



Circular E

Employer's Tax Guide

Increase in the Social Security Tax Rate

The social security tax rate is increased to 7.51% each for employers and employees, for wages paid in 1988 (from 7.15% each in 1987).

1988 Social Security Wage Base

The maximum amount of wages subject to social security taxes is increased to \$45,000 for 1988.

Decrease in the FUTA Tax Rate

The FUTA tax rate is decreased to 6% for 1988. The credit against the FUTA tax for payments to state unemployment funds stays at a maximum of 5.4% for 1988. Therefore, the net FUTA tax rate is decreased to 0.6% (from 0.8% in 1987). Both the FUTA tax and the credit against it are still figured on a maximum wage base of \$7,000.

Federal Tax Deposit (FTD) Checklist

To help you fill out the different Federal tax deposit forms, we have developed a checklist which is found on pages 54 and 55. **Note:** Even if the location of items on your particular forms is different (because you have a different revision), the instructions on page 55 are still applicable.

Modifying Forms 941 and 942 for Prior Years

To assist taxpayers who find they should have filed Forms 941 and 942 for prior years, there is now information in section 14 showing how to modify current forms in order to report taxes for prior years. There is also a table showing the social security wage bases and tax rates for the prior 3 years.

Filing a New Form W-4

The Tax Reform Act of 1986 changed many parts of the law that affect withholding including some changes that take effect in 1988. You should urge employees in any of the following groups to review their withholding early in the year to see if they should file a 1988 **Form W-4, Employee's Withholding Allowance Certificate**: Those who can claim "Head of Household" filing status on their 1988 tax return; those who are married and whose spouse works or those who have two or more jobs at the same time; itemizers or those with nonwage income; and those who were 65 or older or blind and who claimed the additional withholding allowance for nonitemizers on the 1987 Form W-4 or W-4A. See **Publication 213** for more information.

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Calendar

The following is a list of important dates during the year that you should take note of.
Note: If any date shown falls on a Saturday, Sunday, or legal holiday, use the next regular workday.

By January 31 or When Employment Ends

Give each employee a completed **Form W-2**, Wage and Tax Statement. Give each annuitant a completed **Form W-2P**, Statement for Recipients of Annuities, Pensions, Retired Pay, or IRA Payments, by January 31. (See section 17.)

By January 31

Federal Unemployment (FUTA) Tax.—File **Form 940**, Employer's Annual Federal Unemployment (FUTA) Tax Return. If you deposited all the tax when due, you have 10 more days to file the return.

By February 15

Ask for a new **Form W-4**, Employee's Withholding Allowance Certificate, from each employee who claimed total exemption from withholding during the prior year.

On February 16

Begin withholding for each employee who previously claimed exemption from withholding but has not given you a new **Form W-4** for the current year. The **Form W-4** previously given you claiming exemption is now invalid. (See section 10(h).)

By February 29

Income Tax Withholding.—File **Form W-3**, Transmittal of Income and Tax Statements, with the Social Security Administration (SSA) and include Copy A of all **Forms W-2** and **W-2P** you gave employees or recipients for the year before. (See section 16.)

Allocated Tip Reporting.—File **Form 8027**, Employer's Annual Information Return of Tip Income and Allocated Tips, with the Internal Revenue Service. (See section 7.)

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

Deposit Federal unemployment tax due if it is more than \$100. File **Form 941**, Employer's Quarterly Federal Tax Return, or **Form 941E**, Quarterly Return of Withheld Federal Income Tax and Hospital Insurance (Medicare) Tax, and pay any undeposited income and social security taxes. If you deposited all the taxes when due, you have 10 more days to file the return.

File **Form 942**, Employer's Quarterly Tax Return for Household Employees, if you have such employees, and pay the tax due. (See section 14.)

Before December 1

Income Tax Withholding.—Ask for a new **Form W-4** from each employee whose withholding allowances will change for the next year.

On December 31

Form W-5, Earned Income Credit Advance Payment Certificate, expires. Employees who want to continue receiving advance payments of the earned income credit for the next year must file a new **Form W-5**.

Reminders

When Hiring New Employees

Eligibility for Employment.—Under the Immigration Reform and Control Act of

1986, you will have to determine that each new employee is legally eligible to work. This will include completing the Immigration and Naturalization Service (INS) **Form I-9**, Employment Eligibility Verification Form. Contact the INS for further information concerning your responsibilities under the Act.

Income Tax Withholding.—Ask each new employee to complete **Form W-4**. Use the 1988 **Form W-4**.

Social Security Taxes.—Record each new employee's name and number from his or her social security card. Any employee who does not have a number should apply for one. (See section 5.)

When Paying Wages or Annuities

Income Tax Withholding.—Withhold tax from each wage payment or supplemental unemployment compensation plan benefit payment according to the employee's **Form W-4** and the correct withholding rate. Withhold from periodic pension and annuity payments as if the recipient is married claiming three withholding allowances, unless he or she has filed **Form W-4P** either electing no withholding or giving a different number of allowances, marital status, or additional amount to be withheld. (See sections 6, 11, and 12.)

Social Security Taxes.—Withhold 7.51% from each wage payment in 1988. Stop when you reach \$45,000 in taxable wages. (If the employee reported tips, see section 7.)

Backup Withholding

Payers must generally withhold 20% of taxable interest, dividend, and certain other payments if payees fail to furnish payers with their correct taxpayer identification numbers. There are other circumstances where the payer is also required to withhold. This withholding is referred to as backup withholding. Please see **Form W-9**, Request for Taxpayer Identification Number and Certification, and the **Instructions for Forms 1099, 1098, 5498, 1096, and W-2G** for more details.

Report backup withholding amounts on the same **Form 941** you use to report social security and income tax withholding (or **Form 941E** if only reporting income tax withholding and the medicare portion of social security tax). See section 13 for information on depositing backup withholding.

Information Returns

You may have to file information returns to report certain types of payments made during the year. For example, you must file **Form 1099-MISC** to report payments of \$600 or more to persons not treated as employees (e.g., independent contractors) for services performed for your trade or business. You can use the chart on pages 52 and 53 as a quick reference guide to 1987 information returns. For details about forms of the 1099 series, please see the separate **Instructions for Forms 1099, 1098, 5498, 1096, and W-2G**. Do not use the **Form 1099** series to report wages and other compensation you paid to employees; report these on **Form W-2**. See the separate **Instructions for Forms W-2 and W-2P** for details. "Other compensation" to be reported on **Form W-2** is described in sections 6 and 17. For further information, including required magnetic media filing, see **Publication 916**, Information Returns.

Information Return Penalties.—

Information return penalties include failure to file an information return (including any required magnetic media filing), failure to furnish statements to payees, and failure to supply a taxpayer identification number. Each of these penalties is \$50 per failure, each with a \$100,000 per year maximum. There is a penalty of \$5 per document for failure to include correct information on a return or statement (maximum of \$20,000 per year). The maximum amounts for these penalties may not apply in certain cases. There are other penalties involving information returns. See the **Instructions for Forms 1099, 1098, 5498, 1096, and W-2G**.

Unresolved Problems

IRS has a Problem Resolution Program for taxpayers who have been unable to resolve their problems with IRS. If you have a tax problem you have been unable to resolve through normal channels, write to your local IRS district director or call your local IRS office and ask for Problem Resolution assistance. This office will take responsibility for your problem and ensure that it receives proper attention. Although this office cannot change the tax law or technical decisions, it can frequently clear up misunderstandings that resulted from previous contacts.

Instructions

1. Purpose

This guide tells about your tax responsibilities as an employer. It explains the requirements for withholding, depositing, reporting, and paying taxes. It explains the forms you must give your employees, those your employees must give you, and those you must send to IRS and SSA. (Detailed filing requirements and instructions for completing the forms, including instructions for correcting previously filed forms, are in the forms themselves.) This guide also has tax tables you need to figure the taxes to withhold for each employee after December 1987.

Most employers must withhold, deposit, report, and pay—

- Income tax, and
 - Social security taxes.
- They must also deposit, report, and pay—
- Federal unemployment tax (FUTA).

There are only a few exceptions to these requirements. See pages 15 through 20. Railroad retirement and railroad unemployment repayment taxes are explained in the **Instructions for Form CT-1**.

2. Are You an Employer?

Generally, an employer is a person or organization for whom a worker performs a service as an employee. The employer usually gives the worker the tools and place to work and has the right to fire the worker. A person or organization paying wages to a former employee after the work ends is also considered an employer.

Specific definitions of employers apply for income and FUTA tax purposes.

Income Tax Withholding.—For income tax withholding purposes, the term employer includes organizations that are exempt from income, social security, and FUTA taxes.

FUTA Tax.—For FUTA tax purposes, an employer is:

(1) Any person or organization that during this year or last year either:

(a) Paid wages of \$1,500 or more in any calendar quarter, or

(b) Had one or more employees at any time in each of any 20 calendar weeks.

(2) Any agricultural employer who during this year or last year either:

(a) Paid cash wages of \$20,000 or more for farm labor in any calendar quarter, or

(b) Employed 10 or more farmworkers during some part of a day for at least one day during any 20 different weeks.

(3) Any household employer who during this year or last year paid cash wages of \$1,000 or more during any calendar quarter for household service in a private home, local college club, or local chapter of a college fraternity or sorority.

Federal Government Employers.—If you are a Federal agency, the information in this guide applies, except:

(a) Deposit Federal taxes only at Federal Reserve banks, and

(b) The due date for Federal tax deposits is the payroll date. Refer to the Treasury Fiscal Requirements Manual (I TFRM 3-4000) for procedures to use in accounting for withheld Federal income tax and social security taxes.

State and Local Government

Employers.—Wages of your employees are generally subject to Federal income tax withholding. In addition, wages of your employees hired after March 31, 1986, are subject to the medicare portion only of social security tax, unless they are otherwise covered by a section 218 agreement. Wages of any employees covered by a section 218 agreement are subject to the full social security tax.

If you are covered by a section 218 agreement, report full social security taxes and withheld Federal income tax on **Form 941, Employer's Quarterly Federal Tax Return**. If you are not covered by a section 218 agreement, report the medicare portion of social security taxes (if any) and withheld Federal income tax on **Form 941E, Quarterly Return of Withheld Federal Income Tax and Hospital Insurance (Medicare) Tax**.

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

See *Deposit Instructions for State and Local Government Employers* on page 9 for information on tax deposits, including special rules for state and local government employers whose employees are covered under a section 218 agreement.

3. Employer Identification Number

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

The employer identification number (EIN) is a 9-digit number the IRS issues. The digits are arranged as follows: 00-0000000. It is used to identify the tax accounts of employers and certain others that have no employees.

If you have not asked for a number, request one on **Form SS-4, Application for Employer Identification Number**. You can get this form at IRS or Social Security Administration (SSA) offices.

Use your employer identification number on all the items you send to IRS and SSA.

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

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

Please see **Publication 583, Information for Business Taxpayers**, for more information on how to make deposits, file returns, etc., if due before you have received your number.

4. Who Are Employees?

Generally, employees can be defined either under common law or under special statutes for special purposes.

Employment Status Under Common

Law.—Anyone who performs services is an employee if you, as an employer, can control what will be done and how it will be done. This is so even when you give the employee freedom of action. What matters is that you have the legal right to control the method and result of the services. Also see *Statutory Employees* on this page.

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. Also see *Statutory Nonemployees* on this page.

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

There is no employee class difference. An employee can be a superintendent, manager, or supervisor. Generally, an officer of a corporation is an employee, but a director is not. An officer who performs no services or only minor ones, and who neither receives nor is entitled to receive pay of any kind, is not considered an employee.

Whether an employer-employee relationship exists under the usual common law rules will be determined, when there is any doubt, by the facts in each case.

If you have good reason for treating a worker other than as an employee, you will not be liable for employment taxes on the payments to that worker.

To get this relief, you must file all required Federal tax returns, including information returns, 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 period after 1977. See Rev. Proc. 85-18, 1985-1 C.B. 518, for further details.

This relief is not available, however, to a business that furnishes technical service specialists (for example, engineers, computer programmers, and systems analysts) to clients. In these cases, the employment relationship between the

business and the technical service specialist will be determined under the common law rules. **Note:** *If you, as the business that furnishes technical service specialists to clients, correctly treat a technical service specialist as an independent contractor under the common law rules, you will not be liable for employment taxes on that individual.* See Revenue Ruling 87-41, 1987-23 I.R.B. 7, for guidelines for determining the employment status of a technical service specialist.

Statutory Employees.—If someone who works for you is not an employee under the common law rules explained above, do not withhold Federal income tax from his or her pay. Although the following persons may not be common law employees, they are considered employees for social security purposes if tests (1) through (3) below, are met. Persons in (a) and (d) are employees for FUTA tax purposes if tests (1) through (3) are met.

(a) An agent (or commission) driver who delivers food or beverages (other than milk) or laundry or dry-cleaning for someone else.

(b) A full-time life insurance salesperson.

(c) A homemaker who works by the 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.

(d) 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 order 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.

Tests.—

(1) It is understood from a service contract that the services will be performed by the person.

(2) The person does not have a substantial investment in facilities (other than transportation) used to perform the services.

(3) The services are the kind that involve a continuing relationship with the person for whom they are performed.

Publication 539, Employment Taxes, gives examples of the employer-employee relationship.

If you want a decision about whether a worker is an employee, file **Form SS-8, Information for Use in Determining Whether a Worker Is an Employee for Federal Employment Taxes and Income Tax Withholding**. You can get the form at IRS offices.

Statutory Nonemployees.—Direct sellers and qualified real estate agents are by law considered nonemployees. They are instead treated as self-employed for income tax and employment tax purposes. See **Publication 539** for details on these two groups.

Treating Employees as Nonemployees.—You will be liable for income tax and employee social security tax if you don't deduct and withhold these taxes because you consider an employee as a nonemployee. See Internal Revenue Code section 3509 for details.

5. Employee's Social Security Number

Record the name and number of each employee as they are shown on the employee's social security card. Any employee without a social security card can get one from any SSA office by completing **Form SS-5**, Application for a Social Security Number Card. You can get this form at IRS or SSA offices.

6. Taxable Wages

Wages² subject to Federal employment taxes include all pay you give an employee for services performed. The pay may be in cash or in other forms. It includes salaries, vacation allowances, bonuses, and commissions. It does not matter how you measure or pay the payments.

Any employee social security tax and employee state unemployment compensation tax you pay for your employees (rather than deducting it) is includible in social security and FUTA wages. (This does not apply to household workers or farmworkers.)

(See pages 15 through 20 for exceptions to wages. See section 7 for a discussion of tips. See section 17 for reporting "other compensation" not subject to withholding.)

Measure pay that is not in money (such as goods, lodging, and meals) by its fair market value. This kind of pay may be subject to tax and withholding. See page 17.

Payments for travel and other necessary expenses for your business are not taxable as wages. If you combine wages and expense allowances in a single payment, show the employee the amounts separately.

Partially Exempt Employment.—If an employee spends half or more of his or her time in a pay period performing services subject to employment taxes, all the employee's pay in that pay period is taxable. If the employee spends less than half the time performing services subject to taxes, none of the pay in that pay period is subject to employment taxes.

Supplemental Unemployment Compensation Benefits.—Treat supplemental unemployment compensation benefits as wages for income tax withholding to the extent they are includible in your employee's gross income. This applies if you pay benefits to your employee because of his or her involuntary separation from the job under a plan to which you are a party. Involuntary separation includes a reduction in force or closing a plant or operation. It does not include separation because of disciplinary problems or because of age.

Moving Expenses.—Reimbursements to employees for moving expenses are not subject to withholding if you believe the employee is entitled to a deduction for them. They are subject to withholding if you believe the employee is not entitled to a deduction. For more information, see **Publication 521**, Moving Expenses.

Golden Parachutes.—If you make parachute payments to certain "disqualified" individuals (personal services corporations, or similar entities, are treated as individuals for purposes of this provision), you are subject to reporting and withholding requirements. Parachute payments (also called "golden parachutes") are certain payments in the nature of

compensation corporations make to key individuals, often in excess of their usual compensation, in the event that ownership or control of the corporation changes. The golden parachute provision does not apply to payments made to or for a disqualified individual by a corporation that was immediately before the change in ownership or control: (1) an S corporation; or (2) a corporation that had no readily tradable securities. If (2) applies, shareholders would have to have consented to the payments. Excess parachute payments are not deductible by the payer, and the recipient of the excess payments is subject to a 20% excise tax. If you make the payments to an employee, see section 17 for instructions for reporting to the employee. If you make parachute payments to a nonemployee, use Form 1099-MISC for reporting. See the Instructions for Forms 1099, 1098, 5498, 1096, and W-2-G. The parachute payments provision applies to payments made under agreements entered into or renewed after June 14, 1984, in tax years ending after that date. For further information, see Internal Revenue Code sections 280G and 4999.

Payments to Nonresident Aliens.—In general, if you pay wages to nonresident aliens, you must withhold income tax (unless excepted by regulations) and social security taxes as you would for a U.S. citizen. You must also give a Form W-2. The wages are subject to FUTA tax as well. However, see the chart on page 15 for exceptions to these general rules.

In some cases, a Code section or a U.S. treaty provision will except payments to a nonresident alien from "wages." These payments will thus not be subject to income tax withholding. Do not give Form W-2 in these cases. These payments, unless exempt from tax because of a Code or U.S. tax treaty provision, are subject to withholding at a flat 30%, or lower treaty rate. You must report the payments and any withheld tax on **Form 1042S**, Foreign Person's U.S. Source Income Subject to Withholding. Form 1042S is sent to IRS with **Form 1042**, Annual Withholding Tax Return for U.S. Source Income of Foreign Persons. You may have to make deposits of the withheld income tax, using **Form 8109**, Federal Tax Deposit Coupon. See **Publication 515**, Withholding of Tax on Nonresident Aliens and Foreign Corporations, for more information.

Social Security Totalization Agreements.—The U.S. has entered into totalization agreements with several countries. Under the terms of these agreements, employees and employers who would otherwise have to pay social security taxes to both countries will only have to pay to one country. Thus, items shown as taxable for social security in this publication may be exempt if covered by a totalization agreement, and other items shown as exempt may be taxable if covered by such an agreement. At this time, we have agreements in effect with Belgium, Canada, Italy, Norway, Sweden, Switzerland, the United Kingdom, and West Germany. Agreements with France and Spain are expected to go into effect sometime during 1988. For more information about social security totalization agreements, contact the Social Security Administration,

International Policy Staff, Room 1104, West High Rise, 6401 Security Boulevard, Baltimore, MD 21235. (See Rev. Proc. 80-56, 1980-2 C.B. 851 and Rev. Proc. 84-54, 1984-2 C.B. 489 for information on how to prove the exemption.)

Fringe Benefits

Unless the law says otherwise, you must include fringe benefits in an employee's gross income. The benefits are subject to income and employment taxes. Fringe benefits include cars you provide, flights on aircraft you provide, free or discounted commercial flights, vacations, discounts on property or services, memberships in country clubs or other social clubs, and tickets to entertainment or sporting events. In general, the amount you must include is the amount by which the fair market value of the benefits is more than the sum of what the employee paid for it plus any amount the law excludes. There are other rules you and your employees may use to value certain fringe benefits. See **Publication 535**, Business Expenses, and the regulations under Code section 61 for more information. This includes valuation rules and when they may be used.

Nontaxable Fringe Benefits.—Some fringe benefits are not taxable. Examples are services provided to your employees at no additional cost to you, qualified employee discounts, working condition fringes (including parking and the use of on-premises athletic facilities), minimal value fringes (including meals you provide at eating places you run for your employees), and reduced tuition for education. However, services you provide at no additional cost to you, qualified employee discounts, meals at eating places you run for your employees, and reduced tuition provided to officers, owners, or highly paid employees are only excluded from income and the wage base if the benefits are given to employees on a nondiscriminatory basis. For further information, including who is considered an officer, owner, or highly paid employee, see **Publication 535** and the regulations under Code section 132.

When Are Fringe Benefits Treated as Paid.—You may choose to treat fringe benefits as paid by the pay period, or by the quarter, or on any other basis you choose as long as you treat the benefits as paid at least as often as once a year. You do not have to make a formal choice of payment dates or notify IRS of the dates you choose. You do not have to make this choice for all employees. You may change methods as often as you like, as long as you treat all benefits provided in a calendar year as paid by December 31 of the calendar year. (However, see *Special Accounting Rule for Fringe Benefits Provided During November and December* on page 5.) You may treat a single fringe benefit as paid on one or more dates in the same calendar year, even if the employee gets the entire benefit at one time. This election does not apply to a fringe benefit where real property or investment personal property is transferred.

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 20% supplemental wage rate.

If you withhold less than the required amount of taxes from an employee in a calendar year but report the proper amount, you should ask the employee for the social security or railroad retirement and income taxes you paid on his or her behalf. You must recover income taxes before April 1 of the next year.

Election Not To Withhold Income Tax on Personal Use of a Highway Motor Vehicle.—You may choose not to withhold income tax on the value of an employee's personal use of a vehicle you provide. You must, however, withhold social security or railroad retirement taxes on the use of the vehicle. You do not have to make the choice for all employees. If you make the choice, you must do it in such a way that all of your affected employees will be aware of it. For example, you can do this by including the notice with the employee's paycheck, or by displaying the notice. You may change methods at any time by notifying affected employees in a similar way. You must give notice by the later of January 31 of the year to which you want a different method to apply, or within 30 days after you first give a vehicle to the employee.

Depositing Taxes on Fringe Benefits.—Once you choose payment dates for fringe benefits, you must deposit taxes under the general deposit rules. You may reasonably estimate the value of the fringe benefits provided on the date(s) you choose, for purposes of making your deposits on time.

You may claim a refund for overpayments or have them applied to your next employment tax return. If you deposit too little, see *Penalties* below.

Penalties.—Underpayments of the amount required to be deposited may subject you to the failure to deposit penalty. The penalty is 10% of the underpayment. If you claim on any return more in deposits than you actually made by the return's due date, you may be subject to an overstated deposit penalty. The penalty is 25% of the deposits not actually made.

When To Report Fringe Benefits.—In general, you must figure the value of fringe benefits by January 31 of the next year. If you provide a vehicle, you may either figure the actual value of the benefit for the whole calendar year or consider the employee's use of the vehicle during the year to be entirely personal and include 100 percent in the employee's income. See *Fringe Benefits* in section 17 for additional information on this option.

Special Accounting Rule for Fringe Benefits Provided During November and December.—You may choose to treat the value of fringe benefits provided during November and December, or any shorter period, as paid in the next year. However, this applies only to those benefits you actually provided during November and December, not to those you merely treated as paid during those months.

If you use this rule, you must notify each affected employee between the time of the employee's last paycheck of the calendar year and at or near the time you give Form W-2. If you use the special accounting rule, your employee must also use it for all purposes (e.g., for deductions related to the fringe benefit) and for the same period. You

cannot use this rule for a fringe benefit where you transfer real property or investment personal property to your employee.

Employer "Line of Business" Requirement and Election.—In general, you can only exclude qualified employee discounts and services you provide to employees at no additional cost to you from the income of employees who perform substantial services in the line of business in which the benefits are offered for sale to your customers.

If you have more than one line of business, employees in your other lines of business are not entitled to nontaxable treatment of qualified employee discounts and services you provide at no additional cost to you. However, you can choose to consider all your employees to be in one line of business, and to receive fringe benefits from that line of business. If you make this choice, you will be charged a 30% excise tax on the excess fringe benefits. This is the excess of the total value of these two types of fringe benefits provided during the calendar year over 1% of the total taxable compensation paid to all employees during the calendar year. You must report the tax on Form 5330, Return of Excise Taxes Related to Employee Benefit Plans, and it is not deductible. In general, this provision applies only to employment within the United States. For further information, see Code section 4977 and related regulations and Publication 535.

Note: *If you include the value of a noncash fringe benefit in an employee's gross income, you cannot deduct this amount as compensation for services. You can only deduct what it cost you to provide the benefit to the employee.*

Sick Pay

In general, sick pay is any amount you pay, under a plan you take part in, to an employee because of sickness or injury. These amounts are sometimes made by a third party, such as an insurance company or employees' trust. In either case, these payments are subject to social security or railroad retirement (RRTA) and railroad unemployment repayment (RURT) taxes, and Federal unemployment (FUTA) taxes. The payments are also subject to income tax. If you make the payments, withhold on the basis of the employee's Form W-4. If a third party makes the payments, the employee may request income tax withholding by giving the third-party payer a Form W-4S, Request for Federal Income Tax Withholding From Sick Pay.

The following kinds of payments are not subject to social security, RRTA, RURT, or FUTA taxes:

- (1) Payments received under a workmen's compensation law.
- (2) Payments, or portions of payments, attributable to the employee's contributions to a sick pay plan.
- (3) Payments received under the Railroad Retirement Act.
- (4) Payments of benefits under the Railroad Unemployment Insurance Act for an on-the-job injury.
- (5) Payments made more than 6 months after the last calendar month in which the employee worked.

See section 19 for details on reporting sick pay and for details on withholding and reporting the income, social security, or RRTA and RURT taxes on sick pay, and for paying the FUTA tax.

7. Taxable Tips

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

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

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

You must collect:

- Income tax and employee social security tax on the employee's tips.
- You can collect these taxes from the employee's wages or from other funds he or she makes available. (See *Tips Treated as Supplemental Wages* in section 8 for further information.) Stop collecting the employee social security tax when his or her wages and tips for the year reach the social security limit. Generally, the employer social security tax does not apply to tips. However, you must pay employer social security taxes if:
- You are subject to the minimum wage provisions of the Fair Labor Standards Act; and
 - You pay wages less than the Federal minimum wage rate (not counting any tip credit) to employees who receive and report tips.

When these conditions exist, you must pay employer social security taxes on the difference between wages paid and the Federal minimum wage. This amount is considered as tips deemed to be wages. (Do not report this amount on Form W-2.) You are responsible for the employer social security tax on wages until the wages (other than tips) reach the social security limit.

You must withhold income tax for the whole year on wages and tips, even when the social security limit is reached.

Use Form 941 to show all tips your employees report during the quarter.

See the discussion of Form 941 in section 14 for more information.

On line 7a of Form 941, show all tips your employees report during the quarter until tips and wages paid for each employee reach the social security limit for the year. Do this even if employee funds were not available for collection of the tax.

If, by the 10th of the month after the month you received an employee's report on tips, you don't have enough employee funds available to deduct the employee tax, you no longer have to collect it. Show any uncollected social security tax on Form W-2. (See the Instructions for Forms W-2 and W-2P.)

The chart on page 19 shows how tips are treated for Federal unemployment tax purposes.

Allocated Tips.—If you are a large food or beverage establishment, you must report allocated tips under certain circumstances. A large food or beverage establishment is one that provides food or beverages for consumption on the premises, where tipping is customary, and where there are normally more than 10 employees on a typical business day in all food or beverage operations.

If employees report tips totalling 8% or more of your gross receipts, less carryout sales and sales with at least a 10% service charge added, you do not need to allocate tips. However, you must still file **Form 8027, Employer's Annual Information Return of Tip Income and Allocated Tips.**

If the 8% reporting threshold is not met, you must allocate to tipped employees an amount equal to the difference between 8% of gross receipts (less carryout sales and sales with at least a 10% service charge added) and the total tips reported by the employees. This 8% threshold percentage may be reduced, but not below 2%, by your petition or that of a majority of your employees. See Rev. Proc. 86-21, 1986-1 C.B. 560, for details. The allocation may be made according to an agreement between you and your employees or according to the methods in the regulations. However, all establishments cannot use the method of allocation described in the regulations that is based on the number of hours worked. Only establishments employing fewer than the equivalent of 25 full-time employees during the payroll period can use this method. Do not withhold income or social security taxes on allocated tips. For further information, including required magnetic media filing if more than 250 Forms 8027 are filed, see the separate instructions for Form 8027.

8. Supplemental Wage Payments

If you pay supplemental wages along with regular wages but do not specify the amount of each, withhold income tax as if the total were a single payment for a regular payroll period. Supplemental wages include bonuses, commissions, overtime pay, or payments to an employee for moving expenses he or she cannot deduct.

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

- If you withhold income tax from an employee's regular wages, you can use one of these methods for the supplemental wages:

(a) Withhold a flat 20%.

(b) Add the supplemental and regular wages for the most recent payroll period this year. Then figure the income tax as if the total were a single payment. Subtract the tax already withheld from the regular wages. Withhold the remaining tax from the supplemental wages.

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

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

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

9. Payroll Period

The payroll period is that 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 don't have a payroll period, withhold the tax as if you paid wages on 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:

(a) The last wage payment made during the same calendar year,

(b) The date employment began, if during the same calendar year, or

(c) January 1 of the same year.

When you pay an employee for a period of less than 1 week, and the employee signs a statement under penalties of perjury that he or she is not working for any other employer during the same calendar 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 is required to notify you within 10 days. You should then figure withholding based on the daily or miscellaneous period.

10. Withholding From Employees

Form W-4.—To know how much income tax to withhold from employees' wages, you should have a Form W-4 on file for each employee. Ask all new employees to give you a signed Form W-4 when they start work. Make the form effective with the first wage payment. If the new employee does not give you a completed Form W-4, withhold tax as if he or she is single, with no withholding allowances. A Form W-4 remains in effect until the employee gives you a new one. There are some exceptions, so see the discussion on page 7 on invalid Forms W-4, Forms W-4 that must be sent to IRS, and exemption from income tax withholding.

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

If you need to order Forms W-4 or **Publications 505, Tax Withholding and Estimated Tax**, or **919, Is My Withholding**

Correct for 1988?, call the IRS toll-free number 1-800-424-3676. (In Alaska and Hawaii call the IRS "Forms Only" number in the local phone book.)

Withholding.—To determine income tax withholding, take the following into account:

(a) **Wages paid, including tips reported.**

(b) **Marital status.**—The withholding tables are different for single and for married employees. A nonresident alien, or a person married to one, is considered single for withholding tax purposes.

There are special rules for an employee whose spouse has recently died. An employee whose spouse has died during the year can show status as married for the year on Form W-4.

An employee whose spouse died in either of the two preceding tax years can claim married status if:

(1) The employee's home is maintained as the main household of a child or stepchild for whom the employee can claim an exemption; and

(2) The employee could file a joint return with the decedent in the year of the spouse's death.

An employee who qualifies as a "head of household" is considered single for withholding purposes.

(c) **Withholding allowances.**—

Exemptions are allowable on the Federal income tax return for self, spouse, and dependents. Elderly and blind persons no longer receive additional personal exemptions. However, they receive an increased standard deduction on their tax return if they do not itemize their deductions.

You are not responsible for verifying the withholding allowances your employees claim. However, the following tests may help your employees decide whether they can claim a withholding allowance for a dependent.

Each dependent your employee claims must meet all of the following tests:

(1) **Income.**—Receives less than \$1,950 income. (If your employee's child* was under 19 or a full-time student, ignore this test.)

(2) **Support.**—Gets more than half of his or her support from your employee.

(3) **Married dependents.**—Does not file a joint return with his or her spouse.

(4) **Citizenship or residence.**—Is a citizen or resident of the United States; a resident of Canada or Mexico; or an alien child adopted by and living with a U.S. citizen in a foreign country.

(5) **Relationship.**—Is either:

- Related to the employee (if your employee files jointly, the dependent can be related to either spouse) as one of the following:

Child*	Stepbrother	Son-in-law
Mother	Stepsister	Daughter-in-law
Father	Stepmother	Or if related
Grand-	Stepfather	by blood:
parent	Mother-in-law	Uncle
Brother	Father-in-law	Aunt
Sister	Brother-in-law	Nephew
Grandchild	Sister-in-law	Niece

*Child includes:

Your employee's son, daughter, stepson, or stepdaughter.

A child who lived in your employee's home as a member of the family, if placed with your employee by an authorized placement agency for legal adoption.

A foster child (any child who lived in your employee's home as a member of the family for the whole year).

- Or a person who lived in your employee's home as a member of the family for the whole year.

(d) Special withholding allowance.—For withholding purposes only, each single person with only one job and each married person with only one job whose spouse is not working can claim one additional withholding allowance. Any person with two jobs can also claim the allowance if only one job paid more than \$2,500. A married person with two jobs or a working spouse can claim the allowance if only one job paid more than \$2,500.

(e) Additional withholding allowance for heads of households.—For withholding purposes only, each person entitled to head of household filing status can claim one additional withholding allowance on Form W-4.

(f) Additional withholding allowances based on deductions and tax credits.—These allowances are only for withholding purposes; they are not claimed on a tax return. To take these allowances into account, the employee must figure and claim them on Form W-4. See Form W-4 for details.

(g) Fewer withholding allowances because of a working spouse, more than one job, or nonwage income.—If any of the above applies, the number of withholding allowances an employee can claim may be reduced.

(h) Exemption from income tax withholding for eligible persons.—An employee may claim to be exempt from income tax withholding because he or she had no income tax liability last year and expects none this year. However, the wages may still be subject to social security taxes.

An employee who can be claimed as a dependent on someone else's tax return may not be exempt. If that employee has any nonwage income (such as interest on savings), and wages plus the nonwage income are expected to be more than \$500, he or she cannot claim exemption from withholding.

The employee must file a Form W-4 each year to claim exemption from withholding.

Note: Student status does not automatically exempt the employee from income tax withholding.

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

Send in each quarter with Form 941 or 941E copies of any Forms W-4 that meet either of the above conditions. Complete boxes 8, 9, and 10 on any Forms W-4 you send in. Box 9 is for the employer's use only, and may be used by the employer to identify the office responsible for processing the employee's payroll information. Also send copies of any written statements from employees in support of the claims made on Forms W-4. Do this even if the Forms W-4 are not in effect at

the end of the quarter. You can send them to your Internal Revenue Service Center more often if you like. If you do so, include a cover letter giving your name, address, employer identification number, and the number of forms included. In certain cases, IRS may notify you in writing that you must submit specified Forms W-4 more frequently to your district director separate from your Form 941 or 941E.

Base withholding on the Forms W-4 that you send in unless IRS notifies you in writing that a Form W-4 is defective and that you should do otherwise.

If the IRS notifies you about a particular employee, base withholding on the number of withholding allowances shown in the IRS notice. You will get a copy of the notice to give to the employee. Also, the employee will get a similar notice directly from the IRS. If the employee later gives you a new Form W-4, follow it only if: (1) exempt status is not claimed, or (2) the number of withholding allowances is equal to or less 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 IRS or to you. If submitted to you, send the Form W-4 and explanation to the IRS office shown in the notice. Continue to withhold based on the notice unless and until IRS tells you to follow the new Form W-4.

Form W-4 information may be filed with IRS on magnetic tape. See Rev. Proc. 87-47, 1987-37 I.R.B. 20, for details.

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.

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

However, if you have an earlier Form W-4 for this worker that is valid, withhold as you did before.

11. Figuring Withholding

There are several ways to figure income tax withholding. You can use any of the following:

- Percentage method (see pages 22 and 23).
- Wage bracket tables (see pages 24 through 43).

Also see page 20 for directions on how to use the tables for employees claiming more than 10 allowances.

- Alternative formula tables for percentage withholding (see **Publication 493**, **Alternative Tax Withholding Methods and Tables**).

- Wage bracket percentage method withholding tables (see **Publication 493**).

Employers with automated payroll systems will find the two alternative formula tables and the two alternative wage bracket percentage method tables useful.

- Combined income tax and employee social security tax table (see **Publication 493**).

- Annualized wages method (see page 20).
- Average estimated wages method (see page 20).
- Cumulative wages and part-year employment methods (see pages 20 and 21). These may be used if your employee requests that you use them, and you agree to this.

- Other alternative methods (see page 21).
- If an employee wants additional tax withheld, have the employee show the extra amount on Form W-4.

Social Security Taxes: Employer's and Employee's Share.—For wages paid in 1988, the tax rate is 7.51% for the employer and 7.51% for the employee.

Note: This is an increase from the 1987 rate. You can multiply each wage payment by this percentage or use the table on pages 44 and 45. You can use the amounts in the box in the lower right corner of page 45 if the wage payment is \$100 or more. For example, the social security tax on a wage payment of \$355 would be \$26.66 (\$22.53 + \$4.13) each.

12. Income Tax Withholding From Pensions and Annuities

Generally, payers or plan administrators must withhold Federal income tax at specified rates on certain periodic pension, annuity and deferred income payments and on nonperiodic distributions, including qualified total distributions. Recipients may also choose to have additional amounts withheld from periodic payments and nonperiodic distributions, or may choose exemption from withholding (however, see *Periodic Payments and Nonperiodic Distributions Delivered Outside the U.S.* on page 8). They do this by filing with the payer or administrator a Form W-4P, and completing the appropriate lines. Payers and administrators may substitute their own forms for this purpose. **Note: Since military retirement pay is generally considered as wages, and not as a pension or annuity, military retirees should give you a Form W-4 to request income tax withholding, not Form W-4P.**

Withholding on Periodic Payments.—Generally, periodic payments are those payable over a period of more than a year. Because these payments are treated as if they are wages, you can figure withholding by using the income tax withholding tables and methods in this publication or in **Publication 493**.

Recipients of periodic payments can file a Form W-4P with you to claim an exemption from withholding, to revoke a previously filed exemption, or to specify the number of withholding allowances and any additional amount they want withheld. If they do not file a Form W-4P, you must figure withholding by treating a recipient as married with three withholding allowances. If a recipient already has a previously filed Form W-4P in effect with you under the prior law and does not file a new one, you may continue to withhold the flat dollar amount shown on the form. However, you must have notified the recipient that his or her previously filed Form W-4P will remain in effect unless he or she elects exemption from withholding or files a new Form W-4P.

After the end of the year, give each annuitant a Form W-2P showing the gross payments and the income tax withheld during the year. (See section 17.)

Withholding on Nonperiodic Payments.—For information on withholding from nonperiodic payments and the tables for withholding on qualified total distributions, see Publication 493.

Periodic Payments and Nonperiodic Distributions Delivered Outside the U.S.—A recipient of any such payment or distribution that is delivered outside the U.S. cannot choose exemption from withholding unless the recipient certifies to the payer that the recipient is not: (1) a U.S. citizen who is a bona fide resident of a foreign country; or (2) an individual to whom Internal Revenue Code section 877 applies (concerning expatriation to avoid tax). The certification can be made in a statement to the payer under the penalties of perjury.

Caution: *Under pending legislation, U.S. possessions would be considered not to be outside the U.S. in determining when a certification was necessary. The legislation would also require recipients choosing exemption from withholding to certify that they were not U.S. citizens or resident aliens.*

13. Depositing Taxes

Use **Form 8109**, Federal Tax Deposit Coupon, to deposit employment taxes and all other types of taxes that are deposited. Do **not** use the deposit coupons to pay delinquent taxes for which you have been assessed by the IRS. These payments should be sent directly to your Internal Revenue Service Center along with a copy of any related notice the IRS sent you.

The IRS will send you a coupon book after you apply for an employer identification number. The coupons will be preprinted with your name, address, and employer identification number. They have entry boxes for indicating the type of tax and the tax period against which the deposit is to be applied. **Note:** *It is very important to clearly mark the correct type of tax and tax period on each deposit coupon. This information is used by the IRS to credit your account.*

When you need more coupons, order them from your Internal Revenue Service Center, using **Form 8109A**, FTD Reorder Form, that is included in the coupon book. Your coupons will be sent to the address preprinted on the reorder form, which may not be your IRS account address (the address the IRS uses to send you your tax returns, refunds, and notices). If you want them sent to a different address, show that new information on the reorder form. That will become the address on your deposit coupons. Your IRS account address will not change even if you have your coupons sent to a different address. **Note:** *You should receive your reorder in approximately 5-6 weeks. Be sure to allow ample reorder time before you use up your current supply.*

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

Please do not use anybody else's coupons. If you do so, you may be subject to the failure to deposit penalty. This is because your account will be underpaid by the amount of the deposit credited to the other person's account. The penalty is 10% of the underpayment.

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Mail or deliver each deposit coupon and a single payment covering the taxes to be deposited to a financial institution qualified as a depository for Federal taxes or to the Federal Reserve Bank or branch (FRB) serving your geographical area. Follow the instructions in the front of the coupon book. Make the check or money order payable to the depository or FRB where you make your deposit. To help ensure proper crediting of your account, include your employer identification number, the type of tax (e.g., Form 940), and tax period to which the payment applies on your check or money order.

Reporting Agents.—Reporting agents who submit Federal employment tax deposits for their clients should see Rev. Proc. 86-33, 1986-2 C.B. 420 for details.

Deposits at Authorized Financial Institutions.—Authorized depositories must accept cash, a postal money order drawn to the order of the depository, or a check or draft drawn on and made payable to the depository. You can deposit taxes with a check drawn on another financial institution only if the depository is willing to accept that form of payment.

Deposits at FRBs.—If you use a check to deposit taxes at an FRB, please deposit with the FRB that serves your area. The check must be considered by that FRB as an immediate credit item. Generally, immediate credit items include checks drawn on commercial banks located in the same city as the FRB to which the deposit is mailed. You can learn which FRB serves your area, and what checks are immediate credit items, from any commercial bank or FRB.

Depositing on Time.—The timeliness of deposits will be determined by the date received by an authorized depository or FRB. However, a deposit received after the due date of the deposit will be considered timely if you show that it was mailed by the second day before the due date. **Note:** *Deposits of \$20,000 or more, which are made by taxpayers required to deposit any taxes more than once a month, must be received by the due date of the deposit to be timely; the 2-day mail rule does not apply to these deposits.*

If a deposit that does not comply with the deposit payment requirements is made at an FRB, that deposit will be dated on collection of the funds by the FRB, regardless of when mailed.

If you hand deliver your deposit to the depository on the due date, be sure to deliver it before the depository closes its business day.

Depositing Without a Coupon or EIN.—If you have applied for an employer identification number but have not received it, and you must make a deposit, make the deposit with your Internal Revenue Service Center rather than with a depository or FRB. Make it payable to IRS 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. Attach an explanation to the deposit.

If you have reordered coupons and have not received them in time to make a deposit, or if you are a new employer and have already received your employer identification number but have not yet received your initial supply of deposit coupons, use **Form 8109-B**. This over-the-counter deposit coupon is available at most IRS offices. Deposit Form

8109-B deposit coupons with an authorized depository or FRB only.

Deposit Record.—For your records, a stub is provided with each coupon in the coupon book. The coupon itself will not be returned. It is used to credit your account. Your check 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 ask on the tax return you file to have the overpayment refunded or applied as a credit to your next return.

Penalties.—A 10% penalty is charged when taxes are not deposited when due or when Federal tax deposits are mailed or delivered to IRS offices rather than to authorized depositories or FRBs. However, see *Depositing Without a Coupon or EIN*, above. A 25% penalty is charged when deposits are overstated. An overstated deposit is an amount claimed on any return as having been deposited that exceeds the amount actually deposited by the date the return is filed. In both situations, the penalties will not be charged if the failure to deposit or the overstatement was due to reasonable cause, and not due to willful neglect. When credit is claimed on the return for deposits not made, fines and other criminal penalties may be charged.

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 tax or income tax, deposit required taxes, make required payments, or file tax returns. In this case, you would receive written notice from the district director requiring you to deposit taxes in a special trust account for the U.S. Government. You would also have to file monthly tax returns on **Form 941-M**, Employer's Monthly Federal Tax Return. Penalties are provided for not depositing taxes and not making payments.

When To Deposit.—The amount of taxes determines the frequency of deposits. You owe these taxes when you pay the wages, not when your payroll period ends. The rules and examples below explain how often to deposit taxes.

Note: *If any date shown falls on a Saturday, Sunday, or legal holiday, use the next regular workday for depositing taxes.*

Depositing Withheld Income and Social Security Taxes.—

Rule 1—Less than \$500 at end of quarter.—If at the end of the calendar quarter your total undeposited taxes for the quarter are less than \$500, you do not have to deposit the taxes. You may pay the taxes to IRS with Form 941 (or 941E), or you may deposit them by the end of the next month.

Rule 2—Less than \$500 at the end of any month.—If at the end of any month your total undeposited taxes are less than \$500, you do not have to make a deposit. You may carry the taxes over to the following month within the quarter. (See Example A.)

Rule 3—\$500 or more but less than \$3,000 at the end of any month.—If at the end of any month your total undeposited taxes are \$500 or more but less than \$3,000, you must deposit the taxes within 15 days after the end of the month.

Exception: If this occurs at the end of a month in which you were required to make a deposit of \$3,000 or more, see Examples D and E.

Rule 4—\$3,000 or more at the end of any eighth-monthly period.—Each month is divided into eight deposit periods that end on the 3rd, 7th, 11th, 15th, 19th, 22nd, 25th, and last day of the month. If at the end of any eighth-monthly period your total undeposited taxes are \$3,000 or more, deposit the taxes within 3 banking days after the end of that eighth-monthly period. (See Examples B, C, D, and E.) Do not count as banking days local holidays observed by authorized financial institutions, Saturdays, Sundays, and legal holidays.

You will be considered to meet rule 4 if:

- You deposit at least 95% of the tax liability for that eighth-monthly period within 3 banking days after the end of that period; and
- You deposit any underpayment as follows:

(a) If an eighth-monthly period is in the first or second month of the quarter, you deposit the underpayment with the first deposit that is required to be made after the 15th of the following month.

(b) If an eighth-monthly period is in the last month of the quarter, you deposit any underpayment of \$500 or more by the due date of the return. (Any underpayment less than \$500 can be paid with Form 941 (or 941E) as explained in rule 1.)

Exception: If this is the first time you are required to make a deposit within 3 banking days after the end of an eighth-monthly period, you may deposit the taxes by the 15th of the next month (instead of within 3 banking days after the eighth-monthly period) if you meet all of the following conditions:

- You were not required to deposit taxes under rule 4 during the 4 quarters preceding the current quarter.
- You were not required to deposit taxes under rule 4 during earlier months of this quarter.
- Your total undeposited taxes at the end of any eighth-monthly period during this month are less than \$10,000.

Example A.—The taxes on wages paid in October are \$450, and the taxes on wages paid in November are \$550. No deposit is required for October (because of rule 2), but add the \$450 to the \$550 for November and deposit the total (\$1,000) by December 15 (as required by rule 3).

Example B.—The taxes on wages paid from the 1st through the 3rd of the month are \$3,500. Deposit these taxes within 3 banking days after the 3rd of the month (as required by rule 4).

Example C.—The taxes on wages paid from the 4th through the 7th of a month are \$2,500 and the taxes on wages paid from the 8th through the 11th are \$2,000. A separate deposit is not required for the \$2,500, but add it to the \$2,000 and deposit the total (\$4,500) within 3 banking days after the 11th of the month (as required by rule 4).

Example D.—The taxes on wages paid from the 23rd through the 25th of January are \$3,500. Deposit these taxes within 3 banking days after the 25th of the month (as required by rule 4). The taxes on wages paid from the 26th through the end of January are \$2,500. Since a deposit was already required to be made for an eighth-monthly period during the month, a separate deposit is not required for the \$2,500 (because of the exception to rule 3). Carry the \$2,500 over and add it to the taxes on wages paid in February. Then follow rules 3 and 4 to

determine when the next deposit is required. (However, if this occurs in the last month of a quarter, deposit any balance due of \$500 or more but less than \$3,000 by the end of the next month.)

Example E.—Wages are paid on Friday for the prior week. In the first quarter of 1988, payday is on January 1, 8, 15, 22, and 29; February 5, 12, 19, and 26; and March 4, 11, 18, and 25. Taxes are \$1,050 for each payday.

Enter \$1,050 on lines A, C, D, F, H, J, L, M, P, R, S, U, and W of Form 941. Enter \$5,250 on Total line I; \$4,200 on lines II and III; and \$13,650 on line IV.

You must make a deposit within 3 banking days of January 15, February 7, February 29, and March 19 because undeposited taxes reached at least \$3,000 for the eighth-monthly periods ending on those dates.

The undeposited taxes at the end of January of \$2,100 (for paydays on the 22nd and 29th) may be carried over to February because of the exception to rule 3 as explained in Example D. At the end of February, there is no carryover since the undeposited taxes are \$3,150 and must be deposited within 3 banking days. At the end of March, the undeposited taxes of \$1,050 (for the payday on the 25th) must be deposited by April 30 (because of the exception to rule 3 for the last month of a quarter as explained in Example D).

Depositing Backup Withholding.—For tax deposit purposes, you can either combine backup withholding with other taxes reported on Form 941 or 941E and deposit the combined total, or you can treat backup withholding as a separate tax and deposit it separately following the same deposit rules used for social security and withheld income taxes.

If you treat backup withholding as a separate tax, show the amounts for deposit purposes on **Schedule A (Form 941)**, Record of Federal Backup Withholding Tax Liability, and when depositing this tax, darken the "Sch. A" entry box on the deposit coupon. Schedule A (Form 941) must be attached to Form 941 or 941E.

Deposit Instructions for State and Local Government Employers.—If you are not covered by a section 218 agreement, deposit withheld income tax and (for employees hired after March 31, 1986) the medicare portion only of social security tax. Follow rules 1 through 4 on pages 8 and 9. If you are covered by a section 218 agreement, deposit income tax and social security taxes following the rules on pages 8 and 9, subject to the following modification for social security taxes: For wages paid after September 30, 1987, and before October 1, 1988, you may use a 5-day rule instead of the 3-day rule described in rule 4. Wages paid after September 30, 1988, are subject to the 3-day rule, and social security taxes and withheld income tax must be added together to figure when to make a deposit.

Deposit with authorized depositories and FRBs only; do not send the social security taxes to the state. **Note:** Remember that if you are covered by a section 218 agreement, you may figure the deposit schedule for social security taxes separately from the deposit schedule for withheld income tax (for wages paid before October 1, 1988). Use separate Form 8109 deposit coupons if you are figuring the deposit schedules separately.

Summary of Deposit Rules for Social Security Taxes and Withheld Income Tax

Deposit Rule	Deposit Due
(1) If at the end of the quarter your total undeposited taxes for the quarter are less than \$500:	(1) No deposit is required. You may pay the taxes to IRS with Form 941 (or 941E), or you may deposit them by the due date of the return.
(2) If at the end of any month your total undeposited taxes are less than \$500:	(2) No deposit is required. You may carry the taxes over to the following month.
(3) If at the end of any month your total undeposited taxes are \$500 or more but less than \$3,000:	(3) Within 15 days after the end of the month. (No deposit is required if you were required to make a deposit for an eighth-monthly period during the month under rule 4. However, if this occurs in the last month of the quarter, deposit any balance due by the due date of the return.)
(4) If at the end of any eighth-monthly period (the 3rd, 7th, 11th, 15th, 19th, 22nd, 25th, and last day of each month) your total undeposited taxes are \$3,000 or more:	(4) Within 3 banking days after the end of that eighth-monthly period. (May be 5 days; see <i>Deposit Instructions for State and Local Government Employers</i> above.)

Depositing Federal Unemployment (FUTA) Taxes.—

For deposit purposes, figure FUTA tax quarterly. Deposit any amount due by the last day of the first month after the quarter ends.

Determine whether you must deposit tax for any of the first 3 quarters in a year. Figure the total tax by multiplying by .006 that part of the first \$7,000 of each employee's annual wages that you paid during the quarter.

If this amount (plus any amount not yet deposited for any earlier quarter of the year) is more than \$100, deposit it during the first month after the quarter. But if it is \$100 or less, you do not have to deposit it. Just add it to the amount for deposit for the next quarter.

If the tax reportable on Form 940 (including any credit reductions under Code section 3302(c)), minus amounts deposited for the year, is more than \$100, deposit all of the tax by January 31. If your tax for the year (minus deposits) is \$100 or less, you may either deposit it or pay it with Form 940 by January 31.

14. Filing the Quarterly Return of Withheld Income Tax and Social Security Taxes

Form 941.—Generally, all employers who are subject to income tax withholding or social security taxes must file Form 941 quarterly. However, there are the following exceptions:

(a) Employers who report only withheld income tax or who withheld the medicare portion only of social security tax. These include certain state and local governments, payers of supplemental unemployment compensation benefits, churches and church-controlled organizations that have filed Form 8274, and certain payers of pensions, annuities, and sick pay. These employers should use Form 941E.

(b) Household employers reporting social security taxes and withheld income tax. Report these on Form 942.

(c) Employers reporting wages for employees in American Samoa, Guam, the Northern Mariana Islands, or the Virgin Islands. If the employees are not subject to U.S. income tax withholding, use Form 941SS. Employers in Puerto Rico use Form 941PR.

(d) Agricultural employers reporting social security taxes and withheld income tax. Report these on Form 943.

Penalties.—For each whole or part month a return is not filed when required (disregarding any extensions of the filing deadline), there is a penalty of 5% of the amount that should have been shown on that return. The maximum penalty is 25%. Also, for each whole or part month the tax is paid late (disregarding any extensions of the payment deadline), a penalty of 0.5% of the amount of tax generally applies. The maximum for this penalty is also 25%. The penalties will not be charged if there is an acceptable reason for failing to file or pay.

In cases where income and social security taxes that should be withheld are not withheld or are not paid to the IRS, the **100-percent penalty** may be applied. Under this penalty, certain officers or employees of a corporation, or certain members or employees of a partnership become personally liable for the payment of the taxes and penalized an equal amount.

When To File.—Due dates for returns and tax payments are:

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

If you deposited all taxes when due for the quarter, you may file the return by the 10th day of the second month following the quarter.

Where To File.—File Form 941 (or Form 941E) with the Internal Revenue Service Center for the region serving your legal residence, main place of business, or office or agency. The addresses are listed in the Form 941 and 941E instructions.

Hints on Filing.—Do not report more than one calendar quarter on one return.

Use the preaddressed form mailed to you. If you don't have the form, get one from any IRS office in time to file the return when due. If you use a form that is not preaddressed, please show your name and employer identification number on it. Be sure they are exactly as they appeared on earlier returns.

If you go out of business or stop paying wages, file a final return.

If you stop paying wages for a time or do seasonal work, file a return for each quarter. Do this even though you have no taxes to report.

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, when you figure the annual wage limit, include the wages the other employer paid to your employees.

Adjustments.—For every return on which you report an adjustment, attach a statement. It should explain why you are making the adjustment, the period covered, and any other information required by the instructions on the return. You cannot

adjust income tax withholding after the end of the calendar year.

If you withhold no social security tax 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 up to you and the employee. (This does not apply to tax on tips.)

If you withhold more than the right amount of social security tax from wages paid, give the employee the excess. Be sure to keep in your records the employee's written receipt showing the date and amount of the repayment. If you don't have a receipt, you must report and pay each excess amount when you file the return for the quarter in which you withheld too much tax.

Form 941 tells how to correct mistakes in reporting withheld income and social security taxes, including the use of **Form 941c**, Statement to Correct Information. Generally, you can adjust social security taxes reported on previous Forms 941 on your current Form 941. However, if you cannot adjust social security taxes you overwithheld, you may be able to claim a refund of these taxes by filing **Form 843**, Claim.

Tips count against the limit of wages subject to employee social security tax, but not against the employer tax. Thus, you may need to report wages on line 6 of Form 941, for the employer tax, even though the employee limit has been reached. In those cases, do not report any more tips for the employee on line 7a. Just report on line 6 the wages you pay your employee until wages other than tips reach the limit. Since the tax on line 6 is figured at the combined rate, on line 9 you should deduct the employee's share of the combined tax on any wages not subject to employee tax.

Use line 7b to report the employer social security tax on tips deemed to be wages. If you have employees who receive and report \$20 or more of tips a month and you are subject to the minimum wage laws of the Fair Labor Standards Act, you may have to pay more social security tax. If you pay these employees wages (not including any tip credit) that are less than the Federal minimum wage, you must pay the employer social security tax on the difference between the Federal minimum wage and the wages you paid. For 1988, you should figure the tax at the employer tax rate of 7.51%.

Household Employees.—If you are a sole proprietor and file Form 941 for business employees, you can include household employees on it. Otherwise, report them on Form 942. Use Form 943 to report household employees in a private home on a farm operated for profit. They are considered farmworkers. You can withhold income tax from wages you pay your household employees if you and your employees agree to this arrangement.

Generally, household work includes services performed in or about your private home by cooks, butlers, housekeepers, governesses, maids, cleaning people, babysitters, janitors, caretakers, handy persons, gardeners, and drivers of cars for family use.

You are liable for social security tax if you pay a household employee cash wages of \$50 or more in a calendar quarter. It doesn't matter when the wages were earned.

The \$50 test applies to each household employee. Checks, money orders, etc., are the same as cash. The value of food, lodging, clothing, bus or subway tokens, and other noncash items you give to the employee is not subject to social security tax.

You do not have to pay social security tax on cash wages for any household service done in your home by your mother or father unless both (a) and (b) below apply.

(a) You have in your home a son or daughter, or stepson or stepdaughter, who is under 18, or who has a physical or mental condition requiring the personal care of an adult for at least 4 weeks in the quarter. (The weeks must be continuous.)

(b) You are a widow or widower, or are divorced, or have a spouse in your home who, because of a physical or mental condition, is unable to care for your son or daughter, or stepson or stepdaughter, for at least 4 weeks in the quarter. (The weeks must be continuous.)

Send SSA Copy A of Forms W-2 for household employees with a Form W-3 by the last day of February of the following year. (If you are sending only one Form W-2, Form W-3 is not needed.)

For social security tax on household employees only, you may round each wage payment to the nearest whole dollar to figure taxes and report wages on your returns. If you do this, you must round off every wage payment made to every household employee during the same quarter.

Modifying Forms 941 and 942 for Prior Years.—You will have to modify Forms 941 and 942 if you are using a current year's form to report taxes from a prior year.

Caution: *The instructions on the form may be inappropriate for the year for which you are reporting taxes, because of changes in the law, regulations, or procedures. Contact the IRS if you have any questions.* 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. **Note:** *A form for a particular year can generally be used without modification for any quarter within that year. For example, a form with any 1987 revision date (for example, January or October 1987) can generally be used without modification for any quarter of 1987.* In all cases, however, be sure to correctly fill out the "Date quarter ended" section at the top of the form. If you are modifying a form with a label, change the date on the label (the date is shown with the year and month the quarter ends; for example, 8709 would be for the quarter ending September 30, 1987). Cross out any inapplicable tax rate(s) shown on the form and write in the rate from the table below. You can get tax rates and wage bases for years not shown in the table from the IRS.

Social Security Tax Rate Table (for 3 prior years)

Calendar Year	Wage Base (each employee)	Tax Rate on Taxable Wages	Tax Rate on Taxable Tips
1987	\$43,800	14.30%	7.15%
1986	42,000	14.30	7.15
1985	39,600	14.10	7.05

15. Filing the Federal Unemployment (FUTA) Tax Return (Form 940)

Each year, the IRS mails preaddressed Forms 940 to employers who filed returns the year before. Others should get Form 940 from the IRS.

By January 31, file Form 940 and deposit or pay the balance of tax.

For 1988, the FUTA tax is 6% of wages paid during the year. The tax applies to the first \$7,000 you pay each employee as wages during the calendar year. Generally, you can take a credit against your FUTA tax for amounts you paid into state unemployment funds. This credit cannot be more than 5.4% of taxable wages. You are responsible for paying FUTA tax. You cannot deduct it from employees' wages.

If you deposit all FUTA tax when due, you have 10 more days to file Form 940.

If you have acquired a business from someone else who was an employer liable for FUTA tax, you may count the wages that employer paid to the employees who continue to work for you when you figure the wage limit. If the prior owner was not subject to FUTA tax, you may be eligible for a credit based on the state unemployment contributions paid by that owner, under Code section 3302(e) and Regulations section 31.3302(e)-(1).

16. Reporting Withheld Income Tax

Forms W-2, W-2P, and 1099-R.—By the last day of February, send to SSA Copy A of all Forms W-2 and W-2P issued for the previous year. File Form W-3 with the copies you send. The SSA addresses are listed in the Form W-3 instructions.

By February 28 send Copy A of all Forms 1099-R with Form 1096 to the Internal Revenue Service Center for your locality.

If you file a final return on Form 941 or 941E before the end of the year, send SSA all Copies A of the Forms W-2 issued for the year. Send them with Form W-3. Do this when you send IRS your final return.

If your payroll includes several separate establishments, you may group the copies for each establishment and send each group with a separate Form W-3, or you may use a single Form W-3.

If you have a very large number of forms, you may use several packages. Be sure to put your name on each package. Number the packages in order. Write the number of packages below the title on Form W-3 and put it in the first package.

Use first class postage to mail the forms to SSA.

Keep for 4 years any copies of Forms W-2, W-2P, and 1099-R that you have tried to deliver without success. You must make a reasonable effort to deliver these statements. An example would be mailing the statement to the recipient's last known address.

Filing on Magnetic Media.—In general, filers of at least 250 information returns, including Forms W-2 and W-2P, must use magnetic media. **Note:** Filers of more than 50 (in total) Forms 1099-DIV, 1099-INT, 1099-OID, and 1099-PATR, or any Forms 1099-B (except for reporting real estate transactions, where the threshold is 250 returns), must use magnetic media. If filing on magnetic media would be an undue hardship, you may be able to get a waiver from this requirement by filing Form 8508, Request for Waiver From Filing Information Returns on Magnetic Media. For further information, including approval procedures for use of your particular magnetic medium, write to Magnetic Media Reporting, Internal Revenue Service, National Computer

Center, P.O. Box 1359, Martinsburg, WV 25401-1359. Form W-2 and W-2P filers must get magnetic media approval procedure information from SSA.

17. Reporting to Employees

Form W-2.—Give a Form W-2 to each employee from whom you withheld income tax and to each employee from whom you would have withheld income tax if the employee had claimed no more than one withholding allowance, or had not claimed exemption from withholding on Form W-4.

If you have a trade or business, give a Form W-2 to each employee you pay for services. Pay includes cash and the cash value of anything else used to pay an employee for services.

Give a Form W-2 to each recipient of supplemental unemployment compensation benefits or third-party sick pay.

You must give a Form W-2 to any employee if the wages were also subject to social security taxes. The Form W-2 must show the following social security information: Wages paid, tips reported, and tax withheld (or paid on behalf of).

Example: You hire a part-time maid in 1988. You pay \$48.50 in the first quarter, \$60 in both the second and third quarters, and \$49.25 in the fourth quarter. On your quarterly Form 942 (or Form 941 for certain sole proprietors), report the wages and pay the social security tax for the second and third quarters. On Form W-2, show \$217.75 as wages, tips, and other compensation in box 10. In box 13 show \$120 as wages subject to social security. The employee social security tax is \$9.01, reported in box 11.

What To Include on Form W-2 (see the Instructions for Forms W-2 and W-2P).

Use Form W-2 to report all wages you pay an employee. Also include on Form W-2 all "other compensation." This means amounts includible in gross income but not subject to income tax withholding. It applies to both cash and noncash payments. Add the cash value of other compensation to the wages paid and tips reported. Show the total in box 10 on Form W-2. If you have a payroll system that makes it difficult to combine other compensation with wages and tips, you may file two Forms W-2. One can show wages and tips; the other can show the other compensation. Include items such as:

(a) Reimbursements for employee business expenses if the employee does not account to you for those expenses. Report as wages reimbursements you made to an employee for moving expenses that he or she cannot deduct and from which you withheld income tax. Report as other compensation any other reimbursements for moving expenses.

When you reimburse or pay your employee's moving expenses (whether to your employee, to a third party for your employee, or by providing services in-kind to the employee), give the employee a completed Form 4782, Employee Moving Expense Information. Do this for each such move. (**Note:** There are different rules for services in-kind given to military personnel. See Publication 521, Moving Expenses.)

(b) The cost of group-term life insurance you buy for an employee. Show only the amount that is includible in the employee's

gross income. (See Publication 525, Taxable and Nontaxable Income, for details.)

(c) The value of noncash prizes or awards to retail commission salespersons. Show the value of noncash prizes or awards from which you do not withhold income tax. This applies only to employees whom you ordinarily pay on a cash commission basis.

(d) Employer contributions to a section 403(b) annuity contract that are more than the limitation for the tax year. See Publication 571, Tax-Sheltered Annuity Programs for Employees of Public Schools and Certain Tax-Exempt Organizations.

Employees Covered by a Pension Plan.

—If an employee was an active participant (for any part of the year) in a retirement plan you maintained, check the "Pension plan" box in box 5 of Form W-2. If you made contributions to a section 401(k), 403(b), 408(k)(6) salary reduction SEP, or 501(c)(18)(D) plan, check the "Deferred compensation" box in box 5 (in addition to checking the "Pension plan" box), and enter these elective deferrals (labelled as "401(k)," "403(b)," etc.) in box 16.

Repayments.—Where employees or recipients of pensions and annuities make repayments to you for amounts received in error, do not offset the repayments against current year payments unless the repayments are for amounts received in error in the current year. Repayments made in the current year, but related to a prior year or years, require special tax treatment by employees or recipients in some cases. You may want to advise these individuals of the total repayments made during the current year and the amount (if any) related to prior years. This information will help them account for such repayments on their Federal income tax returns.

Uncollected Tax on Tips.—If enough funds were not available during the year to collect the employee social security tax on tips, enter the uncollected amounts in box 16 of Form W-2.

Allocated Tips.—Large food or beverage employers with employees who receive tips and who report less than 8% of adjusted gross receipts as tips must show the allocated tips in box 6 on Form W-2. See the separate instructions for Form 8027 for details.

Advance Payment of the EIC.—If during the year you made advance earned income credit (EIC) payments to an employee, enter the amount in box 7 on Form W-2. See section 18 for details.

Fringe Benefits.—Include all taxable fringe benefits in box 10 of the employee's Form W-2, as wages, tips, and other compensation and, if applicable, in box 13 as social security wages. You must show the total value of the fringe benefits in box 16a on Form W-2 (or you may issue a separate Form W-2 showing just the value of the fringe benefits in boxes 10 and 13 and a note in box 16a). If you gave the employee a vehicle and included 100 percent of the value of the use in the employee's income, you must separately report this value to the employee in box 16a or on a separate statement. The

employee can then figure the value of any business use of the vehicle and report it on **Form 2106**, Employee Business Expenses.

Note: If you used the commuting rule or the vehicle cents-per-mile rule to value the use of the vehicle, you cannot include 100 percent of the value of the use of the vehicle in the employee's income. See *Publication 535* for details.

Scholarships and Fellowship Grants.—

Only give a Form W-2 to each recipient of a scholarship or fellowship grant if you are reporting amounts includable in income under section 117(c) of the Internal Revenue Code (relating to payments for teaching, research, or other services required as a condition for receiving the qualified scholarship). (See **Publication 539**, Employment Taxes, for further information.) Such amounts are subject to income tax withholding. However, their taxability for social security and FUTA taxes depends on the nature of the employment and the status of the organization (see *Students* on page 19).

Golden Parachute Payments.—Include the amount of the payments in boxes 10 and 13 of Form W-2. Withhold income and social security taxes as usual and report them in boxes 9 and 11, respectively, of Form W-2. Excess payments are also subject to a 20% excise tax. If the excess payments are considered wages, the tax is treated as income tax withholding. Include this tax in box 9 of Form W-2, and identify it as "EPP" (and show the amount) in box 16.

Third-Party Payments of Sick Pay.—

Third-party payments of sick pay must be reported to the recipients on Form W-2. Whether you or the third-party payer must report the amounts depends on certain conditions. See section 19 for the conditions and details on reporting.

When To Give Form W-2 to Employees.—

Give employees Forms W-2 for the calendar year, and any corrected statements made in the year, by January 31 of the following year. If an employee stops working for you before the end of the year, you may give him or her Forms W-2 any time after employment ends but not later than January 31 of the following year. However, if the employee asks you for Form W-2, give him or her the completed form within 30 days after the request or the final wage payment, whichever is later. Keep Copy A of Form W-2 to file with Form W-3.

Correcting Form W-2.—Use **Form W-2c**, Statement of Corrected Income and Tax Amounts, to correct errors in previously filed Forms W-2 and W-2P. Send Forms W-2c with **Form W-3c**, Transmittal of Corrected Income and Tax Statements, to the SSA Data Operations Center where you file your Forms W-2 and W-3.

If an employee loses or destroys his or her copies, give your employee copies of Form W-2 marked "Reissued Statement." Do not send Copy A of the reissued form to SSA.

If a form is corrected before you file Copy A with SSA, give the employee the corrected copies. Mark the original Copy A "Void" in the proper box and send the new Copy A to SSA.

How To Get Forms.—You can get Form W-2 from the IRS. Private printers also

produce this form. You can use these substitute forms for filing returns with SSA and for giving statements to employees. Unless you are filing on magnetic media, the paper forms you file with SSA must be in scannable format.

A revenue procedure reprinted as *Publication 1141* explains the format that must be used on substitute paper Forms W-2, W-2P, and W-3. You can get copies from Internal Revenue Service Centers or district offices.

Form W-2P.—Give each recipient to whom you made any pension, annuity, or retirement payments during the year a Form W-2P. However, do not report total distributions on Form W-2P. Instead, report total distributions on Form 1099-R.

A Form W-2P is not needed for:

(a) Annuities and pensions wholly tax exempt under the law (for example, workmen's compensation or Veterans Administration payments).

(b) Periodic or other distributions effected by a trust (nonemployee plan). (These are distributions reportable on Form 1041, and on Schedule K-1 of Form 1041.)

When To Give Form W-2P.—Give recipients or annuitants Forms W-2P for the calendar year, and any corrected statements on Form W-2c made during the year, by January 31 of the following year. If pension or annuity payments end during the year, you can give the recipient Form W-2P any time after the final payment, but no later than January 31 after the year the payments stop.

Penalties.—Each time you do not give a Form W-2 when required to, you may get a \$50 penalty. The maximum penalty is \$100,000 per calendar year. Each time you fail to put correct information on a Form W-2, you may get a \$5 penalty. The maximum penalty is \$20,000 per calendar year.

18. Advance Payment of the Earned Income Credit

Employees eligible for the earned income credit (EIC) may either receive it on their tax returns or in advance payments during the year. Those who want it in advance must file Form W-5 with you. Eligible employees who do not file Form W-5 will not receive advance payments, but they will still get the full benefit of the EIC on their annual tax returns. For 1988 the EIC can be as much as \$874.

You will be required to notify employees not having income tax withheld that they may be eligible for a tax refund because of the EIC. This is because the amount of EIC that exceeds tax liability is refunded. However, you will not have to notify employees claiming exemption from withholding on Form W-4. You can notify your employees by giving them **Notice 797**, You May Be Eligible for a Refund on Your Federal Income Tax Return Because of the Earned Income Credit (EIC), with their Form W-2 (or within one week before or after you give Form W-2). (You can use your own written statement as long as it has the exact wording of **Notice 797**.) You can order this notice, and **Publication 1325**, that contains notification information for employers, through the IRS toll-free telephone number 1-800-424-3676.

Eligible Employees.—Employees who want to receive advance EIC payments must first expect to be eligible for the EIC. Eligibility requirements are shown on Form W-5 and are summarized below:

(a) The employee's expected earned income and adjusted gross income must each be less than \$18,566. (An employer who has paid total wages of at least \$18,566 during the year to an employee must stop making advance payments to that employee.)

(b) If married, the employee must file a joint return.

(c) The employee must not be able to exclude any income earned abroad.

(d) If not married, the employee must pay over half the cost of keeping up a home in the United States.

(e) The employee generally must have a child living with him or her more than half the year, including time when the child is away at school or on vacation.

(f) The child generally must be claimed as a dependent by the employee. However, there are special rules that may apply if the child is the child of divorced or separated parents, or if the employee qualifies as an unmarried head of household. See Form W-5 for details.

Form W-5.—On Form W-5 an employee must show if he or she is married and if his or her spouse has a Form W-5 in effect for the year with an employer.

If the employee shows that his or her spouse has filed a Form W-5 with an employer, use the advance EIC tables in this publication (either the wage bracket or percentage method table) titled "Married with both spouses filing certificate."

Form W-5 remains in effect until the end of the calendar year. Eligible employees must file a new certificate each year.

Make the signed form effective with the first payroll period ending (or the first wage payment made without regard to a payroll period) on or after the date the certificate is given to you.

If an employee has given you a signed Form W-5 and later becomes ineligible for the credit, then the employee must revoke the previously filed form within 10 days. If the employee's situation changes because his or her spouse files a Form W-5, your employee must file a new Form W-5 showing that his or her spouse has a Form W-5 in effect with an employer.

If an employee has a Form W-5 certifying that his or her spouse has a Form W-5 in effect, and the spouse's form is no longer in effect, the employee may file a new Form W-5 with you. This form will certify that the spouse does not have a Form W-5 in effect.

Figuring the Advance EIC Payment.—You must include the advance EIC payment with wages paid to eligible employees who have filed Form W-5.

For purposes of the advance EIC payment, "wages" means amounts subject to income tax withholding. For employees who have claimed the exemption from income tax withholding on Form W-4, "wages" means amounts that would have been subject to income tax withholding.

For household and agricultural employees, "wages" means amounts subject to social security taxes.

To determine the amount of the advance payment, take into account:

(a) Wages paid—including tips reported, and

(b) Whether a married employee's spouse has a Form W-5 in effect with an employer. There are separate tables for married employees whose spouses have a certificate in effect.

Figure the amount of the payment to include in eligible employees' wage payments by using the tables beginning on page 46. Be sure to use the right table for married employees.

Paying the Advance EIC to Employees.—

The advance EIC payment does not change the amount of income tax or social security taxes that you withhold from employees' wages. The advance EIC payment is not compensation for services rendered and is not subject to payroll taxes.

Generally, employers will pay the amount of the advance EIC payment from withheld income taxes and social security taxes. These taxes are normally required to be paid over to IRS either through Federal tax deposits or with employment tax returns.

If for any payroll period the advance EIC payments are more than the withheld income tax and the social security taxes (including the employer's share of social security tax), you may:

(a) Reduce each advance EIC payment proportionately. (Each payment must be reduced by an amount that has the same ratio to the excess as the payment has to the total of all advance payments for the payroll period); or

(b) Elect to make full payment of the advance EIC amount and have these full amounts treated as an advance payment of the employer's tax liability. If excess EIC payments are applied against any other taxes, attach an explanation to that tax return on which the credit for overpayment is taken.

Employer's Returns.—As stated above, the amount of the advance EIC payment does not change the amount you must deduct and withhold from employees' pay for income tax and employee social security taxes. Advance EIC payments you make to employees must be treated on your tax return as made from amounts withheld as income tax and employee social security tax, and owed as employer social security tax. For deposit due date purposes, the day you make an advance EIC payment to your employee is treated as the day you deposited that amount with the IRS.

Take the amount of advance EIC payments into account on your employment tax returns, Forms 941, 941E, 942, and 943. Enter the total payments on the advance EIC payments line of your return.

Penalty.—You must make advance EIC payments to employees who correctly fill out Form W-5. If you do not, you are subject to a penalty equal to the amount of the advance EIC payments not made.

Note: If you are a state or local government employer who has entered into a section 218 agreement, you cannot use the social security payments to make the advance EIC payments.

If you are in Guam, American Samoa, the Northern Mariana Islands, or the Virgin Islands, consult your local tax office for information on the earned income credit. You cannot take advance EIC payments into account on Form 941SS.

Reporting Advance EIC Payments on Form W-2.—You must show the total amount of advance EIC payments made during the year on the employee's Form W-2.

The amounts shown on Form W-2 for income tax withheld (if any) and social security tax withheld are not affected by any advance EIC payments. Likewise, no other entries on Form W-2 are changed because of these payments.

19. Social Security and Income Tax Withholding, and FUTA Tax Payments, on Sick Pay

Employer Payments of Sick Pay.—If you make your own sick pay payments, treat the payments as you treat other social security wages or RRTA compensation. Withhold income tax from the payments on the basis of the employee's Form W-4. Include payments subject to social security taxes on line 6 of Form 941. Report payments subject to RRTA taxes on **Form CT-1**, Employer's Annual Railroad Retirement and Unemployment Repayment Tax Return. Pay FUTA tax as you normally would for any other type of taxable wages. Include the amount of sick pay payments on line 1, Part I, of Form 940.

Third-Party Payments of Sick Pay.—If you are a third-party payer of sick pay, employees may request that Federal income tax be withheld from the payments by giving you a Form W-4S. This request remains in effect until the employee gives you written notice to change or cancel the request.

You should start the withholding of income tax (or change or cancel it) with all payments made 8 or more days after receiving the request. If you prefer, you can use an earlier date. The minimum amount of income tax that can be withheld is \$20 a week. The request must be in whole dollars. The sick pay remaining after withholding must be at least \$10. For a payment other than a full payment, the amount withheld must be in the same proportion that regular withholding is to the full payment.

If you made third-party sick pay payments to employees covered under social security, you must withhold and deposit the employee portion of the social security tax and pay the employer portion of the tax. If you made third-party sick pay payments to employees covered under RRTA and RURT, you must withhold and deposit the employee portion of Tier 1 RRTA tax, pay the employer portion of Tier 1 RRTA tax, and pay the RURT tax. Liability for paying the employer portion of the social security or Tier 1 RRTA tax, and for paying the RURT tax, may be transferred to the employer for whom the employee normally works. Do this by notifying the employer, within the time required for the deposit of tax, of the amounts of the sick pay payments made.

If the payments are subject to social security tax, include them with any other social security wages and figure the tax on line 6 of Form 941. If you have notified the employer of the payments and the employer

is, therefore, liable for the employer portion of the social security tax, deduct the employer's portion on line 9 of Form 941. The employer deducts the employee's portion on line 9 of the employer's Form 941.

If the payments are subject to Tier I RRTA tax and to RURT tax, report them on Form CT-1. Although the annual return is not due until the end of February of next year, you must withhold and deposit the employee RRTA tax and pay the RURT tax. For 1988, the employee Tier I RRTA tax rate is 7.51% on the first \$45,000 paid to each employee for the year. For 1988, the RURT tax rate is 6% on the first \$7,000 of rail wages paid to each employee for the year. See the instructions for Form CT-1 for information on deposit rules.

If the payments are subject to FUTA tax, you will be liable for payment of the tax unless you notify the employer for whom the employee normally works of the amount of the sick pay payments. You must give notice within the time required for the deposit of the FUTA tax for that sick pay payment. If you have already notified the employer that he or she is liable for the employer share of social security tax on sick pay, that notice can serve for FUTA purposes as well.

If you do not notify the employer, you will be considered the employer and will have to pay the FUTA tax on the sick pay payments, and file Form 940. **Note:** If you make sick pay payments solely as an agent of the employer, you will not be considered the employer.

Special Rule for Third-Party Payers Under an Insurance Contract With Certain Multiemployer Plans.—If you are a third-party payer providing sick pay payments under an insurance contract with a collectively bargained multiemployer plan, special rules apply: If you provide timely notice to the plan, the plan, rather than you, is liable for social security, RRTA, RURT, and FUTA tax. However, if the plan notifies the employer for whom the employee normally works within 6 business days of receiving your notice, then the employer, and not the plan, is liable for these taxes. **Note:** The sick pay is considered paid when the employer or plan receives the notice.

Reporting Third-Party Sick Pay to Employees.—If you made third-party payments of sick pay and did not notify the employer, you must give each employee a Form W-2 by January 31 that shows your name, address, and employer identification number, the employee's name, address, and social security number, and the following information:

(a) The Federal income tax withheld, if any;

(b) The amount of the sick pay the employee must include in income. (Show this in the box titled *Wages, tips, other compensation*.);

(c) The amount not includible, if any, because the employee contributed to the sick pay plan. (Show this in the box for the employer's use.);

(d) The amount of sick pay subject to employer social security tax. (Show it in the box titled *Social security wages*.); and

(e) The employee social security tax you withheld. (Show it in the box titled *Social security tax withheld*.)

If you made third-party payments of sick pay and notified the employer, you must give the employer a statement by January 15 showing for each person to whom sick pay was paid during the preceding year:

- (a) The employee's name;
- (b) The social security number of each employee who had any income, social security, or RRTA taxes withheld;
- (c) The amount of sick pay for each employee; and
- (d) The amount of Federal income tax withheld, if any, and the amount of social security or RRTA taxes withheld from each employee's sick pay.

Where the employer is given the above information, the employer, by January 31, must give to each employee who received sick pay from a third-party payer a Form W-2 that shows the employer's name, address, and employer identification number, the employee's name, address, and social security number, and the following information:

- (a) The Federal income tax withheld, if any;

(b) The amount of the sick pay the employee must include in income. (Show this in the box titled *Wages, tips, other compensation*.);

(c) The amount not includible, if any, because the employee contributed to the sick pay plan. (Show this in the box for the employer's use.);

(d) The amount of sick pay subject to employer social security tax. (Show it in the box titled *Social security wages*.); and

(e) The employee social security tax withheld by the third-party payer. (Show it in the box titled *Social security tax withheld*.)

You may include these amounts in the Form W-2 that shows the employee's wages, or you may give the employee a separate Form W-2 that shows these amounts. If you give a separate Form W-2, please state in the box for the employer's use that the amounts are third-party sick pay.

20. Recordkeeping

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

- Your employer identification number.
- Amounts and dates of all wage, annuity, and pension payments.
- Amounts of tips reported.
- The fair market value of in-kind wages paid.
- Names, addresses, social security numbers, and occupations of employees and recipients.
- Dates of employees' and recipients' employment.
- Periods for which employees and recipients were paid while absent due to sickness or injury, and the amount and weekly rate of payments you or third-party payers made to them.
- Copies of employees' and recipients' income tax withholding allowance certificates.
- Dates and amounts of tax deposits you made.
- Copies of returns filed.
- Records of allocated tips.
- Records of fringe benefits provided, including substantiation required under Code section 274 and related regulations.

Special classes of employment and special types of payment	Treatment under different employment taxes		
	Income tax withholding	Social security	Federal unemployment
Agricultural labor	See Circular A	See Circular A	See Circular A
Aliens: (Aliens not qualifying as resident aliens under the statutory definition contained in IRC section 7701(b) are defined as nonresident aliens. See Publication 519 , U.S. Tax Guide for Aliens, for more information.)			
a. Resident			
1. Service performed in U.S.	Same as U.S. citizen	Same as U.S. citizen; service as crew member of foreign vessel or aircraft exempt if any part is performed outside U.S.	Same as U.S. citizen
2. Service performed outside U.S.	Same as U.S. citizen	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.	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.
b. Nonresident working in U.S.:			
1. Canadians and Mexicans entering U.S. frequently in transportation service across boundary, or in construction or operation of waterway, bridge, etc., at boundary.	Exempt under the conditions stated in the regulations.	Exempt if railroad service.	Exempt if railroad service
2. Other Canadians and Mexicans entering U.S. frequently to work.	Same as U.S. citizen	Same as U.S. citizen.	Same as U.S. citizen
3. Workers from any foreign country or its possession lawfully admitted on a temporary basis to perform agricultural labor.	Exempt	Exempt	Exempt until 1993, but counted to see if either test in section 15 of Circular A is met.
4. Student, scholar, trainee, teacher, etc., as nonimmigrant alien under section 101(a)(15)(F) or (J) of Immigration and Nationality Act.*	Taxable unless excepted by regulations.	Exempt if service is performed for purpose specified in section 101(a)(15)(F) or (J) of Immigration and Nationality Act.*	
5. All other nonresidents working in U.S.	Taxable unless excepted by regulations.	Same as U.S. citizen; service as crew member of foreign vessel or aircraft exempt if any part performed outside U.S. and employer is not "American employer."	Same as U.S. citizen
c. Nonresident working on American vessel or aircraft outside U.S.	Exempt	Taxable if under contract made in U.S., or worker is employed on vessel or aircraft when it touches U.S. port.	
Deceased worker's wages paid to beneficiary or estate in same calendar year of worker's death.	Exempt	Taxable	Taxable
Deceased worker's wages paid to beneficiary or estate after the year of worker's death.	Exempt	Exempt	Exempt
Dependent care assistance programs (limited to \$5,000; \$2,500 if married filing separately)	Exempt to the extent it is reasonable to believe that amounts will be excludable from gross income under IRC sec. 129.		
Disabled worker's wages paid after year in which worker became entitled to disability insurance benefits under the Social Security Act.	Taxable	Exempt, if worker did not perform any service for employer during period for which payment is made.	Exempt
Dismissal or severance pay	Taxable	Taxable	Taxable

***Caution:** Pending legislation would include holders of "M" visas in the "exempt" category, effective for payments made after December 31, 1986.

Special classes of employment and special types of payment	Treatment under different employment taxes		
	Income tax withholding	Social security	Federal unemployment
Domestic service in college clubs, fraternities, and sororities.	Exempt (Taxable if both employer and employee voluntarily agree.)	Exempt if paid to regular student; also if employee is paid less than \$100 in a year by an income tax-exempt employer.	Taxable if employer paid cash wages of \$1,000 or more in any calendar quarter in the current or preceding year.
Educational assistance programs	Taxable for tax years beginning after December 31, 1987.		
Employee achievement awards	Exempt to the extent it is reasonable to believe the amounts will be excludable from gross income under IRC sec. 74(c).		
Employers whose taxability depends on number of employees.	Taxable if one or more employees.	Taxable if one or more employees.	Taxable if during current or preceding calendar year you: (1) paid wages of \$1,500 or more in any calendar quarter, or (2) had one or more employees at any time in each of 20 calendar weeks.
Family employees:			
a. Son or daughter under 21 employed by parent (or by partnership consisting only of parents); spouse employed by spouse.	Taxable	Exempt { Taxable if in course of the son's or daughter's business. For household work in private home of son or daughter, see section 14.	Exempt
b. Parent employed by a son or daughter.	Taxable		Exempt
Federal employees:			
a. Members of uniformed services; Young Adult Conservation Corps, Job Corps, or National Volunteer Antipoverty Program; Peace Corps volunteers.	Taxable	Taxable	Exempt
b. All others	Taxable	Taxable if employee joins FERS or if newly hired after 1983 or has a break in service of more than 1 year (unless the break in service was for employment with an international organization or for temporary military or reserve duty). Others generally subject to hospital insurance tax portion of social security tax.	Exempt unless worker is a seaman performing services on or in connection with American vessel owned by or chartered to the United States and operated by general agent of Secretary of Commerce.
Fishing and related activities, employment in connection with:			
a. Salmon or halibut	Taxable unless c. applies	Taxable unless c. applies	Taxable unless c. applies
b. Other fish, sponges, etc.	Taxable unless c. applies	Taxable unless c. applies	Exempt unless on vessel of more than 10 net tons (and c. does not apply).
c. An arrangement with the owner or operator of a boat where the individual is not paid cash remuneration but receives a share of the boat's catch (or proceeds from the sale of the catch), the share depending on the boat's catch, and the operating crew of the boat is normally fewer than 10 individuals.	Exempt	Exempt	Exempt
Foreign governments and international organizations.	Exempt	Exempt	Exempt
Foreign service by U.S. citizens:			
a. As U.S. Government employee	Taxable	Same as within U.S.	Exempt (See also <i>Federal employees</i> .)
b. For foreign affiliates of American employers and other private employers.	Exempt if at time of payment it is reasonable to believe employee is entitled to corresponding exclusion or deduction under section 911, I.R.C.	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 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 Virgin Islands.

Special classes of employment and special types of payment	Treatment under different employment taxes		
	Income tax withholding	Social security	Federal unemployment
Fringe benefits (See sections 6 and 17)	Taxable on excess of fair market value of the benefit over the sum of any amount paid for it by the employee and any amount excludable by law. However, optional special valuation rules may apply.		
Group legal services plans, qualified	Taxable for tax years ending after December 31, 1987.		
Homeworkers (industrial):			
a. Common law employees	Taxable	Taxable	Taxable
b. Statutory employees: (See sec. 4.)	Exempt	Taxable if paid \$100 or more in cash in a year.	Exempt
Household workers (domestic service in private homes; farmers, see Circular A).	Exempt (Taxable if both employer and employee voluntarily agree.)	Taxable if paid \$50 or more in cash in quarter.	Taxable if employer paid cash wages of \$1,000 or more in any calendar quarter in the current or preceding year.
Insurance agents or solicitors:			
a. Full-time life insurance salesperson.	Taxable only if employee under common law.	Generally taxable, regardless of common law.	Exempt if not common law employee or if paid solely by commissions.
b. Other salesperson of life, casualty, etc., insurance.	Taxable only if employee under common law.	Taxable only if employee under common law.	Exempt if not common law employee or if paid solely by commissions.
Interns working in hospitals	Taxable	Taxable	Exempt
Loans with below-market interest rates (for foregone interest and deemed original issue discount). (See section 7872 and related regulations for details.)	Exempt (but deemed payments of compensation-related loans must be shown on Form W-2).	Exempt, unless loans are compensation-related	Exempt, unless loans are compensation-related
Meals and lodging including those furnished at a bargain charge to the employee. (For household employees, agricultural labor, and service not in the course of the employer's trade or business, see <i>Noncash payments</i> below.)	(a) Meals—taxable unless furnished for employer's convenience and on the employer's premises. (b) Lodging—taxable unless furnished on employer's premises, for the employer's convenience, and as condition of employment.		
Ministers of churches performing duties as such.	Exempt (Taxable if both employer and employee voluntarily agree.)	Exempt	Exempt
Members of religious orders, who have taken a vow of poverty and who are instructed by the order to perform services:			
a. For the order, agency of the supervising church or associated institution.	Exempt	Exempt, unless the religious order or autonomous subdivision thereof irrevocably elects coverage for entire active membership.	Exempt
b. For any organization other than those described in (a.) (See Rev. Rul. 76-323, 1976-2 C.B. 18, as clarified by Rev. Rul. 77-290, 1977-2 C.B. 26, and amplified by Rev. Rul. 80-332, 1980-2 C.B. 34.)	Taxable	Taxable	Taxable
Members of religious orders, who have not taken a vow of poverty, and who are instructed by the order to perform services:			
a. For the order, agency of the supervising church or associated institution.	Exempt	Exempt	Exempt
b. For any organization other than those described in (a.) (See Rev. Ruls. 76-323, 77-290, and 80-332.)	Taxable	Taxable	Taxable
Moving expenses, reimbursement for.	Exempt, if you believe expenses are deductible by the employee; otherwise taxable.		
Newspaper carrier under age 18 delivering to customers.	Exempt (Taxable if both employer and employee voluntarily agree.)	Exempt	Exempt
Newspaper and magazine vendors buying at fixed prices and retaining excess from sales to customers.	Exempt (Taxable if both employer and employee voluntarily agree.)	Exempt	Exempt

Special classes of employment and special types of payment	Treatment under different employment taxes		
	Income tax withholding	Social security	Federal unemployment
Noncash payments:			
a. For household work, agricultural labor, and service not in the course of the employer's trade or business.	Exempt (Taxable if both employer and employee voluntarily agree.)	Exempt	Exempt
b. To certain retail commission salespersons ordinarily paid solely on a cash commission basis.	Optional with employer	Taxable	Taxable
Nonprofit organizations:			
a. Religious, educational, charitable, etc., organizations described in sec. 501(c)(3) exempt from income tax under sec. 501(a), I.R.C.	Taxable	Taxable if paid \$100 or more in a year. (See Form 8274 , Certification by Churches and Qualified Church-Controlled Organizations Electing Exemption from Employer Social Security Taxes, for election out from social security coverage procedures for certain churches and church-controlled organizations.)	Exempt
b. Corporations organized under Act of Congress described in section 501(c)(1).	Taxable	Taxable if employee is paid \$100 or more in a year unless services excepted by section 3121(b)(5) or (6).	Taxable if employee earns \$50 or more in quarter unless services excepted by section 3306(c)(6).
c. Other organizations exempt under sec. 501(a) (other than a pension, profit-sharing, or stock bonus plan described in sec. 401(a)) or under sec. 521, I.R.C.	Taxable	Taxable if employee is paid \$100 or more in a year.	Taxable if employee earns \$50 or more in quarter.
Patients employed by hospitals	Taxable	Taxable	Exempt
Railroads, etc.—Payments subject to Railroad Retirement Tax Act and Railroad Unemployment Insurance Act.	Taxable	Exempt	Exempt
Retirement and pension plans:			
a. Employer contributions to individual retirement accounts.	Exempt if it is reasonable to believe that the employee will be entitled to receive a deduction for the contribution.	Taxable	Taxable
b. Employer contributions to a qualified cash or deferred compensation plan.	Generally exempt, but see IRC sec. 402(g) for limitation.	Taxable	Taxable
c. Employer contributions to certain nonqualified deferred compensation plans.	Taxable *	Taxable **	Taxable **
d. Employer contributions to a simplified employee pension plan (SEP).	Generally exempt, but see IRC sec. 402(g) for salary reduction SEP limitation.	Exempt, except for amounts contributed under a salary reduction SEP agreement.	Exempt, except for amounts contributed under a salary reduction SEP agreement.
e. Employer contributions to section 403(b) annuity contracts.	Generally exempt, but see IRC sec. 402(g) for limitation.	Taxable if paid through a salary reduction agreement (written or otherwise).	Taxable if paid through a salary reduction agreement (written or otherwise).
f. Retirement and pension payments.	Taxable unless recipient elects exemption from withholding on Form W-4P	Exempt if from a qualified plan.	Exempt if from a qualified plan.
Salespersons:			
a. Common law employees	Taxable	Taxable	Taxable
b. Statutory employees (referred to in section 4).	Exempt	Taxable	Taxable
c. Qualified real estate agents and direct sellers.	Exempt. Treated as if self-employed individuals where substantially all payments directly related to sales or other output and services performed as nonemployee specified in written contract. Direct sellers must be in the business of selling consumer products other than in a permanent retail place of business.		
Scholarships and fellowship grants (includible in income under IRC section 117(c))	Taxable	Taxability depends on the nature of the employment and the status of the organization. See <i>Students</i> on page 19.	
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.	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.	Taxable if employee receives \$100 or more in cash in a 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.

* Taxable, for funded plans, when employee's rights to amounts are not subject to substantial risk of forfeiture, or are transferable free of such risk. Taxable, for unfunded plans, generally when payments are received, either constructively or actually.

** Taxable when services are performed, or when there is no substantial risk of forfeiture of the rights to these amounts, whichever is later.

Special classes of employment and special types of payment	Treatment under different employment taxes		
	Income tax withholding	Social security	Federal unemployment
Sickness or injury payments under:			
a. Workmen's compensation law	Exempt	Exempt	Exempt
b. Certain employer plans	Taxable. See sections 6 and 19	Exempt after end of 6 calendar months after calendar month employee last worked for employer.	
c. No employer plan	Taxable. See sections 6 and 19		
Standby employees (age 62 or over) doing no actual work in period for which paid.	Taxable	Taxable	Taxable
State governments and political subdivisions, employees of:			
a. Fees of public officials	Exempt	Taxable if certain transportation services or if covered by a section 218 agreement. Taxable (for medicare portion of social security tax only) for employees, not otherwise covered by a section 218 agreement, hired after 3/31/86.	Exempt
b. Salaries and wages	Taxable		
Students:			
a. Student working for private school, college, or university, if enrolled and regularly attending classes.	Taxable	Exempt	Exempt
b. Student performing services for auxiliary nonprofit organization described in section 509(a)(3) which is organized and operated exclusively for the benefit of, and supervised or controlled by, a school, college, or university at which the student is enrolled and regularly attending classes.	Taxable	Exempt unless the school, college, or university is an institution of a state or political subdivision thereof and services performed in its employ by a student are covered under an agreement between the state and Secretary of Health and Human Services.	Exempt
c. Student working for public school, college, or university, if enrolled and regularly attending classes, and student nurse working for public hospital.	Taxable	See <i>State governments and political subdivisions, employees of, above.</i>	Exempt
d. Spouse of student, if that spouse is advised at the time service begins that (1) the employment is provided under a program to provide financial assistance to the student by the school, college, or university, and (2) the employment will not be covered by any program of unemployment insurance.	Taxable	See <i>Nonprofit organizations and State governments and political subdivisions, employees of, above.</i>	Exempt
e. Student enrolled in a full-time program at a nonprofit or public educational institution. Institution must normally maintain a regular faculty and curriculum and normally have a regularly organized body of students where its educational activities are carried on. Student's service must be taken for credit at the institution. It must combine academic instruction with work experience. It must be an integral part of the program, and the institution must have so certified to the employer.	Taxable	Taxable	Exempt unless program was established for or on behalf of an employer or group of employers.
f. Student nurse performing services for hospital as incidental part of student nurse's training, where employment is substantially less than full-time, and total earnings are nominal.	Taxable	Exempt	Exempt
g. Students employed by organized camps (IRC section 3306(c)(20))	Taxable	Taxable	Exempt
Supplemental unemployment compensation plan benefits.	Taxable	Exempt	Exempt
Tips, if \$20 or more in a month	Taxable	Taxable for employee only. But see sections 7 and 14.	Taxable, for all tips reported in writing to employer.
Tips, if less than \$20 in a month.	Exempt from withholding. Taxable to employee.	Exempt	Exempt

Special classes of employment and special types of payment	Treatment under different employment taxes		
	Income tax withholding	Social security	Federal unemployment
Wage limit:			
a. Maximum of taxable wages paid each employee by same employer in same calendar year.	Unlimited	\$45,000 for 1988; \$43,800 for 1987. Employee tips may not be used to compute maximum for employer tax purposes. But see sections 7 and 14. (Limit for new owner of business is reduced by predecessor's wage payments in certain cases.)	\$7,000.
b. Individuals concurrently employed by two or more related corporations and paid through a common paymaster that is one of the corporations. Please see Employment Tax Regulations sections 31.3121(s)-1 and 31.3306(p)-1 for details.	Taxable	The related corporations are considered to be a single employer for the purposes of paying wages subject to social security and FUTA taxes. (Limit for new owner of business is reduced by predecessor's wage payments in certain cases.)	
Workmen's compensation	Exempt	Exempt	Exempt

Income Tax Withholding— Percentage Method

If you do not want to use the wage bracket tables to figure how much income tax to withhold, you can use a percentage computation based on the table below and the appropriate rate table. This method works for any number of withholding allowances the employee claims.

Percentage Method Income Tax Withholding Table

Payroll Period	One withholding allowance
Weekly	\$37.50
Biweekly	75.00
Semimonthly	81.25
Monthly	162.50
Quarterly	487.50
Semiannually	975.00
Annually	1,950.00
Daily or miscellaneous (each day of the payroll period)	7.50

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

(a) Multiply one withholding allowance (see table above) by the number of allowances the employee claims.

(b) Subtract that amount from the employee's wages.

(c) Determine amount to withhold from appropriate table on pages 22 and 23.

Example.—An unmarried employee is paid \$450 weekly. This employee has in effect a Form W-4 claiming two withholding allowances. Using the percentage method, figure the income tax as follows:

(1) Total wage payment	\$450.00
(2) One allowance	\$37.50
(3) Allowances claimed on Form W-4	2
(4) Line 2 times line 3	75.00
(5) Amount subject to withholding (subtract line 4 from line 1)	\$375.00
(6) Tax to be withheld on \$375.00 from Table 1—single person, page 22: tax on first \$363.00	51.49
Tax on remainder \$12.00 @ 28%	3.36
Total to be withheld	\$ 54.85

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 of Withholding 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 \$270 a week. Multiply the weekly wages by 52 weeks to figure the annual wage of \$14,040. Subtract \$7,800 (the value of 4 withholding allowances) for a balance of \$6,240. Using the table for the annual payroll period gives tax of \$478.50 to be withheld. Divide the annual tax by 52. The weekly tax is \$9.20.

Income Tax Withholding— Wage Bracket Method

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 on this page. Be sure to reduce wages by the amount of total withholding allowances before using the percentage method tables on pages 22 and 23.

Under the wage bracket method, find the proper table (on pages 24 through 43) for your payroll period and the employee's marital status as shown on his or her Form W-4. Then, based on the number of withholding allowances claimed on the Form W-4 and the amount of wages, find the amount of tax to withhold. If your employee is claiming more than 10 withholding allowances, see the following section.

Adjusting Wage Bracket Withholding for Employees Claiming More Than 10 Withholding Allowances.—

Note: The percentage method of figuring withholding adapts to any number of allowances.

The wage bracket tables are for up to 10 allowances. More than that will often occur. This is because of the special withholding allowance, additional allowances for deductions and credits, and the system itself. Usually, it is worthwhile for employees to claim all the withholding allowances to which they are entitled.

To adapt the tables to employees with more than 10 allowances:

(a) Multiply the number of withholding allowances over 10 by the allowance value for the payroll period. (The allowance values are in the *Percentage Method Income Tax Withholding Table* on this page.)

(b) Subtract the result from the employee's wages.

(c) 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. You can also use any other method described in this guide or in Publication 493. You can get Publication 493 at most IRS offices.

Alternative Methods of Income Tax Withholding

The Internal Revenue Code allows employers to use different methods for figuring income tax withholding.

Publication 493 gives—

(a) Alternative formula tables for percentage method withholding (for automated payroll systems).

(b) Wage bracket percentage method withholding tables (for automated payroll systems).

(c) Combined income tax and social security tax withholding tables.

Some other methods are explained below. Use the method that best suits your payroll system.

Annualized Wages.—Multiply wages for a payroll period by the number of payroll periods in the calendar year. Figure the amount of withholding required on the total wages for the whole year. Then divide that amount by the number of payroll periods. The result will be the amount of withholding for the payroll period.

Average Estimated Wages.—You may withhold the tax for a payroll period based on estimated average wages, with necessary adjustments, for any quarter. For details, please see Regulations section 31.3402(h)(1)-1.

Cumulative Wages.—An employee may ask you, in writing, to withhold tax on cumulative wages. If so, and you have paid the employee for the same kind of payroll

period (weekly, biweekly, etc.) since the beginning of the year, you may figure the tax as follows:

1. Add the wages to be paid the employee for the current payroll period to the total wages you previously paid him or her during the current calendar year.
2. Divide the step 1 amount by the total number of payroll periods used in step 1.
3. Find the tax that would have been withheld on the step 2 amount, and multiply by the total number of payroll periods used in step 1. Use the percentage method in this publication.
4. Subtract from the step 3 amount the total tax already withheld during the calendar year. The excess (if any) is the amount to withhold for the current payroll period.

(See Revenue Procedure 78-8, 1978-1 C.B. 562 for an example of the cumulative method.)

Part-Year Employment.—A part-year employee who figures income tax on a calendar year basis may ask you to withhold tax by the part-year employment method. The request must be in writing and must contain the following information:

- (a) The last day of employment (if any) during the calendar year with any prior employer;
- (b) A statement that the employee uses the calendar-year accounting period; and
- (c) A statement that the employee reasonably anticipates that he or she will be employed for an aggregate of no more than 245 calendar days in all terms of continuous employment during the current calendar year.

A term of continuous employment may be a single term or two or more following terms of employment with the same employer. A continuous term includes holidays, regular days off, and days off for illness or vacation. A continuous term begins on the first day an employee works for you and earns pay. It ends on the earlier of: the employee's last day of work for you; or if the employee performs no services for you for more than 30 calendar days, the last workday before the 30-day period. If an employment relationship is ended, the term of continuous employment is ended, even if a new employment relationship is established with the same employer within 30 days.

Take these steps to figure withholding tax by the part-year method:

1. Add the wages to be paid the employee for the current payroll period to the wages (if any) you have already paid the employee in the current term of continuous employment.

2. Add the number of payroll periods used in step 1 to the number of payroll periods between the employee's last employment and current employment. To find the number of periods between the last employment and current employment, divide (a) the number of calendar days between the employee's last day of earlier employment (or the previous December 31, if later) and the first day of current employment by (b) the number of calendar days in the current payroll period.

3. Divide the step 1 amount by the total number of payroll periods from step 2.

4. Find the tax in the withholding tax tables on the step 3 amount. Be sure to use the correct payroll period table, and to take into account the employee's withholding allowances.

5. Multiply the total number of payroll periods from step 2 by the step 4 amount.

6. Subtract from the step 5 amount the total tax already withheld during the current term of continuous employment. The excess (if any) is the amount to withhold for the current payroll period.

(See Regulations section 31.3402(h)(4)-1(c) for examples of the part-year method.)

Other Methods.—You may use other methods and kinds of tables for withholding taxes, as long as the amount of tax withheld is about the same as it would be under the percentage method in this publication. If you develop an alternative method or table, you should test the full range of wage and allowance situations to be sure that they meet the tolerances shown below.

If the tax required to be withheld under the annual percentage rate is—	The annual tax withheld under your method may not differ by more than—
Less than \$10	\$9.99
\$10 or more but under \$100	\$10 plus 10% of the excess over \$10
\$100 or more but under \$1,000	\$19 plus 3% of the excess over \$100
\$1,000 or more	\$46 plus 1% of the excess over \$1,000

Advance Payment Tables for the Earned Income Credit

A. 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 computation based on the appropriate rate table.

Find the employee's gross wages before any deductions in the appropriate table on pages 46 and 47. There are different tables for (a) single or married employees without spouse filing a certificate, and (b) married employees with both spouses filing certificates. Determine the amount of the advance EIC payment shown in the appropriate table for the amount of wages paid.

B. Wage Bracket Method

If you use the wage bracket tables on pages 48 through 50, figure the advance EIC payment as follows.

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

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

You may use other methods and kinds of tables for figuring advance EIC payments as long as the amount of the payment is about the same as it would be using tables in this circular. See the table in *Other Methods* above for the maximum tolerance allowed.

Whole Dollar Withholding and Paying

The income tax withholding amounts in the wage bracket tables (pages 24 through 43) have been rounded to whole dollar amounts.

When employers use the percentage method (pages 22 and 23), 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 48 through 50) have also been rounded to whole dollar amounts. If you use the percentage method for advance EIC payments (pages 46 and 47), the payments may be rounded to the nearest dollar.

If rounding is used, it must be used consistently. Withheld tax amounts should be rounded to the nearest whole dollar by (1) dropping amounts under 50 cents, and (2) increasing amounts from 50 to 99 cents to the next higher dollar. For example, \$2.30 becomes \$2, and \$2.80 becomes \$3.

Tables for Percentage Method of Withholding

(For Wages Paid After December 1987)

TABLE 1—If the Payroll Period With Respect to an Employee Is Weekly

(a) SINGLE person—including head of household:

If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to be withheld shall be:	
Not over \$20		0	
Over—	But not over—	of excess over—	
\$20	—\$363	15%	—\$20
\$363	—\$850	\$51.49 plus 28%	—\$363
\$850	—\$1,953	\$187.72 plus 33%	—\$850
\$1,953		\$551.55 plus 28%	—\$1,953

(b) MARRIED person—

If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to be withheld shall be:	
Not over \$59		0	
Over—	But not over—	of excess over—	
\$59	—\$631	15%	—\$59
\$631	—\$1,441	\$85.82 plus 28%	—\$631
\$1,441	—\$3,559	\$312.78 plus 33%	—\$1,441
\$3,559		\$1,011.55 plus 28%	—\$3,559

TABLE 2—If the Payroll Period With Respect to an Employee Is Biweekly

(a) SINGLE person—including head of household:

If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to be withheld shall be:	
Not over \$40		0	
Over—	But not over—	of excess over—	
\$40	—\$727	15%	—\$40
\$727	—\$1,700	\$102.98 plus 28%	—\$727
\$1,700	—\$3,905	\$375.44 plus 33%	—\$1,700
\$3,905		\$1,103.09 plus 28%	—\$3,905

(b) MARRIED person—

If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to be withheld shall be:	
Not over \$117		0	
Over—	But not over—	of excess over—	
\$117	—\$1,262	15%	—\$117
\$1,262	—\$2,883	\$171.63 plus 28%	—\$1,262
\$2,883	—\$7,118	\$625.56 plus 33%	—\$2,883
\$7,118		\$2,023.11 plus 28%	—\$7,118

TABLE 3—If the Payroll Period With Respect to an Employee Is Semimonthly

(a) SINGLE person—including head of household:

If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to be withheld shall be:	
Not over \$44		0	
Over—	But not over—	of excess over—	
\$44	—\$788	15%	—\$44
\$788	—\$1,842	\$111.56 plus 28%	—\$788
\$1,842	—\$4,230	\$406.73 plus 33%	—\$1,842
\$4,230		\$1,195.02 plus 28%	—\$4,230

(b) MARRIED person—

If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to be withheld shall be:	
Not over \$127		0	
Over—	But not over—	of excess over—	
\$127	—\$1,367	15%	—\$127
\$1,367	—\$3,123	\$185.94 plus 28%	—\$1,367
\$3,123	—\$7,711	\$677.69 plus 33%	—\$3,123
\$7,711		\$2,191.70 plus 28%	—\$7,711

TABLE 4—If the Payroll Period With Respect to an Employee Is Monthly

(a) SINGLE person—including head of household:

If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to be withheld shall be:	
Not over \$88		0	
Over—	But not over—	of excess over—	
\$88	—\$1,575	15%	—\$88
\$1,575	—\$3,683	\$223.13 plus 28%	—\$1,575
\$3,683	—\$8,461	\$813.46 plus 33%	—\$3,683
\$8,461		\$2,390.03 plus 28%	—\$8,461

(b) MARRIED person—

If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to be withheld shall be:	
Not over \$254		0	
Over—	But not over—	of excess over—	
\$254	—\$2,733	15%	—\$254
\$2,733	—\$6,246	\$371.88 plus 28%	—\$2,733
\$6,246	—\$15,422	\$1,355.38 plus 33%	—\$6,246
\$15,422		\$4,383.40 plus 28%	—\$15,422

TABLE 5—If the Payroll Period With Respect to an Employee Is Quarterly**(a) SINGLE person**—including head of household:

<i>If the amount of wages (after subtracting withholding allowances) is:</i>		<i>The amount of income tax to be withheld shall be:</i>
Not over \$263		0
<i>Over—</i>	<i>But not over—</i>	<i>of excess over—</i>
\$263	—\$4,725	15% —\$263
\$4,725	—\$11,050	\$669.38 plus 28% —\$4,725
\$11,050	—\$25,383	\$2,440.38 plus 33% —\$11,050
\$25,383		\$7,170.10 plus 28% —\$25,383

(b) MARRIED person—

<i>If the amount of wages (after subtracting withholding allowances) is:</i>		<i>The amount of income tax to be withheld shall be:</i>
Not over \$763		0
<i>Over—</i>	<i>But not over—</i>	<i>of excess over—</i>
\$763	—\$8,200	15% —\$763
\$8,200	—\$18,738	\$1,115.63 plus 28% —\$8,200
\$18,738	—\$46,265	\$4,066.13 plus 33% —\$18,738
\$46,265		\$13,150.20 plus 28% —\$46,265

TABLE 6—If the Payroll Period With Respect to an Employee Is Semiannual**(a) SINGLE person**—including head of household:

<i>If the amount of wages (after subtracting withholding allowances) is:</i>		<i>The amount of income tax to be withheld shall be:</i>
Not over \$525		0
<i>Over—</i>	<i>But not over—</i>	<i>of excess over—</i>
\$525	—\$9,450	15% —\$525
\$9,450	—\$22,100	\$1,338.75 plus 28% —\$9,450
\$22,100	—\$50,765	\$4,880.75 plus 33% —\$22,100
\$50,765		\$14,340.20 plus 28% —\$50,765

(b) MARRIED person—

<i>If the amount of wages (after subtracting withholding allowances) is:</i>		<i>The amount of income tax to be withheld shall be:</i>
Not over \$1,525		0
<i>Over—</i>	<i>But not over—</i>	<i>of excess over—</i>
\$1,525	—\$16,400	15% —\$1,525
\$16,400	—\$37,475	\$2,231.25 plus 28% —\$16,400
\$37,475	—\$92,530	\$8,132.25 plus 33% —\$37,475
\$92,530		\$26,300.40 plus 28% —\$92,530

TABLE 7—If the Payroll Period With Respect to an Employee Is Annual**(a) SINGLE person**—including head of household:

<i>If the amount of wages (after subtracting withholding allowances) is:</i>		<i>The amount of income tax to be withheld shall be:</i>
Not over \$1,050		0
<i>Over—</i>	<i>But not over—</i>	<i>of excess over—</i>
\$1,050	—\$18,900	15% —\$1,050
\$18,900	—\$44,200	\$2,677.50 plus 28% —\$18,900
\$44,200	—\$101,530	\$9,761.50 plus 33% —\$44,200
\$101,530		\$28,680.40 plus 28% —\$101,530

(b) MARRIED person—

<i>If the amount of wages (after subtracting withholding allowances) is:</i>		<i>The amount of income tax to be withheld shall be:</i>
Not over \$3,050		0
<i>Over—</i>	<i>But not over—</i>	<i>of excess over—</i>
\$3,050	—\$32,800	15% —\$3,050
\$32,800	—\$74,950	\$4,462.50 plus 28% —\$32,800
\$74,950	—\$185,060	\$16,264.50 plus 33% —\$74,950
\$185,060		\$52,600.80 plus 28% —\$185,060

TABLE 8—If the Payroll Period With Respect to an Employee Is a Daily Payroll Period or a Miscellaneous Payroll Period**(a) SINGLE person**—including head of household:

<i>If the amount of wages (after subtracting withholding allowances) divided by the number of days in the payroll period is:</i>		<i>The amount of income tax to be withheld per day shall be:</i>
Not over \$4.00		0
<i>Over—</i>	<i>But not over—</i>	<i>of excess over—</i>
\$4.00	—\$72.70	15% —\$4.00
\$72.70	—\$170.00	\$10.31 plus 28% —\$72.70
\$170.00	—\$390.50	\$37.55 plus 33% —\$170.00
\$390.50		\$110.31 plus 28% —\$390.50

(b) MARRIED person—

<i>If the amount of wages (after subtracting withholding allowances) divided by the number of days in the payroll period is:</i>		<i>The amount of income tax to be withheld per day shall be:</i>
Not over \$11.70		0
<i>Over—</i>	<i>But not over—</i>	<i>of excess over—</i>
\$11.70	—\$126.20	15% —\$11.70
\$126.20	—\$288.30	\$17.18 plus 28% —\$126.20
\$288.30	—\$711.80	\$62.56 plus 33% —\$288.30
\$711.80		\$202.32 plus 28% —\$711.80

SINGLE Persons—WEEKLY Payroll Period
(For Wages Paid After December 1987)

And 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 shall be—												
\$0	\$25	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	30	1	0	0	0	0	0	0	0	0	0	0
30	35	2	0	0	0	0	0	0	0	0	0	0
35	40	3	0	0	0	0	0	0	0	0	0	0
40	45	3	0	0	0	0	0	0	0	0	0	0
45	50	4	0	0	0	0	0	0	0	0	0	0
50	55	5	0	0	0	0	0	0	0	0	0	0
55	60	6	0	0	0	0	0	0	0	0	0	0
60	65	6	1	0	0	0	0	0	0	0	0	0
65	70	7	1	0	0	0	0	0	0	0	0	0
70	75	8	2	0	0	0	0	0	0	0	0	0
75	80	9	3	0	0	0	0	0	0	0	0	0
80	85	9	4	0	0	0	0	0	0	0	0	0
85	90	10	4	0	0	0	0	0	0	0	0	0
90	95	11	5	0	0	0	0	0	0	0	0	0
95	100	12	6	0	0	0	0	0	0	0	0	0
100	105	12	7	1	0	0	0	0	0	0	0	0
105	110	13	7	2	0	0	0	0	0	0	0	0
110	115	14	8	3	0	0	0	0	0	0	0	0
115	120	15	9	3	0	0	0	0	0	0	0	0
120	125	15	10	4	0	0	0	0	0	0	0	0
125	130	16	10	5	0	0	0	0	0	0	0	0
130	135	17	11	6	0	0	0	0	0	0	0	0
135	140	18	12	6	1	0	0	0	0	0	0	0
140	145	18	13	7	1	0	0	0	0	0	0	0
145	150	19	13	8	2	0	0	0	0	0	0	0
150	155	20	14	9	3	0	0	0	0	0	0	0
155	160	21	15	9	4	0	0	0	0	0	0	0
160	165	21	16	10	4	0	0	0	0	0	0	0
165	170	22	16	11	5	0	0	0	0	0	0	0
170	175	23	17	12	6	0	0	0	0	0	0	0
175	180	24	18	12	7	1	0	0	0	0	0	0
180	185	24	19	13	7	2	0	0	0	0	0	0
185	190	25	19	14	8	3	0	0	0	0	0	0
190	195	26	20	15	9	3	0	0	0	0	0	0
195	200	27	21	15	10	4	0	0	0	0	0	0
200	210	28	22	16	11	5	0	0	0	0	0	0
210	220	29	24	18	12	7	1	0	0	0	0	0
220	230	31	25	19	14	8	3	0	0	0	0	0
230	240	32	27	21	15	10	4	0	0	0	0	0
240	250	34	28	22	17	11	6	0	0	0	0	0
250	260	35	30	24	18	13	7	1	0	0	0	0
260	270	37	31	25	20	14	9	3	0	0	0	0
270	280	38	33	27	21	16	10	4	0	0	0	0
280	290	40	34	28	23	17	12	6	0	0	0	0
290	300	41	36	30	24	19	13	7	2	0	0	0
300	310	43	37	31	26	20	15	9	3	0	0	0
310	320	44	39	33	27	22	16	10	5	0	0	0
320	330	46	40	34	29	23	18	12	6	1	0	0
330	340	47	42	36	30	25	19	13	8	2	0	0
340	350	49	43	37	32	26	21	15	9	4	0	0
350	360	50	45	39	33	28	22	16	11	5	0	0
360	370	52	46	40	35	29	24	18	12	7	1	0
370	380	55	48	42	36	31	25	19	14	8	3	0
380	390	58	49	43	38	32	27	21	15	10	4	0
390	400	60	51	45	39	34	28	22	17	11	6	0
400	410	63	53	46	41	35	30	24	18	13	7	1
410	420	66	55	48	42	37	31	25	20	14	9	3
420	430	69	58	49	44	38	33	27	21	16	10	4
430	440	72	61	51	45	40	34	28	23	17	12	6
440	450	74	64	53	47	41	36	30	24	19	13	7
450	460	77	67	56	48	43	37	31	26	20	15	9
460	470	80	69	59	50	44	39	33	27	22	16	10
470	480	83	72	62	51	46	40	34	29	23	18	12
480	490	86	75	65	54	47	42	36	30	25	19	13
490	500	88	78	67	57	49	43	37	32	26	21	15
500	510	91	81	70	60	50	45	39	33	28	22	16
510	520	94	83	73	62	52	46	40	35	29	24	18
520	530	97	86	76	65	55	48	42	36	31	25	19
530	540	100	89	79	68	58	49	43	38	32	27	21

SINGLE Persons—WEEKLY Payroll Period
(For Wages Paid After December 1987)

And 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 shall be—												
\$540	\$550	\$102	\$92	\$81	\$71	\$60	\$51	\$45	\$39	\$34	\$28	\$22
550	560	105	95	84	74	63	53	46	41	35	30	24
560	570	108	97	87	76	66	55	48	42	37	31	25
570	580	111	100	90	79	69	58	49	44	38	33	27
580	590	114	103	93	82	72	61	51	45	40	34	28
590	600	116	106	95	85	74	64	53	47	41	36	30
600	610	119	109	98	88	77	67	56	48	43	37	31
610	620	122	111	101	90	80	69	59	50	44	39	33
620	630	125	114	104	93	83	72	62	51	46	40	34
630	640	128	117	107	96	86	75	65	54	47	42	36
640	650	130	120	109	99	88	78	67	57	49	43	37
650	660	133	123	112	102	91	81	70	60	50	45	39
660	670	136	125	115	104	94	83	73	62	52	46	40
670	680	139	128	118	107	97	86	76	65	55	48	42
680	690	142	131	121	110	100	89	79	68	58	49	43
690	700	144	134	123	113	102	92	81	71	60	51	45
700	710	147	137	126	116	105	95	84	74	63	53	46
710	720	150	139	129	118	108	97	87	76	66	55	48
720	730	153	142	132	121	111	100	90	79	69	58	49
730	740	156	145	135	124	114	103	93	82	72	61	51
740	750	158	148	137	127	116	106	95	85	74	64	53
750	760	161	151	140	130	119	109	98	88	77	67	56
760	770	164	153	143	132	122	111	101	90	80	69	59
770	780	167	156	146	135	125	114	104	93	83	72	62
780	790	170	159	149	138	128	117	107	96	86	75	65
790	800	172	162	151	141	130	120	109	99	88	78	67
800	810	175	165	154	144	133	123	112	102	91	81	70
810	820	178	167	157	146	136	125	115	104	94	83	73
820	830	181	170	160	149	139	128	118	107	97	86	76
830	840	184	173	163	152	142	131	121	110	100	89	79
840	850	186	176	165	155	144	134	123	113	102	92	81
850	860	189	179	168	158	147	137	126	116	105	95	84
860	870	193	181	171	160	150	139	129	118	108	97	87
870	880	196	184	174	163	153	142	132	121	111	100	90
880	890	199	187	177	166	156	145	135	124	114	103	93
890	900	203	190	179	169	158	148	137	127	116	106	95
900	910	206	193	182	172	161	151	140	130	119	109	98
910	920	209	197	185	174	164	153	143	132	122	111	101
920	930	212	200	188	177	167	156	146	135	125	114	104
930	940	216	203	191	180	170	159	149	138	128	117	107
940	950	219	207	194	183	172	162	151	141	130	120	109
950	960	222	210	198	186	175	165	154	144	133	123	112
960	970	226	213	201	189	178	167	157	146	136	125	115
970	980	229	217	204	192	181	170	160	149	139	128	118
980	990	232	220	208	195	184	173	163	152	142	131	121
990	1,000	236	223	211	198	186	176	165	155	144	134	123
1,000	1,010	239	226	214	202	189	179	168	158	147	137	126
1,010	1,020	242	230	217	205	193	181	171	160	150	139	129
1,020	1,030	245	233	221	208	196	184	174	163	153	142	132
1,030	1,040	249	236	224	212	199	187	177	166	156	145	135
1,040	1,050	252	240	227	215	203	190	179	169	158	148	137
1,050	1,060	255	243	231	218	206	193	182	172	161	151	140
1,060	1,070	259	246	234	222	209	197	185	174	164	153	143
1,070	1,080	262	250	237	225	212	200	188	177	167	156	146
1,080	1,090	265	253	241	228	216	203	191	180	170	159	149
1,090	1,100	269	256	244	231	219	207	194	183	172	162	151
1,100	1,110	272	259	247	235	222	210	198	186	175	165	154
1,110	1,120	275	263	250	238	226	213	201	189	178	167	157
1,120	1,130	278	266	254	241	229	217	204	192	181	170	160
1,130	1,140	282	269	257	245	232	220	208	195	184	173	163
1,140	1,150	285	273	260	248	236	223	211	198	186	176	165
1,150	1,160	288	276	264	251	239	226	214	202	189	179	168
1,160	1,170	292	279	267	255	242	230	217	205	193	181	171
1,170	1,180	295	283	270	258	245	233	221	208	196	184	174
1,180	1,190	298	286	274	261	249	236	224	212	199	187	177
1,190	1,200	302	289	277	264	252	240	227	215	203	190	179

\$1,200 and over

Use Table 1(a) for a **SINGLE** person on page 22. Also see the instructions on page 20.

MARRIED Persons—WEEKLY Payroll Period
(For Wages Paid After December 1987)

And 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 shall be—												
		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$60	\$0	\$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	1	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	4	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	5	0	0	0	0	0	0	0	0	0	0
95	100	6	0	0	0	0	0	0	0	0	0	0
100	105	7	1	0	0	0	0	0	0	0	0	0
105	110	7	2	0	0	0	0	0	0	0	0	0
110	115	8	2	0	0	0	0	0	0	0	0	0
115	120	9	3	0	0	0	0	0	0	0	0	0
120	125	10	4	0	0	0	0	0	0	0	0	0
125	130	10	5	0	0	0	0	0	0	0	0	0
130	135	11	5	0	0	0	0	0	0	0	0	0
135	140	12	6	1	0	0	0	0	0	0	0	0
140	145	13	7	1	0	0	0	0	0	0	0	0
145	150	13	8	2	0	0	0	0	0	0	0	0
150	155	14	8	3	0	0	0	0	0	0	0	0
155	160	15	9	4	0	0	0	0	0	0	0	0
160	165	16	10	4	0	0	0	0	0	0	0	0
165	170	16	11	5	0	0	0	0	0	0	0	0
170	175	17	11	6	0	0	0	0	0	0	0	0
175	180	18	12	7	1	0	0	0	0	0	0	0
180	185	19	13	7	2	0	0	0	0	0	0	0
185	190	19	14	8	2	0	0	0	0	0	0	0
190	195	20	14	9	3	0	0	0	0	0	0	0
195	200	21	15	10	4	0	0	0	0	0	0	0
200	210	22	16	11	5	0	0	0	0	0	0	0
210	220	23	18	12	7	1	0	0	0	0	0	0
220	230	25	19	14	8	2	0	0	0	0	0	0
230	240	26	21	15	10	4	0	0	0	0	0	0
240	250	28	22	17	11	5	0	0	0	0	0	0
250	260	29	24	18	13	7	1	0	0	0	0	0
260	270	31	25	20	14	8	3	0	0	0	0	0
270	280	32	27	21	16	10	4	0	0	0	0	0
280	290	34	28	23	17	11	6	0	0	0	0	0
290	300	35	30	24	19	13	7	2	0	0	0	0
300	310	37	31	26	20	14	9	3	0	0	0	0
310	320	38	33	27	22	16	10	5	0	0	0	0
320	330	40	34	29	23	17	12	6	1	0	0	0
330	340	41	36	30	25	19	13	8	2	0	0	0
340	350	43	37	32	26	20	15	9	4	0	0	0
350	360	44	39	33	28	22	16	11	5	0	0	0
360	370	46	40	35	29	23	18	12	7	1	0	0
370	380	47	42	36	31	25	19	14	8	2	0	0
380	390	49	43	38	32	26	21	15	10	4	0	0
390	400	50	45	39	34	28	22	17	11	5	0	0
400	410	52	46	41	35	29	24	18	13	7	1	0
410	420	53	48	42	37	31	25	20	14	8	3	0
420	430	55	49	44	38	32	27	21	16	10	4	0
430	440	56	51	45	40	34	28	23	17	11	6	0
440	450	58	52	47	41	35	30	24	19	13	7	2
450	460	59	54	48	43	37	31	26	20	14	9	3
460	470	61	55	50	44	38	33	27	22	16	10	5
470	480	62	57	51	46	40	34	29	23	17	12	6
480	490	64	58	53	47	41	36	30	25	19	13	8
490	500	65	60	54	49	43	37	32	26	20	15	9
500	510	67	61	56	50	44	39	33	28	22	16	11
510	520	68	63	57	52	46	40	35	29	23	18	12
520	530	70	64	59	53	47	42	36	31	25	19	14
530	540	71	66	60	55	49	43	38	32	26	21	15
540	550	73	67	62	56	50	45	39	34	28	22	17
550	560	74	69	63	58	52	46	41	35	29	24	18
560	570	76	70	65	59	53	48	42	37	31	25	20
570	580	77	72	66	61	55	49	44	38	32	27	21
580	590	79	73	68	62	56	51	45	40	34	28	23
590	600	80	75	69	64	58	52	47	41	35	30	24
600	610	82	76	71	65	59	54	48	43	37	31	26

MARRIED Persons—WEEKLY Payroll Period
(For Wages Paid After December 1987)

And 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 shall be—												
\$610	\$620	\$83	\$78	\$72	\$67	\$61	\$55	\$50	\$44	\$38	\$33	\$27
620	630	85	79	74	68	62	57	51	46	40	34	29
630	640	87	81	75	70	64	58	53	47	41	36	30
640	650	90	82	77	71	65	60	54	49	43	37	32
650	660	93	84	78	73	67	61	56	50	44	39	33
660	670	95	85	80	74	68	63	57	52	46	40	35
670	680	98	88	81	76	70	64	59	53	47	42	36
680	690	101	91	83	77	71	66	60	55	49	43	38
690	700	104	93	84	79	73	67	62	56	50	45	39
700	710	107	96	86	80	74	69	63	58	52	46	41
710	720	109	99	88	82	76	70	65	59	53	48	42
720	730	112	102	91	83	77	72	66	61	55	49	44
730	740	115	105	94	85	79	73	68	62	56	51	45
740	750	118	107	97	86	80	75	69	64	58	52	47
750	760	121	110	100	89	82	76	71	65	59	54	48
760	770	123	113	102	92	83	78	72	67	61	55	50
770	780	126	116	105	95	85	79	74	68	62	57	51
780	790	129	119	108	98	87	81	75	70	64	58	53
790	800	132	121	111	100	90	82	77	71	65	60	54
800	810	135	124	114	103	93	84	78	73	67	61	56
810	820	137	127	116	106	95	85	80	74	68	63	57
820	830	140	130	119	109	98	88	81	76	70	64	59
830	840	143	133	122	112	101	91	83	77	71	66	60
840	850	146	135	125	114	104	93	84	79	73	67	62
850	860	149	138	128	117	107	96	86	80	74	69	63
860	870	151	141	130	120	109	99	88	82	76	70	65
870	880	154	144	133	123	112	102	91	83	77	72	66
880	890	157	147	136	126	115	105	94	85	79	73	68
890	900	160	149	139	128	118	107	97	86	80	75	69
900	910	163	152	142	131	121	110	100	89	82	76	71
910	920	165	155	144	134	123	113	102	92	83	78	72
920	930	168	158	147	137	126	116	105	95	85	79	74
930	940	171	161	150	140	129	119	108	98	87	81	75
940	950	174	163	153	142	132	121	111	100	90	82	77
950	960	177	166	156	145	135	124	114	103	93	84	78
960	970	179	169	158	148	137	127	116	106	95	85	80
970	980	182	172	161	151	140	130	119	109	98	88	81
980	990	185	175	164	154	143	133	122	112	101	91	83
990	1,000	188	177	167	156	146	135	125	114	104	93	84
1,000	1,010	191	180	170	159	149	138	128	117	107	96	86
1,010	1,020	193	183	172	162	151	141	130	120	109	99	88
1,020	1,030	196	186	175	165	154	144	133	123	112	102	91
1,030	1,040	199	189	178	168	157	147	136	126	115	105	94
1,040	1,050	202	191	181	170	160	149	139	128	118	107	97
1,050	1,060	205	194	184	173	163	152	142	131	121	110	100
1,060	1,070	207	197	186	176	165	155	144	134	123	113	102
1,070	1,080	210	200	189	179	168	158	147	137	126	116	105
1,080	1,090	213	203	192	182	171	161	150	140	129	119	108
1,090	1,100	216	205	195	184	174	163	153	142	132	121	111
1,100	1,110	219	208	198	187	177	166	156	145	135	124	114
1,110	1,120	221	211	200	190	179	169	158	148	137	127	116
1,120	1,130	224	214	203	193	182	172	161	151	140	130	119
1,130	1,140	227	217	206	196	185	175	164	154	143	133	122
1,140	1,150	230	219	209	198	188	177	167	156	146	135	125
1,150	1,160	233	222	212	201	191	180	170	159	149	138	128
1,160	1,170	235	225	214	204	193	183	172	162	151	141	130
1,170	1,180	238	228	217	207	196	186	175	165	154	144	133
1,180	1,190	241	231	220	210	199	189	178	168	157	147	136
1,190	1,200	244	233	223	212	202	191	181	170	160	149	139
1,200	1,210	247	236	226	215	205	194	184	173	163	152	142
1,210	1,220	249	239	228	218	207	197	186	176	165	155	144
1,220	1,230	252	242	231	221	210	200	189	179	168	158	147
1,230	1,240	255	245	234	224	213	203	192	182	171	161	150
1,240	1,250	258	247	237	226	216	205	195	184	174	163	153
1,250	1,260	261	250	240	229	219	208	198	187	177	166	156
1,260	1,270	263	253	242	232	221	211	200	190	179	169	158

\$1,270 and over

Use Table 1(b) for a **MARRIED** person on page 22. Also see the instructions on page 20.

SINGLE Persons—BIWEEKLY Payroll Period
(For Wages Paid After December 1987)

And 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 shall be—												
\$0	\$45	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
45	50	1	0	0	0	0	0	0	0	0	0	0
50	55	2	0	0	0	0	0	0	0	0	0	0
55	60	3	0	0	0	0	0	0	0	0	0	0
60	65	3	0	0	0	0	0	0	0	0	0	0
65	70	4	0	0	0	0	0	0	0	0	0	0
70	75	5	0	0	0	0	0	0	0	0	0	0
75	80	6	0	0	0	0	0	0	0	0	0	0
80	85	6	0	0	0	0	0	0	0	0	0	0
85	90	7	0	0	0	0	0	0	0	0	0	0
90	95	8	0	0	0	0	0	0	0	0	0	0
95	100	9	0	0	0	0	0	0	0	0	0	0
100	105	9	0	0	0	0	0	0	0	0	0	0
105	110	10	0	0	0	0	0	0	0	0	0	0
110	115	11	0	0	0	0	0	0	0	0	0	0
115	120	12	0	0	0	0	0	0	0	0	0	0
120	125	12	1	0	0	0	0	0	0	0	0	0
125	130	13	2	0	0	0	0	0	0	0	0	0
130	135	14	3	0	0	0	0	0	0	0	0	0
135	140	15	3	0	0	0	0	0	0	0	0	0
140	145	15	4	0	0	0	0	0	0	0	0	0
145	150	16	5	0	0	0	0	0	0	0	0	0
150	155	17	6	0	0	0	0	0	0	0	0	0
155	160	18	6	0	0	0	0	0	0	0	0	0
160	165	18	7	0	0	0	0	0	0	0	0	0
165	170	19	8	0	0	0	0	0	0	0	0	0
170	175	20	9	0	0	0	0	0	0	0	0	0
175	180	21	9	0	0	0	0	0	0	0	0	0
180	185	21	10	0	0	0	0	0	0	0	0	0
185	190	22	11	0	0	0	0	0	0	0	0	0
190	195	23	12	0	0	0	0	0	0	0	0	0
195	200	24	12	1	0	0	0	0	0	0	0	0
200	205	24	13	2	0	0	0	0	0	0	0	0
205	210	25	14	3	0	0	0	0	0	0	0	0
210	215	26	15	3	0	0	0	0	0	0	0	0
215	220	27	15	4	0	0	0	0	0	0	0	0
220	225	27	16	5	0	0	0	0	0	0	0	0
225	230	28	17	6	0	0	0	0	0	0	0	0
230	235	29	18	6	0	0	0	0	0	0	0	0
235	240	30	18	7	0	0	0	0	0	0	0	0
240	245	30	19	8	0	0	0	0	0	0	0	0
245	250	31	20	9	0	0	0	0	0	0	0	0
250	260	32	21	10	0	0	0	0	0	0	0	0
260	270	34	22	11	0	0	0	0	0	0	0	0
270	280	35	24	13	1	0	0	0	0	0	0	0
280	290	37	25	14	3	0	0	0	0	0	0	0
290	300	38	27	16	4	0	0	0	0	0	0	0
300	310	40	28	17	6	0	0	0	0	0	0	0
310	320	41	30	19	7	0	0	0	0	0	0	0
320	330	43	31	20	9	0	0	0	0	0	0	0
330	340	44	33	22	10	0	0	0	0	0	0	0
340	350	46	34	23	12	1	0	0	0	0	0	0
350	360	47	36	25	13	2	0	0	0	0	0	0
360	370	49	37	26	15	4	0	0	0	0	0	0
370	380	50	39	28	16	5	0	0	0	0	0	0
380	390	52	40	29	18	7	0	0	0	0	0	0
390	400	53	42	31	19	8	0	0	0	0	0	0
400	410	55	43	32	21	10	0	0	0	0	0	0
410	420	56	45	34	22	11	0	0	0	0	0	0
420	430	58	46	35	24	13	1	0	0	0	0	0
430	440	59	48	37	25	14	3	0	0	0	0	0
440	450	61	49	38	27	16	4	0	0	0	0	0
450	460	62	51	40	28	17	6	0	0	0	0	0
460	470	64	52	41	30	19	7	0	0	0	0	0
470	480	65	54	43	31	20	9	0	0	0	0	0
480	490	67	55	44	33	22	10	0	0	0	0	0
490	500	68	57	46	34	23	12	1	0	0	0	0
500	520	70	59	48	37	25	14	3	0	0	0	0
520	540	73	62	51	40	28	17	6	0	0	0	0
540	560	76	65	54	43	31	20	9	0	0	0	0

SINGLE Persons--BIWEEKLY Payroll Period

(For Wages Paid After December 1987)

And 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 shall be--										
\$560	\$580	\$79	\$68	\$57	\$46	\$34	\$23	\$12	\$1	\$0	\$0	\$0
580	600	82	71	60	49	37	26	15	4	0	0	0
600	620	85	74	63	52	40	29	18	7	0	0	0
620	640	88	77	66	55	43	32	21	10	0	0	0
640	660	91	80	69	58	46	35	24	13	1	0	0
660	680	94	83	72	61	49	38	27	16	4	0	0
680	700	97	86	75	64	52	41	30	19	7	0	0
700	720	100	89	78	67	55	44	33	22	10	0	0
720	740	104	92	81	70	58	47	36	25	13	2	0
740	760	109	95	84	73	61	50	39	28	16	5	0
760	780	115	98	87	76	64	53	42	31	19	8	0
780	800	121	101	90	79	67	56	45	34	22	11	0
800	820	126	105	93	82	70	59	48	37	25	14	3
820	840	132	111	96	85	73	62	51	40	28	17	6
840	860	137	116	99	88	76	65	54	43	31	20	9
860	880	143	122	102	91	79	68	57	46	34	23	12
880	900	149	128	107	94	82	71	60	49	37	26	15
900	920	154	133	112	97	85	74	63	52	40	29	18
920	940	160	139	118	100	88	77	66	55	43	32	21
940	960	165	144	123	103	91	80	69	58	46	35	24
960	980	171	150	129	108	94	83	72	61	49	38	27
980	1,000	177	156	135	114	97	86	75	64	52	41	30
1,000	1,020	182	161	140	119	100	89	78	67	55	44	33
1,020	1,040	188	167	146	125	104	92	81	70	58	47	36
1,040	1,060	193	172	151	130	109	95	84	73	61	50	39
1,060	1,080	199	178	157	136	115	98	87	76	64	53	42
1,080	1,100	205	184	163	142	121	101	90	79	67	56	45
1,100	1,120	210	189	168	147	126	105	93	82	70	59	48
1,120	1,140	216	195	174	153	132	111	96	85	73	62	51
1,140	1,160	221	200	179	158	137	116	99	88	76	65	54
1,160	1,180	227	206	185	164	143	122	102	91	79	68	57
1,180	1,200	233	212	191	170	149	128	107	94	82	71	60
1,200	1,220	238	217	196	175	154	133	112	97	85	74	63
1,220	1,240	244	223	202	181	160	139	118	100	88	77	66
1,240	1,260	249	228	207	186	165	144	123	103	91	80	69
1,260	1,280	255	234	213	192	171	150	129	108	94	83	72
1,280	1,300	261	240	219	198	177	156	135	114	97	86	75
1,300	1,320	266	245	224	203	182	161	140	119	100	89	78
1,320	1,340	272	251	230	209	188	167	146	125	104	92	81
1,340	1,360	277	256	235	214	193	172	151	130	109	95	84
1,360	1,380	283	262	241	220	199	178	157	136	115	98	87
1,380	1,400	289	268	247	226	205	184	163	142	121	101	90
1,400	1,420	294	273	252	231	210	189	168	147	126	105	93
1,420	1,440	300	279	258	237	216	195	174	153	132	111	96
1,440	1,460	305	284	263	242	221	200	179	158	137	116	99
1,460	1,480	311	290	269	248	227	206	185	164	143	122	102
1,480	1,500	317	296	275	254	233	212	191	170	149	128	107
1,500	1,520	322	301	280	259	238	217	196	175	154	133	112
1,520	1,540	328	307	286	265	244	223	202	181	160	139	118
1,540	1,560	333	312	291	270	249	228	207	186	165	144	123
1,560	1,580	339	318	297	276	255	234	213	192	171	150	129
1,580	1,600	345	324	303	282	261	240	219	198	177	156	135
1,600	1,620	350	329	308	287	266	245	224	203	182	161	140
1,620	1,640	356	335	314	293	272	251	230	209	188	167	146
1,640	1,660	361	340	319	298	277	256	235	214	193	172	151
1,660	1,680	367	346	325	304	283	262	241	220	199	178	157
1,680	1,700	373	352	331	310	289	268	247	226	205	184	163
1,700	1,720	379	357	336	315	294	273	252	231	210	189	168
1,720	1,740	385	363	342	321	300	279	258	237	216	195	174
1,740	1,760	392	368	347	326	305	284	263	242	221	200	179
1,760	1,780	399	374	353	332	311	290	269	248	227	206	185
1,780	1,800	405	380	359	338	317	296	275	254	233	212	191
1,800	1,820	412	387	364	343	322	301	280	259	238	217	196
1,820	1,840	418	394	370	349	328	307	286	265	244	223	202
1,840	1,860	425	400	375	354	333	312	291	270	249	228	207

\$1,860 and over

Use Table 2(a) for a **SINGLE** person on page 22. Also see the instructions on page 20.

MARRIED Persons—BIWEEKLY Payroll Period
(For Wages Paid After December 1987)

And 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 shall be—												
\$0	\$120	\$0	\$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	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	7	0	0	0	0	0	0	0	0	0	0
165	170	8	0	0	0	0	0	0	0	0	0	0
170	175	8	0	0	0	0	0	0	0	0	0	0
175	180	9	0	0	0	0	0	0	0	0	0	0
180	185	10	0	0	0	0	0	0	0	0	0	0
185	190	11	0	0	0	0	0	0	0	0	0	0
190	195	11	0	0	0	0	0	0	0	0	0	0
195	200	12	1	0	0	0	0	0	0	0	0	0
200	205	13	2	0	0	0	0	0	0	0	0	0
205	210	14	2	0	0	0	0	0	0	0	0	0
210	215	14	3	0	0	0	0	0	0	0	0	0
215	220	15	4	0	0	0	0	0	0	0	0	0
220	225	16	5	0	0	0	0	0	0	0	0	0
225	230	17	5	0	0	0	0	0	0	0	0	0
230	235	17	6	0	0	0	0	0	0	0	0	0
235	240	18	7	0	0	0	0	0	0	0	0	0
240	245	19	8	0	0	0	0	0	0	0	0	0
245	250	20	8	0	0	0	0	0	0	0	0	0
250	260	21	9	0	0	0	0	0	0	0	0	0
260	270	22	11	0	0	0	0	0	0	0	0	0
270	280	24	12	1	0	0	0	0	0	0	0	0
280	290	25	14	3	0	0	0	0	0	0	0	0
290	300	27	15	4	0	0	0	0	0	0	0	0
300	310	28	17	6	0	0	0	0	0	0	0	0
310	320	30	18	7	0	0	0	0	0	0	0	0
320	330	31	20	9	0	0	0	0	0	0	0	0
330	340	33	21	10	0	0	0	0	0	0	0	0
340	350	34	23	12	0	0	0	0	0	0	0	0
350	360	36	24	13	2	0	0	0	0	0	0	0
360	370	37	26	15	3	0	0	0	0	0	0	0
370	380	39	27	16	5	0	0	0	0	0	0	0
380	390	40	29	18	6	0	0	0	0	0	0	0
390	400	42	30	19	8	0	0	0	0	0	0	0
400	410	43	32	21	9	0	0	0	0	0	0	0
410	420	45	33	22	11	0	0	0	0	0	0	0
420	430	46	35	24	12	1	0	0	0	0	0	0
430	440	48	36	25	14	3	0	0	0	0	0	0
440	450	49	38	27	15	4	0	0	0	0	0	0
450	460	51	39	28	17	6	0	0	0	0	0	0
460	470	52	41	30	18	7	0	0	0	0	0	0
470	480	54	42	31	20	9	0	0	0	0	0	0
480	490	55	44	33	21	10	0	0	0	0	0	0
490	500	57	45	34	23	12	0	0	0	0	0	0
500	520	59	48	36	25	14	3	0	0	0	0	0
520	540	62	51	39	28	17	6	0	0	0	0	0
540	560	65	54	42	31	20	9	0	0	0	0	0
560	580	68	57	45	34	23	12	0	0	0	0	0
580	600	71	60	48	37	26	15	3	0	0	0	0
600	620	74	63	51	40	29	18	6	0	0	0	0
620	640	77	66	54	43	32	21	9	0	0	0	0
640	660	80	69	57	46	35	24	12	1	0	0	0
660	680	83	72	60	49	38	27	15	4	0	0	0
680	700	86	75	63	52	41	30	18	7	0	0	0
700	720	89	78	66	55	44	33	21	10	0	0	0
720	740	92	81	69	58	47	36	24	13	2	0	0
740	760	95	84	72	61	50	39	27	16	5	0	0
760	780	98	87	75	64	53	42	30	19	8	0	0
780	800	101	90	78	67	56	45	33	22	11	0	0
800	820	104	93	81	70	59	48	36	25	14	3	0
820	840	107	96	84	73	62	51	39	28	17	6	0
840	860	110	99	87	76	65	54	42	31	20	9	0

MARRIED Persons—BIWEEKLY Payroll Period

(For Wages Paid After December 1987)

And 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 shall be—										
\$860	\$880	\$113	\$102	\$90	\$79	\$68	\$57	\$45	\$34	\$23	\$12	\$0
880	900	116	105	93	82	71	60	48	37	26	15	3
900	920	119	108	96	85	74	63	51	40	29	18	6
920	940	122	111	99	88	77	66	54	43	32	21	9
940	960	125	114	102	91	80	69	57	46	35	24	12
960	980	128	117	105	94	83	72	60	49	38	27	15
980	1,000	131	120	108	97	86	75	63	52	41	30	18
1,000	1,020	134	123	111	100	89	78	66	55	44	33	21
1,020	1,040	137	126	114	103	92	81	69	58	47	36	24
1,040	1,060	140	129	117	106	95	84	72	61	50	39	27
1,060	1,080	143	132	120	109	98	87	75	64	53	42	30
1,080	1,100	146	135	123	112	101	90	78	67	56	45	33
1,100	1,120	149	138	126	115	104	93	81	70	59	48	36
1,120	1,140	152	141	129	118	107	96	84	73	62	51	39
1,140	1,160	155	144	132	121	110	99	87	76	65	54	42
1,160	1,180	158	147	135	124	113	102	90	79	68	57	45
1,180	1,200	161	150	138	127	116	105	93	82	71	60	48
1,200	1,220	164	153	141	130	119	108	96	85	74	63	51
1,220	1,240	167	156	144	133	122	111	99	88	77	66	54
1,240	1,260	170	159	147	136	125	114	102	91	80	69	57
1,260	1,280	174	162	150	139	128	117	105	94	83	72	60
1,280	1,300	180	165	153	142	131	120	108	97	86	75	63
1,300	1,320	185	168	156	145	134	123	111	100	89	78	66
1,320	1,340	191	171	159	148	137	126	114	103	92	81	69
1,340	1,360	196	175	162	151	140	129	117	106	95	84	72
1,360	1,380	202	181	165	154	143	132	120	109	98	87	75
1,380	1,400	208	187	168	157	146	135	123	112	101	90	78
1,400	1,420	213	192	171	160	149	138	126	115	104	93	81
1,420	1,440	219	198	177	163	152	141	129	118	107	96	84
1,440	1,460	224	203	182	166	155	144	132	121	110	99	87
1,460	1,480	230	209	188	169	158	147	135	124	113	102	90
1,480	1,500	236	215	194	173	161	150	138	127	116	105	93
1,500	1,520	241	220	199	178	164	153	141	130	119	108	96
1,520	1,540	247	226	205	184	167	156	144	133	122	111	99
1,540	1,560	252	231	210	189	170	159	147	136	125	114	102
1,560	1,580	258	237	216	195	174	162	150	139	128	117	105
1,580	1,600	264	243	222	201	180	165	153	142	131	120	108
1,600	1,620	269	248	227	206	185	168	156	145	134	123	111
1,620	1,640	275	254	233	212	191	171	159	148	137	126	114
1,640	1,660	280	259	238	217	196	175	162	151	140	129	117
1,660	1,680	286	265	244	223	202	181	165	154	143	132	120
1,680	1,700	292	271	250	229	208	187	168	157	146	135	123
1,700	1,720	297	276	255	234	213	192	171	160	149	138	126
1,720	1,740	303	282	261	240	219	198	177	163	152	141	129
1,740	1,760	308	287	266	245	224	203	182	166	155	144	132
1,760	1,780	314	293	272	251	230	209	188	169	158	147	135
1,780	1,800	320	299	278	257	236	215	194	173	161	150	138
1,800	1,820	325	304	283	262	241	220	199	178	164	153	141
1,820	1,840	331	310	289	268	247	226	205	184	167	156	144
1,840	1,860	336	315	294	273	252	231	210	189	170	159	147
1,860	1,880	342	321	300	279	258	237	216	195	174	162	150
1,880	1,900	348	327	306	285	264	243	222	201	180	165	153
1,900	1,920	353	332	311	290	269	248	227	206	185	168	156
1,920	1,940	359	338	317	296	275	254	233	212	191	171	159
1,940	1,960	364	343	322	301	280	259	238	217	196	175	162
1,960	1,980	370	349	328	307	286	265	244	223	202	181	165
1,980	2,000	376	355	334	313	292	271	250	229	208	187	168
2,000	2,020	381	360	339	318	297	276	255	234	213	192	171
2,020	2,040	387	366	345	324	303	282	261	240	219	198	177
2,040	2,060	392	371	350	329	308	287	266	245	224	203	182
2,060	2,080	398	377	356	335	314	293	272	251	230	209	188
2,080	2,100	404	383	362	341	320	299	278	257	236	215	194
2,100	2,120	409	388	367	346	325	304	283	262	241	220	199
2,120	2,140	415	394	373	352	331	310	289	268	247	226	205
2,140	2,160	420	399	378	357	336	315	294	273	252	231	210

\$2,160 and over

Use Table 2(b) for a **MARRIED** person on page 22. Also see the instructions on page 20.

SINGLE Persons—SEMIMONTHLY Payroll Period
(For Wages Paid After December 1987)

And 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 shall be—												
\$0	\$45	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
45	50	1	0	0	0	0	0	0	0	0	0	0
50	55	1	0	0	0	0	0	0	0	0	0	0
55	60	2	0	0	0	0	0	0	0	0	0	0
60	65	3	0	0	0	0	0	0	0	0	0	0
65	70	4	0	0	0	0	0	0	0	0	0	0
70	75	4	0	0	0	0	0	0	0	0	0	0
75	80	5	0	0	0	0	0	0	0	0	0	0
80	85	6	0	0	0	0	0	0	0	0	0	0
85	90	7	0	0	0	0	0	0	0	0	0	0
90	95	7	0	0	0	0	0	0	0	0	0	0
95	100	8	0	0	0	0	0	0	0	0	0	0
100	105	9	0	0	0	0	0	0	0	0	0	0
105	110	10	0	0	0	0	0	0	0	0	0	0
110	115	10	0	0	0	0	0	0	0	0	0	0
115	120	11	0	0	0	0	0	0	0	0	0	0
120	125	12	0	0	0	0	0	0	0	0	0	0
125	130	13	0	0	0	0	0	0	0	0	0	0
130	135	13	1	0	0	0	0	0	0	0	0	0
135	140	14	2	0	0	0	0	0	0	0	0	0
140	145	15	3	0	0	0	0	0	0	0	0	0
145	150	16	3	0	0	0	0	0	0	0	0	0
150	155	16	4	0	0	0	0	0	0	0	0	0
155	160	17	5	0	0	0	0	0	0	0	0	0
160	165	18	6	0	0	0	0	0	0	0	0	0
165	170	19	6	0	0	0	0	0	0	0	0	0
170	175	19	7	0	0	0	0	0	0	0	0	0
175	180	20	8	0	0	0	0	0	0	0	0	0
180	185	21	9	0	0	0	0	0	0	0	0	0
185	190	22	9	0	0	0	0	0	0	0	0	0
190	195	22	10	0	0	0	0	0	0	0	0	0
195	200	23	11	0	0	0	0	0	0	0	0	0
200	205	24	12	0	0	0	0	0	0	0	0	0
205	210	25	12	0	0	0	0	0	0	0	0	0
210	215	25	13	1	0	0	0	0	0	0	0	0
215	220	26	14	2	0	0	0	0	0	0	0	0
220	225	27	15	2	0	0	0	0	0	0	0	0
225	230	28	15	3	0	0	0	0	0	0	0	0
230	235	28	16	4	0	0	0	0	0	0	0	0
235	240	29	17	5	0	0	0	0	0	0	0	0
240	245	30	18	5	0	0	0	0	0	0	0	0
245	250	31	18	6	0	0	0	0	0	0	0	0
250	260	32	20	7	0	0	0	0	0	0	0	0
260	270	33	21	9	0	0	0	0	0	0	0	0
270	280	35	23	10	0	0	0	0	0	0	0	0
280	290	36	24	12	0	0	0	0	0	0	0	0
290	300	38	26	13	1	0	0	0	0	0	0	0
300	310	39	27	15	3	0	0	0	0	0	0	0
310	320	41	29	16	4	0	0	0	0	0	0	0
320	330	42	30	18	6	0	0	0	0	0	0	0
330	340	44	32	19	7	0	0	0	0	0	0	0
340	350	45	33	21	9	0	0	0	0	0	0	0
350	360	47	35	22	10	0	0	0	0	0	0	0
360	370	48	36	24	12	0	0	0	0	0	0	0
370	380	50	38	25	13	1	0	0	0	0	0	0
380	390	51	39	27	15	2	0	0	0	0	0	0
390	400	53	41	28	16	4	0	0	0	0	0	0
400	410	54	42	30	18	5	0	0	0	0	0	0
410	420	56	44	31	19	7	0	0	0	0	0	0
420	430	57	45	33	21	8	0	0	0	0	0	0
430	440	59	47	34	22	10	0	0	0	0	0	0
440	450	60	48	36	24	11	0	0	0	0	0	0
450	460	62	50	37	25	13	1	0	0	0	0	0
460	470	63	51	39	27	14	2	0	0	0	0	0
470	480	65	53	40	28	16	4	0	0	0	0	0
480	490	66	54	42	30	17	5	0	0	0	0	0
490	500	68	56	43	31	19	7	0	0	0	0	0
500	520	70	58	46	33	21	9	0	0	0	0	0
520	540	73	61	49	36	24	12	0	0	0	0	0
540	560	76	64	52	39	27	15	3	0	0	0	0

SINGLE Persons—SEMIMONTHLY Payroll Period
(For Wages Paid After December 1987)

And 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 shall be—												
\$560	\$580	\$79	\$67	\$55	\$42	\$30	\$18	\$6	\$0	\$0	\$0	\$0
580	600	82	70	58	45	33	21	9	0	0	0	0
600	620	85	73	61	48	36	24	12	0	0	0	0
620	640	88	76	64	51	39	27	15	3	0	0	0
640	660	91	79	67	54	42	30	18	6	0	0	0
660	680	94	82	70	57	45	33	21	9	0	0	0
680	700	97	85	73	60	48	36	24	12	0	0	0
700	720	100	88	76	63	51	39	27	15	2	0	0
720	740	103	91	79	66	54	42	30	18	5	0	0
740	760	106	94	82	69	57	45	33	21	8	0	0
760	780	109	97	85	72	60	48	36	24	11	0	0
780	800	112	100	88	75	63	51	39	27	14	2	0
800	820	118	103	91	78	66	54	42	30	17	5	0
820	840	123	106	94	81	69	57	45	33	20	8	0
840	860	129	109	97	84	72	60	48	36	23	11	0
860	880	135	112	100	87	75	63	51	39	26	14	2
880	900	140	118	103	90	78	66	54	42	29	17	5
900	920	146	123	106	93	81	69	57	45	32	20	8
920	940	151	129	109	96	84	72	60	48	35	23	11
940	960	157	134	112	99	87	75	63	51	38	26	14
960	980	163	140	117	102	90	78	66	54	41	29	17
980	1,000	168	146	123	105	93	81	69	57	44	32	20
1,000	1,020	174	151	128	108	96	84	72	60	47	35	23
1,020	1,040	179	157	134	111	99	87	75	63	50	38	26
1,040	1,060	185	162	140	117	102	90	78	66	53	41	29
1,060	1,080	191	168	145	122	105	93	81	69	56	44	32
1,080	1,100	196	174	151	128	108	96	84	72	59	47	35
1,100	1,120	202	179	156	134	111	99	87	75	62	50	38
1,120	1,140	207	185	162	139	116	102	90	78	65	53	41
1,140	1,160	213	190	168	145	122	105	93	81	68	56	44
1,160	1,180	219	196	173	150	128	108	96	84	71	59	47
1,180	1,200	224	202	179	156	133	111	99	87	74	62	50
1,200	1,220	230	207	184	162	139	116	102	90	77	65	53
1,220	1,240	235	213	190	167	144	122	105	93	80	68	56
1,240	1,260	241	218	196	173	150	127	108	96	83	71	59
1,260	1,280	247	224	201	178	156	133	111	99	86	74	62
1,280	1,300	252	230	207	184	161	139	116	102	89	77	65
1,300	1,320	258	235	212	190	167	144	121	105	92	80	68
1,320	1,340	263	241	218	195	172	150	127	108	95	83	71
1,340	1,360	269	246	224	201	178	155	133	111	98	86	74
1,360	1,380	275	252	229	206	184	161	138	115	101	89	77
1,380	1,400	280	258	235	212	189	167	144	121	104	92	80
1,400	1,420	286	263	240	218	195	172	149	127	107	95	83
1,420	1,440	291	269	246	223	200	178	155	132	110	98	86
1,440	1,460	297	274	252	229	206	183	161	138	115	101	89
1,460	1,480	303	280	257	234	212	189	166	143	121	104	92
1,480	1,500	308	286	263	240	217	195	172	149	126	107	95
1,500	1,520	314	291	268	246	223	200	177	155	132	110	98
1,520	1,540	319	297	274	251	228	206	183	160	137	115	101
1,540	1,560	325	302	280	257	234	211	189	166	143	120	104
1,560	1,580	331	308	285	262	240	217	194	171	149	126	107
1,580	1,600	336	314	291	268	245	223	200	177	154	132	110
1,600	1,620	342	319	296	274	251	228	205	183	160	137	114
1,620	1,640	347	325	302	279	256	234	211	188	165	143	120
1,640	1,660	353	330	308	285	262	239	217	194	171	148	126
1,660	1,680	359	336	313	290	268	245	222	199	177	154	131
1,680	1,700	364	342	319	296	273	251	228	205	182	160	137
1,700	1,720	370	347	324	302	279	256	233	211	188	165	142
1,720	1,740	375	353	330	307	284	262	239	216	193	171	148
1,740	1,760	381	358	336	313	290	267	245	222	199	176	154
1,760	1,780	387	364	341	318	296	273	250	227	205	182	159
1,780	1,800	392	370	347	324	301	279	256	233	210	188	165
1,800	1,820	398	375	352	330	307	284	261	239	216	193	170
1,820	1,840	403	381	358	335	312	290	267	244	221	199	176
1,840	1,860	409	386	364	341	318	295	273	250	227	204	182

\$1,860 and over Use Table 3(a) for a SINGLE person on page 22. Also see the instructions on page 20.

MARRIED Persons—SEMIMONTHLY Payroll Period
 (For Wages Paid After December 1987)

And 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 shall be—												
\$0	\$130	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
130	135	1	0	0	0	0	0	0	0	0	0	0
135	140	2	0	0	0	0	0	0	0	0	0	0
140	145	2	0	0	0	0	0	0	0	0	0	0
145	150	3	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	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	10	0	0	0	0	0	0	0	0	0	0
195	200	11	0	0	0	0	0	0	0	0	0	0
200	205	11	0	0	0	0	0	0	0	0	0	0
205	210	12	0	0	0	0	0	0	0	0	0	0
210	215	13	1	0	0	0	0	0	0	0	0	0
215	220	14	1	0	0	0	0	0	0	0	0	0
220	225	14	2	0	0	0	0	0	0	0	0	0
225	230	15	3	0	0	0	0	0	0	0	0	0
230	235	16	4	0	0	0	0	0	0	0	0	0
235	240	17	4	0	0	0	0	0	0	0	0	0
240	245	17	5	0	0	0	0	0	0	0	0	0
245	250	18	6	0	0	0	0	0	0	0	0	0
250	260	19	7	0	0	0	0	0	0	0	0	0
260	270	21	9	0	0	0	0	0	0	0	0	0
270	280	22	10	0	0	0	0	0	0	0	0	0
280	290	24	12	0	0	0	0	0	0	0	0	0
290	300	25	13	1	0	0	0	0	0	0	0	0
300	310	27	15	2	0	0	0	0	0	0	0	0
310	320	28	16	4	0	0	0	0	0	0	0	0
320	330	30	18	5	0	0	0	0	0	0	0	0
330	340	31	19	7	0	0	0	0	0	0	0	0
340	350	33	21	8	0	0	0	0	0	0	0	0
350	360	34	22	10	0	0	0	0	0	0	0	0
360	370	36	24	11	0	0	0	0	0	0	0	0
370	380	37	25	13	1	0	0	0	0	0	0	0
380	390	39	27	14	2	0	0	0	0	0	0	0
390	400	40	28	16	4	0	0	0	0	0	0	0
400	410	42	30	17	5	0	0	0	0	0	0	0
410	420	43	31	19	7	0	0	0	0	0	0	0
420	430	45	33	20	8	0	0	0	0	0	0	0
430	440	46	34	22	10	0	0	0	0	0	0	0
440	450	48	36	23	11	0	0	0	0	0	0	0
450	460	49	37	25	13	0	0	0	0	0	0	0
460	470	51	39	26	14	2	0	0	0	0	0	0
470	480	52	40	28	16	3	0	0	0	0	0	0
480	490	54	42	29	17	5	0	0	0	0	0	0
490	500	55	43	31	19	6	0	0	0	0	0	0
500	520	57	45	33	21	9	0	0	0	0	0	0
520	540	60	48	36	24	12	0	0	0	0	0	0
540	560	63	51	39	27	15	3	0	0	0	0	0
560	580	66	54	42	30	18	6	0	0	0	0	0
580	600	69	57	45	33	21	9	0	0	0	0	0
600	620	72	60	48	36	24	12	0	0	0	0	0
620	640	75	63	51	39	27	15	2	0	0	0	0
640	660	78	66	54	42	30	18	5	0	0	0	0
660	680	81	69	57	45	33	21	8	0	0	0	0
680	700	84	72	60	48	36	24	11	0	0	0	0
700	720	87	75	63	51	39	27	14	2	0	0	0
720	740	90	78	66	54	42	30	17	5	0	0	0
740	760	93	81	69	57	45	33	20	8	0	0	0
760	780	96	84	72	60	48	36	23	11	0	0	0
780	800	99	87	75	63	51	39	26	14	2	0	0
800	820	102	90	78	66	54	42	29	17	5	0	0
820	840	105	93	81	69	57	45	32	20	8	0	0
840	860	108	96	84	72	60	48	35	23	11	0	0
860	880	111	99	87	75	63	51	38	26	14	2	0
880	900	114	102	90	78	66	54	41	29	17	5	0

MARRIED Persons--SEMIMONTHLY Payroll Period
(For Wages Paid After December 1987)

And 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 shall be--												
\$900	\$920	\$117	\$105	\$93	\$81	\$69	\$57	\$44	\$32	\$20	\$8	\$0
920	940	120	108	96	84	72	60	47	35	23	11	0
940	960	123	111	99	87	75	63	50	38	26	14	2
960	980	126	114	102	90	78	66	53	41	29	17	5
980	1,000	129	117	105	93	81	69	56	44	32	20	8
1,000	1,020	132	120	108	96	84	72	59	47	35	23	11
1,020	1,040	135	123	111	99	87	75	62	50	38	26	14
1,040	1,060	138	126	114	102	90	78	65	53	41	29	17
1,060	1,080	141	129	117	105	93	81	68	56	44	32	20
1,080	1,100	144	132	120	108	96	84	71	59	47	35	23
1,100	1,120	147	135	123	111	99	87	74	62	50	38	26
1,120	1,140	150	138	126	114	102	90	77	65	53	41	29
1,140	1,160	153	141	129	117	105	93	80	68	56	44	32
1,160	1,180	156	144	132	120	108	96	83	71	59	47	35
1,180	1,200	159	147	135	123	111	99	86	74	62	50	38
1,200	1,220	162	150	138	126	114	102	89	77	65	53	41
1,220	1,240	165	153	141	129	117	105	92	80	68	56	44
1,240	1,260	168	156	144	132	120	108	95	83	71	59	47
1,260	1,280	171	159	147	135	123	111	98	86	74	62	50
1,280	1,300	174	162	150	138	126	114	101	89	77	65	53
1,300	1,320	177	165	153	141	129	117	104	92	80	68	56
1,320	1,340	180	168	156	144	132	120	107	95	83	71	59
1,340	1,360	183	171	159	147	135	123	110	98	86	74	62
1,360	1,380	187	174	162	150	138	126	113	101	89	77	65
1,380	1,400	192	177	165	153	141	129	116	104	92	80	68
1,400	1,420	198	180	168	156	144	132	119	107	95	83	71
1,420	1,440	204	183	171	159	147	135	122	110	98	86	74
1,440	1,460	209	187	174	162	150	138	125	113	101	89	77
1,460	1,480	215	192	177	165	153	141	128	116	104	92	80
1,480	1,500	220	198	180	168	156	144	131	119	107	95	83
1,500	1,520	226	203	183	171	159	147	134	122	110	98	86
1,520	1,540	232	209	186	174	162	150	137	125	113	101	89
1,540	1,560	237	215	192	177	165	153	140	128	116	104	92
1,560	1,580	243	220	197	180	168	156	143	131	119	107	95
1,580	1,600	248	226	203	183	171	159	146	134	122	110	98
1,600	1,620	254	231	209	186	174	162	149	137	125	113	101
1,620	1,640	260	237	214	191	177	165	152	140	128	116	104
1,640	1,660	265	243	220	197	180	168	155	143	131	119	107
1,660	1,680	271	248	225	203	183	171	158	146	134	122	110
1,680	1,700	276	254	231	208	186	174	161	149	137	125	113
1,700	1,720	282	259	237	214	191	177	164	152	140	128	116
1,720	1,740	288	265	242	219	197	180	167	155	143	131	119
1,740	1,760	293	271	248	225	202	183	170	158	146	134	122
1,760	1,780	299	276	253	231	208	186	173	161	149	137	125
1,780	1,800	304	282	259	236	213	191	176	164	152	140	128
1,800	1,820	310	287	265	242	219	196	179	167	155	143	131
1,820	1,840	316	293	270	247	225	202	182	170	158	146	134
1,840	1,860	321	299	276	253	230	208	185	173	161	149	137
1,860	1,880	327	304	281	259	236	213	190	176	164	152	140
1,880	1,900	332	310	287	264	241	219	196	179	167	155	143
1,900	1,920	338	315	293	270	247	224	202	182	170	158	146
1,920	1,940	344	321	298	275	253	230	207	185	173	161	149
1,940	1,960	349	327	304	281	258	236	213	190	176	164	152
1,960	1,980	355	332	309	287	264	241	218	196	179	167	155
1,980	2,000	360	338	315	292	269	247	224	201	182	170	158
2,000	2,020	366	343	321	298	275	252	230	207	185	173	161
2,020	2,040	372	349	326	303	281	258	235	212	190	176	164
2,040	2,060	377	355	332	309	286	264	241	218	195	179	167
2,060	2,080	383	360	337	315	292	269	246	224	201	182	170
2,080	2,100	388	366	343	320	297	275	252	229	206	185	173
2,100	2,120	394	371	349	326	303	280	258	235	212	189	176
2,120	2,140	400	377	354	331	309	286	263	240	218	195	179
2,140	2,160	405	383	360	337	314	292	269	246	223	201	182
2,160	2,180	411	388	365	343	320	297	274	252	229	206	185
2,180	2,200	416	394	371	348	325	303	280	257	234	212	189

\$2,200 and over Use Table 3(b) for a MARRIED person on page 22. Also see the instructions on page 20.

SINGLE Persons—MONTHLY Payroll Period

(For Wages Paid After December 1987)

And 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 shall be—												
\$0	\$90	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
90	95	1	0	0	0	0	0	0	0	0	0	0
95	100	2	0	0	0	0	0	0	0	0	0	0
100	105	2	0	0	0	0	0	0	0	0	0	0
105	110	3	0	0	0	0	0	0	0	0	0	0
110	115	4	0	0	0	0	0	0	0	0	0	0
115	120	5	0	0	0	0	0	0	0	0	0	0
120	125	5	0	0	0	0	0	0	0	0	0	0
125	130	6	0	0	0	0	0	0	0	0	0	0
130	135	7	0	0	0	0	0	0	0	0	0	0
135	140	8	0	0	0	0	0	0	0	0	0	0
140	145	8	0	0	0	0	0	0	0	0	0	0
145	150	9	0	0	0	0	0	0	0	0	0	0
150	160	10	0	0	0	0	0	0	0	0	0	0
160	170	12	0	0	0	0	0	0	0	0	0	0
170	180	13	0	0	0	0	0	0	0	0	0	0
180	190	15	0	0	0	0	0	0	0	0	0	0
190	200	16	0	0	0	0	0	0	0	0	0	0
200	210	18	0	0	0	0	0	0	0	0	0	0
210	220	19	0	0	0	0	0	0	0	0	0	0
220	230	21	0	0	0	0	0	0	0	0	0	0
230	240	22	0	0	0	0	0	0	0	0	0	0
240	250	24	0	0	0	0	0	0	0	0	0	0
250	260	25	1	0	0	0	0	0	0	0	0	0
260	270	27	2	0	0	0	0	0	0	0	0	0
270	280	28	4	0	0	0	0	0	0	0	0	0
280	290	30	5	0	0	0	0	0	0	0	0	0
290	300	31	7	0	0	0	0	0	0	0	0	0
300	320	33	9	0	0	0	0	0	0	0	0	0
320	340	36	12	0	0	0	0	0	0	0	0	0
340	360	39	15	0	0	0	0	0	0	0	0	0
360	380	42	18	0	0	0	0	0	0	0	0	0
380	400	45	21	0	0	0	0	0	0	0	0	0
400	420	48	24	0	0	0	0	0	0	0	0	0
420	440	51	27	3	0	0	0	0	0	0	0	0
440	460	54	30	6	0	0	0	0	0	0	0	0
460	480	57	33	9	0	0	0	0	0	0	0	0
480	500	60	36	12	0	0	0	0	0	0	0	0
500	520	63	39	15	0	0	0	0	0	0	0	0
520	540	66	42	18	0	0	0	0	0	0	0	0
540	560	69	45	21	0	0	0	0	0	0	0	0
560	580	72	48	24	0	0	0	0	0	0	0	0
580	600	75	51	27	2	0	0	0	0	0	0	0
600	640	80	56	31	7	0	0	0	0	0	0	0
640	680	86	62	37	13	0	0	0	0	0	0	0
680	720	92	68	43	19	0	0	0	0	0	0	0
720	760	98	74	49	25	0	0	0	0	0	0	0
760	800	104	80	55	31	6	0	0	0	0	0	0
800	840	110	86	61	37	12	0	0	0	0	0	0
840	880	116	92	67	43	18	0	0	0	0	0	0
880	920	122	98	73	49	24	0	0	0	0	0	0
920	960	128	104	79	55	30	6	0	0	0	0	0
960	1,000	134	110	85	61	36	12	0	0	0	0	0
1,000	1,040	140	116	91	67	42	18	0	0	0	0	0
1,040	1,080	146	122	97	73	48	24	0	0	0	0	0
1,080	1,120	152	128	103	79	54	30	6	0	0	0	0
1,120	1,160	158	134	109	85	60	36	12	0	0	0	0
1,160	1,200	164	140	115	91	66	42	18	0	0	0	0
1,200	1,240	170	146	121	97	72	48	24	0	0	0	0
1,240	1,280	176	152	127	103	78	54	30	5	0	0	0
1,280	1,320	182	158	133	109	84	60	36	11	0	0	0
1,320	1,360	188	164	139	115	90	66	42	17	0	0	0
1,360	1,400	194	170	145	121	96	72	48	23	0	0	0
1,400	1,440	200	176	151	127	102	78	54	29	5	0	0
1,440	1,480	206	182	157	133	108	84	60	35	11	0	0
1,480	1,520	212	188	163	139	114	90	66	41	17	0	0
1,520	1,560	218	194	169	145	120	96	72	47	23	0	0
1,560	1,600	225	200	175	151	126	102	78	53	29	5	0
1,600	1,640	236	206	181	157	132	108	84	59	35	11	0

SINGLE Persons—MONTHLY Payroll Period
(For Wages Paid After December 1987)

And 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 shall be—												
\$1,640	\$1,680	\$247	\$212	\$187	\$163	\$138	\$114	\$90	\$65	\$41	\$17	\$0
1,680	1,720	258	218	193	169	144	120	96	71	47	23	0
1,720	1,760	269	224	199	175	150	126	102	77	53	29	4
1,760	1,800	281	235	205	181	156	132	108	83	59	35	10
1,800	1,840	292	246	211	187	162	138	114	89	65	41	16
1,840	1,880	303	257	217	193	168	144	120	95	71	47	22
1,880	1,920	314	269	223	199	174	150	126	101	77	53	28
1,920	1,960	325	280	234	205	180	156	132	107	83	59	34
1,960	2,000	337	291	246	211	186	162	138	113	89	65	40
2,000	2,040	348	302	257	217	192	168	144	119	95	71	46
2,040	2,080	359	313	268	223	198	174	150	125	101	77	52
2,080	2,120	370	325	279	234	204	180	156	131	107	83	58
2,120	2,160	381	336	290	245	210	186	162	137	113	89	64
2,160	2,200	393	347	302	256	216	192	168	143	119	95	70
2,200	2,240	404	358	313	267	222	198	174	149	125	101	76
2,240	2,280	415	369	324	278	233	204	180	155	131	107	82
2,280	2,320	426	381	335	290	244	210	186	161	137	113	88
2,320	2,360	437	392	346	301	255	216	192	167	143	119	94
2,360	2,400	449	403	358	312	267	222	198	173	149	125	100
2,400	2,440	460	414	369	323	278	232	204	179	155	131	106
2,440	2,480	471	425	380	334	289	243	210	185	161	137	112
2,480	2,520	482	437	391	346	300	255	216	191	167	143	118
2,520	2,560	493	448	402	357	311	266	222	197	173	149	124
2,560	2,600	505	459	414	368	323	277	232	203	179	155	130
2,600	2,640	516	470	425	379	334	288	243	209	185	161	136
2,640	2,680	527	481	436	390	345	299	254	215	191	167	142
2,680	2,720	538	493	447	402	356	311	265	221	197	173	148
2,720	2,760	549	504	458	413	367	322	276	231	203	179	154
2,760	2,800	561	515	470	424	379	333	288	242	209	185	160
2,800	2,840	572	526	481	435	390	344	299	253	215	191	166
2,840	2,880	583	537	492	446	401	355	310	264	221	197	172
2,880	2,920	594	549	503	458	412	367	321	276	230	203	178
2,920	2,960	605	560	514	469	423	378	332	287	241	209	184
2,960	3,000	617	571	526	480	435	389	344	298	253	215	190
3,000	3,040	628	582	537	491	446	400	355	309	264	221	196
3,040	3,080	639	593	548	502	457	411	366	320	275	229	202
3,080	3,120	650	605	559	514	468	423	377	332	286	241	208
3,120	3,160	661	616	570	525	479	434	388	343	297	252	214
3,160	3,200	673	627	582	536	491	445	400	354	309	263	220
3,200	3,240	684	638	593	547	502	456	411	365	320	274	229
3,240	3,280	695	649	604	558	513	467	422	376	331	285	240
3,280	3,320	706	661	615	570	524	479	433	388	342	297	251
3,320	3,360	717	672	626	581	535	490	444	399	353	308	262
3,360	3,400	729	683	638	592	547	501	456	410	365	319	274
3,400	3,440	740	694	649	603	558	512	467	421	376	330	285
3,440	3,480	751	705	660	614	569	523	478	432	387	341	296
3,480	3,520	762	717	671	626	580	535	489	444	398	353	307
3,520	3,560	773	728	682	637	591	546	500	455	409	364	318
3,560	3,600	785	739	694	648	603	557	512	466	421	375	330
3,600	3,640	796	750	705	659	614	568	523	477	432	386	341
3,640	3,680	807	761	716	670	625	579	534	488	443	397	352
3,680	3,720	819	773	727	682	636	591	545	500	454	409	363
3,720	3,760	832	784	738	693	647	602	556	511	465	420	374
3,760	3,800	845	795	750	704	659	613	568	522	477	431	386
3,800	3,840	859	806	761	715	670	624	579	533	488	442	397
3,840	3,880	872	818	772	726	681	635	590	544	499	453	408
3,880	3,920	885	831	783	738	692	647	601	556	510	465	419
3,920	3,960	898	845	794	749	703	658	612	567	521	476	430
3,960	4,000	911	858	806	760	715	669	624	578	533	487	442
4,000	4,040	925	871	817	771	726	680	635	589	544	498	453
4,040	4,080	938	884	831	782	737	691	646	600	555	509	464
4,080	4,120	951	897	844	794	748	703	657	612	566	521	475
4,120	4,160	964	911	857	805	759	714	668	623	577	532	486
4,160	4,200	977	924	870	816	771	725	680	634	589	543	498
4,200	4,240	991	937	883	830	782	736	691	645	600	554	509

\$4,240 and over

Use Table 4(a) for a **SINGLE** person on page 22. Also see the instructions on page 20.

MARRIED Persons—MONTHLY Payroll Period

(For Wages Paid After December 1987)

And 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 shall be—												
\$0	\$260	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
260	270	2	0	0	0	0	0	0	0	0	0	0
270	280	3	0	0	0	0	0	0	0	0	0	0
280	290	5	0	0	0	0	0	0	0	0	0	0
290	300	6	0	0	0	0	0	0	0	0	0	0
300	320	8	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	14	0	0	0	0	0	0	0	0	0	0
360	380	17	0	0	0	0	0	0	0	0	0	0
380	400	20	0	0	0	0	0	0	0	0	0	0
400	420	23	0	0	0	0	0	0	0	0	0	0
420	440	26	2	0	0	0	0	0	0	0	0	0
440	460	29	5	0	0	0	0	0	0	0	0	0
460	480	32	8	0	0	0	0	0	0	0	0	0
480	500	35	11	0	0	0	0	0	0	0	0	0
500	520	38	14	0	0	0	0	0	0	0	0	0
520	540	41	17	0	0	0	0	0	0	0	0	0
540	560	44	20	0	0	0	0	0	0	0	0	0
560	580	47	23	0	0	0	0	0	0	0	0	0
580	600	50	26	2	0	0	0	0	0	0	0	0
600	640	55	31	6	0	0	0	0	0	0	0	0
640	680	61	37	12	0	0	0	0	0	0	0	0
680	720	67	43	18	0	0	0	0	0	0	0	0
720	760	73	49	24	0	0	0	0	0	0	0	0
760	800	79	55	30	6	0	0	0	0	0	0	0
800	840	85	61	36	12	0	0	0	0	0	0	0
840	880	91	67	42	18	0	0	0	0	0	0	0
880	920	97	73	48	24	0	0	0	0	0	0	0
920	960	103	79	54	30	5	0	0	0	0	0	0
960	1,000	109	85	60	36	11	0	0	0	0	0	0
1,000	1,040	115	91	66	42	17	0	0	0	0	0	0
1,040	1,080	121	97	72	48	23	0	0	0	0	0	0
1,080	1,120	127	103	78	54	29	5	0	0	0	0	0
1,120	1,160	133	109	84	60	35	11	0	0	0	0	0
1,160	1,200	139	115	90	66	41	17	0	0	0	0	0
1,200	1,240	145	121	96	72	47	23	0	0	0	0	0
1,240	1,280	151	127	102	78	53	29	5	0	0	0	0
1,280	1,320	157	133	108	84	59	35	11	0	0	0	0
1,320	1,360	163	139	114	90	65	41	17	0	0	0	0
1,360	1,400	169	145	120	96	71	47	23	0	0	0	0
1,400	1,440	175	151	126	102	77	53	29	4	0	0	0
1,440	1,480	181	157	132	108	83	59	35	10	0	0	0
1,480	1,520	187	163	138	114	89	65	41	16	0	0	0
1,520	1,560	193	169	144	120	95	71	47	22	0	0	0
1,560	1,600	199	175	150	126	101	77	53	28	4	0	0
1,600	1,640	205	181	156	132	107	83	59	34	10	0	0
1,640	1,680	211	187	162	138	113	89	65	40	16	0	0
1,680	1,720	217	193	168	144	119	95	71	46	22	0	0
1,720	1,760	223	199	174	150	125	101	77	52	28	4	0
1,760	1,800	229	205	180	156	131	107	83	58	34	10	0
1,800	1,840	235	211	186	162	137	113	89	64	40	16	0
1,840	1,880	241	217	192	168	143	119	95	70	46	22	0
1,880	1,920	247	223	198	174	149	125	101	76	52	28	3
1,920	1,960	253	229	204	180	155	131	107	82	58	34	9
1,960	2,000	259	235	210	186	161	137	113	88	64	40	15
2,000	2,040	265	241	216	192	167	143	119	94	70	46	21
2,040	2,080	271	247	222	198	173	149	125	100	76	52	27
2,080	2,120	277	253	228	204	179	155	131	106	82	58	33
2,120	2,160	283	259	234	210	185	161	137	112	88	64	39
2,160	2,200	289	265	240	216	191	167	143	118	94	70	45
2,200	2,240	295	271	246	222	197	173	149	124	100	76	51
2,240	2,280	301	277	252	228	203	179	155	130	106	82	57
2,280	2,320	307	283	258	234	209	185	161	136	112	88	63
2,320	2,360	313	289	264	240	215	191	167	142	118	94	69
2,360	2,400	319	295	270	246	221	197	173	148	124	100	75
2,400	2,440	325	301	276	252	227	203	179	154	130	106	81
2,440	2,480	331	307	282	258	233	209	185	160	136	112	87
2,480	2,520	337	313	288	264	239	215	191	166	142	118	93
2,520	2,560	343	319	294	270	245	221	197	172	148	124	99
2,560	2,600	349	325	300	276	251	227	203	178	154	130	105

MARRIED Persons—MONTHLY Payroll Period
(For Wages Paid After December 1987)

And 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 shall be—												
\$2,600	\$2,640	\$355	\$331	\$306	\$282	\$257	\$233	\$209	\$184	\$160	\$136	\$111
2,640	2,680	361	337	312	288	263	239	215	190	166	142	117
2,680	2,720	367	343	318	294	269	245	221	196	172	148	123
2,720	2,760	374	349	324	300	275	251	227	202	178	154	129
2,760	2,800	385	355	330	306	281	257	233	208	184	160	135
2,800	2,840	396	361	336	312	287	263	239	214	190	166	141
2,840	2,880	407	367	342	318	293	269	245	220	196	172	147
2,880	2,920	419	373	348	324	299	275	251	226	202	178	153
2,920	2,960	430	384	354	330	305	281	257	232	208	184	159
2,960	3,000	441	395	360	336	311	287	263	238	214	190	165
3,000	3,040	452	407	366	342	317	293	269	244	220	196	171
3,040	3,080	463	418	372	348	323	299	275	250	226	202	177
3,080	3,120	475	429	384	354	329	305	281	256	232	208	183
3,120	3,160	486	440	395	360	335	311	287	262	238	214	189
3,160	3,200	497	451	406	366	341	317	293	268	244	220	195
3,200	3,240	508	463	417	372	347	323	299	274	250	226	201
3,240	3,280	519	474	428	383	353	329	305	280	256	232	207
3,280	3,320	531	485	440	394	359	335	311	286	262	238	213
3,320	3,360	542	496	451	405	365	341	317	292	268	244	219
3,360	3,400	553	507	462	416	371	347	323	298	274	250	225
3,400	3,440	564	519	473	428	382	353	329	304	280	256	231
3,440	3,480	575	530	484	439	393	359	335	310	286	262	237
3,480	3,520	587	541	496	450	405	365	341	316	292	268	243
3,520	3,560	598	552	507	461	416	371	347	322	298	274	249
3,560	3,600	609	563	518	472	427	381	353	328	304	280	255
3,600	3,640	620	575	529	484	438	393	359	334	310	286	261
3,640	3,680	631	586	540	495	449	404	365	340	316	292	267
3,680	3,720	643	597	552	506	461	415	371	346	322	298	273
3,720	3,760	654	608	563	517	472	426	381	352	328	304	279
3,760	3,800	665	619	574	528	483	437	392	358	334	310	285
3,800	3,840	676	631	585	540	494	449	403	364	340	316	291
3,840	3,880	687	642	596	551	505	460	414	370	346	322	297
3,880	3,920	699	653	608	562	517	471	426	380	352	328	303
3,920	3,960	710	664	619	573	528	482	437	391	358	334	309
3,960	4,000	721	675	630	584	539	493	448	402	364	340	315
4,000	4,040	732	687	641	596	550	505	459	414	370	346	321
4,040	4,080	743	698	652	607	561	516	470	425	379	352	327
4,080	4,120	755	709	664	618	573	527	482	436	391	358	333
4,120	4,160	766	720	675	629	584	538	493	447	402	364	339
4,160	4,200	777	731	686	640	595	549	504	458	413	370	345
4,200	4,240	788	743	697	652	606	561	515	470	424	379	351
4,240	4,280	799	754	708	663	617	572	526	481	435	390	357
4,280	4,320	811	765	720	674	629	583	538	492	447	401	363
4,320	4,360	822	776	731	685	640	594	549	503	458	412	369
4,360	4,400	833	787	742	696	651	605	560	514	469	423	378
4,400	4,440	844	799	753	708	662	617	571	526	480	435	389
4,440	4,480	855	810	764	719	673	628	582	537	491	446	400
4,480	4,520	867	821	776	730	685	639	594	548	503	457	412
4,520	4,560	878	832	787	741	696	650	605	559	514	468	423
4,560	4,600	889	843	798	752	707	661	616	570	525	479	434
4,600	4,640	900	855	809	764	718	673	627	582	536	491	445
4,640	4,680	911	866	820	775	729	684	638	593	547	502	456
4,680	4,720	923	877	832	786	741	695	650	604	559	513	468
4,720	4,760	934	888	843	797	752	706	661	615	570	524	479
4,760	4,800	945	899	854	808	763	717	672	626	581	535	490
4,800	4,840	956	911	865	820	774	729	683	638	592	547	501
4,840	4,880	967	922	876	831	785	740	694	649	603	558	512
4,880	4,920	979	933	888	842	797	751	706	660	615	569	524
4,920	4,960	990	944	899	853	808	762	717	671	626	580	535
4,960	5,000	1,001	955	910	864	819	773	728	682	637	591	546
5,000	5,040	1,012	967	921	876	830	785	739	694	648	603	557
5,040	5,080	1,023	978	932	887	841	796	750	705	659	614	568
5,080	5,120	1,035	989	944	898	853	807	762	716	671	625	580
5,120	5,160	1,046	1,000	955	909	864	818	773	727	682	636	591
5,160	5,200	1,057	1,011	966	920	875	829	784	738	693	647	602

\$5,200 and over Use Table 4(b) for a MARRIED person on page 22. Also see the instructions on page 20.

SINGLE Persons—DAILY OR MISCELLANEOUS Payroll Period

(For Wages Paid After December 1987)

And 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 shall be—												
\$0	\$6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	9	1	0	0	0	0	0	0	0	0	0	0
9	12	1	0	0	0	0	0	0	0	0	0	0
12	15	1	0	0	0	0	0	0	0	0	0	0
15	18	2	1	0	0	0	0	0	0	0	0	0
18	21	2	1	0	0	0	0	0	0	0	0	0
21	24	3	2	1	0	0	0	0	0	0	0	0
24	27	3	2	1	0	0	0	0	0	0	0	0
27	30	4	3	1	0	0	0	0	0	0	0	0
30	33	4	3	2	1	0	0	0	0	0	0	0
33	36	5	3	2	1	0	0	0	0	0	0	0
36	39	5	4	3	2	1	0	0	0	0	0	0
39	42	5	4	3	2	1	0	0	0	0	0	0
42	45	6	5	4	3	2	1	0	0	0	0	0
45	48	6	5	4	3	2	1	0	0	0	0	0
48	51	7	6	5	3	2	1	0	0	0	0	0
51	54	7	6	5	4	3	2	1	0	0	0	0
54	57	8	7	5	4	3	2	1	0	0	0	0
57	60	8	7	6	5	4	3	2	1	0	0	0
60	63	9	7	6	5	4	3	2	1	0	0	0
63	66	9	8	7	6	5	3	2	1	0	0	0
66	69	10	8	7	6	5	4	3	2	1	0	0
69	72	10	9	8	7	5	4	3	2	1	0	0
72	75	11	9	8	7	6	5	4	3	2	1	0
75	78	11	10	9	7	6	5	4	3	2	1	0
78	81	12	10	9	8	7	6	5	3	2	1	0
81	84	13	11	10	8	7	6	5	4	3	2	1
84	87	14	12	10	9	8	7	5	4	3	2	1
87	90	15	13	11	9	8	7	6	5	4	3	2
90	93	16	13	11	10	9	7	6	5	4	3	2
93	96	16	14	12	10	9	8	7	6	5	3	2
96	99	17	15	13	11	10	8	7	6	5	4	3
99	102	18	16	14	12	10	9	8	7	5	4	3
102	105	19	17	15	13	11	9	8	7	6	5	4
105	108	20	18	16	13	11	10	9	7	6	5	4
108	111	21	19	16	14	12	10	9	8	7	6	5
111	114	21	19	17	15	13	11	10	8	7	6	5
114	117	22	20	18	16	14	12	10	9	8	7	5
117	120	23	21	19	17	15	13	11	9	8	7	6
120	123	24	22	20	18	16	13	11	10	9	7	6
123	126	25	23	21	19	16	14	12	10	9	8	7
126	129	26	24	21	19	17	15	13	11	10	8	7
129	132	26	24	22	20	18	16	14	12	10	9	8
132	135	27	25	23	21	19	17	15	13	11	9	8
135	138	28	26	24	22	20	18	16	13	11	10	9
138	141	29	27	25	23	21	19	16	14	12	10	9
141	144	30	28	26	24	21	19	17	15	13	11	10
144	147	31	29	26	24	22	20	18	16	14	12	10
147	150	32	29	27	25	23	21	19	17	15	13	11
150	153	32	30	28	26	24	22	20	18	16	13	11
153	156	33	31	29	27	25	23	21	19	16	14	12
156	159	34	32	30	28	26	24	21	19	17	15	13
159	162	35	33	31	29	26	24	22	20	18	16	14
162	165	36	34	32	29	27	25	23	21	19	17	15
165	168	37	34	32	30	28	26	24	22	20	18	16
168	171	37	35	33	31	29	27	25	23	21	19	16
171	174	38	36	34	32	30	28	26	24	21	19	17
174	177	39	37	35	33	31	29	26	24	22	20	18
177	180	40	38	36	34	32	29	27	25	23	21	19
180	183	41	39	37	34	32	30	28	26	24	22	20
183	186	42	40	37	35	33	31	29	27	25	23	21
186	189	43	41	38	36	34	32	30	28	26	24	21
189	192	44	42	39	37	35	33	31	29	26	24	22
192	195	45	43	40	38	36	34	32	29	27	25	23
195	198	46	44	41	39	37	34	32	30	28	26	24
198	201	47	45	42	40	37	35	33	31	29	27	25
201	204	48	46	43	41	38	36	34	32	30	28	26
204	207	49	47	44	42	39	37	35	33	31	29	26
207	210	50	48	45	43	40	38	36	34	32	29	27
210	213	51	49	46	44	41	39	37	34	32	30	28

SINGLE Persons—DAILY OR MISCELLANEOUS Payroll Period
(For Wages Paid After December 1987)

And 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 shall be—										
\$213	\$216	\$52	\$50	\$47	\$45	\$42	\$40	\$37	\$35	\$33	\$31	\$29
216	219	53	51	48	46	43	41	38	36	34	32	30
219	222	54	52	49	47	44	42	39	37	35	33	31
222	225	55	53	50	48	45	43	40	38	36	34	32
225	228	56	54	51	49	46	44	41	39	37	34	32
228	231	57	55	52	50	47	45	42	40	37	35	33
231	234	58	56	53	51	48	46	43	41	38	36	34
234	237	59	57	54	52	49	47	44	42	39	37	35
237	240	60	58	55	53	50	48	45	43	40	38	36
240	243	61	59	56	54	51	49	46	44	41	39	37
243	246	62	60	57	55	52	50	47	45	42	40	37
246	249	63	61	58	56	53	51	48	46	43	41	38
249	252	64	62	59	57	54	52	49	47	44	42	39
252	255	65	63	60	58	55	53	50	48	45	43	40
255	258	66	64	61	59	56	54	51	49	46	44	41
258	261	67	65	62	60	57	55	52	50	47	45	42
261	264	68	66	63	61	58	56	53	51	48	46	43
264	267	69	67	64	62	59	57	54	52	49	47	44
267	270	70	68	65	63	60	58	55	53	50	48	45
270	273	71	69	66	64	61	59	56	54	51	49	46
273	276	72	70	67	65	62	60	57	55	52	50	47
276	279	73	71	68	66	63	61	58	56	53	51	48
279	282	74	72	69	67	64	62	59	57	54	52	49
282	285	75	73	70	68	65	63	60	58	55	53	50
285	288	76	74	71	69	66	64	61	59	56	54	51
288	291	77	75	72	70	67	65	62	60	57	55	52
291	294	78	75	73	71	68	66	63	61	58	56	53
294	297	79	76	74	72	69	67	64	62	59	57	54
297	300	80	77	75	73	70	68	65	63	60	58	55
300	303	81	78	76	74	71	69	66	64	61	59	56
303	306	82	79	77	75	72	70	67	65	62	60	57
306	309	83	80	78	75	73	71	68	66	63	61	58
309	312	84	81	79	76	74	72	69	67	64	62	59
312	315	85	82	80	77	75	73	70	68	65	63	60
315	318	86	83	81	78	76	74	71	69	66	64	61
318	321	87	84	82	79	77	75	72	70	67	65	62
321	324	88	85	83	80	78	75	73	71	68	66	63
324	327	89	86	84	81	79	76	74	72	69	67	64
327	330	90	87	85	82	80	77	75	73	70	68	65
330	333	91	88	86	83	81	78	76	74	71	69	66
333	336	92	89	87	84	82	79	77	75	72	70	67
336	339	93	90	88	85	83	80	78	75	73	71	68
339	341	94	91	89	86	84	81	79	76	74	71	68
341	343	94	92	89	87	84	82	79	77	75	72	70
343	345	95	92	90	88	85	83	80	78	75	73	70
345	347	96	93	91	88	86	83	81	78	76	73	71
347	349	96	94	91	89	86	84	81	79	76	74	72
349	351	97	94	92	90	87	85	82	80	77	75	72
351	353	98	95	93	90	88	85	83	80	78	75	73
353	355	98	96	93	91	88	86	83	81	78	76	74
355	357	99	96	94	91	89	87	84	82	79	77	74
357	359	100	97	95	92	90	87	85	82	80	77	75
359	361	100	98	95	93	90	88	85	83	80	78	75
361	363	101	98	96	93	91	89	86	84	81	79	76
363	365	102	99	97	94	92	89	87	84	82	79	77
365	367	102	100	97	95	92	90	87	85	82	80	77
367	369	103	100	98	95	93	91	88	86	83	81	78
369	371	104	101	99	96	94	91	89	86	84	81	79
371	373	104	102	99	97	94	92	89	87	84	82	79
373	375	105	102	100	97	95	92	90	88	85	83	80
375	377	106	103	101	98	96	93	91	88	86	83	81
377	379	106	104	101	99	96	94	91	89	86	84	81
379	381	107	104	102	99	97	94	92	90	87	85	82
381	383	108	105	103	100	98	95	93	90	88	85	83
383	385	108	106	103	101	98	96	93	91	88	86	83
385	387	109	106	104	101	99	96	94	91	89	87	84

\$387 and over

Use Table 8(a) for a **SINGLE** person on page 23. Also see the instructions on page 20.

MARRIED Persons—DAILY OR MISCELLANEOUS Payroll Period

(For Wages Paid After December 1987)

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

MARRIED Persons—DAILY OR MISCELLANEOUS Payroll Period
(For Wages Paid After December 1987)

And 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 shall be—												
\$222	\$225	\$44	\$42	\$40	\$38	\$36	\$34	\$32	\$30	\$28	\$26	\$23
225	228	45	43	41	39	37	35	33	31	28	26	24
228	231	46	44	42	40	38	36	34	31	29	27	25
231	234	47	45	43	41	39	36	34	32	30	28	26
234	237	48	46	44	41	39	37	35	33	31	29	27
237	240	49	47	44	42	40	38	36	34	32	30	28
240	243	49	47	45	43	41	39	37	35	33	31	28
243	246	50	48	46	44	42	40	38	36	34	31	29
246	249	51	49	47	45	43	41	39	36	34	32	30
249	252	52	50	48	46	44	41	39	37	35	33	31
252	255	53	51	49	47	44	42	40	38	36	34	32
255	258	54	52	49	47	45	43	41	39	37	35	33
258	261	55	52	50	48	46	44	42	40	38	36	34
261	264	55	53	51	49	47	45	43	41	39	36	34
264	267	56	54	52	50	48	46	44	41	39	37	35
267	270	57	55	53	51	49	47	44	42	40	38	36
270	273	58	56	54	52	49	47	45	43	41	39	37
273	276	59	57	55	52	50	48	46	44	42	40	38
276	279	60	57	55	53	51	49	47	45	43	41	39
279	282	60	58	56	54	52	50	48	46	44	41	39
282	285	61	59	57	55	53	51	49	47	44	42	40
285	288	62	60	58	56	54	52	49	47	45	43	41
288	291	63	61	59	57	55	52	50	48	46	44	42
291	294	64	62	60	57	55	53	51	49	47	45	43
294	297	65	62	60	58	56	54	52	50	48	46	44
297	300	66	63	61	59	57	55	53	51	49	47	44
300	303	67	64	62	60	58	56	54	52	49	47	45
303	306	68	65	63	61	59	57	55	52	50	48	46
306	309	69	66	64	62	60	57	55	53	51	49	47
309	312	70	67	65	62	60	58	56	54	52	50	48
312	315	71	68	66	63	61	59	57	55	53	51	49
315	318	72	69	67	64	62	60	58	56	54	52	49
318	321	73	70	68	65	63	61	59	57	55	52	50
321	324	74	71	69	66	64	62	60	57	55	53	51
324	327	75	72	70	67	65	62	60	58	56	54	52
327	330	76	73	71	68	66	63	61	59	57	55	53
330	333	77	74	72	69	67	64	62	60	58	56	54
333	336	78	75	73	70	68	65	63	61	59	57	55
336	339	79	76	74	71	69	66	64	62	60	57	55
339	341	80	77	75	72	70	67	65	62	60	58	56
341	343	80	78	75	73	70	68	65	63	61	59	57
343	345	81	78	76	74	71	69	66	64	61	59	57
345	347	82	79	77	74	72	69	67	64	62	60	58
347	349	82	80	77	75	72	70	67	65	62	60	58
349	351	83	80	78	76	73	71	68	66	63	61	59
351	353	84	81	79	76	74	71	69	66	64	62	59
353	355	84	82	79	77	74	72	69	67	64	62	60
355	357	85	82	80	77	75	73	70	68	65	63	61
357	359	86	83	81	78	76	73	71	68	66	63	61
359	361	86	84	81	79	76	74	71	69	66	64	62
361	363	87	84	82	79	77	75	72	70	67	65	62
363	365	88	85	83	80	78	75	73	70	68	65	63
365	367	88	86	83	81	78	76	73	71	68	66	63
367	369	89	86	84	81	79	76	74	72	69	67	64
369	371	90	87	85	82	80	77	75	72	70	67	65
371	373	90	88	85	83	80	78	75	73	70	68	65
373	375	91	88	86	83	81	78	76	74	71	69	66
375	377	92	89	87	84	82	79	77	74	72	69	67
377	379	92	90	87	85	82	80	77	75	72	70	67
379	381	93	90	88	85	83	80	78	76	73	71	68
381	383	93	91	89	86	84	81	79	76	74	71	69
383	385	94	92	89	87	84	82	79	77	74	72	69
385	387	95	92	90	87	85	82	80	77	75	73	70
387	389	95	93	91	88	86	83	81	78	76	73	71
389	391	96	94	91	89	86	84	81	79	76	74	71
391	393	97	94	92	89	87	84	82	79	77	75	72

\$393 and over

Use Table 8(b) for a MARRIED person on page 23. Also see the instructions on page 20.

Social Security Employee Tax Table for 1988

7.51% employee tax deductions

Wages at least	But less than	Tax to be withheld	Wages at least	But less than	Tax to be withheld	Wages at least	But less than	Tax to be withheld	Wages at least	But less than	Tax to be withheld
\$0.00	\$0.07	\$0.00	12.72	12.85	.96	25.50	25.64	1.92	38.29	38.42	2.88
.07	.20	.01	12.85	12.99	.97	25.64	25.77	1.93	38.42	38.55	2.89
.20	.34	.02	12.99	13.12	.98	25.77	25.90	1.94	38.55	38.69	2.90
.34	.47	.03	13.12	13.25	.99	25.90	26.04	1.95	38.69	38.82	2.91
.47	.60	.04	13.25	13.39	1.00	26.04	26.17	1.96	38.82	38.95	2.92
.60	.74	.05	13.39	13.52	1.01	26.17	26.30	1.97	38.95	39.09	2.93
.74	.87	.06	13.52	13.65	1.02	26.30	26.44	1.98	39.09	39.22	2.94
.87	1.00	.07	13.65	13.79	1.03	26.44	26.57	1.99	39.22	39.35	2.95
1.00	1.14	.08	13.79	13.92	1.04	26.57	26.70	2.00	39.35	39.49	2.96
1.14	1.27	.09	13.92	14.05	1.05	26.70	26.84	2.01	39.49	39.62	2.97
1.27	1.40	.10	14.05	14.19	1.06	26.84	26.97	2.02	39.62	39.75	2.98
1.40	1.54	.11	14.19	14.32	1.07	26.97	27.10	2.03	39.75	39.89	2.99
1.54	1.67	.12	14.32	14.45	1.08	27.10	27.24	2.04	39.89	40.02	3.00
1.67	1.80	.13	14.45	14.59	1.09	27.24	27.37	2.05	40.02	40.15	3.01
1.80	1.94	.14	14.59	14.72	1.10	27.37	27.50	2.06	40.15	40.28	3.02
1.94	2.07	.15	14.72	14.85	1.11	27.50	27.63	2.07	40.28	40.42	3.03
2.07	2.20	.16	14.85	14.99	1.12	27.63	27.77	2.08	40.42	40.55	3.04
2.20	2.34	.17	14.99	15.12	1.13	27.77	27.90	2.09	40.55	40.68	3.05
2.34	2.47	.18	15.12	15.25	1.14	27.90	28.03	2.10	40.68	40.82	3.06
2.47	2.60	.19	15.25	15.38	1.15	28.03	28.17	2.11	40.82	40.95	3.07
2.60	2.73	.20	15.38	15.52	1.16	28.17	28.30	2.12	40.95	41.08	3.08
2.73	2.87	.21	15.52	15.65	1.17	28.30	28.43	2.13	41.08	41.22	3.09
2.87	3.00	.22	15.65	15.78	1.18	28.43	28.57	2.14	41.22	41.35	3.10
3.00	3.13	.23	15.78	15.92	1.19	28.57	28.70	2.15	41.35	41.48	3.11
3.13	3.27	.24	15.92	16.05	1.20	28.70	28.83	2.16	41.48	41.62	3.12
3.27	3.40	.25	16.05	16.18	1.21	28.83	28.97	2.17	41.62	41.75	3.13
3.40	3.53	.26	16.18	16.32	1.22	28.97	29.10	2.18	41.75	41.88	3.14
3.53	3.67	.27	16.32	16.45	1.23	29.10	29.23	2.19	41.88	42.02	3.15
3.67	3.80	.28	16.45	16.58	1.24	29.23	29.37	2.20	42.02	42.15	3.16
3.80	3.93	.29	16.58	16.72	1.25	29.37	29.50	2.21	42.15	42.28	3.17
3.93	4.07	.30	16.72	16.85	1.26	29.50	29.63	2.22	42.28	42.42	3.18
4.07	4.20	.31	16.85	16.98	1.27	29.63	29.77	2.23	42.42	42.55	3.19
4.20	4.33	.32	16.98	17.12	1.28	29.77	29.90	2.24	42.55	42.68	3.20
4.33	4.47	.33	17.12	17.25	1.29	29.90	30.03	2.25	42.68	42.81	3.21
4.47	4.60	.34	17.25	17.38	1.30	30.03	30.16	2.26	42.81	42.95	3.22
4.60	4.73	.35	17.38	17.51	1.31	30.16	30.30	2.27	42.95	43.08	3.23
4.73	4.87	.36	17.51	17.65	1.32	30.30	30.43	2.28	43.08	43.21	3.24
4.87	5.00	.37	17.65	17.78	1.33	30.43	30.56	2.29	43.21	43.35	3.25
5.00	5.13	.38	17.78	17.91	1.34	30.56	30.70	2.30	43.35	43.48	3.26
5.13	5.26	.39	17.91	18.05	1.35	30.70	30.83	2.31	43.48	43.61	3.27
5.26	5.40	.40	18.05	18.18	1.36	30.83	30.96	2.32	43.61	43.75	3.28
5.40	5.53	.41	18.18	18.31	1.37	30.96	31.10	2.33	43.75	43.88	3.29
5.53	5.66	.42	18.31	18.45	1.38	31.10	31.23	2.34	43.88	44.01	3.30
5.66	5.80	.43	18.45	18.58	1.39	31.23	31.36	2.35	44.01	44.15	3.31
5.80	5.93	.44	18.58	18.71	1.40	31.36	31.50	2.36	44.15	44.28	3.32
5.93	6.06	.45	18.71	18.85	1.41	31.50	31.63	2.37	44.28	44.41	3.33
6.06	6.20	.46	18.85	18.98	1.42	31.63	31.76	2.38	44.41	44.55	3.34
6.20	6.33	.47	18.98	19.11	1.43	31.76	31.90	2.39	44.55	44.68	3.35
6.33	6.46	.48	19.11	19.25	1.44	31.90	32.03	2.40	44.68	44.81	3.36
6.46	6.60	.49	19.25	19.38	1.45	32.03	32.16	2.41	44.81	44.95	3.37
6.60	6.73	.50	19.38	19.51	1.46	32.16	32.30	2.42	44.95	45.08	3.38
6.73	6.86	.51	19.51	19.65	1.47	32.30	32.43	2.43	45.08	45.21	3.39
6.86	7.00	.52	19.65	19.78	1.48	32.43	32.56	2.44	45.21	45.34	3.40
7.00	7.13	.53	19.78	19.91	1.49	32.56	32.69	2.45	45.34	45.48	3.41
7.13	7.26	.54	19.91	20.04	1.50	32.69	32.83	2.46	45.48	45.61	3.42
7.26	7.40	.55	20.04	20.18	1.51	32.83	32.96	2.47	45.61	45.74	3.43
7.40	7.53	.56	20.18	20.31	1.52	32.96	33.09	2.48	45.74	45.88	3.44
7.53	7.66	.57	20.31	20.44	1.53	33.09	33.23	2.49	45.88	46.01	3.45
7.66	7.79	.58	20.44	20.58	1.54	33.23	33.36	2.50	46.01	46.14	3.46
7.79	7.93	.59	20.58	20.71	1.55	33.36	33.49	2.51	46.14	46.28	3.47
7.93	8.06	.60	20.71	20.84	1.56	33.49	33.63	2.52	46.28	46.41	3.48
8.06	8.19	.61	20.84	20.98	1.57	33.63	33.76	2.53	46.41	46.54	3.49
8.19	8.33	.62	20.98	21.11	1.58	33.76	33.89	2.54	46.54	46.68	3.50
8.33	8.46	.63	21.11	21.24	1.59	33.89	34.03	2.55	46.68	46.81	3.51
8.46	8.59	.64	21.24	21.38	1.60	34.03	34.16	2.56	46.81	46.94	3.52
8.59	8.73	.65	21.38	21.51	1.61	34.16	34.29	2.57	46.94	47.08	3.53
8.73	8.86	.66	21.51	21.64	1.62	34.29	34.43	2.58	47.08	47.21	3.54
8.86	8.99	.67	21.64	21.78	1.63	34.43	34.56	2.59	47.21	47.34	3.55
8.99	9.13	.68	21.78	21.91	1.64	34.56	34.69	2.60	47.34	47.48	3.56
9.13	9.26	.69	21.91	22.04	1.65	34.69	34.83	2.61	47.48	47.61	3.57
9.26	9.39	.70	22.04	22.18	1.66	34.83	34.96	2.62	47.61	47.74	3.58
9.39	9.53	.71	22.18	22.31	1.67	34.96	35.09	2.63	47.74	47.87	3.59
9.53	9.66	.72	22.31	22.44	1.68	35.09	35.22	2.64	47.87	48.01	3.60
9.66	9.79	.73	22.44	22.57	1.69	35.22	35.36	2.65	48.01	48.14	3.61
9.79	9.93	.74	22.57	22.71	1.70	35.36	35.49	2.66	48.14	48.27	3.62
9.93	10.06	.75	22.71	22.84	1.71	35.49	35.62	2.67	48.27	48.41	3.63
10.06	10.19	.76	22.84	22.97	1.72	35.62	35.76	2.68	48.41	48.54	3.64
10.19	10.32	.77	22.97	23.11	1.73	35.76	35.89	2.69	48.54	48.67	3.65
10.32	10.46	.78	23.11	23.24	1.74	35.89	36.02	2.70	48.67	48.81	3.66
10.46	10.59	.79	23.24	23.37	1.75	36.02	36.16	2.71	48.81	48.94	3.67
10.59	10.72	.80	23.37	23.51	1.76	36.16	36.29	2.72	48.94	49.07	3.68
10.72	10.86	.81	23.51	23.64	1.77	36.29	36.42	2.73	49.07	49.21	3.69
10.86	10.99	.82	23.64	23.77	1.78	36.42	36.56	2.74	49.21	49.34	3.70
10.99	11.12	.83	23.77	23.91	1.79	36.56	36.69	2.75	49.34	49.47	3.71
11.12	11.26	.84	23.91	24.04	1.80	36.69	36.82	2.76	49.47	49.61	3.72
11.26	11.39	.85	24.04	24.17	1.81	36.82	36.96	2.77	49.61	49.74	3.73
11.39	11.52	.86	24.17	24.31	1.82	36.96	37.09	2.78	49.74	49.87	3.74
11.52	11.66	.87	24.31	24.44	1.83	37.09	37.22	2.79	49.87	50.00	3.75
11.66	11.79	.88	24.44	24.57	1.84	37.22	37.36	2.80	50.00	50.14	3.76
11.79	11.92	.89	24.57	24.71	1.85	37.36	37.49	2.81	50.14	50.27	3.77
11.92	12.06	.90	24.71	24.84	1.86	37.49	37.62	2.82	50.27	50.40	3.78
12.06	12.19	.91	24.84	24.97	1.87	37.62	37.75	2.83	50.40	50.54	3.79
12.19	12.32	.92	24.97	25.10	1.88	37.75	37.89	2.84	50.54	50.67	3.80
12.32	12.46	.93	25.10	25.24	1.89	37.89	38.02	2.85	50.67	50.80	3.81
12.46	12.59	.94	25.24	25.37	1.90	38.02	38.15	2.86	50.80	50.94	3.82
12.59	12.72	.95	25.37	25.50	1.91	38.15	38.29	2.87	50.94	51.07	3.83

Tables for Percentage Method of Advance EIC Payments

(For Wages Paid After December 1987)

Table 1. WEEKLY Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made shall be:
Over—	But not over—	
\$0	\$114	14% of wages
\$114	\$197	\$16
\$197	. . . . .	\$16 less 10% of wages in excess of \$197

(b) MARRIED With Both Spouses Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made shall be:
Over—	But not over—	
\$0	\$57	14% of wages
\$57	\$98	\$8
\$98	. . . . .	\$8 less 10% of wages in excess of \$98

Table 2. BIWEEKLY Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made shall be:
Over—	But not over—	
\$0	\$235	14% of wages
\$235	\$384	\$33
\$384	. . . . .	\$33 less 10% of wages in excess of \$384

(b) MARRIED With Both Spouses Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made shall be:
Over—	But not over—	
\$0	\$114	14% of wages
\$114	\$197	\$16
\$197	. . . . .	\$16 less 10% of wages in excess of \$197

Table 3. SEMIMONTHLY Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made shall be:
Over—	But not over—	
\$0	\$257	14% of wages
\$257	\$413	\$36
\$413	. . . . .	\$36 less 10% of wages in excess of \$413

(b) MARRIED With Both Spouses Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made shall be:
Over—	But not over—	
\$0	\$128	14% of wages
\$128	\$206	\$18
\$206	. . . . .	\$18 less 10% of wages in excess of \$206

Table 4. MONTHLY Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made shall be:
Over—	But not over—	
\$0	\$514	14% of wages
\$514	\$827	\$72
\$827	. . . . .	\$72 less 10% of wages in excess of \$827

(b) MARRIED With Both Spouses Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made shall be:
Over—	But not over—	
\$0	\$257	14% of wages
\$257	\$413	\$36
\$413	. . . . .	\$36 less 10% of wages in excess of \$413

Table 5. QUARTERLY Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made shall be:
Over—	But not over—	
\$0	\$1,557 . . .	14% of wages
\$1,557	\$2,461 . . .	\$218
\$2,461	. . . . .	\$218 less 10% of wages in excess of \$2,461

(b) MARRIED With Both Spouses Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made shall be:
Over—	But not over—	
\$0	\$778 . . .	14% of wages
\$778	\$1,230 . . .	\$109
\$1,230	. . . . .	\$109 less 10% of wages in excess of \$1,230

Table 6. SEMIANNUAL Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made shall be:
Over—	But not over—	
\$0	\$3,114 . . .	14% of wages
\$3,114	\$4,923 . . .	\$436
\$4,923	. . . . .	\$436 less 10% of wages in excess of \$4,923

(b) MARRIED With Both Spouses Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made shall be:
Over—	But not over—	
\$0	\$1,557 . . .	14% of wages
\$1,557	\$2,461 . . .	\$218
\$2,461	. . . . .	\$218 less 10% of wages in excess of \$2,461

Table 7. ANNUAL Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made shall be:
Over—	But not over—	
\$0	\$6,235 . . .	14% of wages
\$6,235	\$9,836 . . .	\$873
\$9,836	. . . . .	\$873 less 10% of wages in excess of \$9,836

(b) MARRIED With Both Spouses Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made shall be:
Over—	But not over—	
\$0	\$3,114 . . .	14% of wages
\$3,114	\$4,923 . . .	\$436
\$4,923	. . . . .	\$436 less 10% of wages in excess of \$4,923

Table 8. DAILY or MISCELLANEOUS Payroll Period

(a) SINGLE or MARRIED Without Spouse 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 shall be the following amount multiplied by the number of days in such period:
Over—	But not over—	
\$0	\$21	14% of wages
\$21	\$41	\$3
\$41	. . . . .	\$3 less 10% of wages in excess of \$41

(b) MARRIED With Both Spouses Filing Certificate

If the wages divided by the number of days in such period (before deducting withholding allowances) are:		The amount of payment to be made shall be the following amount multiplied by the number of days in such period:
Over—	But not over—	
\$0	\$7	14% of wages
\$7	\$25	\$1
\$25	. . . . .	\$1 less 10% of wages in excess of \$25

Tables for Wage Bracket Method of Advance EIC Payments (For Wages Paid After December 1987)

WEEKLY Payroll Period

SINGLE or MARRIED Without Spouse Filing Certificate

And the wages are—			And the wages are—			And the wages are—			And the wages are—		
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	\$8	\$0	\$65	\$72	\$9	\$207	\$217	\$14	\$297	\$307	\$5
8	15	1	72	79	10	217	227	13	307	317	4
15	22	2	79	86	11	227	237	12	317	327	3
22	29	3	86	93	12	237	247	11	327	337	2
29	36	4	93	100	13	247	257	10	337	347	1
36	43	5	100	108	14	257	267	9	347	.....	0
43	50	6	108	114	15	267	277	8			
50	58	7	114	197	16	277	287	7			
58	65	8	197	207	15	287	297	6			

MARRIED With Both Spouses Filing Certificate

And the wages are—			And the wages are—			And the wages are—			And the wages are—		
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	\$8	\$0	\$36	\$43	\$5	\$108	\$118	\$6	\$158	\$168	\$1
8	15	1	43	50	6	118	128	5	168	.....	0
15	22	2	50	57	7	128	138	4			
22	29	3	57	98	8	138	148	3			
29	36	4	98	108	7	148	158	2			

BIWEEKLY Payroll Period

SINGLE or MARRIED Without Spouse Filing Certificate

And the wages are—			And the wages are—			And the wages are—			And the wages are—		
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	\$8	\$0	\$122	\$129	\$17	\$384	\$394	\$32	\$554	\$564	\$15
8	15	1	129	136	18	394	404	31	564	574	14
15	22	2	136	143	19	404	414	30	574	584	13
22	29	3	143	150	20	414	424	29	584	594	12
29	36	4	150	158	21	424	434	28	594	604	11
36	43	5	158	165	22	434	444	27	604	614	10
43	50	6	165	172	23	444	454	26	614	624	9
50	58	7	172	179	24	454	464	25	624	634	8
58	65	8	179	186	25	464	474	24	634	644	7
65	72	9	186	193	26	474	484	23	644	654	6
72	79	10	193	200	27	484	494	22	654	664	5
79	86	11	200	208	28	494	504	21	664	674	4
86	93	12	208	215	29	504	514	20	674	684	3
93	100	13	215	222	30	514	524	19	684	694	2
100	108	14	222	229	31	524	534	18	694	704	1
108	115	15	229	235	32	534	544	17	704	.....	0
115	122	16	235	384	33	544	554	16			

MARRIED With Both Spouses Filing Certificate

And the wages are—			And the wages are—			And the wages are—			And the wages are—		
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	\$8	\$0	\$65	\$72	\$9	\$207	\$217	\$14	\$297	\$307	\$5
8	15	1	72	79	10	217	227	13	307	317	4
15	22	2	79	86	11	227	237	12	317	327	3
22	29	3	86	93	12	237	247	11	327	337	2
29	36	4	93	100	13	247	257	10	337	347	1
36	43	5	100	108	14	257	267	9	347	.....	0
43	50	6	108	114	15	267	277	8			
50	58	7	114	197	16	277	287	7			
58	65	8	197	207	15	287	297	6			

SEMIMONTHLY Payroll Period

SINGLE or MARRIED Without Spouse Filing Certificate

And the wages are—			And the wages are—			And the wages are—			And the wages are—		
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	\$8	\$0	\$136	\$143	\$19	\$423	\$433	\$34	\$613	\$623	\$15
8	15	1	143	150	20	433	443	33	623	633	14
15	22	2	150	158	21	443	453	32	633	643	13
22	29	3	158	165	22	453	463	31	643	653	12
29	36	4	165	172	23	463	473	30	653	663	11
36	43	5	172	179	24	473	483	29	663	673	10
43	50	6	179	186	25	483	493	28	673	683	9
50	58	7	186	193	26	493	503	27	683	693	8
58	65	8	193	200	27	503	513	26	693	703	7
65	72	9	200	208	28	513	523	25	703	713	6
72	79	10	208	215	29	523	533	24	713	723	5
79	86	11	215	222	30	533	543	23	723	733	4
86	93	12	222	229	31	543	553	22	733	743	3
93	100	13	229	236	32	553	563	21	743	753	2
100	108	14	236	243	33	563	573	20	753	763	1
108	115	15	243	250	34	573	583	19	763	----	0
115	122	16	250	257	35	583	593	18			
122	129	17	257	413	36	593	603	17			
129	136	18	413	423	35	603	613	16			

MARRIED With Both Spouses Filing Certificate

And the wages are—			And the wages are—			And the wages are—			And the wages are—		
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	\$8	\$0	\$72	\$79	\$10	\$216	\$226	\$16	\$316	\$326	\$6
8	15	1	79	86	11	226	236	15	326	336	5
15	22	2	86	93	12	236	246	14	336	346	4
22	29	3	93	100	13	246	256	13	346	356	3
29	36	4	100	108	14	256	266	12	356	366	2
36	43	5	108	115	15	266	276	11	366	376	1
43	50	6	115	122	16	276	286	10	376	----	0
50	58	7	122	128	17	286	296	9			
58	65	8	128	206	18	296	306	8			
65	72	9	206	216	17	306	316	7			

MONTHLY Payroll Period

SINGLE or MARRIED Without Spouse Filing Certificate

And the wages are—			And the wages are—			And the wages are—			And the wages are—		
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	\$8	\$0	\$143	\$150	\$20	\$286	\$293	\$40	\$429	\$436	\$60
8	15	1	150	158	21	293	300	41	436	443	61
15	22	2	158	165	22	300	308	42	443	450	62
22	29	3	165	172	23	308	315	43	450	458	63
29	36	4	172	179	24	315	322	44	458	465	64
36	43	5	179	186	25	322	329	45	465	472	65
43	50	6	186	193	26	329	336	46	472	479	66
50	58	7	193	200	27	336	343	47	479	486	67
58	65	8	200	208	28	343	350	48	486	493	68
65	72	9	208	215	29	350	358	49	493	500	69
72	79	10	215	222	30	358	365	50	500	508	70
79	86	11	222	229	31	365	372	51	508	514	71
86	93	12	229	236	32	372	379	52	514	527	72
93	100	13	236	243	33	379	386	53	527	537	73
100	108	14	243	250	34	386	393	54	537	547	74
108	115	15	250	258	35	393	400	55	547	557	75
115	122	16	258	265	36	400	408	56	557	567	76
122	129	17	265	272	37	408	415	57	567	577	77
129	136	18	272	279	38	415	422	58	577	587	78
136	143	19	279	286	39	422	429	59	587	597	79

This MONTHLY Payroll Period Table is continued on page 50.

MONTHLY Payroll Period

SINGLE or MARRIED Without Spouse Filing Certificate

And the wages are—			And the wages are—			And the wages are—			And the wages are—		
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
\$897	\$907	\$64	\$1,067	\$1,077	\$47	\$1,237	\$1,247	\$30	\$1,407	\$1,417	\$13
907	917	63	1,077	1,087	46	1,247	1,257	29	1,417	1,427	12
917	927	62	1,087	1,097	45	1,257	1,267	28	1,427	1,437	11
927	937	61	1,097	1,107	44	1,267	1,277	27	1,437	1,447	10
937	947	60	1,107	1,117	43	1,277	1,287	26	1,447	1,457	9
947	957	59	1,117	1,127	42	1,287	1,297	25	1,457	1,467	8
957	967	58	1,127	1,137	41	1,297	1,307	24	1,467	1,477	7
967	977	57	1,137	1,147	40	1,307	1,317	23	1,477	1,487	6
977	987	56	1,147	1,157	39	1,317	1,327	22	1,487	1,497	5
987	997	55	1,157	1,167	38	1,327	1,337	21	1,497	1,507	4
997	1,007	54	1,167	1,177	37	1,337	1,347	20	1,507	1,517	3
1,007	1,017	53	1,177	1,187	36	1,347	1,357	19	1,517	1,527	2
1,017	1,027	52	1,187	1,197	35	1,357	1,367	18	1,527	1,537	1
1,027	1,037	51	1,197	1,207	34	1,367	1,377	17	1,537	-----	0
1,037	1,047	50	1,207	1,217	33	1,377	1,387	16			
1,047	1,057	49	1,217	1,227	32	1,387	1,397	15			
1,057	1,067	48	1,227	1,237	31	1,397	1,407	14			

MARRIED With Both Spouses Filing Certificate

And the wages are—			And the wages are—			And the wages are—			And the wages are—		
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	\$8	\$0	\$136	\$143	\$19	\$423	\$433	\$34	\$613	\$623	\$15
8	15	1	143	150	20	433	443	33	623	633	14
15	22	2	150	158	21	443	453	32	633	643	13
22	29	3	158	165	22	453	463	31	643	653	12
29	36	4	165	172	23	463	473	30	653	663	11
36	43	5	172	179	24	473	483	29	663	673	10
43	50	6	179	186	25	483	493	28	673	683	9
50	58	7	186	193	26	493	503	27	683	693	8
58	65	8	193	200	27	503	513	26	693	703	7
65	72	9	200	208	28	513	523	25	703	713	6
72	79	10	208	215	29	523	533	24	713	723	5
79	86	11	215	222	30	533	543	23	723	733	4
86	93	12	222	229	31	543	553	22	733	743	3
93	100	13	229	236	32	553	563	21	743	753	2
100	108	14	236	243	33	563	573	20	753	763	1
108	115	15	243	250	34	573	583	19	763	-----	0
115	122	16	250	257	35	583	593	18			
122	129	17	257	413	36	593	603	17			
129	136	18	413	423	35	603	613	16			

DAILY Payroll Period

SINGLE or MARRIED Without Spouse Filing Certificate

And the wages are—			And the wages are—			And the wages are—			And the wages are—		
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	\$8	\$0	\$15	\$21	\$2	\$41	\$51	\$2	\$61	-----	\$0
8	15	1	21	41	3	51	61	1			

MARRIED With Both Spouses Filing Certificate

And the wages are—			And the wages are—			And the wages are—			And the wages are—		
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	\$7	\$0	\$7	\$25	\$1	\$25	-----	\$0	-----	-----	-----

Notes

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Guide to 1987 Information Returns (If any date shown falls on a Saturday, Sunday, or legal holiday, use the next regular workday.)

Form Number	Title	What To Report	Amounts To Report	Due Date	
				To IRS	To Recipient (unless indicated otherwise)
1042S	Foreign Person's U.S. Source Income Subject to Withholding	Payments subject to withholding under Chapter 3 of the Code, including interest, dividends, royalties, pensions and annuities, and compensation for personal services.	All amounts.	March 15	March 15
1098	Mortgage Interest Statement	Mortgage interest payments you received in the course of your trade or business from individuals.	\$600 or more.	February 28	(To Payer/Borrower) January 31
1099-A	Information Return for Acquisition or Abandonment of Secured Property	Information about the acquisition or abandonment of property that is security for a debt for which you are the lender.	All amounts.	February 28	(To Borrower) January 31
1099-B	Statement for Recipients of Proceeds From Real Estate, Broker, and Barter Exchange Transactions	Sales or redemptions of securities, futures transactions, commodities, real estate transactions, and bartering exchange transactions.	All amounts.	February 28	January 31
1099-DIV	Statement for Recipients of Dividends and Distributions	Distributions, such as dividends, capital gains, or nontaxable distributions, that were paid on stock, and distributions in liquidation.	\$10 or more, except \$600 or more for liquidations.	February 28	January 31
1099-G	Statement for Recipients of Certain Government Payments	Unemployment compensation, state and local income tax refunds, agricultural payments, taxable grants, and discharge of indebtedness.	\$10 or more for unemployment and tax refunds; \$600 or more for all others.	February 28	January 31
1099-INT	Statement for Recipients of Interest Income	Interest payments, not including interest on an IRA.	\$10 or more. (\$600 or more in some cases.)	February 28	January 31
1099-MISC	(Also, use this form to report the occurrence of direct sales of \$5,000 or more of consumer goods for resale.)	Rent or royalty payments; prizes and awards that are not for services, such as winnings on TV or radio shows.	\$600 or more, except \$10 or more for royalties.	February 28	January 31
		Payments to crew members by owners or operators of fishing boats. Report payments of proceeds from sale of catch.	All payments.	February 28	January 31
		Payments to a physician, physicians' corporation, or other supplier of health and medical services. Issued mainly by medical assistance programs or health and accident insurance plans.	\$600 or more.	February 28	January 31
		Payments for services performed for a trade or business by people not treated as its employees. Examples: fees to subcontractors or directors, expenses incurred for use of an entertainment facility treated as compensation to a nonemployee, fringe benefits, and golden parachute payments.	\$600 or more.	February 28	January 31
		Substitute dividend and interest payments reportable by brokers.	\$10 or more.	February 28	January 31
1099-OID	Statement for Recipients of Original Issue Discount	Original issue discount.	\$10 or more.	February 28	January 31
1099-PATR	Statement for Recipients (Patrons) of Taxable Distributions Received From Cooperatives	Distributions from cooperatives to their patrons.	\$10 or more.	February 28	January 31
1099-R	Statement for Recipients of Total Distributions From Profit-Sharing, Retirement Plans, Individual Retirement Arrangements, Insurance Contracts, Etc.	Distributions from retirement or profit-sharing plans or from individual retirement arrangements (IRAs). Use Form 1099-R only if the distribution closed the payee's account.	All amounts.	February 28	January 31
4789	Currency Transaction Report	Each deposit, withdrawal, exchange of currency, or other payment or transfer, by, through, or to financial institutions (other than casinos) that involves a transaction in currency of more than \$10,000.	Over \$10,000	Within 15 days after the date of the transaction	Not required

Guide to 1987 Information Returns (If any date shown falls on a Saturday, Sunday, or legal holiday, use the next regular workday.)

Form Number	Title	What To Report	Amounts To Report	Due Date	
				To IRS	To Recipient (unless indicated otherwise)
5498	Individual Retirement Arrangement Information	Contributions (including rollover contributions) to an individual retirement arrangement (IRA), and the value of an IRA or simplified employee pension (SEP) account.	All amounts.	May 31	(To Participant) January 31 (for value of account) May 31 (for contributions)
8027	Employer's Annual Information Return of Tip Income and Allocated Tips	Receipts from food or beverage operations, tips reported by employees, and allocated tips.	See separate instructions.	February 29	Allocated tips are shown on Form W-2, due January 31
8300	Report of Cash Payments Over \$10,000 Received in a Trade or Business	Payments in cash or foreign currency received in one transaction, or two or more related transactions, in the course of a trade or business. Does not apply to banks and financial institutions filing Form 4789 , Currency Transaction Report (see page 52), and casinos that are required to report such transactions on Form 8362 , Currency Transaction Report by Casinos, below, or, generally, to transactions outside the United States.	Over \$10,000	Within 15 days after the date of the transaction	(To Payer) January 31
8308	Report of a Sale or Exchange of Certain Partnership Interests	Sales or exchanges of a partnership interest involving unrealized receivables or substantially appreciated inventory items.	(Transaction only)	(Attach to Form 1065)	(To Transferor and Transferees) January 31
8362	Currency Transaction Report by Casinos	Each deposit, withdrawal, exchange of currency or gambling tokens or chips, or other payment or transfer, by, through, or to a casino (with gross annual gaming revenue in excess of \$1,000,000) that involves a transaction in cash.	Over \$10,000	Within 15 days after the date of the transaction	Not required
W-2G	Statement for Recipients of Certain Gambling Winnings	Gambling winnings from horse racing, dog racing, jai alai, lotteries, raffles, drawings, bingo, slot machines, and keno.	Generally, \$600 or more (\$1,200 or more from bingo or slot machines; \$1,500 or more from keno).	February 28	January 31
W-2	Wage and Tax Statement	Wages, tips, other compensation, withheld income and social security taxes, and advance earned income credit (EIC) payments. Include bonuses, vacation allowances, severance pay, moving expense payments, taxable fringe benefits, golden parachute payments, some kinds of travel allowances and third-party payments of sick pay.	See separate instructions.	To SSA Last day of February	To Recipient January 31
W-2P	Statement for Recipients of Annuities, Pensions, Retired Pay, or IRA Payments	Retirement payments other than total distributions.	See separate instructions.	Last day of February	January 31

Federal Tax Deposit (FTD) Checklist

1090 X11 87

Mark the "X" in this box only if there is a change to Employer Identification Number (EIN) or Name.	2 AMOUNT OF DEPOSIT (Do NOT type; please print.) DOLLARS CENTS		3 Darken only one TYPE OF TAX		4 Darken only one TAX PERIOD																
	<input checked="" type="checkbox"/>		<table border="1"> <tr><td><input type="checkbox"/> 941</td><td><input type="checkbox"/> Sch. A</td></tr> <tr><td><input type="checkbox"/> 990C</td><td><input type="checkbox"/> 1120</td></tr> <tr><td><input type="checkbox"/> 943</td><td><input type="checkbox"/> 990T</td></tr> <tr><td><input type="checkbox"/> 720</td><td><input type="checkbox"/> 990PF</td></tr> <tr><td><input type="checkbox"/> CT-1</td><td><input type="checkbox"/> 1042</td></tr> <tr><td><input type="checkbox"/> 940</td><td></td></tr> </table>		<input type="checkbox"/> 941	<input type="checkbox"/> Sch. A	<input type="checkbox"/> 990C	<input type="checkbox"/> 1120	<input type="checkbox"/> 943	<input type="checkbox"/> 990T	<input type="checkbox"/> 720	<input type="checkbox"/> 990PF	<input type="checkbox"/> CT-1	<input type="checkbox"/> 1042	<input type="checkbox"/> 940		<table border="1"> <tr><td><input type="checkbox"/> 1st Quarter</td></tr> <tr><td><input type="checkbox"/> 2nd Quarter</td></tr> <tr><td><input type="checkbox"/> 3rd Quarter</td></tr> <tr><td><input type="checkbox"/> 4th Quarter</td></tr> </table>		<input type="checkbox"/> 1st Quarter	<input type="checkbox"/> 2nd Quarter	<input type="checkbox"/> 3rd Quarter
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See Instructions on page 1	1 EIN <u>12-3456789</u> <u>111111</u>		IRS USE ONLY <input type="checkbox"/>		45																
BANK NAME/ DATE STAMP	LILIAN SMITH & PAUL JONES L & P GRAPHICS 2025 MAIN STREET ANYTOWN MD 99999		Telephone number () 5																		
Federal Tax Deposit Coupon Form 8109 (Rev. 7-87)																					

FTD REORDER FORM		Employer Identification Number (EIN)	OMB No. 1545-0257	Number of books of 23 coupons each
Mark the "X" in this box when changing your name, address, or EIN. Note: An address change here changes your address on the FTD coupons only.		1 <u>12-3456789</u> <u>111111</u>	<input checked="" type="checkbox"/> 3	
New Name _____ New Address _____ 2 _____ City _____ State _____ Zip _____		LILIAN SMITH & PAUL JONES L & P GRAPHICS 2025 MAIN STREET ANYTOWN MD 99999		76
Telephone Number: () 4		INTERNAL REVENUE SERVICE CENTER CITY ST 00000		
Form 8109A (Rev. 7-87)		Send correspondence and reorders to the IRS address above.		

1 TAX YEAR MONTH → <u> </u>	2 AMOUNT OF DEPOSIT (Do NOT type; please print.) DOLLARS CENTS		4 Darken only one TYPE OF TAX		5 Darken only one TAX PERIOD												
2 EMPLOYER IDENTIFICATION NUMBER → <u> </u>		Name <u>LILIAN SMITH & PAUL JONES</u> Address <u>L & P GRAPHICS</u> Address <u>2025 MAIN STREET</u> City <u>ANYTOWN</u> State <u>MD</u> ZIP <u>99999</u>		IRS USE ONLY <input type="checkbox"/>													
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<input type="checkbox"/> 990-PF																	
Federal Tax Deposit Coupon Form 8109-B (Rev. 1-87)																	

Please fill out forms in #2 pencil.

Federal Tax Deposit Coupon

Form 8109

- 1. Verify your name and employer identification number (EIN)** on the preprinted label. This will ensure that your deposit is applied to the proper account. To indicate a change, place an "X" in the box and enter the correct name and EIN. **DO NOT MAKE ADDRESS CHANGES.** Address changes should only be made when reordering coupons on Form 8109A. (See below.)
- 2. Write in the money amount**—do not type. Also, do not enter dollar signs, commas, decimal points, or leading zeroes. If your deposit is for whole dollars only, be sure to enter "00" in the "CENTS" boxes.
- 3. To indicate the type of tax**, darken the box to the left of the appropriate form. Do not darken the "IRS USE ONLY" box.
- 4. Always darken the box indicating the quarter that the deposit is for**—not the quarter in which you are making the

deposit. For payroll, withholding, and excise tax deposits, the quarters are:

1st quarter - Jan. 1 through Mar. 31 3rd quarter - July 1 through Sept. 30
2nd quarter - Apr. 1 through June 30 4th quarter - Oct. 1 through Dec. 31

For business income tax deposits (this includes the excise tax on net investment income for Form 990-PF filers) darken the first quarter box for deposits made before the end of your tax year. Darken the fourth quarter box for deposits made after the end of the year. Deposits for different types of taxes and for different quarters cannot be combined. Each needs its own deposit coupon.

If you need additional FTD coupons, use Reorder Form 8109A provided in the coupon book. See below for additional information on reordering.

- 5. Be sure to include your daytime telephone number** in the space provided.

FTD Reorder Form

Form 8109A

- 1. Verify your employer identification number (EIN), name, and address.** Check the box if there is any change. If your EIN is incorrect, line through the number and enter the correct EIN.
- 2. If there is a change** to your name and/or address, enter the new name and/or address in this area.
- 3. FTD coupon books now contain 23 coupons. Request coupon books early enough** to make your deposits on time, since it takes five to six weeks to receive your new coupon books. Be sure to mail your reorder to the Internal Revenue Service Center address shown on the reorder form.

Do not make any additional entries on this form, such as "Please rush my order." This results in manually processing your request and may delay receipt of the coupons by approximately two weeks.

- 4. Be sure to include your daytime telephone number** in the space provided.

Federal Tax Deposit Coupon

Form 8109-B

- 1. Enter the month that your tax year ends in this space** if you are filing in the 1120, 990-C, 990-PF, or 990-T box; otherwise, leave it blank. For example, if your tax year ends in January, enter 01; if it ends in December, enter 12.
- 2. Write in your EIN and the money amount.** Do not type it in or use dollar signs, commas, decimal points, or leading zeroes. Be sure to enter "00" in the "CENTS" boxes if your deposit is for whole dollars only.
- 3. To ensure proper credit to your account, use the name and address as shown on your IRS mailing label** found on the current business tax forms mailed to you, such as Form 940, 941, etc. This is your correct IRS account identification.
- 4. To indicate the type of tax**, darken the box to the left of the appropriate form. Do not darken the "IRS USE ONLY" box.
- 5. Darken the box to the left of the quarter that corresponds to the**

quarter that the deposit is for—not the quarter in which you are making the deposit. For payroll, withholding, and excise tax deposits, the quarters are:

1st quarter - Jan. 1 through Mar. 31 3rd quarter - July 1 through Sept. 30
2nd quarter - Apr. 1 through June 30 4th quarter - Oct. 1 through Dec. 31

For business income tax deposits (this includes the excise tax on net investment income for Form 990-PF filers), darken the first quarter box for deposits made before the end of your tax year. Darken the fourth quarter box for deposits made after the end of the year.

If you need coupon books and don't have a Reorder Form 8109A, call the IRS or write your Internal Revenue Service Center and provide the following information: business name, address where you want the coupon books sent, number of coupon books, and EIN. Also include the month in which your tax year ends if you have a Form 1120, Form 990-C, Form 990-PF (with net investment income), Form 990-T, or Form 2438 filing requirement.

- 6. Be sure to include your daytime telephone number** in the space provided.

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