

Percentage method of withholding for 2.65 PERCENT LOCAL INCOME TAX

Payroll period	Amount of one exemption	Standard Deduction*
Weekly	\$ 61.54	\$ 65.38
Bi-weekly	\$ 123.08	\$ 130.76
Semi-monthly	\$ 133.33	\$ 141.66
Monthly	\$ 266.67	\$ 283.33
Quarterly	\$ 800.00	\$ 850.00
Annually	\$ 3,200.00	\$ 3,400.00
Daily	\$ 8.77	\$ 9.31

* The standard Deduction is **\$3,400**.

FORMULA

Total wages (before any deductions)

LESS Allowance for Standard Deduction

LESS Value of exemptions (number of exemptions times the allowable amount for one exemption as shown for the applicable payroll period)

Equals **TAXABLE INCOME**

Note: The number of exemptions to be used in this formula is determined from the Form MW507 (Maryland Employee Exemption Certificate) filed by your employee. Form MW507 is available on our Web site at marylandcomptroller.gov.

(a) Married Filing Joint or Head of Household

Withholding - Daily payroll period

DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$13.70

IF THE taxable income is		The amount to be withheld shall be		of excess over
Over	But not over			
\$ 0	\$ 412		7.40%	
\$ 412	\$ 481	30.49 plus 7.65%	\$ 412	
\$ 481	\$ 618	35.75 plus 7.90%	\$ 481	
\$ 618	\$ 824	46.60 plus 8.15%	\$ 618	
\$ 824	\$ 1,648	63.39 plus 8.40%	\$ 824	
\$ 1,648	\$ 3,297	132.59 plus 8.90%	\$ 1,648	
\$ 3,297	\$ --	279.36 plus 9.15%	\$ 3,297	

(b) Single including Married Filing Separately or Dependent

Withholding - Daily payroll period

DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$13.70

IF THE taxable income is		The amount to be withheld shall be		of excess over
Over	But not over			
\$ 0	\$ 275		7.40%	
\$ 275	\$ 343	20.33 plus 7.65%	\$ 275	
\$ 343	\$ 412	25.58 plus 7.90%	\$ 343	
\$ 412	\$ 687	31.01 plus 8.15%	\$ 412	
\$ 687	\$ 1,374	53.40 plus 8.40%	\$ 687	
\$ 1,374	\$ 2,747	111.12 plus 8.90%	\$ 1,374	
\$ 2,747	\$ --	233.32 plus 9.15%	\$ 2,747	

Withholding - Weekly payroll period

DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$96.00

IF THE taxable income is		The amount to be withheld shall be		of excess over
Over	But not over			
\$ 0	\$ 2,885		7.40%	
\$ 2,885	\$ 3,365	213.46 plus 7.65%	\$ 2,885	
\$ 3,365	\$ 4,327	250.24 plus 7.90%	\$ 3,365	
\$ 4,327	\$ 5,769	326.20 plus 8.15%	\$ 4,327	
\$ 5,769	\$ 11,538	443.75 plus 8.40%	\$ 5,769	
\$ 11,538	\$ 23,077	928.33 plus 8.90%	\$ 11,538	
\$ 23,077	\$ --	1,955.30 plus 9.15%	\$ 23,077	

Withholding - Weekly payroll period

DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$96.00

IF THE taxable income is		The amount to be withheld shall be		of excess over
Over	But not over			
\$ 0	\$ 1,923		7.40%	
\$ 1,923	\$ 2,404	142.31 plus 7.65%	\$ 1,923	
\$ 2,404	\$ 2,885	179.09 plus 7.90%	\$ 2,404	
\$ 2,885	\$ 4,808	217.07 plus 8.15%	\$ 2,885	
\$ 4,808	\$ 9,615	373.80 plus 8.40%	\$ 4,808	
\$ 9,615	\$ 19,231	777.61 plus 8.90%	\$ 9,615	
\$ 19,231	\$ --	1,633.44 plus 9.15%	\$ 19,231	

Withholding - Bi-Weekly payroll period

DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$192.00

IF THE taxable income is		The amount to be withheld shall be		of excess over
Over	But not over			
\$ 0	\$ 5,769		7.40%	
\$ 5,769	\$ 6,731	426.92 plus 7.65%	\$ 5,769	
\$ 6,731	\$ 8,654	500.48 plus 7.90%	\$ 6,731	
\$ 8,654	\$ 11,538	652.40 plus 8.15%	\$ 8,654	
\$ 11,538	\$ 23,077	887.50 plus 8.40%	\$ 11,538	
\$ 23,077	\$ 46,154	1,856.74 plus 8.90%	\$ 23,077	
\$ 46,154	\$ --	3,910.59 plus 9.15%	\$ 46,154	

Withholding - Bi-Weekly payroll period

DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$192.00

IF THE taxable income is		The amount to be withheld shall be		of excess over
Over	But not over			
\$ 0	\$ 3,846		7.40%	
\$ 3,846	\$ 4,808	284.62 plus 7.65%	\$ 3,846	
\$ 4,808	\$ 5,769	358.17 plus 7.90%	\$ 4,808	
\$ 5,769	\$ 9,615	434.13 plus 8.15%	\$ 5,769	
\$ 9,615	\$ 19,231	747.60 plus 8.40%	\$ 9,615	
\$ 19,231	\$ 38,462	1,555.31 plus 8.90%	\$ 19,231	
\$ 38,462	\$ --	3,266.87 plus 9.15%	\$ 38,462	

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Percentage method of withholding for 2.65 PERCENT LOCAL INCOME TAX

Payroll period	Amount of one exemption	Standard Deduction*
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Semi-monthly	\$ 133.33	\$ 141.66
Monthly	\$ 266.67	\$ 283.33
Quarterly	\$ 800.00	\$ 850.00
Annually	\$ 3,200.00	\$ 3,400.00
Daily	\$ 8.77	\$ 9.31

* The standard Deduction is **\$3,400**.

FORMULA

Total wages (before any deductions)

LESS Allowance for Standard Deduction

LESS Value of exemptions (number of exemptions times the allowable amount for one exemption as shown for the applicable payroll period)

Equals **TAXABLE INCOME**

Note: The number of exemptions to be used in this formula is determined from the Form MW507 (Maryland Employee Exemption Certificate) filed by your employee. Form MW507 is available on our Web site at marylandcomptroller.gov.

(a) Married Filing Joint or Head of Household

Withholding - Semi-Monthly payroll period

DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$208.00

IF THE taxable income is		The amount to be withheld shall be			of excess over
Over	But not over				
\$ 0	\$ 6,250		7.40%		
\$ 6,250	\$ 7,292	462.50 plus	7.65%	\$ 6,250	
\$ 7,292	\$ 9,375	542.19 plus	7.90%	\$ 7,292	
\$ 9,375	\$ 12,500	706.77 plus	8.15%	\$ 9,375	
\$ 12,500	\$ 25,000	961.46 plus	8.40%	\$ 12,500	
\$ 25,000	\$ 50,000	2,011.46 plus	8.90%	\$ 25,000	
\$ 50,000	\$ --	4,236.46 plus	9.15%	\$ 50,000	

Withholding - Monthly payroll period

DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$417.00

IF THE taxable income is		The amount to be withheld shall be			of excess over
Over	But not over				
\$ 0	\$ 12,500		7.40%		
\$ 12,500	\$ 14,583	925.00 plus	7.65%	\$ 12,500	
\$ 14,583	\$ 18,750	1,084.38 plus	7.90%	\$ 14,583	
\$ 18,750	\$ 25,000	1,413.54 plus	8.15%	\$ 18,750	
\$ 25,000	\$ 50,000	1,922.92 plus	8.40%	\$ 25,000	
\$ 50,000	\$ 100,000	4,022.92 plus	8.90%	\$ 50,000	
\$ 100,000	\$ --	8,472.92 plus	9.15%	\$ 100,000	

Withholding - Quarterly payroll period

DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$1,250.00

IF THE taxable income is		The amount to be withheld shall be			of excess over
Over	But not over				
\$ 0	\$ 37,500		7.40%		
\$ 37,500	\$ 43,750	2,775.00 plus	7.65%	\$ 37,500	
\$ 43,750	\$ 56,250	3,253.13 plus	7.90%	\$ 43,750	
\$ 56,250	\$ 75,000	4,240.63 plus	8.15%	\$ 56,250	
\$ 75,000	\$ 150,000	5,768.75 plus	8.40%	\$ 75,000	
\$ 150,000	\$ 300,000	12,068.75 plus	8.90%	\$ 150,000	
\$ 300,000	\$ --	25,418.75 plus	9.15%	\$ 300,000	

FORMULA

Total wages (before any deductions)

LESS Allowance for Standard Deduction

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(b) Single including Married Filing Separately or Dependent

Withholding - Semi-Monthly payroll period

DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$208.00

IF THE taxable income is		The amount to be withheld shall be			of excess over
Over	But not over				
\$ 0	\$ 4,167		7.40%		
\$ 4,167	\$ 5,208	308.33 plus	7.65%	\$ 4,167	
\$ 5,208	\$ 6,250	388.02 plus	7.90%	\$ 5,208	
\$ 6,250	\$ 10,417	470.31 plus	8.15%	\$ 6,250	
\$ 10,417	\$ 20,833	809.90 plus	8.40%	\$ 10,417	
\$ 20,833	\$ 41,667	1,684.90 plus	8.90%	\$ 20,833	
\$ 41,667	\$ --	3,539.90 plus	9.15%	\$ 41,667	

Withholding - Monthly payroll period

DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$417.00

IF THE taxable income is		The amount to be withheld shall be			of excess over
Over	But not over				
\$ 0	\$ 8,333		7.40%		
\$ 8,333	\$ 10,417	616.67 plus	7.65%	\$ 8,333	
\$ 10,417	\$ 12,500	776.04 plus	7.90%	\$ 10,417	
\$ 12,500	\$ 20,833	940.63 plus	8.15%	\$ 12,500	
\$ 20,833	\$ 41,667	1,619.79 plus	8.40%	\$ 20,833	
\$ 41,667	\$ 83,333	3,369.82 plus	8.90%	\$ 41,667	
\$ 83,333	\$ --	7,078.09 plus	9.15%	\$ 83,333	

Withholding - Quarterly payroll period

DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$1,250.00

IF THE taxable income is		The amount to be withheld shall be			of excess over
Over	But not over				
\$ 0	\$ 25,000		7.40%		
\$ 25,000	\$ 31,250	1,850.00 plus	7.65%	\$ 25,000	
\$ 31,250	\$ 37,500	2,328.13 plus	7.90%	\$ 31,250	
\$ 37,500	\$ 62,500	2,821.88 plus	8.15%	\$ 37,500	
\$ 62,500	\$ 125,000	4,859.38 plus	8.40%	\$ 62,500	
\$ 125,000	\$ 250,000	10,109.38 plus	8.90%	\$ 125,000	
\$ 250,000	\$ --	21,234.38 plus	9.15%	\$ 250,000	

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* The standard Deduction is **\$3,400**.

(a) Married Filing Joint or Head of Household

Withholding - Annual payroll period

DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$5,000.00

IF THE taxable income is		The amount to be withheld shall be		
Over	But not over		of excess over	
\$ 0	\$ 150,000		7.40%	
\$ 150,000	\$ 175,000	11,100.00 plus	7.65%	\$ 150,000
\$ 175,000	\$ 225,000	13,012.50 plus	7.90%	\$ 175,000
\$ 225,000	\$ 300,000	16,962.50 plus	8.15%	\$ 225,000
\$ 300,000	\$ 600,000	23,075.00 plus	8.40%	\$ 300,000
\$ 600,000	\$ 1,200,000	48,275.00 plus	8.90%	\$ 600,000
\$ 1,200,000	\$ --	101,675.00 plus	9.15%	\$ 1,200,000

FORMULA

Total wages (before any deductions)

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(b) Single including Married Filing Separately or Dependent

Withholding - Annual payroll period

DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$5,000.00

IF THE taxable income is		The amount to be withheld shall be		
Over	But not over		of excess over	
\$ 0	\$ 100,000		7.40%	
\$ 100,000	\$ 125,000	7,400.00 plus	7.65%	\$ 100,000
\$ 125,000	\$ 150,000	9,312.50 plus	7.90%	\$ 125,000
\$ 150,000	\$ 250,000	11,287.50 plus	8.15%	\$ 150,000
\$ 250,000	\$ 500,000	19,437.50 plus	8.40%	\$ 250,000
\$ 500,000	\$ 1,000,000	40,437.50 plus	8.90%	\$ 500,000
\$ 1,000,000	\$ --	84,937.50 plus	9.15%	\$ 1,000,000

Lump Sum Distribution of Annual Bonus The amount to be withheld shall be

9.15%