11,300	10%	—\$4,000
\$11,300	—\$33,100	\$730.00 plus 15%	—\$11,300
\$33,100	—\$60,375	\$4,000.00 plus 25%	—\$33,100
\$60,375	—\$94,800	\$10,818.75 plus 28%	—\$60,375
\$94,800	—\$166,625	\$20,457.75 plus 33%	—\$94,800
\$166,625	. . . . .	\$44,160.00 plus 35%	—\$166,625

TABLE 7—ANNUAL Payroll Period

(a) SINGLE person (including head of household)—

If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$2,650		\$0	
Over—	But not over—	of excess over—	
\$2,650	—\$9,800	10%	—\$2,650
\$9,800	—\$31,500	\$715.00 plus 15%	—\$9,800
\$31,500	—\$69,750	\$3,970.00 plus 25%	—\$31,500
\$69,750	—\$151,950	\$13,532.50 plus 28%	—\$69,750
\$151,950	—\$328,250	\$36,548.50 plus 33%	—\$151,950
\$328,250	. . . . .	\$94,727.50 plus 35%	—\$328,250

(b) MARRIED person—

If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$8,000		\$0	
Over—	But not over—	of excess over—	
\$8,000	—\$22,600	10%	—\$8,000
\$22,600	—\$66,200	\$1,460.00 plus 15%	—\$22,600
\$66,200	—\$120,750	\$8,000.00 plus 25%	—\$66,200
\$120,750	—\$189,600	\$21,637.50 plus 28%	—\$120,750
\$189,600	—\$333,250	\$40,915.50 plus 33%	—\$189,600
\$333,250	. . . . .	\$88,320.00 plus 35%	—\$333,250

TABLE 8—DAILY or MISCELLANEOUS Payroll Period

(a) SINGLE person (including head of household)—

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	
Over—	But not over—	of excess over—	
\$10.20	—\$37.70	10%	—\$10.20
\$37.70	—\$121.20	\$2.75 plus 15%	—\$37.70
\$121.20	—\$268.30	\$15.28 plus 25%	—\$121.20
\$268.30	—\$584.40	\$52.06 plus 28%	—\$268.30
\$584.40	—\$1,262.50	\$140.57 plus 33%	—\$584.40
\$1,262.50	. . . . .	\$364.34 plus 35%	—\$1,262.50

(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:	
Not over \$30.80		\$0	
Over—	But not over—	of excess over—	
\$30.80	—\$86.90	10%	—\$30.80
\$86.90	—\$254.60	\$5.61 plus 15%	—\$86.90
\$254.60	—\$464.40	\$30.77 plus 25%	—\$254.60
\$464.40	—\$729.20	\$83.22 plus 28%	—\$464.40
\$729.20	—\$1,281.70	\$157.36 plus 33%	—\$729.20
\$1,281.70	. . . . .	\$339.69 plus 35%	—\$1,281.70

SINGLE Persons—WEEKLY Payroll Period
(For Wages Paid in 2005)

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	1	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	2	0	0	0	0	0	0	0	0	0	0
75	80	3	0	0	0	0	0	0	0	0	0	0
80	85	3	0	0	0	0	0	0	0	0	0	0
85	90	4	0	0	0	0	0	0	0	0	0	0
90	95	4	0	0	0	0	0	0	0	0	0	0
95	100	5	0	0	0	0	0	0	0	0	0	0
100	105	5	0	0	0	0	0	0	0	0	0	0
105	110	6	0	0	0	0	0	0	0	0	0	0
110	115	6	0	0	0	0	0	0	0	0	0	0
115	120	7	1	0	0	0	0	0	0	0	0	0
120	125	7	1	0	0	0	0	0	0	0	0	0
125	130	8	2	0	0	0	0	0	0	0	0	0
130	135	8	2	0	0	0	0	0	0	0	0	0
135	140	9	3	0	0	0	0	0	0	0	0	0
140	145	9	3	0	0	0	0	0	0	0	0	0
145	150	10	4	0	0	0	0	0	0	0	0	0
150	155	10	4	0	0	0	0	0	0	0	0	0
155	160	11	5	0	0	0	0	0	0	0	0	0
160	165	11	5	0	0	0	0	0	0	0	0	0
165	170	12	6	0	0	0	0	0	0	0	0	0
170	175	12	6	0	0	0	0	0	0	0	0	0
175	180	13	7	0	0	0	0	0	0	0	0	0
180	185	13	7	1	0	0	0	0	0	0	0	0
185	190	14	8	1	0	0	0	0	0	0	0	0
190	195	14	8	2	0	0	0	0	0	0	0	0
195	200	15	9	2	0	0	0	0	0	0	0	0
200	210	16	9	3	0	0	0	0	0	0	0	0
210	220	18	10	4	0	0	0	0	0	0	0	0
220	230	19	11	5	0	0	0	0	0	0	0	0
230	240	21	12	6	0	0	0	0	0	0	0	0
240	250	22	13	7	1	0	0	0	0	0	0	0
250	260	24	15	8	2	0	0	0	0	0	0	0
260	270	25	16	9	3	0	0	0	0	0	0	0
270	280	27	18	10	4	0	0	0	0	0	0	0
280	290	28	19	11	5	0	0	0	0	0	0	0
290	300	30	21	12	6	0	0	0	0	0	0	0
300	310	31	22	13	7	1	0	0	0	0	0	0
310	320	33	24	14	8	2	0	0	0	0	0	0
320	330	34	25	16	9	3	0	0	0	0	0	0
330	340	36	27	17	10	4	0	0	0	0	0	0
340	350	37	28	19	11	5	0	0	0	0	0	0
350	360	39	30	20	12	6	0	0	0	0	0	0
360	370	40	31	22	13	7	1	0	0	0	0	0
370	380	42	33	23	14	8	2	0	0	0	0	0
380	390	43	34	25	16	9	3	0	0	0	0	0
390	400	45	36	26	17	10	4	0	0	0	0	0
400	410	46	37	28	19	11	5	0	0	0	0	0
410	420	48	39	29	20	12	6	0	0	0	0	0
420	430	49	40	31	22	13	7	0	0	0	0	0
430	440	51	42	32	23	14	8	1	0	0	0	0
440	450	52	43	34	25	15	9	2	0	0	0	0
450	460	54	45	35	26	17	10	3	0	0	0	0
460	470	55	46	37	28	18	11	4	0	0	0	0
470	480	57	48	38	29	20	12	5	0	0	0	0
480	490	58	49	40	31	21	13	6	0	0	0	0
490	500	60	51	41	32	23	14	7	1	0	0	0
500	510	61	52	43	34	24	15	8	2	0	0	0
510	520	63	54	44	35	26	17	9	3	0	0	0
520	530	64	55	46	37	27	18	10	4	0	0	0
530	540	66	57	47	38	29	20	11	5	0	0	0
540	550	67	58	49	40	30	21	12	6	0	0	0
550	560	69	60	50	41	32	23	13	7	1	0	0
560	570	70	61	52	43	33	24	15	8	2	0	0
570	580	72	63	53	44	35	26	16	9	3	0	0
580	590	73	64	55	46	36	27	18	10	4	0	0
590	600	75	66	56	47	38	29	19	11	5	0	0

SINGLE Persons—WEEKLY Payroll Period
(For Wages Paid in 2005)

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	\$76	\$67	\$58	\$49	\$39	\$30	\$21	\$12	\$6	\$0	\$0
610	620	79	69	59	50	41	32	22	13	7	1	0
620	630	81	70	61	52	42	33	24	15	8	2	0
630	640	84	72	62	53	44	35	25	16	9	3	0
640	650	86	73	64	55	45	36	27	18	10	4	0
650	660	89	75	65	56	47	38	28	19	11	5	0
660	670	91	76	67	58	48	39	30	21	12	6	0
670	680	94	78	68	59	50	41	31	22	13	7	1
680	690	96	81	70	61	51	42	33	24	14	8	2
690	700	99	83	71	62	53	44	34	25	16	9	3
700	710	101	86	73	64	54	45	36	27	17	10	4
710	720	104	88	74	65	56	47	37	28	19	11	5
720	730	106	91	76	67	57	48	39	30	20	12	6
730	740	109	93	78	68	59	50	40	31	22	13	7
740	750	111	96	80	70	60	51	42	33	23	14	8
750	760	114	98	83	71	62	53	43	34	25	16	9
760	770	116	101	85	73	63	54	45	36	26	17	10
770	780	119	103	88	74	65	56	46	37	28	19	11
780	790	121	106	90	76	66	57	48	39	29	20	12
790	800	124	108	93	78	68	59	49	40	31	22	13
800	810	126	111	95	80	69	60	51	42	32	23	14
810	820	129	113	98	83	71	62	52	43	34	25	15
820	830	131	116	100	85	72	63	54	45	35	26	17
830	840	134	118	103	88	74	65	55	46	37	28	18
840	850	136	121	105	90	75	66	57	48	38	29	20
850	860	139	123	108	93	77	68	58	49	40	31	21
860	870	141	126	110	95	80	69	60	51	41	32	23
870	880	144	128	113	98	82	71	61	52	43	34	24
880	890	146	131	115	100	85	72	63	54	44	35	26
890	900	149	133	118	103	87	74	64	55	46	37	27
900	910	151	136	120	105	90	75	66	57	47	38	29
910	920	154	138	123	108	92	77	67	58	49	40	30
920	930	156	141	125	110	95	79	69	60	50	41	32
930	940	159	143	128	113	97	82	70	61	52	43	33
940	950	161	146	130	115	100	84	72	63	53	44	35
950	960	164	148	133	118	102	87	73	64	55	46	36
960	970	166	151	135	120	105	89	75	66	56	47	38
970	980	169	153	138	123	107	92	76	67	58	49	39
980	990	171	156	140	125	110	94	79	69	59	50	41
990	1,000	174	158	143	128	112	97	81	70	61	52	42
1,000	1,010	176	161	145	130	115	99	84	72	62	53	44
1,010	1,020	179	163	148	133	117	102	86	73	64	55	45
1,020	1,030	181	166	150	135	120	104	89	75	65	56	47
1,030	1,040	184	168	153	138	122	107	91	76	67	58	48
1,040	1,050	186	171	155	140	125	109	94	78	68	59	50
1,050	1,060	189	173	158	143	127	112	96	81	70	61	51
1,060	1,070	191	176	160	145	130	114	99	83	71	62	53
1,070	1,080	194	178	163	148	132	117	101	86	73	64	54
1,080	1,090	196	181	165	150	135	119	104	88	74	65	56
1,090	1,100	199	183	168	153	137	122	106	91	76	67	57
1,100	1,110	201	186	170	155	140	124	109	93	78	68	59
1,110	1,120	204	188	173	158	142	127	111	96	81	70	60
1,120	1,130	206	191	175	160	145	129	114	98	83	71	62
1,130	1,140	209	193	178	163	147	132	116	101	86	73	63
1,140	1,150	211	196	180	165	150	134	119	103	88	74	65
1,150	1,160	214	198	183	168	152	137	121	106	91	76	66
1,160	1,170	216	201	185	170	155	139	124	108	93	78	68
1,170	1,180	219	203	188	173	157	142	126	111	96	80	69
1,180	1,190	221	206	190	175	160	144	129	113	98	83	71
1,190	1,200	224	208	193	178	162	147	131	116	101	85	72
1,200	1,210	226	211	195	180	165	149	134	118	103	88	74
1,210	1,220	229	213	198	183	167	152	136	121	106	90	75
1,220	1,230	231	216	200	185	170	154	139	123	108	93	77
1,230	1,240	234	218	203	188	172	157	141	126	111	95	80
1,240	1,250	236	221	205	190	175	159	144	128	113	98	82

\$1,250 and over

Use Table 1(a) for a **SINGLE** person on page 36. Also see the instructions on page 34.

MARRIED Persons—WEEKLY Payroll Period
(For Wages Paid in 2005)

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	0	0	0	0	0	0	0	0	0	0	0
130	135	0	0	0	0	0	0	0	0	0	0	0
135	140	0	0	0	0	0	0	0	0	0	0	0
140	145	0	0	0	0	0	0	0	0	0	0	0
145	150	0	0	0	0	0	0	0	0	0	0	0
150	155	0	0	0	0	0	0	0	0	0	0	0
155	160	0	0	0	0	0	0	0	0	0	0	0
160	165	1	0	0	0	0	0	0	0	0	0	0
165	170	1	0	0	0	0	0	0	0	0	0	0
170	175	2	0	0	0	0	0	0	0	0	0	0
175	180	2	0	0	0	0	0	0	0	0	0	0
180	185	3	0	0	0	0	0	0	0	0	0	0
185	190	3	0	0	0	0	0	0	0	0	0	0
190	195	4	0	0	0	0	0	0	0	0	0	0
195	200	4	0	0	0	0	0	0	0	0	0	0
200	210	5	0	0	0	0	0	0	0	0	0	0
210	220	6	0	0	0	0	0	0	0	0	0	0
220	230	7	1	0	0	0	0	0	0	0	0	0
230	240	8	2	0	0	0	0	0	0	0	0	0
240	250	9	3	0	0	0	0	0	0	0	0	0
250	260	10	4	0	0	0	0	0	0	0	0	0
260	270	11	5	0	0	0	0	0	0	0	0	0
270	280	12	6	0	0	0	0	0	0	0	0	0
280	290	13	7	1	0	0	0	0	0	0	0	0
290	300	14	8	2	0	0	0	0	0	0	0	0
300	310	15	9	3	0	0	0	0	0	0	0	0
310	320	16	10	4	0	0	0	0	0	0	0	0
320	330	17	11	5	0	0	0	0	0	0	0	0
330	340	18	12	6	0	0	0	0	0	0	0	0
340	350	19	13	7	1	0	0	0	0	0	0	0
350	360	20	14	8	2	0	0	0	0	0	0	0
360	370	21	15	9	3	0	0	0	0	0	0	0
370	380	22	16	10	4	0	0	0	0	0	0	0
380	390	23	17	11	5	0	0	0	0	0	0	0
390	400	24	18	12	6	0	0	0	0	0	0	0
400	410	25	19	13	7	1	0	0	0	0	0	0
410	420	26	20	14	8	2	0	0	0	0	0	0
420	430	27	21	15	9	3	0	0	0	0	0	0
430	440	28	22	16	10	4	0	0	0	0	0	0
440	450	30	23	17	11	5	0	0	0	0	0	0
450	460	31	24	18	12	6	0	0	0	0	0	0
460	470	33	25	19	13	7	0	0	0	0	0	0
470	480	34	26	20	14	8	1	0	0	0	0	0
480	490	36	27	21	15	9	2	0	0	0	0	0
490	500	37	28	22	16	10	3	0	0	0	0	0
500	510	39	29	23	17	11	4	0	0	0	0	0
510	520	40	31	24	18	12	5	0	0	0	0	0
520	530	42	32	25	19	13	6	0	0	0	0	0
530	540	43	34	26	20	14	7	1	0	0	0	0
540	550	45	35	27	21	15	8	2	0	0	0	0
550	560	46	37	28	22	16	9	3	0	0	0	0
560	570	48	38	29	23	17	10	4	0	0	0	0
570	580	49	40	31	24	18	11	5	0	0	0	0
580	590	51	41	32	25	19	12	6	0	0	0	0
590	600	52	43	34	26	20	13	7	1	0	0	0
600	610	54	44	35	27	21	14	8	2	0	0	0
610	620	55	46	37	28	22	15	9	3	0	0	0
620	630	57	47	38	29	23	16	10	4	0	0	0
630	640	58	49	40	30	24	17	11	5	0	0	0
640	650	60	50	41	32	25	18	12	6	0	0	0
650	660	61	52	43	33	26	19	13	7	1	0	0
660	670	63	53	44	35	27	20	14	8	2	0	0
670	680	64	55	46	36	28	21	15	9	3	0	0
680	690	66	56	47	38	29	22	16	10	4	0	0
690	700	67	58	49	39	30	23	17	11	5	0	0
700	710	69	59	50	41	32	24	18	12	6	0	0
710	720	70	61	52	42	33	25	19	13	7	1	0
720	730	72	62	53	44	35	26	20	14	8	2	0
730	740	73	64	55	45	36	27	21	15	9	3	0

MARRIED Persons—WEEKLY Payroll Period
(For Wages Paid in 2005)

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	\$75	\$65	\$56	\$47	\$38	\$28	\$22	\$16	\$10	\$4	\$0
750	760	76	67	58	48	39	30	23	17	11	5	0
760	770	78	68	59	50	41	31	24	18	12	6	0
770	780	79	70	61	51	42	33	25	19	13	7	1
780	790	81	71	62	53	44	34	26	20	14	8	2
790	800	82	73	64	54	45	36	27	21	15	9	3
800	810	84	74	65	56	47	37	28	22	16	10	4
810	820	85	76	67	57	48	39	30	23	17	11	5
820	830	87	77	68	59	50	40	31	24	18	12	6
830	840	88	79	70	60	51	42	33	25	19	13	7
840	850	90	80	71	62	53	43	34	26	20	14	8
850	860	91	82	73	63	54	45	36	27	21	15	9
860	870	93	83	74	65	56	46	37	28	22	16	10
870	880	94	85	76	66	57	48	39	30	23	17	11
880	890	96	86	77	68	59	49	40	31	24	18	12
890	900	97	88	79	69	60	51	42	33	25	19	13
900	910	99	89	80	71	62	52	43	34	26	20	14
910	920	100	91	82	72	63	54	45	36	27	21	15
920	930	102	92	83	74	65	55	46	37	28	22	16
930	940	103	94	85	75	66	57	48	39	29	23	17
940	950	105	95	86	77	68	58	49	40	31	24	18
950	960	106	97	88	78	69	60	51	42	32	25	19
960	970	108	98	89	80	71	61	52	43	34	26	20
970	980	109	100	91	81	72	63	54	45	35	27	21
980	990	111	101	92	83	74	64	55	46	37	28	22
990	1,000	112	103	94	84	75	66	57	48	38	29	23
1,000	1,010	114	104	95	86	77	67	58	49	40	31	24
1,010	1,020	115	106	97	87	78	69	60	51	41	32	25
1,020	1,030	117	107	98	89	80	70	61	52	43	34	26
1,030	1,040	118	109	100	90	81	72	63	54	44	35	27
1,040	1,050	120	110	101	92	83	73	64	55	46	37	28
1,050	1,060	121	112	103	93	84	75	66	57	47	38	29
1,060	1,070	123	113	104	95	86	76	67	58	49	40	30
1,070	1,080	124	115	106	96	87	78	69	60	50	41	32
1,080	1,090	126	116	107	98	89	79	70	61	52	43	33
1,090	1,100	127	118	109	99	90	81	72	63	53	44	35
1,100	1,110	129	119	110	101	92	82	73	64	55	46	36
1,110	1,120	130	121	112	102	93	84	75	66	56	47	38
1,120	1,130	132	122	113	104	95	85	76	67	58	49	39
1,130	1,140	133	124	115	105	96	87	78	69	59	50	41
1,140	1,150	135	125	116	107	98	88	79	70	61	52	42
1,150	1,160	136	127	118	108	99	90	81	72	62	53	44
1,160	1,170	138	128	119	110	101	91	82	73	64	55	45
1,170	1,180	139	130	121	111	102	93	84	75	65	56	47
1,180	1,190	141	131	122	113	104	94	85	76	67	58	48
1,190	1,200	142	133	124	114	105	96	87	78	68	59	50
1,200	1,210	144	134	125	116	107	97	88	79	70	61	51
1,210	1,220	145	136	127	117	108	99	90	81	71	62	53
1,220	1,230	147	137	128	119	110	100	91	82	73	64	54
1,230	1,240	148	139	130	120	111	102	93	84	74	65	56
1,240	1,250	150	140	131	122	113	103	94	85	76	67	57
1,250	1,260	151	142	133	123	114	105	96	87	77	68	59
1,260	1,270	153	143	134	125	116	106	97	88	79	70	60
1,270	1,280	154	145	136	126	117	108	99	90	80	71	62
1,280	1,290	157	146	137	128	119	109	100	91	82	73	63
1,290	1,300	159	148	139	129	120	111	102	93	83	74	65
1,300	1,310	162	149	140	131	122	112	103	94	85	76	66
1,310	1,320	164	151	142	132	123	114	105	96	86	77	68
1,320	1,330	167	152	143	134	125	115	106	97	88	79	69
1,330	1,340	169	154	145	135	126	117	108	99	89	80	71
1,340	1,350	172	156	146	137	128	118	109	100	91	82	72
1,350	1,360	174	159	148	138	129	120	111	102	92	83	74
1,360	1,370	177	161	149	140	131	121	112	103	94	85	75
1,370	1,380	179	164	151	141	132	123	114	105	95	86	77
1,380	1,390	182	166	152	143	134	124	115	106	97	88	78
1,390	1,400	184	169	154	144	135	126	117	108	98	89	80

\$1,400 and over

Use Table 1(b) for a **MARRIED** person on page 36. Also see the instructions on page 34.

SINGLE Persons—BIWEEKLY Payroll Period
(For Wages Paid in 2005)

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	1	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	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	4	0	0	0	0	0	0	0	0	0	0
145	150	5	0	0	0	0	0	0	0	0	0	0
150	155	5	0	0	0	0	0	0	0	0	0	0
155	160	6	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	8	0	0	0	0	0	0	0	0	0	0
185	190	9	0	0	0	0	0	0	0	0	0	0
190	195	9	0	0	0	0	0	0	0	0	0	0
195	200	10	0	0	0	0	0	0	0	0	0	0
200	205	10	0	0	0	0	0	0	0	0	0	0
205	210	11	0	0	0	0	0	0	0	0	0	0
210	215	11	0	0	0	0	0	0	0	0	0	0
215	220	12	0	0	0	0	0	0	0	0	0	0
220	225	12	0	0	0	0	0	0	0	0	0	0
225	230	13	0	0	0	0	0	0	0	0	0	0
230	235	13	1	0	0	0	0	0	0	0	0	0
235	240	14	1	0	0	0	0	0	0	0	0	0
240	245	14	2	0	0	0	0	0	0	0	0	0
245	250	15	2	0	0	0	0	0	0	0	0	0
250	260	15	3	0	0	0	0	0	0	0	0	0
260	270	16	4	0	0	0	0	0	0	0	0	0
270	280	17	5	0	0	0	0	0	0	0	0	0
280	290	18	6	0	0	0	0	0	0	0	0	0
290	300	19	7	0	0	0	0	0	0	0	0	0
300	310	20	8	0	0	0	0	0	0	0	0	0
310	320	21	9	0	0	0	0	0	0	0	0	0
320	330	22	10	0	0	0	0	0	0	0	0	0
330	340	23	11	0	0	0	0	0	0	0	0	0
340	350	24	12	0	0	0	0	0	0	0	0	0
350	360	25	13	1	0	0	0	0	0	0	0	0
360	370	26	14	2	0	0	0	0	0	0	0	0
370	380	27	15	3	0	0	0	0	0	0	0	0
380	390	29	16	4	0	0	0	0	0	0	0	0
390	400	30	17	5	0	0	0	0	0	0	0	0
400	410	32	18	6	0	0	0	0	0	0	0	0
410	420	33	19	7	0	0	0	0	0	0	0	0
420	430	35	20	8	0	0	0	0	0	0	0	0
430	440	36	21	9	0	0	0	0	0	0	0	0
440	450	38	22	10	0	0	0	0	0	0	0	0
450	460	39	23	11	0	0	0	0	0	0	0	0
460	470	41	24	12	0	0	0	0	0	0	0	0
470	480	42	25	13	0	0	0	0	0	0	0	0
480	490	44	26	14	1	0	0	0	0	0	0	0
490	500	45	27	15	2	0	0	0	0	0	0	0
500	520	47	29	16	4	0	0	0	0	0	0	0
520	540	50	32	18	6	0	0	0	0	0	0	0
540	560	53	35	20	8	0	0	0	0	0	0	0
560	580	56	38	22	10	0	0	0	0	0	0	0
580	600	59	41	24	12	0	0	0	0	0	0	0
600	620	62	44	26	14	2	0	0	0	0	0	0
620	640	65	47	29	16	4	0	0	0	0	0	0
640	660	68	50	32	18	6	0	0	0	0	0	0
660	680	71	53	35	20	8	0	0	0	0	0	0
680	700	74	56	38	22	10	0	0	0	0	0	0
700	720	77	59	41	24	12	0	0	0	0	0	0
720	740	80	62	44	26	14	1	0	0	0	0	0
740	760	83	65	47	28	16	3	0	0	0	0	0
760	780	86	68	50	31	18	5	0	0	0	0	0
780	800	89	71	53	34	20	7	0	0	0	0	0

SINGLE Persons—BIWEEKLY Payroll Period
(For Wages Paid in 2005)

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	\$92	\$74	\$56	\$37	\$22	\$9	\$0	\$0	\$0	\$0	\$0
820	840	95	77	59	40	24	11	0	0	0	0	0
840	860	98	80	62	43	26	13	1	0	0	0	0
860	880	101	83	65	46	28	15	3	0	0	0	0
880	900	104	86	68	49	31	17	5	0	0	0	0
900	920	107	89	71	52	34	19	7	0	0	0	0
920	940	110	92	74	55	37	21	9	0	0	0	0
940	960	113	95	77	58	40	23	11	0	0	0	0
960	980	116	98	80	61	43	25	13	1	0	0	0
980	1,000	119	101	83	64	46	27	15	3	0	0	0
1,000	1,020	122	104	86	67	49	30	17	5	0	0	0
1,020	1,040	125	107	89	70	52	33	19	7	0	0	0
1,040	1,060	128	110	92	73	55	36	21	9	0	0	0
1,060	1,080	131	113	95	76	58	39	23	11	0	0	0
1,080	1,100	134	116	98	79	61	42	25	13	0	0	0
1,100	1,120	137	119	101	82	64	45	27	15	2	0	0
1,120	1,140	140	122	104	85	67	48	30	17	4	0	0
1,140	1,160	143	125	107	88	70	51	33	19	6	0	0
1,160	1,180	146	128	110	91	73	54	36	21	8	0	0
1,180	1,200	149	131	113	94	76	57	39	23	10	0	0
1,200	1,220	152	134	116	97	79	60	42	25	12	0	0
1,220	1,240	157	137	119	100	82	63	45	27	14	2	0
1,240	1,260	162	140	122	103	85	66	48	29	16	4	0
1,260	1,280	167	143	125	106	88	69	51	32	18	6	0
1,280	1,300	172	146	128	109	91	72	54	35	20	8	0
1,300	1,320	177	149	131	112	94	75	57	38	22	10	0
1,320	1,340	182	152	134	115	97	78	60	41	24	12	0
1,340	1,360	187	157	137	118	100	81	63	44	26	14	2
1,360	1,380	192	162	140	121	103	84	66	47	29	16	4
1,380	1,400	197	167	143	124	106	87	69	50	32	18	6
1,400	1,420	202	172	146	127	109	90	72	53	35	20	8
1,420	1,440	207	177	149	130	112	93	75	56	38	22	10
1,440	1,460	212	182	152	133	115	96	78	59	41	24	12
1,460	1,480	217	187	156	136	118	99	81	62	44	26	14
1,480	1,500	222	192	161	139	121	102	84	65	47	28	16
1,500	1,520	227	197	166	142	124	105	87	68	50	31	18
1,520	1,540	232	202	171	145	127	108	90	71	53	34	20
1,540	1,560	237	207	176	148	130	111	93	74	56	37	22
1,560	1,580	242	212	181	151	133	114	96	77	59	40	24
1,580	1,600	247	217	186	155	136	117	99	80	62	43	26
1,600	1,620	252	222	191	160	139	120	102	83	65	46	28
1,620	1,640	257	227	196	165	142	123	105	86	68	49	31
1,640	1,660	262	232	201	170	145	126	108	89	71	52	34
1,660	1,680	267	237	206	175	148	129	111	92	74	55	37
1,680	1,700	272	242	211	180	151	132	114	95	77	58	40
1,700	1,720	277	247	216	185	154	135	117	98	80	61	43
1,720	1,740	282	252	221	190	159	138	120	101	83	64	46
1,740	1,760	287	257	226	195	164	141	123	104	86	67	49
1,760	1,780	292	262	231	200	169	144	126	107	89	70	52
1,780	1,800	297	267	236	205	174	147	129	110	92	73	55
1,800	1,820	302	272	241	210	179	150	132	113	95	76	58
1,820	1,840	307	277	246	215	184	153	135	116	98	79	61
1,840	1,860	312	282	251	220	189	158	138	119	101	82	64
1,860	1,880	317	287	256	225	194	163	141	122	104	85	67
1,880	1,900	322	292	261	230	199	168	144	125	107	88	70
1,900	1,920	327	297	266	235	204	173	147	128	110	91	73
1,920	1,940	332	302	271	240	209	178	150	131	113	94	76
1,940	1,960	337	307	276	245	214	183	153	134	116	97	79
1,960	1,980	342	312	281	250	219	188	158	137	119	100	82
1,980	2,000	347	317	286	255	224	193	163	140	122	103	85
2,000	2,020	352	322	291	260	229	198	168	143	125	106	88
2,020	2,040	357	327	296	265	234	203	173	146	128	109	91
2,040	2,060	362	332	301	270	239	208	178	149	131	112	94
2,060	2,080	367	337	306	275	244	213	183	152	134	115	97
2,080	2,100	372	342	311	280	249	218	188	157	137	118	100

\$2,100 and over

Use Table 2(a) for a **SINGLE** person on page 36. Also see the instructions on page 34.

MARRIED Persons—BIWEEKLY Payroll Period
(For Wages Paid in 2005)

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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$250	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
250	260	0	0	0	0	0	0	0	0	0	0	0
260	270	0	0	0	0	0	0	0	0	0	0	0
270	280	0	0	0	0	0	0	0	0	0	0	0
280	290	0	0	0	0	0	0	0	0	0	0	0
290	300	0	0	0	0	0	0	0	0	0	0	0
300	310	0	0	0	0	0	0	0	0	0	0	0
310	320	1	0	0	0	0	0	0	0	0	0	0
320	330	2	0	0	0	0	0	0	0	0	0	0
330	340	3	0	0	0	0	0	0	0	0	0	0
340	350	4	0	0	0	0	0	0	0	0	0	0
350	360	5	0	0	0	0	0	0	0	0	0	0
360	370	6	0	0	0	0	0	0	0	0	0	0
370	380	7	0	0	0	0	0	0	0	0	0	0
380	390	8	0	0	0	0	0	0	0	0	0	0
390	400	9	0	0	0	0	0	0	0	0	0	0
400	410	10	0	0	0	0	0	0	0	0	0	0
410	420	11	0	0	0	0	0	0	0	0	0	0
420	430	12	0	0	0	0	0	0	0	0	0	0
430	440	13	0	0	0	0	0	0	0	0	0	0
440	450	14	1	0	0	0	0	0	0	0	0	0
450	460	15	2	0	0	0	0	0	0	0	0	0
460	470	16	3	0	0	0	0	0	0	0	0	0
470	480	17	4	0	0	0	0	0	0	0	0	0
480	490	18	5	0	0	0	0	0	0	0	0	0
490	500	19	6	0	0	0	0	0	0	0	0	0
500	520	20	8	0	0	0	0	0	0	0	0	0
520	540	22	10	0	0	0	0	0	0	0	0	0
540	560	24	12	0	0	0	0	0	0	0	0	0
560	580	26	14	2	0	0	0	0	0	0	0	0
580	600	28	16	4	0	0	0	0	0	0	0	0
600	620	30	18	6	0	0	0	0	0	0	0	0
620	640	32	20	8	0	0	0	0	0	0	0	0
640	660	34	22	10	0	0	0	0	0	0	0	0
660	680	36	24	12	0	0	0	0	0	0	0	0
680	700	38	26	14	1	0	0	0	0	0	0	0
700	720	40	28	16	3	0	0	0	0	0	0	0
720	740	42	30	18	5	0	0	0	0	0	0	0
740	760	44	32	20	7	0	0	0	0	0	0	0
760	780	46	34	22	9	0	0	0	0	0	0	0
780	800	48	36	24	11	0	0	0	0	0	0	0
800	820	50	38	26	13	1	0	0	0	0	0	0
820	840	52	40	28	15	3	0	0	0	0	0	0
840	860	54	42	30	17	5	0	0	0	0	0	0
860	880	56	44	32	19	7	0	0	0	0	0	0
880	900	59	46	34	21	9	0	0	0	0	0	0
900	920	62	48	36	23	11	0	0	0	0	0	0
920	940	65	50	38	25	13	1	0	0	0	0	0
940	960	68	52	40	27	15	3	0	0	0	0	0
960	980	71	54	42	29	17	5	0	0	0	0	0
980	1,000	74	56	44	31	19	7	0	0	0	0	0
1,000	1,020	77	59	46	33	21	9	0	0	0	0	0
1,020	1,040	80	62	48	35	23	11	0	0	0	0	0
1,040	1,060	83	65	50	37	25	13	0	0	0	0	0
1,060	1,080	86	68	52	39	27	15	2	0	0	0	0
1,080	1,100	89	71	54	41	29	17	4	0	0	0	0
1,100	1,120	92	74	56	43	31	19	6	0	0	0	0
1,120	1,140	95	77	58	45	33	21	8	0	0	0	0
1,140	1,160	98	80	61	47	35	23	10	0	0	0	0
1,160	1,180	101	83	64	49	37	25	12	0	0	0	0
1,180	1,200	104	86	67	51	39	27	14	2	0	0	0
1,200	1,220	107	89	70	53	41	29	16	4	0	0	0
1,220	1,240	110	92	73	55	43	31	18	6	0	0	0
1,240	1,260	113	95	76	58	45	33	20	8	0	0	0
1,260	1,280	116	98	79	61	47	35	22	10	0	0	0
1,280	1,300	119	101	82	64	49	37	24	12	0	0	0
1,300	1,320	122	104	85	67	51	39	26	14	2	0	0
1,320	1,340	125	107	88	70	53	41	28	16	4	0	0
1,340	1,360	128	110	91	73	55	43	30	18	6	0	0
1,360	1,380	131	113	94	76	57	45	32	20	8	0	0

MARRIED Persons—BIWEEKLY Payroll Period
(For Wages Paid in 2005)

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	\$134	\$116	\$97	\$79	\$60	\$47	\$34	\$22	\$10	\$0	\$0
1,400	1,420	137	119	100	82	63	49	36	24	12	0	0
1,420	1,440	140	122	103	85	66	51	38	26	14	1	0
1,440	1,460	143	125	106	88	69	53	40	28	16	3	0
1,460	1,480	146	128	109	91	72	55	42	30	18	5	0
1,480	1,500	149	131	112	94	75	57	44	32	20	7	0
1,500	1,520	152	134	115	97	78	60	46	34	22	9	0
1,520	1,540	155	137	118	100	81	63	48	36	24	11	0
1,540	1,560	158	140	121	103	84	66	50	38	26	13	1
1,560	1,580	161	143	124	106	87	69	52	40	28	15	3
1,580	1,600	164	146	127	109	90	72	54	42	30	17	5
1,600	1,620	167	149	130	112	93	75	57	44	32	19	7
1,620	1,640	170	152	133	115	96	78	60	46	34	21	9
1,640	1,660	173	155	136	118	99	81	63	48	36	23	11
1,660	1,680	176	158	139	121	102	84	66	50	38	25	13
1,680	1,700	179	161	142	124	105	87	69	52	40	27	15
1,700	1,720	182	164	145	127	108	90	72	54	42	29	17
1,720	1,740	185	167	148	130	111	93	75	56	44	31	19
1,740	1,760	188	170	151	133	114	96	78	59	46	33	21
1,760	1,780	191	173	154	136	117	99	81	62	48	35	23
1,780	1,800	194	176	157	139	120	102	84	65	50	37	25
1,800	1,820	197	179	160	142	123	105	87	68	52	39	27
1,820	1,840	200	182	163	145	126	108	90	71	54	41	29
1,840	1,860	203	185	166	148	129	111	93	74	56	43	31
1,860	1,880	206	188	169	151	132	114	96	77	59	45	33
1,880	1,900	209	191	172	154	135	117	99	80	62	47	35
1,900	1,920	212	194	175	157	138	120	102	83	65	49	37
1,920	1,940	215	197	178	160	141	123	105	86	68	51	39
1,940	1,960	218	200	181	163	144	126	108	89	71	53	41
1,960	1,980	221	203	184	166	147	129	111	92	74	55	43
1,980	2,000	224	206	187	169	150	132	114	95	77	58	45
2,000	2,020	227	209	190	172	153	135	117	98	80	61	47
2,020	2,040	230	212	193	175	156	138	120	101	83	64	49
2,040	2,060	233	215	196	178	159	141	123	104	86	67	51
2,060	2,080	236	218	199	181	162	144	126	107	89	70	53
2,080	2,100	239	221	202	184	165	147	129	110	92	73	55
2,100	2,120	242	224	205	187	168	150	132	113	95	76	58
2,120	2,140	245	227	208	190	171	153	135	116	98	79	61
2,140	2,160	248	230	211	193	174	156	138	119	101	82	64
2,160	2,180	251	233	214	196	177	159	141	122	104	85	67
2,180	2,200	254	236	217	199	180	162	144	125	107	88	70
2,200	2,220	257	239	220	202	183	165	147	128	110	91	73
2,220	2,240	260	242	223	205	186	168	150	131	113	94	76
2,240	2,260	263	245	226	208	189	171	153	134	116	97	79
2,260	2,280	266	248	229	211	192	174	156	137	119	100	82
2,280	2,300	269	251	232	214	195	177	159	140	122	103	85
2,300	2,320	272	254	235	217	198	180	162	143	125	106	88
2,320	2,340	275	257	238	220	201	183	165	146	128	109	91
2,340	2,360	278	260	241	223	204	186	168	149	131	112	94
2,360	2,380	281	263	244	226	207	189	171	152	134	115	97
2,380	2,400	284	266	247	229	210	192	174	155	137	118	100
2,400	2,420	287	269	250	232	213	195	177	158	140	121	103
2,420	2,440	290	272	253	235	216	198	180	161	143	124	106
2,440	2,460	293	275	256	238	219	201	183	164	146	127	109
2,460	2,480	296	278	259	241	222	204	186	167	149	130	112
2,480	2,500	299	281	262	244	225	207	189	170	152	133	115
2,500	2,520	302	284	265	247	228	210	192	173	155	136	118
2,520	2,540	305	287	268	250	231	213	195	176	158	139	121
2,540	2,560	309	290	271	253	234	216	198	179	161	142	124
2,560	2,580	314	293	274	256	237	219	201	182	164	145	127
2,580	2,600	319	296	277	259	240	222	204	185	167	148	130
2,600	2,620	324	299	280	262	243	225	207	188	170	151	133
2,620	2,640	329	302	283	265	246	228	210	191	173	154	136
2,640	2,660	334	305	286	268	249	231	213	194	176	157	139
2,660	2,680	339	308	289	271	252	234	216	197	179	160	142
2,680	2,700	344	313	292	274	255	237	219	200	182	163	145

\$2,700 and over

Use Table 2(b) for a **MARRIED** person on page 36. Also see the instructions on page 34.

SINGLE Persons—SEMIMONTHLY Payroll Period
(For Wages Paid in 2005)

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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$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	1	0	0	0	0	0	0	0	0	0	0
125	130	2	0	0	0	0	0	0	0	0	0	0
130	135	2	0	0	0	0	0	0	0	0	0	0
135	140	3	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	5	0	0	0	0	0	0	0	0	0	0
165	170	6	0	0	0	0	0	0	0	0	0	0
170	175	6	0	0	0	0	0	0	0	0	0	0
175	180	7	0	0	0	0	0	0	0	0	0	0
180	185	7	0	0	0	0	0	0	0	0	0	0
185	190	8	0	0	0	0	0	0	0	0	0	0
190	195	8	0	0	0	0	0	0	0	0	0	0
195	200	9	0	0	0	0	0	0	0	0	0	0
200	205	9	0	0	0	0	0	0	0	0	0	0
205	210	10	0	0	0	0	0	0	0	0	0	0
210	215	10	0	0	0	0	0	0	0	0	0	0
215	220	11	0	0	0	0	0	0	0	0	0	0
220	225	11	0	0	0	0	0	0	0	0	0	0
225	230	12	0	0	0	0	0	0	0	0	0	0
230	235	12	0	0	0	0	0	0	0	0	0	0
235	240	13	0	0	0	0	0	0	0	0	0	0
240	245	13	0	0	0	0	0	0	0	0	0	0
245	250	14	0	0	0	0	0	0	0	0	0	0
250	260	14	1	0	0	0	0	0	0	0	0	0
260	270	15	2	0	0	0	0	0	0	0	0	0
270	280	16	3	0	0	0	0	0	0	0	0	0
280	290	17	4	0	0	0	0	0	0	0	0	0
290	300	18	5	0	0	0	0	0	0	0	0	0
300	310	19	6	0	0	0	0	0	0	0	0	0
310	320	20	7	0	0	0	0	0	0	0	0	0
320	330	21	8	0	0	0	0	0	0	0	0	0
330	340	22	9	0	0	0	0	0	0	0	0	0
340	350	23	10	0	0	0	0	0	0	0	0	0
350	360	24	11	0	0	0	0	0	0	0	0	0
360	370	25	12	0	0	0	0	0	0	0	0	0
370	380	26	13	0	0	0	0	0	0	0	0	0
380	390	27	14	1	0	0	0	0	0	0	0	0
390	400	28	15	2	0	0	0	0	0	0	0	0
400	410	29	16	3	0	0	0	0	0	0	0	0
410	420	31	17	4	0	0	0	0	0	0	0	0
420	430	32	18	5	0	0	0	0	0	0	0	0
430	440	34	19	6	0	0	0	0	0	0	0	0
440	450	35	20	7	0	0	0	0	0	0	0	0
450	460	37	21	8	0	0	0	0	0	0	0	0
460	470	38	22	9	0	0	0	0	0	0	0	0
470	480	40	23	10	0	0	0	0	0	0	0	0
480	490	41	24	11	0	0	0	0	0	0	0	0
490	500	43	25	12	0	0	0	0	0	0	0	0
500	520	45	27	13	0	0	0	0	0	0	0	0
520	540	48	29	15	2	0	0	0	0	0	0	0
540	560	51	31	17	4	0	0	0	0	0	0	0
560	580	54	34	19	6	0	0	0	0	0	0	0
580	600	57	37	21	8	0	0	0	0	0	0	0
600	620	60	40	23	10	0	0	0	0	0	0	0
620	640	63	43	25	12	0	0	0	0	0	0	0
640	660	66	46	27	14	1	0	0	0	0	0	0
660	680	69	49	29	16	3	0	0	0	0	0	0
680	700	72	52	32	18	5	0	0	0	0	0	0
700	720	75	55	35	20	7	0	0	0	0	0	0
720	740	78	58	38	22	9	0	0	0	0	0	0
740	760	81	61	41	24	11	0	0	0	0	0	0
760	780	84	64	44	26	13	0	0	0	0	0	0
780	800	87	67	47	28	15	1	0	0	0	0	0
800	820	90	70	50	30	17	3	0	0	0	0	0
820	840	93	73	53	33	19	5	0	0	0	0	0

SINGLE Persons—SEMIMONTHLY Payroll Period
(For Wages Paid in 2005)

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	\$96	\$76	\$56	\$36	\$21	\$7	\$0	\$0	\$0	\$0	\$0
860	880	99	79	59	39	23	9	0	0	0	0	0
880	900	102	82	62	42	25	11	0	0	0	0	0
900	920	105	85	65	45	27	13	0	0	0	0	0
920	940	108	88	68	48	29	15	2	0	0	0	0
940	960	111	91	71	51	31	17	4	0	0	0	0
960	980	114	94	74	54	34	19	6	0	0	0	0
980	1,000	117	97	77	57	37	21	8	0	0	0	0
1,000	1,020	120	100	80	60	40	23	10	0	0	0	0
1,020	1,040	123	103	83	63	43	25	12	0	0	0	0
1,040	1,060	126	106	86	66	46	27	14	1	0	0	0
1,060	1,080	129	109	89	69	49	29	16	3	0	0	0
1,080	1,100	132	112	92	72	52	32	18	5	0	0	0
1,100	1,120	135	115	95	75	55	35	20	7	0	0	0
1,120	1,140	138	118	98	78	58	38	22	9	0	0	0
1,140	1,160	141	121	101	81	61	41	24	11	0	0	0
1,160	1,180	144	124	104	84	64	44	26	13	0	0	0
1,180	1,200	147	127	107	87	67	47	28	15	1	0	0
1,200	1,220	150	130	110	90	70	50	30	17	3	0	0
1,220	1,240	153	133	113	93	73	53	33	19	5	0	0
1,240	1,260	156	136	116	96	76	56	36	21	7	0	0
1,260	1,280	159	139	119	99	79	59	39	23	9	0	0
1,280	1,300	162	142	122	102	82	62	42	25	11	0	0
1,300	1,320	165	145	125	105	85	65	45	27	13	0	0
1,320	1,340	170	148	128	108	88	68	48	29	15	2	0
1,340	1,360	175	151	131	111	91	71	51	31	17	4	0
1,360	1,380	180	154	134	114	94	74	54	34	19	6	0
1,380	1,400	185	157	137	117	97	77	57	37	21	8	0
1,400	1,420	190	160	140	120	100	80	60	40	23	10	0
1,420	1,440	195	163	143	123	103	83	63	43	25	12	0
1,440	1,460	200	166	146	126	106	86	66	46	27	14	1
1,460	1,480	205	171	149	129	109	89	69	49	29	16	3
1,480	1,500	210	176	152	132	112	92	72	52	32	18	5
1,500	1,520	215	181	155	135	115	95	75	55	35	20	7
1,520	1,540	220	186	158	138	118	98	78	58	38	22	9
1,540	1,560	225	191	161	141	121	101	81	61	41	24	11
1,560	1,580	230	196	164	144	124	104	84	64	44	26	13
1,580	1,600	235	201	168	147	127	107	87	67	47	28	15
1,600	1,620	240	206	173	150	130	110	90	70	50	30	17
1,620	1,640	245	211	178	153	133	113	93	73	53	33	19
1,640	1,660	250	216	183	156	136	116	96	76	56	36	21
1,660	1,680	255	221	188	159	139	119	99	79	59	39	23
1,680	1,700	260	226	193	162	142	122	102	82	62	42	25
1,700	1,720	265	231	198	165	145	125	105	85	65	45	27
1,720	1,740	270	236	203	170	148	128	108	88	68	48	29
1,740	1,760	275	241	208	175	151	131	111	91	71	51	31
1,760	1,780	280	246	213	180	154	134	114	94	74	54	34
1,780	1,800	285	251	218	185	157	137	117	97	77	57	37
1,800	1,820	290	256	223	190	160	140	120	100	80	60	40
1,820	1,840	295	261	228	195	163	143	123	103	83	63	43
1,840	1,860	300	266	233	200	166	146	126	106	86	66	46
1,860	1,880	305	271	238	205	171	149	129	109	89	69	49
1,880	1,900	310	276	243	210	176	152	132	112	92	72	52
1,900	1,920	315	281	248	215	181	155	135	115	95	75	55
1,920	1,940	320	286	253	220	186	158	138	118	98	78	58
1,940	1,960	325	291	258	225	191	161	141	121	101	81	61
1,960	1,980	330	296	263	230	196	164	144	124	104	84	64
1,980	2,000	335	301	268	235	201	168	147	127	107	87	67
2,000	2,020	340	306	273	240	206	173	150	130	110	90	70
2,020	2,040	345	311	278	245	211	178	153	133	113	93	73
2,040	2,060	350	316	283	250	216	183	156	136	116	96	76
2,060	2,080	355	321	288	255	221	188	159	139	119	99	79
2,080	2,100	360	326	293	260	226	193	162	142	122	102	82
2,100	2,120	365	331	298	265	231	198	165	145	125	105	85
2,120	2,140	370	336	303	270	236	203	170	148	128	108	88

\$2,140 and over

Use Table 3(a) for a **SINGLE** person on page 36. Also see the instructions on page 34.

MARRIED Persons—SEMIMONTHLY Payroll Period
(For Wages Paid in 2005)

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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$270	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
270	280	0	0	0	0	0	0	0	0	0	0	0
280	290	0	0	0	0	0	0	0	0	0	0	0
290	300	0	0	0	0	0	0	0	0	0	0	0
300	310	0	0	0	0	0	0	0	0	0	0	0
310	320	0	0	0	0	0	0	0	0	0	0	0
320	330	0	0	0	0	0	0	0	0	0	0	0
330	340	0	0	0	0	0	0	0	0	0	0	0
340	350	1	0	0	0	0	0	0	0	0	0	0
350	360	2	0	0	0	0	0	0	0	0	0	0
360	370	3	0	0	0	0	0	0	0	0	0	0
370	380	4	0	0	0	0	0	0	0	0	0	0
380	390	5	0	0	0	0	0	0	0	0	0	0
390	400	6	0	0	0	0	0	0	0	0	0	0
400	410	7	0	0	0	0	0	0	0	0	0	0
410	420	8	0	0	0	0	0	0	0	0	0	0
420	430	9	0	0	0	0	0	0	0	0	0	0
430	440	10	0	0	0	0	0	0	0	0	0	0
440	450	11	0	0	0	0	0	0	0	0	0	0
450	460	12	0	0	0	0	0	0	0	0	0	0
460	470	13	0	0	0	0	0	0	0	0	0	0
470	480	14	1	0	0	0	0	0	0	0	0	0
480	490	15	2	0	0	0	0	0	0	0	0	0
490	500	16	3	0	0	0	0	0	0	0	0	0
500	520	18	4	0	0	0	0	0	0	0	0	0
520	540	20	6	0	0	0	0	0	0	0	0	0
540	560	22	8	0	0	0	0	0	0	0	0	0
560	580	24	10	0	0	0	0	0	0	0	0	0
580	600	26	12	0	0	0	0	0	0	0	0	0
600	620	28	14	1	0	0	0	0	0	0	0	0
620	640	30	16	3	0	0	0	0	0	0	0	0
640	660	32	18	5	0	0	0	0	0	0	0	0
660	680	34	20	7	0	0	0	0	0	0	0	0
680	700	36	22	9	0	0	0	0	0	0	0	0
700	720	38	24	11	0	0	0	0	0	0	0	0
720	740	40	26	13	0	0	0	0	0	0	0	0
740	760	42	28	15	2	0	0	0	0	0	0	0
760	780	44	30	17	4	0	0	0	0	0	0	0
780	800	46	32	19	6	0	0	0	0	0	0	0
800	820	48	34	21	8	0	0	0	0	0	0	0
820	840	50	36	23	10	0	0	0	0	0	0	0
840	860	52	38	25	12	0	0	0	0	0	0	0
860	880	54	40	27	14	0	0	0	0	0	0	0
880	900	56	42	29	16	2	0	0	0	0	0	0
900	920	58	44	31	18	4	0	0	0	0	0	0
920	940	60	46	33	20	6	0	0	0	0	0	0
940	960	62	48	35	22	8	0	0	0	0	0	0
960	980	65	50	37	24	10	0	0	0	0	0	0
980	1,000	68	52	39	26	12	0	0	0	0	0	0
1,000	1,020	71	54	41	28	14	0	0	0	0	0	0
1,020	1,040	74	56	43	30	16	3	0	0	0	0	0
1,040	1,060	77	58	45	32	18	5	0	0	0	0	0
1,060	1,080	80	60	47	34	20	7	0	0	0	0	0
1,080	1,100	83	63	49	36	22	9	0	0	0	0	0
1,100	1,120	86	66	51	38	24	11	0	0	0	0	0
1,120	1,140	89	69	53	40	26	13	0	0	0	0	0
1,140	1,160	92	72	55	42	28	15	2	0	0	0	0
1,160	1,180	95	75	57	44	30	17	4	0	0	0	0
1,180	1,200	98	78	59	46	32	19	6	0	0	0	0
1,200	1,220	101	81	61	48	34	21	8	0	0	0	0
1,220	1,240	104	84	64	50	36	23	10	0	0	0	0
1,240	1,260	107	87	67	52	38	25	12	0	0	0	0
1,260	1,280	110	90	70	54	40	27	14	0	0	0	0
1,280	1,300	113	93	73	56	42	29	16	2	0	0	0
1,300	1,320	116	96	76	58	44	31	18	4	0	0	0
1,320	1,340	119	99	79	60	46	33	20	6	0	0	0
1,340	1,360	122	102	82	62	48	35	22	8	0	0	0
1,360	1,380	125	105	85	65	50	37	24	10	0	0	0
1,380	1,400	128	108	88	68	52	39	26	12	0	0	0
1,400	1,420	131	111	91	71	54	41	28	14	1	0	0

MARRIED Persons—SEMIMONTHLY Payroll Period
(For Wages Paid in 2005)

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	\$134	\$114	\$94	\$74	\$56	\$43	\$30	\$16	\$3	\$0	\$0
1,440	1,460	137	117	97	77	58	45	32	18	5	0	0
1,460	1,480	140	120	100	80	60	47	34	20	7	0	0
1,480	1,500	143	123	103	83	63	49	36	22	9	0	0
1,500	1,520	146	126	106	86	66	51	38	24	11	0	0
1,520	1,540	149	129	109	89	69	53	40	26	13	0	0
1,540	1,560	152	132	112	92	72	55	42	28	15	2	0
1,560	1,580	155	135	115	95	75	57	44	30	17	4	0
1,580	1,600	158	138	118	98	78	59	46	32	19	6	0
1,600	1,620	161	141	121	101	81	61	48	34	21	8	0
1,620	1,640	164	144	124	104	84	64	50	36	23	10	0
1,640	1,660	167	147	127	107	87	67	52	38	25	12	0
1,660	1,680	170	150	130	110	90	70	54	40	27	14	0
1,680	1,700	173	153	133	113	93	73	56	42	29	16	2
1,700	1,720	176	156	136	116	96	76	58	44	31	18	4
1,720	1,740	179	159	139	119	99	79	60	46	33	20	6
1,740	1,760	182	162	142	122	102	82	62	48	35	22	8
1,760	1,780	185	165	145	125	105	85	65	50	37	24	10
1,780	1,800	188	168	148	128	108	88	68	52	39	26	12
1,800	1,820	191	171	151	131	111	91	71	54	41	28	14
1,820	1,840	194	174	154	134	114	94	74	56	43	30	16
1,840	1,860	197	177	157	137	117	97	77	58	45	32	18
1,860	1,880	200	180	160	140	120	100	80	60	47	34	20
1,880	1,900	203	183	163	143	123	103	83	63	49	36	22
1,900	1,920	206	186	166	146	126	106	86	66	51	38	24
1,920	1,940	209	189	169	149	129	109	89	69	53	40	26
1,940	1,960	212	192	172	152	132	112	92	72	55	42	28
1,960	1,980	215	195	175	155	135	115	95	75	57	44	30
1,980	2,000	218	198	178	158	138	118	98	78	59	46	32
2,000	2,020	221	201	181	161	141	121	101	81	61	48	34
2,020	2,040	224	204	184	164	144	124	104	84	64	50	36
2,040	2,060	227	207	187	167	147	127	107	87	67	52	38
2,060	2,080	230	210	190	170	150	130	110	90	70	54	40
2,080	2,100	233	213	193	173	153	133	113	93	73	56	42
2,100	2,120	236	216	196	176	156	136	116	96	76	58	44
2,120	2,140	239	219	199	179	159	139	119	99	79	60	46
2,140	2,160	242	222	202	182	162	142	122	102	82	62	48
2,160	2,180	245	225	205	185	165	145	125	105	85	65	50
2,180	2,200	248	228	208	188	168	148	128	108	88	68	52
2,200	2,220	251	231	211	191	171	151	131	111	91	71	54
2,220	2,240	254	234	214	194	174	154	134	114	94	74	56
2,240	2,260	257	237	217	197	177	157	137	117	97	77	58
2,260	2,280	260	240	220	200	180	160	140	120	100	80	60
2,280	2,300	263	243	223	203	183	163	143	123	103	83	63
2,300	2,320	266	246	226	206	186	166	146	126	106	86	66
2,320	2,340	269	249	229	209	189	169	149	129	109	89	69
2,340	2,360	272	252	232	212	192	172	152	132	112	92	72
2,360	2,380	275	255	235	215	195	175	155	135	115	95	75
2,380	2,400	278	258	238	218	198	178	158	138	118	98	78
2,400	2,420	281	261	241	221	201	181	161	141	121	101	81
2,420	2,440	284	264	244	224	204	184	164	144	124	104	84
2,440	2,460	287	267	247	227	207	187	167	147	127	107	87
2,460	2,480	290	270	250	230	210	190	170	150	130	110	90
2,480	2,500	293	273	253	233	213	193	173	153	133	113	93
2,500	2,520	296	276	256	236	216	196	176	156	136	116	96
2,520	2,540	299	279	259	239	219	199	179	159	139	119	99
2,540	2,560	302	282	262	242	222	202	182	162	142	122	102
2,560	2,580	305	285	265	245	225	205	185	165	145	125	105
2,580	2,600	308	288	268	248	228	208	188	168	148	128	108
2,600	2,620	311	291	271	251	231	211	191	171	151	131	111
2,620	2,640	314	294	274	254	234	214	194	174	154	134	114
2,640	2,660	317	297	277	257	237	217	197	177	157	137	117
2,660	2,680	320	300	280	260	240	220	200	180	160	140	120
2,680	2,700	323	303	283	263	243	223	203	183	163	143	123
2,700	2,720	326	306	286	266	246	226	206	186	166	146	126
2,720	2,740	329	309	289	269	249	229	209	189	169	149	129

\$2,740 and over

Use Table 3(b) for a **MARRIED** person on page 36. Also see the instructions on page 34.

SINGLE Persons—MONTHLY Payroll Period
(For Wages Paid in 2005)

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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$230	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
230	240	1	0	0	0	0	0	0	0	0	0	0
240	250	2	0	0	0	0	0	0	0	0	0	0
250	260	3	0	0	0	0	0	0	0	0	0	0
260	270	4	0	0	0	0	0	0	0	0	0	0
270	280	5	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	320	9	0	0	0	0	0	0	0	0	0	0
320	340	11	0	0	0	0	0	0	0	0	0	0
340	360	13	0	0	0	0	0	0	0	0	0	0
360	380	15	0	0	0	0	0	0	0	0	0	0
380	400	17	0	0	0	0	0	0	0	0	0	0
400	420	19	0	0	0	0	0	0	0	0	0	0
420	440	21	0	0	0	0	0	0	0	0	0	0
440	460	23	0	0	0	0	0	0	0	0	0	0
460	480	25	0	0	0	0	0	0	0	0	0	0
480	500	27	0	0	0	0	0	0	0	0	0	0
500	520	29	2	0	0	0	0	0	0	0	0	0
520	540	31	4	0	0	0	0	0	0	0	0	0
540	560	33	6	0	0	0	0	0	0	0	0	0
560	580	35	8	0	0	0	0	0	0	0	0	0
580	600	37	10	0	0	0	0	0	0	0	0	0
600	640	40	13	0	0	0	0	0	0	0	0	0
640	680	44	17	0	0	0	0	0	0	0	0	0
680	720	48	21	0	0	0	0	0	0	0	0	0
720	760	52	25	0	0	0	0	0	0	0	0	0
760	800	56	29	3	0	0	0	0	0	0	0	0
800	840	60	33	7	0	0	0	0	0	0	0	0
840	880	66	37	11	0	0	0	0	0	0	0	0
880	920	72	41	15	0	0	0	0	0	0	0	0
920	960	78	45	19	0	0	0	0	0	0	0	0
960	1,000	84	49	23	0	0	0	0	0	0	0	0
1,000	1,040	90	53	27	0	0	0	0	0	0	0	0
1,040	1,080	96	57	31	4	0	0	0	0	0	0	0
1,080	1,120	102	62	35	8	0	0	0	0	0	0	0
1,120	1,160	108	68	39	12	0	0	0	0	0	0	0
1,160	1,200	114	74	43	16	0	0	0	0	0	0	0
1,200	1,240	120	80	47	20	0	0	0	0	0	0	0
1,240	1,280	126	86	51	24	0	0	0	0	0	0	0
1,280	1,320	132	92	55	28	1	0	0	0	0	0	0
1,320	1,360	138	98	59	32	5	0	0	0	0	0	0
1,360	1,400	144	104	64	36	9	0	0	0	0	0	0
1,400	1,440	150	110	70	40	13	0	0	0	0	0	0
1,440	1,480	156	116	76	44	17	0	0	0	0	0	0
1,480	1,520	162	122	82	48	21	0	0	0	0	0	0
1,520	1,560	168	128	88	52	25	0	0	0	0	0	0
1,560	1,600	174	134	94	56	29	3	0	0	0	0	0
1,600	1,640	180	140	100	60	33	7	0	0	0	0	0
1,640	1,680	186	146	106	66	37	11	0	0	0	0	0
1,680	1,720	192	152	112	72	41	15	0	0	0	0	0
1,720	1,760	198	158	118	78	45	19	0	0	0	0	0
1,760	1,800	204	164	124	84	49	23	0	0	0	0	0
1,800	1,840	210	170	130	90	53	27	0	0	0	0	0
1,840	1,880	216	176	136	96	57	31	4	0	0	0	0
1,880	1,920	222	182	142	102	62	35	8	0	0	0	0
1,920	1,960	228	188	148	108	68	39	12	0	0	0	0
1,960	2,000	234	194	154	114	74	43	16	0	0	0	0
2,000	2,040	240	200	160	120	80	47	20	0	0	0	0
2,040	2,080	246	206	166	126	86	51	24	0	0	0	0
2,080	2,120	252	212	172	132	92	55	28	1	0	0	0
2,120	2,160	258	218	178	138	98	59	32	5	0	0	0
2,160	2,200	264	224	184	144	104	64	36	9	0	0	0
2,200	2,240	270	230	190	150	110	70	40	13	0	0	0
2,240	2,280	276	236	196	156	116	76	44	17	0	0	0
2,280	2,320	282	242	202	162	122	82	48	21	0	0	0
2,320	2,360	288	248	208	168	128	88	52	25	0	0	0
2,360	2,400	294	254	214	174	134	94	56	29	3	0	0
2,400	2,440	300	260	220	180	140	100	60	33	7	0	0
2,440	2,480	306	266	226	186	146	106	66	37	11	0	0

SINGLE Persons—MONTHLY Payroll Period
(For Wages Paid in 2005)

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—										
\$2,480	\$2,520	\$312	\$272	\$232	\$192	\$152	\$112	\$72	\$41	\$15	\$0	\$0
2,520	2,560	318	278	238	198	158	118	78	45	19	0	0
2,560	2,600	324	284	244	204	164	124	84	49	23	0	0
2,600	2,640	330	290	250	210	170	130	90	53	27	0	0
2,640	2,680	340	296	256	216	176	136	96	57	31	4	0
2,680	2,720	350	302	262	222	182	142	102	62	35	8	0
2,720	2,760	360	308	268	228	188	148	108	68	39	12	0
2,760	2,800	370	314	274	234	194	154	114	74	43	16	0
2,800	2,840	380	320	280	240	200	160	120	80	47	20	0
2,840	2,880	390	326	286	246	206	166	126	86	51	24	0
2,880	2,920	400	333	292	252	212	172	132	92	55	28	1
2,920	2,960	410	343	298	258	218	178	138	98	59	32	5
2,960	3,000	420	353	304	264	224	184	144	104	64	36	9
3,000	3,040	430	363	310	270	230	190	150	110	70	40	13
3,040	3,080	440	373	316	276	236	196	156	116	76	44	17
3,080	3,120	450	383	322	282	242	202	162	122	82	48	21
3,120	3,160	460	393	328	288	248	208	168	128	88	52	25
3,160	3,200	470	403	336	294	254	214	174	134	94	56	29
3,200	3,240	480	413	346	300	260	220	180	140	100	60	33
3,240	3,280	490	423	356	306	266	226	186	146	106	66	37
3,280	3,320	500	433	366	312	272	232	192	152	112	72	41
3,320	3,360	510	443	376	318	278	238	198	158	118	78	45
3,360	3,400	520	453	386	324	284	244	204	164	124	84	49
3,400	3,440	530	463	396	330	290	250	210	170	130	90	53
3,440	3,480	540	473	406	340	296	256	216	176	136	96	57
3,480	3,520	550	483	416	350	302	262	222	182	142	102	62
3,520	3,560	560	493	426	360	308	268	228	188	148	108	68
3,560	3,600	570	503	436	370	314	274	234	194	154	114	74
3,600	3,640	580	513	446	380	320	280	240	200	160	120	80
3,640	3,680	590	523	456	390	326	286	246	206	166	126	86
3,680	3,720	600	533	466	400	333	292	252	212	172	132	92
3,720	3,760	610	543	476	410	343	298	258	218	178	138	98
3,760	3,800	620	553	486	420	353	304	264	224	184	144	104
3,800	3,840	630	563	496	430	363	310	270	230	190	150	110
3,840	3,880	640	573	506	440	373	316	276	236	196	156	116
3,880	3,920	650	583	516	450	383	322	282	242	202	162	122
3,920	3,960	660	593	526	460	393	328	288	248	208	168	128
3,960	4,000	670	603	536	470	403	336	294	254	214	174	134
4,000	4,040	680	613	546	480	413	346	300	260	220	180	140
4,040	4,080	690	623	556	490	423	356	306	266	226	186	146
4,080	4,120	700	633	566	500	433	366	312	272	232	192	152
4,120	4,160	710	643	576	510	443	376	318	278	238	198	158
4,160	4,200	720	653	586	520	453	386	324	284	244	204	164
4,200	4,240	730	663	596	530	463	396	330	290	250	210	170
4,240	4,280	740	673	606	540	473	406	340	296	256	216	176
4,280	4,320	750	683	616	550	483	416	350	302	262	222	182
4,320	4,360	760	693	626	560	493	426	360	308	268	228	188
4,360	4,400	770	703	636	570	503	436	370	314	274	234	194
4,400	4,440	780	713	646	580	513	446	380	320	280	240	200
4,440	4,480	790	723	656	590	523	456	390	326	286	246	206
4,480	4,520	800	733	666	600	533	466	400	333	292	252	212
4,520	4,560	810	743	676	610	543	476	410	343	298	258	218
4,560	4,600	820	753	686	620	553	486	420	353	304	264	224
4,600	4,640	830	763	696	630	563	496	430	363	310	270	230
4,640	4,680	840	773	706	640	573	506	440	373	316	276	236
4,680	4,720	850	783	716	650	583	516	450	383	322	282	242
4,720	4,760	860	793	726	660	593	526	460	393	328	288	248
4,760	4,800	870	803	736	670	603	536	470	403	336	294	254
4,800	4,840	880	813	746	680	613	546	480	413	346	300	260
4,840	4,880	890	823	756	690	623	556	490	423	356	306	266
4,880	4,920	900	833	766	700	633	566	500	433	366	312	272
4,920	4,960	910	843	776	710	643	576	510	443	376	318	278
4,960	5,000	920	853	786	720	653	586	520	453	386	324	284
5,000	5,040	930	863	796	730	663	596	530	463	396	330	290
5,040	5,080	940	873	806	740	673	606	540	473	406	340	296

\$5,080 and over

Use Table 4(a) for a **SINGLE** person on page 36. Also see the instructions on page 34.

MARRIED Persons—MONTHLY Payroll Period
(For Wages Paid in 2005)

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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$540	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
540	560	0	0	0	0	0	0	0	0	0	0	0
560	580	0	0	0	0	0	0	0	0	0	0	0
580	600	0	0	0	0	0	0	0	0	0	0	0
600	640	0	0	0	0	0	0	0	0	0	0	0
640	680	0	0	0	0	0	0	0	0	0	0	0
680	720	3	0	0	0	0	0	0	0	0	0	0
720	760	7	0	0	0	0	0	0	0	0	0	0
760	800	11	0	0	0	0	0	0	0	0	0	0
800	840	15	0	0	0	0	0	0	0	0	0	0
840	880	19	0	0	0	0	0	0	0	0	0	0
880	920	23	0	0	0	0	0	0	0	0	0	0
920	960	27	1	0	0	0	0	0	0	0	0	0
960	1,000	31	5	0	0	0	0	0	0	0	0	0
1,000	1,040	35	9	0	0	0	0	0	0	0	0	0
1,040	1,080	39	13	0	0	0	0	0	0	0	0	0
1,080	1,120	43	17	0	0	0	0	0	0	0	0	0
1,120	1,160	47	21	0	0	0	0	0	0	0	0	0
1,160	1,200	51	25	0	0	0	0	0	0	0	0	0
1,200	1,240	55	29	2	0	0	0	0	0	0	0	0
1,240	1,280	59	33	6	0	0	0	0	0	0	0	0
1,280	1,320	63	37	10	0	0	0	0	0	0	0	0
1,320	1,360	67	41	14	0	0	0	0	0	0	0	0
1,360	1,400	71	45	18	0	0	0	0	0	0	0	0
1,400	1,440	75	49	22	0	0	0	0	0	0	0	0
1,440	1,480	79	53	26	0	0	0	0	0	0	0	0
1,480	1,520	83	57	30	3	0	0	0	0	0	0	0
1,520	1,560	87	61	34	7	0	0	0	0	0	0	0
1,560	1,600	91	65	38	11	0	0	0	0	0	0	0
1,600	1,640	95	69	42	15	0	0	0	0	0	0	0
1,640	1,680	99	73	46	19	0	0	0	0	0	0	0
1,680	1,720	103	77	50	23	0	0	0	0	0	0	0
1,720	1,760	107	81	54	27	1	0	0	0	0	0	0
1,760	1,800	111	85	58	31	5	0	0	0	0	0	0
1,800	1,840	115	89	62	35	9	0	0	0	0	0	0
1,840	1,880	119	93	66	39	13	0	0	0	0	0	0
1,880	1,920	124	97	70	43	17	0	0	0	0	0	0
1,920	1,960	130	101	74	47	21	0	0	0	0	0	0
1,960	2,000	136	105	78	51	25	0	0	0	0	0	0
2,000	2,040	142	109	82	55	29	2	0	0	0	0	0
2,040	2,080	148	113	86	59	33	6	0	0	0	0	0
2,080	2,120	154	117	90	63	37	10	0	0	0	0	0
2,120	2,160	160	121	94	67	41	14	0	0	0	0	0
2,160	2,200	166	126	98	71	45	18	0	0	0	0	0
2,200	2,240	172	132	102	75	49	22	0	0	0	0	0
2,240	2,280	178	138	106	79	53	26	0	0	0	0	0
2,280	2,320	184	144	110	83	57	30	3	0	0	0	0
2,320	2,360	190	150	114	87	61	34	7	0	0	0	0
2,360	2,400	196	156	118	91	65	38	11	0	0	0	0
2,400	2,440	202	162	122	95	69	42	15	0	0	0	0
2,440	2,480	208	168	128	99	73	46	19	0	0	0	0
2,480	2,520	214	174	134	103	77	50	23	0	0	0	0
2,520	2,560	220	180	140	107	81	54	27	1	0	0	0
2,560	2,600	226	186	146	111	85	58	31	5	0	0	0
2,600	2,640	232	192	152	115	89	62	35	9	0	0	0
2,640	2,680	238	198	158	119	93	66	39	13	0	0	0
2,680	2,720	244	204	164	124	97	70	43	17	0	0	0
2,720	2,760	250	210	170	130	101	74	47	21	0	0	0
2,760	2,800	256	216	176	136	105	78	51	25	0	0	0
2,800	2,840	262	222	182	142	109	82	55	29	2	0	0
2,840	2,880	268	228	188	148	113	86	59	33	6	0	0
2,880	2,920	274	234	194	154	117	90	63	37	10	0	0
2,920	2,960	280	240	200	160	121	94	67	41	14	0	0
2,960	3,000	286	246	206	166	126	98	71	45	18	0	0
3,000	3,040	292	252	212	172	132	102	75	49	22	0	0
3,040	3,080	298	258	218	178	138	106	79	53	26	0	0
3,080	3,120	304	264	224	184	144	110	83	57	30	3	0
3,120	3,160	310	270	230	190	150	114	87	61	34	7	0
3,160	3,200	316	276	236	196	156	118	91	65	38	11	0
3,200	3,240	322	282	242	202	162	122	95	69	42	15	0

MARRIED Persons—MONTHLY Payroll Period
(For Wages Paid in 2005)

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	\$328	\$288	\$248	\$208	\$168	\$128	\$99	\$73	\$46	\$19	\$0
3,280	3,320	334	294	254	214	174	134	103	77	50	23	0
3,320	3,360	340	300	260	220	180	140	107	81	54	27	1
3,360	3,400	346	306	266	226	186	146	111	85	58	31	5
3,400	3,440	352	312	272	232	192	152	115	89	62	35	9
3,440	3,480	358	318	278	238	198	158	119	93	66	39	13
3,480	3,520	364	324	284	244	204	164	124	97	70	43	17
3,520	3,560	370	330	290	250	210	170	130	101	74	47	21
3,560	3,600	376	336	296	256	216	176	136	105	78	51	25
3,600	3,640	382	342	302	262	222	182	142	109	82	55	29
3,640	3,680	388	348	308	268	228	188	148	113	86	59	33
3,680	3,720	394	354	314	274	234	194	154	117	90	63	37
3,720	3,760	400	360	320	280	240	200	160	121	94	67	41
3,760	3,800	406	366	326	286	246	206	166	126	98	71	45
3,800	3,840	412	372	332	292	252	212	172	132	102	75	49
3,840	3,880	418	378	338	298	258	218	178	138	106	79	53
3,880	3,920	424	384	344	304	264	224	184	144	110	83	57
3,920	3,960	430	390	350	310	270	230	190	150	114	87	61
3,960	4,000	436	396	356	316	276	236	196	156	118	91	65
4,000	4,040	442	402	362	322	282	242	202	162	122	95	69
4,040	4,080	448	408	368	328	288	248	208	168	128	99	73
4,080	4,120	454	414	374	334	294	254	214	174	134	103	77
4,120	4,160	460	420	380	340	300	260	220	180	140	107	81
4,160	4,200	466	426	386	346	306	266	226	186	146	111	85
4,200	4,240	472	432	392	352	312	272	232	192	152	115	89
4,240	4,280	478	438	398	358	318	278	238	198	158	119	93
4,280	4,320	484	444	404	364	324	284	244	204	164	124	97
4,320	4,360	490	450	410	370	330	290	250	210	170	130	101
4,360	4,400	496	456	416	376	336	296	256	216	176	136	105
4,400	4,440	502	462	422	382	342	302	262	222	182	142	109
4,440	4,480	508	468	428	388	348	308	268	228	188	148	113
4,480	4,520	514	474	434	394	354	314	274	234	194	154	117
4,520	4,560	520	480	440	400	360	320	280	240	200	160	121
4,560	4,600	526	486	446	406	366	326	286	246	206	166	126
4,600	4,640	532	492	452	412	372	332	292	252	212	172	132
4,640	4,680	538	498	458	418	378	338	298	258	218	178	138
4,680	4,720	544	504	464	424	384	344	304	264	224	184	144
4,720	4,760	550	510	470	430	390	350	310	270	230	190	150
4,760	4,800	556	516	476	436	396	356	316	276	236	196	156
4,800	4,840	562	522	482	442	402	362	322	282	242	202	162
4,840	4,880	568	528	488	448	408	368	328	288	248	208	168
4,880	4,920	574	534	494	454	414	374	334	294	254	214	174
4,920	4,960	580	540	500	460	420	380	340	300	260	220	180
4,960	5,000	586	546	506	466	426	386	346	306	266	226	186
5,000	5,040	592	552	512	472	432	392	352	312	272	232	192
5,040	5,080	598	558	518	478	438	398	358	318	278	238	198
5,080	5,120	604	564	524	484	444	404	364	324	284	244	204
5,120	5,160	610	570	530	490	450	410	370	330	290	250	210
5,160	5,200	616	576	536	496	456	416	376	336	296	256	216
5,200	5,240	622	582	542	502	462	422	382	342	302	262	222
5,240	5,280	628	588	548	508	468	428	388	348	308	268	228
5,280	5,320	634	594	554	514	474	434	394	354	314	274	234
5,320	5,360	640	600	560	520	480	440	400	360	320	280	240
5,360	5,400	646	606	566	526	486	446	406	366	326	286	246
5,400	5,440	652	612	572	532	492	452	412	372	332	292	252
5,440	5,480	658	618	578	538	498	458	418	378	338	298	258
5,480	5,520	664	624	584	544	504	464	424	384	344	304	264
5,520	5,560	673	630	590	550	510	470	430	390	350	310	270
5,560	5,600	683	636	596	556	516	476	436	396	356	316	276
5,600	5,640	693	642	602	562	522	482	442	402	362	322	282
5,640	5,680	703	648	608	568	528	488	448	408	368	328	288
5,680	5,720	713	654	614	574	534	494	454	414	374	334	294
5,720	5,760	723	660	620	580	540	500	460	420	380	340	300
5,760	5,800	733	666	626	586	546	506	466	426	386	346	306
5,800	5,840	743	676	632	592	552	512	472	432	392	352	312
5,840	5,880	753	686	638	598	558	518	478	438	398	358	318

\$5,880 and over

Use Table 4(b) for a **MARRIED** person on page 36. Also see the instructions on page 34.

SINGLE Persons—DAILY OR MISCELLANEOUS Payroll Period
(For Wages Paid in 2005)

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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$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	1	0	0	0	0	0	0	0	0	0	0
24	27	2	0	0	0	0	0	0	0	0	0	0
27	30	2	1	0	0	0	0	0	0	0	0	0
30	33	2	1	0	0	0	0	0	0	0	0	0
33	36	2	1	0	0	0	0	0	0	0	0	0
36	39	3	2	0	0	0	0	0	0	0	0	0
39	42	3	2	1	0	0	0	0	0	0	0	0
42	45	4	2	1	0	0	0	0	0	0	0	0
45	48	4	2	1	0	0	0	0	0	0	0	0
48	51	5	3	1	0	0	0	0	0	0	0	0
51	54	5	3	2	1	0	0	0	0	0	0	0
54	57	5	4	2	1	0	0	0	0	0	0	0
57	60	6	4	2	1	0	0	0	0	0	0	0
60	63	6	4	3	1	0	0	0	0	0	0	0
63	66	7	5	3	2	1	0	0	0	0	0	0
66	69	7	5	4	2	1	0	0	0	0	0	0
69	72	8	6	4	2	1	0	0	0	0	0	0
72	75	8	6	4	3	1	0	0	0	0	0	0
75	78	9	7	5	3	2	0	0	0	0	0	0
78	81	9	7	5	3	2	1	0	0	0	0	0
81	84	9	8	6	4	2	1	0	0	0	0	0
84	87	10	8	6	4	3	1	0	0	0	0	0
87	90	10	9	7	5	3	2	0	0	0	0	0
90	93	11	9	7	5	3	2	1	0	0	0	0
93	96	11	9	8	6	4	2	1	0	0	0	0
96	99	12	10	8	6	4	3	1	0	0	0	0
99	102	12	10	8	7	5	3	2	0	0	0	0
102	105	13	11	9	7	5	3	2	1	0	0	0
105	108	13	11	9	8	6	4	2	1	0	0	0
108	111	14	12	10	8	6	4	3	1	0	0	0
111	114	14	12	10	8	7	5	3	2	0	0	0
114	117	14	13	11	9	7	5	3	2	1	0	0
117	120	15	13	11	9	7	6	4	2	1	0	0
120	123	15	13	12	10	8	6	4	3	1	0	0
123	126	16	14	12	10	8	7	5	3	2	0	0
126	129	17	14	13	11	9	7	5	3	2	1	0
129	132	18	15	13	11	9	7	6	4	2	1	0
132	135	18	15	13	12	10	8	6	4	2	1	0
135	138	19	16	14	12	10	8	6	5	3	2	0
138	141	20	17	14	12	11	9	7	5	3	2	1
141	144	21	18	15	13	11	9	7	6	4	2	1
144	147	21	18	15	13	12	10	8	6	4	2	1
147	150	22	19	16	14	12	10	8	6	5	3	2
150	153	23	20	17	14	12	11	9	7	5	3	2
153	156	24	21	17	15	13	11	9	7	6	4	2
156	159	24	21	18	15	13	11	10	8	6	4	2
159	162	25	22	19	16	14	12	10	8	6	5	3
162	165	26	23	20	17	14	12	11	9	7	5	3
165	168	27	24	20	17	15	13	11	9	7	5	4
168	171	27	24	21	18	15	13	11	10	8	6	4
171	174	28	25	22	19	16	14	12	10	8	6	5
174	177	29	26	23	20	17	14	12	10	9	7	5
177	180	30	27	23	20	17	15	13	11	9	7	5
180	183	30	27	24	21	18	15	13	11	10	8	6
183	186	31	28	25	22	19	16	14	12	10	8	6
186	189	32	29	26	23	20	16	14	12	10	9	7
189	192	33	30	26	23	20	17	15	13	11	9	7
192	195	33	30	27	24	21	18	15	13	11	10	8
195	198	34	31	28	25	22	19	16	14	12	10	8
198	201	35	32	29	26	23	19	16	14	12	10	9
201	204	36	33	29	26	23	20	17	15	13	11	9
204	207	36	33	30	27	24	21	18	15	13	11	9
207	210	37	34	31	28	25	22	19	16	14	12	10
210	213	38	35	32	29	26	22	19	16	14	12	10
213	216	39	36	32	29	26	23	20	17	15	13	11
216	219	39	36	33	30	27	24	21	18	15	13	11
219	222	40	37	34	31	28	25	22	19	15	14	12

SINGLE Persons—DAILY OR MISCELLANEOUS Payroll Period
(For Wages Paid in 2005)

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	\$41	\$38	\$35	\$32	\$29	\$25	\$22	\$19	\$16	\$14	\$12
225	228	42	39	35	32	29	26	23	20	17	14	13
228	231	42	39	36	33	30	27	24	21	18	15	13
231	234	43	40	37	34	31	28	25	22	18	15	14
234	237	44	41	38	35	32	28	25	22	19	16	14
237	240	45	42	38	35	32	29	26	23	20	17	14
240	243	45	42	39	36	33	30	27	24	21	18	15
243	246	46	43	40	37	34	31	28	25	21	18	15
246	249	47	44	41	38	35	31	28	25	22	19	16
249	252	48	45	41	38	35	32	29	26	23	20	17
252	255	48	45	42	39	36	33	30	27	24	21	18
255	258	49	46	43	40	37	34	31	28	24	21	18
258	261	50	47	44	41	38	34	31	28	25	22	19
261	264	51	48	44	41	38	35	32	29	26	23	20
264	267	51	48	45	42	39	36	33	30	27	24	21
267	270	52	49	46	43	40	37	34	31	27	24	21
270	273	53	50	47	44	41	37	34	31	28	25	22
273	276	54	51	47	44	41	38	35	32	29	26	23
276	279	55	51	48	45	42	39	36	33	30	27	24
279	282	55	52	49	46	43	40	37	34	30	27	24
282	285	56	53	50	47	44	40	37	34	31	28	25
285	288	57	54	50	47	44	41	38	35	32	29	26
288	291	58	55	51	48	45	42	39	36	33	30	27
291	294	59	55	52	49	46	43	40	37	33	30	27
294	297	60	56	53	50	47	43	40	37	34	31	28
297	300	61	57	54	50	47	44	41	38	35	32	29
300	303	61	58	54	51	48	45	42	39	36	33	30
303	306	62	59	55	52	49	46	43	40	36	33	30
306	309	63	60	56	53	50	46	43	40	37	34	31
309	312	64	60	57	54	50	47	44	41	38	35	32
312	315	65	61	58	54	51	48	45	42	39	36	33
315	318	66	62	59	55	52	49	46	43	39	36	33
318	321	66	63	60	56	53	49	46	43	40	37	34
321	324	67	64	60	57	53	50	47	44	41	38	35
324	327	68	65	61	58	54	51	48	45	42	39	36
327	330	69	65	62	59	55	52	49	46	42	39	36
330	333	70	66	63	59	56	53	49	46	43	40	37
333	336	71	67	64	60	57	53	50	47	44	41	38
336	339	71	68	65	61	58	54	51	48	45	42	39
339	341	72	69	65	62	58	55	52	48	45	42	39
341	343	73	69	66	62	59	55	52	49	46	43	40
343	345	73	70	66	63	59	56	53	49	46	43	40
345	347	74	70	67	63	60	57	53	50	47	44	41
347	349	74	71	67	64	61	57	54	50	47	44	41
349	351	75	71	68	65	61	58	54	51	48	45	42
351	353	75	72	69	65	62	58	55	51	48	45	42
353	355	76	73	69	66	62	59	55	52	49	46	43
355	357	77	73	70	66	63	59	56	52	49	46	43
357	359	77	74	70	67	63	60	56	53	50	47	44
359	361	78	74	71	67	64	61	57	54	50	47	44
361	363	78	75	71	68	65	61	58	54	51	48	45
363	365	79	75	72	69	65	62	58	55	51	48	45
365	367	79	76	73	69	66	62	59	55	52	49	46
367	369	80	77	73	70	66	63	59	56	52	49	46
369	371	81	77	74	70	67	63	60	56	53	50	47
371	373	81	78	74	71	67	64	60	57	54	50	47
373	375	82	78	75	71	68	64	61	58	54	51	48
375	377	82	79	75	72	68	65	62	58	55	51	48
377	379	83	79	76	72	69	66	62	59	55	52	49
379	381	83	80	76	73	70	66	63	59	56	52	49
381	383	84	80	77	74	70	67	63	60	56	53	50
383	385	84	81	78	74	71	67	64	60	57	53	50
385	387	85	82	78	75	71	68	64	61	57	54	51
387	389	86	82	79	75	72	68	65	61	58	55	51
389	391	86	83	79	76	72	69	65	62	59	55	52

\$391 and over

Use Table 8(a) for a **SINGLE person** on page 37. Also see the instructions on page 34.

MARRIED Persons—DAILY OR MISCELLANEOUS Payroll Period
(For Wages Paid in 2005)

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	0	0	0	0	0	0	0	0	0	0	0
30	33	0	0	0	0	0	0	0	0	0	0	0
33	36	0	0	0	0	0	0	0	0	0	0	0
36	39	1	0	0	0	0	0	0	0	0	0	0
39	42	1	0	0	0	0	0	0	0	0	0	0
42	45	1	0	0	0	0	0	0	0	0	0	0
45	48	2	0	0	0	0	0	0	0	0	0	0
48	51	2	1	0	0	0	0	0	0	0	0	0
51	54	2	1	0	0	0	0	0	0	0	0	0
54	57	2	1	0	0	0	0	0	0	0	0	0
57	60	3	2	0	0	0	0	0	0	0	0	0
60	63	3	2	1	0	0	0	0	0	0	0	0
63	66	3	2	1	0	0	0	0	0	0	0	0
66	69	4	2	1	0	0	0	0	0	0	0	0
69	72	4	3	2	0	0	0	0	0	0	0	0
72	75	4	3	2	1	0	0	0	0	0	0	0
75	78	5	3	2	1	0	0	0	0	0	0	0
78	81	5	4	2	1	0	0	0	0	0	0	0
81	84	5	4	3	1	0	0	0	0	0	0	0
84	87	5	4	3	2	1	0	0	0	0	0	0
87	90	6	5	3	2	1	0	0	0	0	0	0
90	93	6	5	4	2	1	0	0	0	0	0	0
93	96	7	5	4	3	1	0	0	0	0	0	0
96	99	7	5	4	3	2	1	0	0	0	0	0
99	102	8	6	5	3	2	1	0	0	0	0	0
102	105	8	6	5	4	2	1	0	0	0	0	0
105	108	9	7	5	4	3	1	0	0	0	0	0
108	111	9	7	5	4	3	2	0	0	0	0	0
111	114	9	8	6	4	3	2	1	0	0	0	0
114	117	10	8	6	5	4	2	1	0	0	0	0
117	120	10	9	7	5	4	3	1	0	0	0	0
120	123	11	9	7	5	4	3	2	0	0	0	0
123	126	11	9	8	6	4	3	2	1	0	0	0
126	129	12	10	8	6	5	4	2	1	0	0	0
129	132	12	10	8	7	5	4	3	1	0	0	0
132	135	13	11	9	7	5	4	3	2	0	0	0
135	138	13	11	9	8	6	4	3	2	1	0	0
138	141	14	12	10	8	6	5	3	2	1	0	0
141	144	14	12	10	8	7	5	4	3	1	0	0
144	147	14	13	11	9	7	5	4	3	2	0	0
147	150	15	13	11	9	7	6	4	3	2	1	0
150	153	15	13	12	10	8	6	5	3	2	1	0
153	156	16	14	12	10	8	7	5	4	3	1	0
156	159	16	14	13	11	9	7	5	4	3	2	0
159	162	17	15	13	11	9	7	6	4	3	2	1
162	165	17	15	13	12	10	8	6	5	3	2	1
165	168	18	16	14	12	10	8	6	5	4	2	1
168	171	18	16	14	12	11	9	7	5	4	3	2
171	174	18	17	15	13	11	9	7	6	4	3	2
174	177	19	17	15	13	12	10	8	6	5	3	2
177	180	19	18	16	14	12	10	8	6	5	4	2
180	183	20	18	16	14	12	11	9	7	5	4	3
183	186	20	18	17	15	13	11	9	7	6	4	3
186	189	21	19	17	15	13	11	10	8	6	5	3
189	192	21	19	17	16	14	12	10	8	6	5	4
192	195	22	20	18	16	14	12	11	9	7	5	4
195	198	22	20	18	17	15	13	11	9	7	5	4
198	201	23	21	19	17	15	13	11	10	8	6	5
201	204	23	21	19	17	16	14	12	10	8	6	5
204	207	23	22	20	18	16	14	12	10	9	7	5
207	210	24	22	20	18	16	15	13	11	9	7	5
210	213	24	22	21	19	17	15	13	11	10	8	6
213	216	25	23	21	19	17	16	14	12	10	8	6
216	219	25	23	22	20	18	16	14	12	10	9	7
219	222	26	24	22	20	18	16	15	13	11	9	7
222	225	26	24	22	21	19	17	15	13	11	9	8
225	228	27	25	23	21	19	17	15	14	12	10	8
228	231	27	25	23	21	20	18	16	14	12	10	9
231	234	27	26	24	22	20	18	16	15	13	11	9

MARRIED Persons—DAILY OR MISCELLANEOUS Payroll Period
(For Wages Paid in 2005)

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	\$28	\$26	\$24	\$22	\$21	\$19	\$17	\$15	\$13	\$11	\$9
237	240	28	27	25	23	21	19	17	15	14	12	10
240	243	29	27	25	23	21	20	18	16	14	12	10
243	246	29	27	26	24	22	20	18	16	14	13	11
246	249	30	28	26	24	22	20	19	17	15	13	11
249	252	30	28	26	25	23	21	19	17	15	14	12
252	255	31	29	27	25	23	21	20	18	16	14	12
255	258	31	29	27	26	24	22	20	18	16	14	13
258	261	32	30	28	26	24	22	20	19	17	15	13
261	264	33	30	28	26	25	23	21	19	17	15	13
264	267	33	31	29	27	25	23	21	19	18	16	14
267	270	34	31	29	27	25	24	22	20	18	16	14
270	273	35	32	30	28	26	24	22	20	19	17	15
273	276	36	33	30	28	26	25	23	21	19	17	15
276	279	36	33	31	29	27	25	23	21	19	18	16
279	282	37	34	31	29	27	25	24	22	20	18	16
282	285	38	35	32	30	28	26	24	22	20	18	17
285	288	39	36	33	30	28	26	24	23	21	19	17
288	291	39	36	33	30	29	27	25	23	21	19	18
291	294	40	37	34	31	29	27	25	24	22	20	18
294	297	41	38	35	32	30	28	26	24	22	20	18
297	300	42	39	36	33	30	28	26	24	23	21	19
300	303	42	39	36	33	30	29	27	25	23	21	19
303	306	43	40	37	34	31	29	27	25	23	22	20
306	309	44	41	38	35	32	29	28	26	24	22	20
309	312	45	42	39	36	32	30	28	26	24	23	21
312	315	45	42	39	36	33	30	29	27	25	23	21
315	318	46	43	40	37	34	31	29	27	25	23	22
318	321	47	44	41	38	35	32	29	28	26	24	22
321	324	48	45	42	39	35	32	30	28	26	24	22
324	327	48	45	42	39	36	33	30	28	27	25	23
327	330	49	46	43	40	37	34	31	29	27	25	23
330	333	50	47	44	41	38	35	32	29	28	26	24
333	336	51	48	45	42	38	35	32	30	28	26	24
336	339	51	48	45	42	39	36	33	30	28	27	25
339	341	52	49	46	43	40	37	34	31	29	27	25
341	343	53	50	46	43	40	37	34	31	29	27	25
343	345	53	50	47	44	41	38	35	32	29	28	26
345	347	54	51	47	44	41	38	35	32	30	28	26
347	349	54	51	48	45	42	39	36	33	30	28	26
349	351	55	52	48	45	42	39	36	33	30	28	27
351	353	55	52	49	46	43	40	37	34	31	29	27
353	355	56	53	49	46	43	40	37	34	31	29	27
355	357	56	53	50	47	44	41	38	35	32	29	28
357	359	57	54	50	47	44	41	38	35	32	30	28
359	361	57	54	51	48	45	42	39	36	33	30	28
361	363	58	55	51	48	45	42	39	36	33	30	28
363	365	58	55	52	49	46	43	40	37	34	31	29
365	367	59	56	52	49	46	43	40	37	34	31	29
367	369	59	56	53	50	47	44	41	38	35	31	29
369	371	60	57	53	50	47	44	41	38	35	32	30
371	373	60	57	54	51	48	45	42	39	36	32	30
373	375	61	58	54	51	48	45	42	39	36	33	30
375	377	61	58	55	52	49	46	43	40	37	33	31
377	379	62	59	55	52	49	46	43	40	37	34	31
379	381	62	59	56	53	50	47	44	41	38	34	31
381	383	63	60	56	53	50	47	44	41	38	35	32
383	385	63	60	57	54	51	48	45	42	39	35	32
385	387	64	61	57	54	51	48	45	42	39	36	33
387	389	64	61	58	55	52	49	46	43	40	36	33
389	391	65	62	58	55	52	49	46	43	40	37	34
391	393	65	62	59	56	53	50	47	44	41	37	34
393	395	66	63	59	56	53	50	47	44	41	38	35
395	397	66	63	60	57	54	51	48	45	42	38	35
397	399	67	64	60	57	54	51	48	45	42	39	36
399	401	67	64	61	58	55	52	49	46	43	39	36

\$401 and over

Use Table 8(b) for a **MARRIED** person on page 37. Also see the instructions on page 34.

Tables for Percentage Method of Advance EIC Payments
(For Wages Paid in 2005)

Table 1. WEEKLY Payroll Period

(a) SINGLE or HEAD OF HOUSEHOLD			(b) MARRIED Without Spouse Filing Certificate			(c) 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:	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—		Over—	But not over—	
\$0	\$150	20.40% of wages	\$0	\$150	20.40% of wages	\$0	\$75	20.40% of wages
\$150	\$276	\$31	\$150	\$314	\$31	\$75	\$157	\$15
\$276		\$31 less 9.588% of wages in excess of \$276	\$314		\$31 less 9.588% of wages in excess of \$314	\$157		\$15 less 9.588% of wages in excess of \$157

Table 2. BIWEEKLY Payroll Period

(a) SINGLE or HEAD OF HOUSEHOLD			(b) MARRIED Without Spouse Filing Certificate			(c) 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:	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—		Over—	But not over—	
\$0	\$301	20.40% of wages	\$0	\$301	20.40% of wages	\$0	\$150	20.40% of wages
\$301	\$552	\$61	\$301	\$629	\$61	\$150	\$314	\$31
\$552		\$61 less 9.588% of wages in excess of \$552	\$629		\$61 less 9.588% of wages in excess of \$629	\$314		\$31 less 9.588% of wages in excess of \$314

Table 3. SEMIMONTHLY Payroll Period

(a) SINGLE or HEAD OF HOUSEHOLD			(b) MARRIED Without Spouse Filing Certificate			(c) 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:	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—		Over—	But not over—	
\$0	\$326	20.40% of wages	\$0	\$326	20.40% of wages	\$0	\$163	20.40% of wages
\$326	\$598	\$67	\$326	\$682	\$67	\$163	\$341	\$33
\$598		\$67 less 9.588% of wages in excess of \$598	\$682		\$67 less 9.588% of wages in excess of \$682	\$341		\$33 less 9.588% of wages in excess of \$341

Table 4. MONTHLY Payroll Period

(a) SINGLE or HEAD OF HOUSEHOLD			(b) MARRIED Without Spouse Filing Certificate			(c) 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:	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—		Over—	But not over—	
\$0	\$652	20.40% of wages	\$0	\$652	20.40% of wages	\$0	\$326	20.40% of wages
\$652	\$1,197	\$133	\$652	\$1,364	\$133	\$326	\$682	\$67
\$1,197		\$133 less 9.588% of wages in excess of \$1,197	\$1,364		\$133 less 9.588% of wages in excess of \$1,364	\$682		\$67 less 9.588% of wages in excess of \$682

Tables for Percentage Method of Advance EIC Payments (Continued)
(For Wages Paid in 2005)

Table 5. QUARTERLY Payroll Period

(a) SINGLE or HEAD OF HOUSEHOLD			(b) MARRIED Without Spouse Filing Certificate			(c) 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:	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—		Over—	But not over—	
\$0	\$1,957	20.40% of wages	\$0	\$1,957	20.40% of wages	\$0	\$978	20.40% of wages
\$1,957	\$3,592	\$399	\$1,957	\$4,092	\$399	\$978	\$2,046	\$200
\$3,592		\$399 less 9.588% of wages in excess of \$3,592	\$4,092		\$399 less 9.588% of wages in excess of \$4,092	\$2,046		\$200 less 9.588% of wages in excess of \$2,046

Table 6. SEMIANNUAL Payroll Period

(a) SINGLE or HEAD OF HOUSEHOLD			(b) MARRIED Without Spouse Filing Certificate			(c) 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:	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—		Over—	But not over—	
\$0	\$3,915	20.40% of wages	\$0	\$3,915	20.40% of wages	\$0	\$1,957	20.40% of wages
\$3,915	\$7,185	\$799	\$3,915	\$8,185	\$799	\$1,957	\$4,092	\$399
\$7,185		\$799 less 9.588% of wages in excess of \$7,185	\$8,185		\$799 less 9.588% of wages in excess of \$8,185	\$4,092		\$399 less 9.588% of wages in excess of \$4,092

Table 7. ANNUAL Payroll Period

(a) SINGLE or HEAD OF HOUSEHOLD			(b) MARRIED Without Spouse Filing Certificate			(c) 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:	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—		Over—	But not over—	
\$0	\$7,830	20.40% of wages	\$0	\$7,830	20.40% of wages	\$0	\$3,915	20.40% of wages
\$7,830	\$14,370	\$1,597	\$7,830	\$16,370	\$1,597	\$3,915	\$8,185	\$799
\$14,370		\$1,597 less 9.588% of wages in excess of \$14,370	\$16,370		\$1,597 less 9.588% of wages in excess of \$16,370	\$8,185		\$799 less 9.588% of wages in excess of \$8,185

Table 8. DAILY or MISCELLANEOUS Payroll Period

(a) SINGLE or HEAD OF HOUSEHOLD			(b) MARRIED Without Spouse Filing Certificate			(c) 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:	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—		Over—	But not over—	
\$0	\$30	20.40% of wages	\$0	\$30	20.40% of wages	\$0	\$15	20.40% of wages
\$30	\$55	\$6	\$30	\$62	\$6	\$15	\$31	\$3
\$55		\$6 less 9.588% of wages in excess of \$55	\$62		\$6 less 9.588% of wages in excess of \$62	\$31		\$3 less 9.588% of wages in excess of \$31

Tables for Wage Bracket Method of Advance EIC Payments (For Wages Paid in 2005)

WEEKLY Payroll Period

SINGLE or HEAD OF HOUSEHOLD

Wages—			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	At least	But less than	Payment to be made
\$0	\$5	\$0	\$65	\$70	\$13	\$130	\$135	\$27	\$355	\$365	\$22	\$485	\$495	\$10
5	10	1	70	75	14	135	140	28	365	375	21	495	505	9
10	15	2	75	80	15	140	145	29	375	385	20	505	515	8
15	20	3	80	85	16	145	150	30	385	395	19	515	525	7
20	25	4	85	90	17	150	275	31	395	405	18	525	535	6
25	30	5	90	95	18	275	285	30	405	415	17	535	545	5
30	35	6	95	100	19	285	295	29	415	425	16	545	555	4
35	40	7	100	105	20	295	305	28	425	435	15	555	565	3
40	45	8	105	110	21	305	315	27	435	445	15	565	575	2
45	50	9	110	115	22	315	325	26	445	455	14	575	585	1
50	55	10	115	120	23	325	335	25	455	465	13	585	---	0
55	60	11	120	125	24	335	345	24	465	475	12			
60	65	12	125	130	26	345	355	23	475	485	11			

MARRIED Without Spouse Filing Certificate

Wages—			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	At least	But less than	Payment to be made
\$0	\$5	\$0	\$65	\$70	\$13	\$130	\$135	\$27	\$390	\$400	\$23	\$520	\$530	\$10
5	10	1	70	75	14	135	140	28	400	410	22	530	540	9
10	15	2	75	80	15	140	145	29	410	420	21	540	550	8
15	20	3	80	85	16	145	150	30	420	430	20	550	560	7
20	25	4	85	90	17	150	310	31	430	440	19	560	570	6
25	30	5	90	95	18	310	320	30	440	450	18	570	580	5
30	35	6	95	100	19	320	330	29	450	460	17	580	590	4
35	40	7	100	105	20	330	340	28	460	470	16	590	600	3
40	45	8	105	110	21	340	350	27	470	480	15	600	610	2
45	50	9	110	115	22	350	360	26	480	490	14	610	620	1
50	55	10	115	120	23	360	370	25	490	500	13	620	---	0
55	60	11	120	125	24	370	380	24	500	510	12			
60	65	12	125	130	26	380	390	24	510	520	11			

MARRIED With Both Spouses Filing Certificate

Wages—			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	At least	But less than	Payment to be made
\$0	\$5	\$0	\$35	\$40	\$7	\$70	\$75	\$14	\$205	\$215	\$10	\$275	\$285	\$3
5	10	1	40	45	8	75	155	15	215	225	9	285	295	2
10	15	2	45	50	9	155	165	15	225	235	8	295	305	1
15	20	3	50	55	10	165	175	14	235	245	7	305	---	0
20	25	4	55	60	11	175	185	13	245	255	6			
25	30	5	60	65	12	185	195	12	255	265	5			
30	35	6	65	70	13	195	205	11	265	275	4			

BIWEEKLY Payroll Period

SINGLE or HEAD OF HOUSEHOLD

Wages—			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	At least	But less than	Payment to be made
\$0	\$5	\$0	\$50	\$55	\$10	\$100	\$105	\$20	\$150	\$155	\$31	\$200	\$205	\$41
5	10	1	55	60	11	105	110	21	155	160	32	205	210	42
10	15	2	60	65	12	110	115	22	160	165	33	210	215	43
15	20	3	65	70	13	115	120	23	165	170	34	215	220	44
20	25	4	70	75	14	120	125	24	170	175	35	220	225	45
25	30	5	75	80	15	125	130	26	175	180	36	225	230	46
30	35	6	80	85	16	130	135	27	180	185	37	230	235	47
35	40	7	85	90	17	135	140	28	185	190	38	235	240	48
40	45	8	90	95	18	140	145	29	190	195	39	240	245	49
45	50	9	95	100	19	145	150	30	195	200	40	245	250	50

(continued on next page)

BIWEEKLY Payroll Period

SINGLE or HEAD OF HOUSEHOLD

Wages—			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	At least	But less than	Payment to be made
\$250	\$255	\$51	\$590	\$600	\$57	\$740	\$750	\$43	\$890	\$900	\$28	\$1,040	\$1,050	\$14
255	260	52	600	610	56	750	760	42	900	910	27	1,050	1,060	13
260	265	53	610	620	55	760	770	41	910	920	26	1,060	1,070	12
265	270	54	620	630	54	770	780	40	920	930	25	1,070	1,080	11
270	275	55	630	640	53	780	790	39	930	940	24	1,080	1,090	10
275	280	56	640	650	52	790	800	38	940	950	23	1,090	1,100	9
280	285	57	650	660	51	800	810	37	950	960	22	1,100	1,110	8
285	290	58	660	670	50	810	820	36	960	970	21	1,110	1,120	7
290	295	59	670	680	49	820	830	35	970	980	20	1,120	1,130	6
295	300	60	680	690	48	830	840	34	980	990	19	1,130	1,140	5
300	550	61	690	700	47	840	850	33	990	1,000	19	1,140	1,150	4
550	560	61	700	710	46	850	860	32	1,000	1,010	18	1,150	1,160	3
560	570	60	710	720	45	860	870	31	1,010	1,020	17	1,160	1,170	2
570	580	59	720	730	44	870	880	30	1,020	1,030	16	1,170	1,180	1
580	590	58	730	740	43	880	890	29	1,030	1,040	15	1,180	- - -	0

MARRIED Without Spouse Filing Certificate

Wages—			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	At least	But less than	Payment to be made
\$0	\$5	\$0	\$130	\$135	\$27	\$260	\$265	\$53	\$795	\$805	\$45	\$1,055	\$1,065	\$20
5	10	1	135	140	28	265	270	54	805	815	44	1,065	1,075	19
10	15	2	140	145	29	270	275	55	815	825	43	1,075	1,085	18
15	20	3	145	150	30	275	280	56	825	835	42	1,085	1,095	17
20	25	4	150	155	31	280	285	57	835	845	41	1,095	1,105	16
25	30	5	155	160	32	285	290	58	845	855	40	1,105	1,115	15
30	35	6	160	165	33	290	295	59	855	865	39	1,115	1,125	14
35	40	7	165	170	34	295	300	60	865	875	38	1,125	1,135	13
40	45	8	170	175	35	300	625	61	875	885	37	1,135	1,145	12
45	50	9	175	180	36	625	635	61	885	895	36	1,145	1,155	11
50	55	10	180	185	37	635	645	60	895	905	35	1,155	1,165	10
55	60	11	185	190	38	645	655	59	905	915	34	1,165	1,175	9
60	65	12	190	195	39	655	665	58	915	925	33	1,175	1,185	8
65	70	13	195	200	40	665	675	57	925	935	32	1,185	1,195	7
70	75	14	200	205	41	675	685	56	935	945	31	1,195	1,205	6
75	80	15	205	210	42	685	695	55	945	955	30	1,205	1,215	5
80	85	16	210	215	43	695	705	54	955	965	29	1,215	1,225	4
85	90	17	215	220	44	705	715	53	965	975	28	1,225	1,235	3
90	95	18	220	225	45	715	725	52	975	985	27	1,235	1,245	2
95	100	19	225	230	46	725	735	51	985	995	26	1,245	1,255	1
100	105	20	230	235	47	735	745	50	995	1,005	25	1,255	1,265	1
105	110	21	235	240	48	745	755	49	1,005	1,015	24	1,265	- - -	0
110	115	22	240	245	49	755	765	48	1,015	1,025	24			
115	120	23	245	250	50	765	775	47	1,025	1,035	23			
120	125	24	250	255	51	775	785	47	1,035	1,045	22			
125	130	26	255	260	52	785	795	46	1,045	1,055	21			

MARRIED With Both Spouses Filing Certificate

Wages—			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	At least	But less than	Payment to be made
\$0	\$5	\$0	\$65	\$70	\$13	\$130	\$135	\$27	\$390	\$400	\$23	\$520	\$530	\$10
5	10	1	70	75	14	135	140	28	400	410	22	530	540	9
10	15	2	75	80	15	140	145	29	410	420	21	540	550	8
15	20	3	80	85	16	145	150	30	420	430	20	550	560	7
20	25	4	85	90	17	150	310	31	430	440	19	560	570	6
25	30	5	90	95	18	310	320	30	440	450	18	570	580	5
30	35	6	95	100	19	320	330	29	450	460	17	580	590	4
35	40	7	100	105	20	330	340	28	460	470	16	590	600	3
40	45	8	105	110	21	340	350	27	470	480	15	600	610	2
45	50	9	110	115	22	350	360	26	480	490	14	610	620	1
50	55	10	115	120	23	360	370	25	490	500	13	620	630	1
55	60	11	120	125	24	370	380	24	500	510	12	630	- - -	0
60	65	12	125	130	26	380	390	23	510	520	11			

SEMIMONTHLY Payroll Period

SINGLE or HEAD OF HOUSEHOLD

Wages—			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	At least	But less than	Payment to be made
\$0	\$5	\$0	\$140	\$145	\$29	\$280	\$285	\$57	\$775	\$785	\$49	\$1,055	\$1,065	\$22
5	10	1	145	150	30	285	290	58	785	795	48	1,065	1,075	21
10	15	2	150	155	31	290	295	59	795	805	47	1,075	1,085	20
15	20	3	155	160	32	295	300	60	805	815	46	1,085	1,095	19
20	25	4	160	165	33	300	305	61	815	825	45	1,095	1,105	18
25	30	5	165	170	34	305	310	62	825	835	44	1,105	1,115	17
30	35	6	170	175	35	310	315	63	835	845	43	1,115	1,125	16
35	40	7	175	180	36	315	320	64	845	855	42	1,125	1,135	15
40	45	8	180	185	37	320	325	65	855	865	41	1,135	1,145	14
45	50	9	185	190	38	325	595	66	865	875	40	1,145	1,155	13
50	55	10	190	195	39	595	605	66	875	885	39	1,155	1,165	12
55	60	11	195	200	40	605	615	65	885	895	38	1,165	1,175	11
60	65	12	200	205	41	615	625	64	895	905	37	1,175	1,185	10
65	70	13	205	210	42	625	635	63	905	915	36	1,185	1,195	9
70	75	14	210	215	43	635	645	62	915	925	35	1,195	1,205	8
75	80	15	215	220	44	645	655	61	925	935	34	1,205	1,215	7
80	85	16	220	225	45	655	665	60	935	945	33	1,215	1,225	6
85	90	17	225	230	46	665	675	59	945	955	32	1,225	1,235	6
90	95	18	230	235	47	675	685	58	955	965	31	1,235	1,245	5
95	100	19	235	240	48	685	695	57	965	975	30	1,245	1,255	4
100	105	20	240	245	49	695	705	56	975	985	30	1,255	1,265	3
105	110	21	245	250	50	705	715	55	985	995	29	1,265	1,275	2
110	115	22	250	255	51	715	725	54	995	1,005	28	1,275	1,285	1
115	120	23	255	260	52	725	735	53	1,005	1,015	27	1,285	- - -	0
120	125	24	260	265	53	735	745	53	1,015	1,025	26			
125	130	26	265	270	54	745	755	52	1,025	1,035	25			
130	135	27	270	275	55	755	765	51	1,035	1,045	24			
135	140	28	275	280	56	765	775	50	1,045	1,055	23			

MARRIED Without Spouse Filing Certificate

Wages—			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	At least	But less than	Payment to be made
\$0	\$5	\$0	\$140	\$145	\$29	\$280	\$285	\$57	\$860	\$870	\$49	\$1,140	\$1,150	\$22
5	10	1	145	150	30	285	290	58	870	880	48	1,150	1,160	21
10	15	2	150	155	31	290	295	59	880	890	47	1,160	1,170	20
15	20	3	155	160	32	295	300	60	890	900	46	1,170	1,180	19
20	25	4	160	165	33	300	305	61	900	910	45	1,180	1,190	18
25	30	5	165	170	34	305	310	62	910	920	44	1,190	1,200	17
30	35	6	170	175	35	310	315	63	920	930	43	1,200	1,210	16
35	40	7	175	180	36	315	320	64	930	940	42	1,210	1,220	15
40	45	8	180	185	37	320	325	65	940	950	41	1,220	1,230	14
45	50	9	185	190	38	325	680	66	950	960	40	1,230	1,240	13
50	55	10	190	195	39	680	690	66	960	970	39	1,240	1,250	12
55	60	11	195	200	40	690	700	65	970	980	38	1,250	1,260	11
60	65	12	200	205	41	700	710	64	980	990	37	1,260	1,270	10
65	70	13	205	210	42	710	720	63	990	1,000	36	1,270	1,280	9
70	75	14	210	215	43	720	730	62	1,000	1,010	35	1,280	1,290	8
75	80	15	215	220	44	730	740	61	1,010	1,020	34	1,290	1,300	7
80	85	16	220	225	45	740	750	60	1,020	1,030	33	1,300	1,310	6
85	90	17	225	230	46	750	760	59	1,030	1,040	32	1,310	1,320	5
90	95	18	230	235	47	760	770	58	1,040	1,050	31	1,320	1,330	4
95	100	19	235	240	48	770	780	57	1,050	1,060	30	1,330	1,340	3
100	105	20	240	245	49	780	790	56	1,060	1,070	29	1,340	1,350	3
105	110	21	245	250	50	790	800	55	1,070	1,080	28	1,350	1,360	2
110	115	22	250	255	51	800	810	54	1,080	1,090	27	1,360	1,370	1
115	120	23	255	260	52	810	820	53	1,090	1,100	26	1,370	- - -	0
120	125	24	260	265	53	820	830	52	1,100	1,110	26			
125	130	26	265	270	54	830	840	51	1,110	1,120	25			
130	135	27	270	275	55	840	850	50	1,120	1,130	24			
135	140	28	275	280	56	850	860	49	1,130	1,140	23			

SEMIMONTHLY Payroll Period

MARRIED With Both Spouses Filing Certificate

Wages—			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	At least	But less than	Payment to be made
\$0	\$5	\$0	\$70	\$75	\$14	\$140	\$145	\$29	\$430	\$440	\$24	\$570	\$580	\$10
5	10	1	75	80	15	145	150	30	440	450	23	580	590	9
10	15	2	80	85	16	150	155	31	450	460	22	590	600	8
15	20	3	85	90	17	155	160	32	460	470	21	600	610	8
20	25	4	90	95	18	160	340	33	470	480	20	610	620	7
25	30	5	95	100	19	340	350	32	480	490	19	620	630	6
30	35	6	100	105	20	350	360	31	490	500	18	630	640	5
35	40	7	105	110	21	360	370	31	500	510	17	640	650	4
40	45	8	110	115	22	370	380	30	510	520	16	650	660	3
45	50	9	115	120	23	380	390	29	520	530	15	660	670	2
50	55	10	120	125	24	390	400	28	530	540	14	670	680	1
55	60	11	125	130	26	400	410	27	540	550	13	680	- - -	0
60	65	12	130	135	27	410	420	26	550	560	12			
65	70	13	135	140	28	420	430	25	560	570	11			

MONTHLY Payroll Period

SINGLE or HEAD OF HOUSEHOLD

Wages—			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	At least	But less than	Payment to be made
\$0	\$5	\$0	\$215	\$220	\$44	\$430	\$435	\$88	\$645	\$650	\$132	\$1,605	\$1,615	\$93
5	10	1	220	225	45	435	440	89	650	1,195	133	1,615	1,625	92
10	15	2	225	230	46	440	445	90	1,195	1,205	132	1,625	1,635	91
15	20	3	230	235	47	445	450	91	1,205	1,215	131	1,635	1,645	90
20	25	4	235	240	48	450	455	92	1,215	1,225	130	1,645	1,655	89
25	30	5	240	245	49	455	460	93	1,225	1,235	129	1,655	1,665	88
30	35	6	245	250	50	460	465	94	1,235	1,245	129	1,665	1,675	87
35	40	7	250	255	51	465	470	95	1,245	1,255	128	1,675	1,685	86
40	45	8	255	260	52	470	475	96	1,255	1,265	127	1,685	1,695	85
45	50	9	260	265	53	475	480	97	1,265	1,275	126	1,695	1,705	84
50	55	10	265	270	54	480	485	98	1,275	1,285	125	1,705	1,715	83
55	60	11	270	275	55	485	490	99	1,285	1,295	124	1,715	1,725	83
60	65	12	275	280	56	490	495	100	1,295	1,305	123	1,725	1,735	82
65	70	13	280	285	57	495	500	101	1,305	1,315	122	1,735	1,745	81
70	75	14	285	290	58	500	505	102	1,315	1,325	121	1,745	1,755	80
75	80	15	290	295	59	505	510	103	1,325	1,335	120	1,755	1,765	79
80	85	16	295	300	60	510	515	104	1,335	1,345	119	1,765	1,775	78
85	90	17	300	305	61	515	520	105	1,345	1,355	118	1,775	1,785	77
90	95	18	305	310	62	520	525	106	1,355	1,365	117	1,785	1,795	76
95	100	19	310	315	63	525	530	107	1,365	1,375	116	1,795	1,805	75
100	105	20	315	320	64	530	535	108	1,375	1,385	115	1,805	1,815	74
105	110	21	320	325	65	535	540	109	1,385	1,395	114	1,815	1,825	73
110	115	22	325	330	66	540	545	110	1,395	1,405	113	1,825	1,835	72
115	120	23	330	335	67	545	550	111	1,405	1,415	112	1,835	1,845	71
120	125	24	335	340	68	550	555	112	1,415	1,425	111	1,845	1,855	70
125	130	26	340	345	69	555	560	113	1,425	1,435	110	1,855	1,865	69
130	135	27	345	350	70	560	565	114	1,435	1,445	109	1,865	1,875	68
135	140	28	350	355	71	565	570	115	1,445	1,455	108	1,875	1,885	67
140	145	29	355	360	72	570	575	116	1,455	1,465	107	1,885	1,895	66
145	150	30	360	365	73	575	580	117	1,465	1,475	106	1,895	1,905	65
150	155	31	365	370	74	580	585	118	1,475	1,485	106	1,905	1,915	64
155	160	32	370	375	75	585	590	119	1,485	1,495	105	1,915	1,925	63
160	165	33	375	380	77	590	595	120	1,495	1,505	104	1,925	1,935	62
165	170	34	380	385	78	595	600	121	1,505	1,515	103	1,935	1,945	61
170	175	35	385	390	79	600	605	122	1,515	1,525	102	1,945	1,955	60
175	180	36	390	395	80	605	610	123	1,525	1,535	101	1,955	1,965	59
180	185	37	395	400	81	610	615	124	1,535	1,545	100	1,965	1,975	59
185	190	38	400	405	82	615	620	125	1,545	1,555	99	1,975	1,985	58
190	195	39	405	410	83	620	625	126	1,555	1,565	98	1,985	1,995	57
195	200	40	410	415	84	625	630	128	1,565	1,575	97	1,995	2,005	56
200	205	41	415	420	85	630	635	129	1,575	1,585	96	2,005	2,015	55
205	210	42	420	425	86	635	640	130	1,585	1,595	95	2,015	2,025	54
210	215	43	425	430	87	640	645	131	1,595	1,605	94			

(Continued on next page)

MONTHLY Payroll Period

SINGLE or HEAD OF HOUSEHOLD

Wages—			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	At least	But less than	Payment to be made
\$2,025	\$2,035	\$53	\$2,145	\$2,155	\$41	\$2,265	\$2,275	\$30	\$2,385	\$2,395	\$18	\$2,505	\$2,515	\$7
2,035	2,045	52	2,155	2,165	40	2,275	2,285	29	2,395	2,405	17	2,515	2,525	6
2,045	2,055	51	2,165	2,175	39	2,285	2,295	28	2,405	2,415	16	2,525	2,535	5
2,055	2,065	50	2,175	2,185	38	2,295	2,305	27	2,415	2,425	15	2,535	2,545	4
2,065	2,075	49	2,185	2,195	37	2,305	2,315	26	2,425	2,435	14	2,545	2,555	3
2,075	2,085	48	2,195	2,205	36	2,315	2,325	25	2,435	2,445	13	2,555	2,565	2
2,085	2,095	47	2,205	2,215	36	2,325	2,335	24	2,445	2,455	13	2,565	2,575	1
2,095	2,105	46	2,215	2,225	35	2,335	2,345	23	2,455	2,465	12	2,575	- - -	0
2,105	2,115	45	2,225	2,235	34	2,345	2,355	22	2,465	2,475	11			
2,115	2,125	44	2,235	2,245	33	2,355	2,365	21	2,475	2,485	10			
2,125	2,135	43	2,245	2,255	32	2,365	2,375	20	2,485	2,495	9			
2,135	2,145	42	2,255	2,265	31	2,375	2,385	19	2,495	2,505	8			

MARRIED Without Spouse Filing Certificate

Wages—			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	At least	But less than	Payment to be made
\$0	\$5	\$0	\$225	\$230	\$46	\$450	\$455	\$92	\$1,400	\$1,410	\$129	\$1,850	\$1,860	\$86
5	10	1	230	235	47	455	460	93	1,410	1,420	128	1,860	1,870	85
10	15	2	235	240	48	460	465	94	1,420	1,430	127	1,870	1,880	84
15	20	3	240	245	49	465	470	95	1,430	1,440	126	1,880	1,890	83
20	25	4	245	250	50	470	475	96	1,440	1,450	125	1,890	1,900	82
25	30	5	250	255	51	475	480	97	1,450	1,460	124	1,900	1,910	81
30	35	6	255	260	52	480	485	98	1,460	1,470	123	1,910	1,920	80
35	40	7	260	265	53	485	490	99	1,470	1,480	122	1,920	1,930	79
40	45	8	265	270	54	490	495	100	1,480	1,490	121	1,930	1,940	78
45	50	9	270	275	55	495	500	101	1,490	1,500	120	1,940	1,950	77
50	55	10	275	280	56	500	505	102	1,500	1,510	119	1,950	1,960	76
55	60	11	280	285	57	505	510	103	1,510	1,520	118	1,960	1,970	75
60	65	12	285	290	58	510	515	104	1,520	1,530	117	1,970	1,980	74
65	70	13	290	295	59	515	520	105	1,530	1,540	116	1,980	1,990	73
70	75	14	295	300	60	520	525	106	1,540	1,550	115	1,990	2,000	72
75	80	15	300	305	61	525	530	107	1,550	1,560	114	2,000	2,010	71
80	85	16	305	310	62	530	535	108	1,560	1,570	113	2,010	2,020	70
85	90	17	310	315	63	535	540	109	1,570	1,580	112	2,020	2,030	69
90	95	18	315	320	64	540	545	110	1,580	1,590	111	2,030	2,040	68
95	100	19	320	325	65	545	550	111	1,590	1,600	110	2,040	2,050	67
100	105	20	325	330	66	550	555	112	1,600	1,610	110	2,050	2,060	66
105	110	21	330	335	67	555	560	113	1,610	1,620	109	2,060	2,070	65
110	115	22	335	340	68	560	565	114	1,620	1,630	108	2,070	2,080	64
115	120	23	340	345	69	565	570	115	1,630	1,640	107	2,080	2,090	63
120	125	24	345	350	70	570	575	116	1,640	1,650	106	2,090	2,100	63
125	130	26	350	355	71	575	580	117	1,650	1,660	105	2,100	2,110	62
130	135	27	355	360	72	580	585	118	1,660	1,670	104	2,110	2,120	61
135	140	28	360	365	73	585	590	119	1,670	1,680	103	2,120	2,130	60
140	145	29	365	370	74	590	595	120	1,680	1,690	102	2,130	2,140	59
145	150	30	370	375	75	595	600	121	1,690	1,700	101	2,140	2,150	58
150	155	31	375	380	77	600	605	122	1,700	1,710	100	2,150	2,160	57
155	160	32	380	385	78	605	610	123	1,710	1,720	99	2,160	2,170	56
160	165	33	385	390	79	610	615	124	1,720	1,730	98	2,170	2,180	55
165	170	34	390	395	80	615	620	125	1,730	1,740	97	2,180	2,190	54
170	175	35	395	400	81	620	625	126	1,740	1,750	96	2,190	2,200	53
175	180	36	400	405	82	625	630	128	1,750	1,760	95	2,200	2,210	52
180	185	37	405	410	83	630	635	129	1,760	1,770	94	2,210	2,220	51
185	190	38	410	415	84	635	640	130	1,770	1,780	93	2,220	2,230	50
190	195	39	415	420	85	640	645	131	1,780	1,790	92	2,230	2,240	49
195	200	40	420	425	86	645	650	132	1,790	1,800	91	2,240	2,250	48
200	205	41	425	430	87	650	1,360	133	1,800	1,810	90	2,250	2,260	47
205	210	42	430	435	88	1,360	1,370	133	1,810	1,820	89	2,260	2,270	46
210	215	43	435	440	89	1,370	1,380	132	1,820	1,830	88	2,270	2,280	45
215	220	44	440	445	90	1,380	1,390	131	1,830	1,840	87	2,280	2,290	44
220	225	45	445	450	91	1,390	1,400	130	1,840	1,850	87	2,290	2,300	43

(Continued on next page)

MONTHLY Payroll Period

MARRIED Without Spouse Filing Certificate

Wages—			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	At least	But less than	Payment to be made
\$2,300	\$2,310	\$42	\$2,390	\$2,400	\$34	\$2,480	\$2,490	\$25	\$2,570	\$2,580	\$17	\$2,660	\$2,670	\$8
2,310	2,320	41	2,400	2,410	33	2,490	2,500	24	2,580	2,590	16	2,670	2,680	7
2,320	2,330	40	2,410	2,420	32	2,500	2,510	23	2,590	2,600	15	2,680	2,690	6
2,330	2,340	40	2,420	2,430	31	2,510	2,520	22	2,600	2,610	14	2,690	2,700	5
2,340	2,350	39	2,430	2,440	30	2,520	2,530	21	2,610	2,620	13	2,700	2,710	4
2,350	2,360	38	2,440	2,450	29	2,530	2,540	20	2,620	2,630	12	2,710	2,720	3
2,360	2,370	37	2,450	2,460	28	2,540	2,550	19	2,630	2,640	11	2,720	2,730	2
2,370	2,380	36	2,460	2,470	27	2,550	2,560	18	2,640	2,650	10	2,730	2,740	1
2,380	2,390	35	2,470	2,480	26	2,560	2,570	17	2,650	2,660	9	2,740	- - -	0

MARRIED With Both Spouses Filing Certificate

Wages—			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	At least	But less than	Payment to be made
\$0	\$5	\$0	\$140	\$145	\$29	\$280	\$285	\$57	\$860	\$870	\$49	\$1,140	\$1,150	\$22
5	10	1	145	150	30	285	290	58	870	880	48	1,150	1,160	21
10	15	2	150	155	31	290	295	59	880	890	47	1,160	1,170	20
15	20	3	155	160	32	295	300	60	890	900	46	1,170	1,180	19
20	25	4	160	165	33	300	305	61	900	910	45	1,180	1,190	18
25	30	5	165	170	34	305	310	62	910	920	44	1,190	1,200	17
30	35	6	170	175	35	310	315	63	920	930	43	1,200	1,210	16
35	40	7	175	180	36	315	320	64	930	940	42	1,210	1,220	15
40	45	8	180	185	37	320	325	65	940	950	41	1,220	1,230	14
45	50	9	185	190	38	325	680	66	950	960	40	1,230	1,240	13
50	55	10	190	195	39	680	690	66	960	970	39	1,240	1,250	12
55	60	11	195	200	40	690	700	65	970	980	38	1,250	1,260	11
60	65	12	200	205	41	700	710	64	980	990	37	1,260	1,270	10
65	70	13	205	210	42	710	720	63	990	1,000	36	1,270	1,280	9
70	75	14	210	215	43	720	730	62	1,000	1,010	35	1,280	1,290	8
75	80	15	215	220	44	730	740	61	1,010	1,020	34	1,290	1,300	7
80	85	16	220	225	45	740	750	60	1,020	1,030	33	1,300	1,310	6
85	90	17	225	230	46	750	760	59	1,030	1,040	32	1,310	1,320	5
90	95	18	230	235	47	760	770	58	1,040	1,050	31	1,320	1,330	4
95	100	19	235	240	48	770	780	57	1,050	1,060	30	1,330	1,340	4
100	105	20	240	245	49	780	790	56	1,060	1,070	29	1,340	1,350	3
105	110	21	245	250	50	790	800	55	1,070	1,080	28	1,350	1,360	2
110	115	22	250	255	51	800	810	54	1,080	1,090	27	1,360	1,370	1
115	120	23	255	260	52	810	820	53	1,090	1,100	27	1,370	- - -	0
120	125	24	260	265	53	820	830	52	1,100	1,110	26			
125	130	26	265	270	54	830	840	51	1,110	1,120	25			
130	135	27	270	275	55	840	850	50	1,120	1,130	24			
135	140	28	275	280	56	850	860	50	1,130	1,140	23			

DAILY Payroll Period

SINGLE or HEAD OF HOUSEHOLD			MARRIED Without Spouse Filing Certificate			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	\$65	\$75	\$4	\$0	\$5	\$0	\$70	\$80	\$5	\$0	\$5	\$0
5	10	1	75	85	3	5	10	1	80	90	4	5	10	1
10	15	2	85	95	2	10	15	2	90	100	3	10	15	2
15	20	3	95	105	1	15	20	3	100	110	2	15	30	3
20	25	4	105	- - -	0	20	25	4	110	120	1			
25	30	5				25	30	5	120	- - -	0			
30	55	6				30	60	6						
55	65	5				60	70	5						



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