

Percentage method of withholding for 2.85 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	
Over	But not over	withheld shall be	of excess over
\$ 0	\$ 412	7.60%	
\$ 412	\$ 481	31.32 plus 7.85%	\$ 412
\$ 481	\$ 618	36.71 plus 8.10%	\$ 481
\$ 618	\$ 824	47.84 plus 8.35%	\$ 618
\$ 824	\$ 1,648	65.04 plus 8.60%	\$ 824
\$ 1,648	\$ 3,297	135.89 plus 9.10%	\$ 1,648
\$ 3,297	\$ --	285.95 plus 9.35%	\$ 3,297

Withholding - Weekly payroll period

DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$96.00

IF THE taxable income is		The amount to be	
Over	But not over	withheld shall be	of excess over
\$ 0	\$ 2,885	7.60%	
\$ 2,885	\$ 3,365	219.23 plus 7.85%	\$ 2,885
\$ 3,365	\$ 4,327	256.97 plus 8.10%	\$ 3,365
\$ 4,327	\$ 5,769	334.86 plus 8.35%	\$ 4,327
\$ 5,769	\$ 11,538	455.29 plus 8.60%	\$ 5,769
\$ 11,538	\$ 23,077	951.40 plus 9.10%	\$ 11,538
\$ 23,077	\$ --	2,001.45 plus 9.35%	\$ 23,077

Withholding - Bi-Weekly payroll period

DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$192.00

IF THE taxable income is		The amount to be	
Over	But not over	withheld shall be	of excess over
\$ 0	\$ 5,769	7.60%	
\$ 5,769	\$ 6,731	438.46 plus 7.85%	\$ 5,769
\$ 6,731	\$ 8,654	513.94 plus 8.10%	\$ 6,731
\$ 8,654	\$ 11,538	669.71 plus 8.35%	\$ 8,654
\$ 11,538	\$ 23,077	910.58 plus 8.60%	\$ 11,538
\$ 23,077	\$ 46,154	1,902.89 plus 9.10%	\$ 23,077
\$ 46,154	\$ --	4,002.99 plus 9.35%	\$ 46,154

(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	
Over	But not over	withheld shall be	of excess over
\$ 0	\$ 275	7.60%	
\$ 275	\$ 343	20.88 plus 7.85%	\$ 275
\$ 343	\$ 412	26.27 plus 8.10%	\$ 343
\$ 412	\$ 687	31.83 plus 8.35%	\$ 412
\$ 687	\$ 1,374	54.77 plus 8.60%	\$ 687
\$ 1,374	\$ 2,747	113.87 plus 9.10%	\$ 1,374
\$ 2,747	\$ --	238.81 plus 9.35%	\$ 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	
Over	But not over	withheld shall be	of excess over
\$ 0	\$ 1,923	7.60%	
\$ 1,923	\$ 2,404	146.15 plus 7.85%	\$ 1,923
\$ 2,404	\$ 2,885	183.89 plus 8.10%	\$ 2,404
\$ 2,885	\$ 4,808	222.84 plus 8.35%	\$ 2,885
\$ 4,808	\$ 9,615	383.41 plus 8.60%	\$ 4,808
\$ 9,615	\$ 19,231	796.84 plus 9.10%	\$ 9,615
\$ 19,231	\$ --	1,671.90 plus 9.35%	\$ 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	
Over	But not over	withheld shall be	of excess over
\$ 0	\$ 3,846	7.60%	
\$ 3,846	\$ 4,808	292.31 plus 7.85%	\$ 3,846
\$ 4,808	\$ 5,769	367.79 plus 8.10%	\$ 4,808
\$ 5,769	\$ 9,615	445.67 plus 8.35%	\$ 5,769
\$ 9,615	\$ 19,231	766.83 plus 8.60%	\$ 9,615
\$ 19,231	\$ 38,462	1,593.77 plus 9.10%	\$ 19,231
\$ 38,462	\$ --	3,343.79 plus 9.35%	\$ 38,462

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Percentage method of withholding for 2.85 PERCENT LOCAL INCOME TAX

Payroll period	Amount of one exemption	Standard Deduction*
Weekly	\$ 61.54	\$ 65.38
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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		7.60%	
\$ 6,250	\$ 7,292	475.00 plus 7.85%		\$ 6,250
\$ 7,292	\$ 9,375	556.77 plus 8.10%		\$ 7,292
\$ 9,375	\$ 12,500	725.52 plus 8.35%		\$ 9,375
\$ 12,500	\$ 25,000	986.46 plus 8.60%		\$ 12,500
\$ 25,000	\$ 50,000	2,061.46 plus 9.10%		\$ 25,000
\$ 50,000	\$ --	4,336.46 plus 9.35%		\$ 50,500

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		7.60%	
\$ 12,500	\$ 14,583	950.00 plus 7.85%		\$ 12,500
\$ 14,583	\$ 18,750	1,113.54 plus 8.10%		\$ 14,583
\$ 18,750	\$ 25,000	1,451.04 plus 8.35%		\$ 18,750
\$ 25,000	\$ 50,000	1,972.92 plus 8.60%		\$ 25,000
\$ 50,000	\$ 100,000	4,122.92 plus 9.10%		\$ 50,000
\$ 100,000	\$ --	8,672.92 plus 9.35%		\$ 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		7.60%	
\$ 37,500	\$ 43,750	2,850.00 plus 7.85%		\$ 37,500
\$ 43,750	\$ 56,250	3,340.63 plus 8.10%		\$ 43,750
\$ 56,250	\$ 75,000	4,353.13 plus 8.35%		\$ 56,250
\$ 75,000	\$ 150,000	5,918.75 plus 8.60%		\$ 75,000
\$ 150,000	\$ 300,000	12,368.75 plus 9.10%		\$ 150,000
\$ 300,000	\$ --	26,018.75 plus 9.35%		\$ 300,000

(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		7.60%	
\$ 4,167	\$ 5,208	316.67 plus 7.85%		\$ 4,167
\$ 5,208	\$ 6,250	398.44 plus 8.10%		\$ 5,208
\$ 6,250	\$ 10,417	482.81 plus 8.35%		\$ 6,250
\$ 10,417	\$ 20,833	830.73 plus 8.60%		\$ 10,417
\$ 20,833	\$ 41,667	1,726.56 plus 9.10%		\$ 20,833
\$ 41,667	\$ --	3,622.43 plus 9.35%		\$ 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		7.60%	
\$ 8,333	\$ 10,417	633.33 plus 7.85%		\$ 8,333
\$ 10,417	\$ 12,500	796.88 plus 8.10%		\$ 10,417
\$ 12,500	\$ 20,833	965.63 plus 8.35%		\$ 12,500
\$ 20,833	\$ 41,667	1,661.46 plus 8.60%		\$ 20,833
\$ 41,667	\$ 83,333	3,453.15 plus 9.10%		\$ 41,667
\$ 83,333	\$ --	7,244.76 plus 9.35%		\$ 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		7.60%	
\$ 25,000	\$ 31,250	1,900.00 plus 7.85%		\$ 25,000
\$ 31,250	\$ 37,500	2,390.63 plus 8.10%		\$ 31,250
\$ 37,500	\$ 62,500	2,896.88 plus 8.35%		\$ 37,500
\$ 62,500	\$ 125,000	4,984.38 plus 8.60%		\$ 62,500
\$ 125,000	\$ 250,000	10,359.38 plus 9.10%		\$ 125,000
\$ 250,000	\$ --	21,734.38 plus 9.35%		\$ 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	7.60%	
\$ 150,000	\$ 175,000	11,400.00 plus 7.85%	\$ 150,000
\$ 175,000	\$ 225,000	13,362.50 plus 8.10%	\$ 175,000
\$ 225,000	\$ 300,000	17,412.50 plus 8.35%	\$ 225,000
\$ 300,000	\$ 600,000	23,675.00 plus 8.60%	\$ 300,000
\$ 600,000	\$ 1,200,000	49,475.00 plus 9.10%	\$ 600,000
\$ 1,200,000	\$ --	104,075.00 plus 9.35%	\$ 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	7.60%	
\$ 100,000	\$ 125,000	7,600.00 plus 7.85%	\$ 100,000
\$ 125,000	\$ 150,000	9,562.50 plus 8.10%	\$ 125,000
\$ 150,000	\$ 250,000	11,587.50 plus 8.35%	\$ 150,000
\$ 250,000	\$ 500,000	19,937.50 plus 8.60%	\$ 250,000
\$ 500,000	\$ 1,000,000	41,437.50 plus 9.10%	\$ 500,000
\$ 1,000,000	\$ --	86,937.50 plus 9.35%	\$ 1,000,000

Lump Sum Distribution of Annual Bonus
The amount to be withheld shall be
9.35%