

## Percentage method of withholding for 3.05 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**.

### (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		7.80%	
\$ 412	\$ 481	32.14 plus 8.05%	\$ 412	
\$ 481	\$ 618	37.67 plus 8.30%	\$ 481	
\$ 618	\$ 824	49.07 plus 8.55%	\$ 618	
\$ 824	\$ 1,648	66.69 plus 8.80%	\$ 824	
\$ 1,648	\$ 3,297	139.19 plus 9.30%	\$ 1,648	
\$ 3,297	\$ --	292.54 plus 9.55%	\$ 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 withheld shall be		of excess over
Over	But not over			
\$ 0	\$ 2,885		7.80%	
\$ 2,885	\$ 3,365	225.00 plus 8.05%	\$ 2,885	
\$ 3,365	\$ 4,327	263.70 plus 8.30%	\$ 3,365	
\$ 4,327	\$ 5,769	343.51 plus 8.55%	\$ 4,327	
\$ 5,769	\$ 11,538	466.83 plus 8.80%	\$ 5,769	
\$ 11,538	\$ 23,077	974.48 plus 9.30%	\$ 11,538	
\$ 23,077	\$ --	2,047.61 plus 9.55%	\$ 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 withheld shall be		of excess over
Over	But not over			
\$ 0	\$ 5,769		7.80%	
\$ 5,769	\$ 6,73	450.00 plus 8.05%	\$ 5,769	
\$ 6,731	\$ 8,654	527.40 plus 8.30%	\$ 6,731	
\$ 8,654	\$ 11,538	687.02 plus 8.55%	\$ 8,654	
\$ 11,538	\$ 23,077	933.65 plus 8.80%	\$ 11,538	
\$ 23,077	\$ 46,154	1,949.05 plus 9.30%	\$ 23,077	
\$ 46,154	\$ --	4,095.21 plus 9.55%	\$ 46,154	

### 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](http://marylandcomptroller.gov).

### (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		7.80%	
\$ 275	\$ 343	21.43 plus 8.05%	\$ 275	
\$ 343	\$ 412	26.96 plus 8.30%	\$ 343	
\$ 412	\$ 687	32.66 plus 8.55%	\$ 412	
\$ 687	\$ 1,374	56.15 plus 8.80%	\$ 687	
\$ 1,374	\$ 2,747	116.62 plus 9.30%	\$ 1,374	
\$ 2,747	\$ --	244.31 plus 9.55%	\$ 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	\$ 1,923		7.80%	
\$ 1,923	\$ 2,404	150.00 plus 8.05%	\$ 1,923	
\$ 2,404	\$ 2,885	188.70 plus 8.30%	\$ 2,404	
\$ 2,885	\$ 4,808	228.61 plus 8.55%	\$ 2,885	
\$ 4,808	\$ 9,615	393.03 plus 8.80%	\$ 4,808	
\$ 9,615	\$ 19,231	816.07 plus 9.30%	\$ 9,615	
\$ 19,231	\$ --	1,710.36 plus 9.55%	\$ 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	\$ 3,846		7.80%	
\$ 3,846	\$ 4,808	300.00 plus 8.05%	\$ 3,846	
\$ 4,808	\$ 5,769	377.40 plus 8.30%	\$ 4,808	
\$ 5,769	\$ 9,615	457.21 plus 8.55%	\$ 5,769	
\$ 9,615	\$ 19,231	786.06 plus 8.80%	\$ 9,615	
\$ 19,231	\$ 38,462	1,632.23 plus 9.30%	\$ 19,231	
\$ 38,462	\$ --	3,420.71 plus 9.55%	\$ 38,462	

*continued on page 32*

## Percentage method of withholding for 3.05 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**.

### (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		7.80%	
\$ 6,250	\$ 7,292	487.50 plus 8.05%	\$ 6,250	
\$ 7,292	\$ 9,375	571.35 plus 8.30%	\$ 7,292	
\$ 9,375	\$ 12,500	744.27 plus 8.55%	\$ 9,375	
\$ 12,500	\$ 25,000	1,011.46 plus 8.80%	\$ 12,500	
\$ 25,000	\$ 50,000	2,111.46 plus 9.30%	\$ 25,000	
\$ 50,000	\$ --	4,436.46 plus 9.55%	\$ 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		7.80%	
\$ 12,500	\$ 14,583	975.00 plus 8.05%	\$ 12,500	
\$ 14,583	\$ 18,750	1,142.71 plus 8.30%	\$ 14,583	
\$ 18,750	\$ 25,000	1,488.54 plus 8.55%	\$ 18,750	
\$ 25,000	\$ 50,000	2,022.92 plus 8.80%	\$ 25,000	
\$ 50,000	\$ 100,000	4,222.92 plus 9.30%	\$ 50,000	
\$ 100,000	\$ --	8,872.92 plus 9.55%	\$ 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		7.80%	
\$ 37,500	\$ 43,750	2,925.00 plus 8.05%	\$ 37,500	
\$ 43,750	\$ 56,250	3,428.13 plus 8.30%	\$ 43,750	
\$ 56,250	\$ 75,000	4,465.63 plus 8.55%	\$ 56,250	
\$ 75,000	\$ 150,000	6,068.75 plus 8.80%	\$ 75,000	
\$ 150,000	\$ 300,000	12,668.75 plus 9.30%	\$ 150,000	
\$ 300,000	\$ --	26,618.75 plus 9.55%	\$ 300,000	

### 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](http://marylandcomptroller.gov).

### (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		7.80%	
\$ 4,167	\$ 5,208	325.00 plus 8.05%	\$ 4,167	
\$ 5,208	\$ 6,250	408.85 plus 8.30%	\$ 5,208	
\$ 6,250	\$ 10,417	495.31 plus 8.55%	\$ 6,250	
\$ 10,417	\$ 20,833	851.56 plus 8.80%	\$ 10,417	
\$ 20,833	\$ 41,667	1,768.23 plus 9.30%	\$ 20,833	
\$ 41,667	\$ --	3,705.76 plus 9.55%	\$ 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		7.80%	
\$ 8,333	\$ 10,417	650.00 plus 8.05%	\$ 8,333	
\$ 10,417	\$ 12,500	817.71 plus 8.30%	\$ 10,417	
\$ 12,500	\$ 20,833	990.63 plus 8.55%	\$ 12,500	
\$ 20,833	\$ 41,667	1,703.13 plus 8.80%	\$ 20,833	
\$ 41,667	\$ 83,333	3,536.49 plus 9.30%	\$ 41,667	
\$ 83,333	\$ --	7,411.43 plus 9.55%	\$ 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		7.80%	
\$ 25,000	\$ 31,250	1,950.00 plus 8.05%	\$ 25,000	
\$ 31,250	\$ 37,500	2,453.13 plus 8.30%	\$ 31,250	
\$ 37,500	\$ 62,500	2,971.88 plus 8.55%	\$ 37,500	
\$ 62,500	\$ 125,000	5,109.38 plus 8.80%	\$ 62,500	
\$ 125,000	\$ 250,000	10,609.38 plus 9.30%	\$ 125,000	
\$ 250,000	\$ --	22,234.38 plus 9.55%	\$ 250,000	

continued on page 33

## Percentage method of withholding for 3.05 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**.

### (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		of excess over
Over	But not over			
\$ 0	\$ 150,000		7.80%	
\$ 150,000	\$ 175,000	11,700.00 plus 8.05%	\$ 150,000	
\$ 175,000	\$ 225,000	13,712.50 plus 8.30%	\$ 175,000	
\$ 225,000	\$ 300,000	17,862.50 plus 8.55%	\$ 225,000	
\$ 300,000	\$ 600,000	24,275.00 plus 8.80%	\$ 300,000	
\$ 600,000	\$ 1,200,000	50,675.00 plus 9.30%	\$ 600,000	
\$ 1,200,000	\$ --	106,475.00 plus 9.55%	\$ 1,200,000	

#### 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](http://marylandcomptroller.gov).

### (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		of excess over
Over	But not over			
\$ 0	\$ 100,000		7.80%	
\$ 100,000	\$ 125,000	7,800.00 plus 8.05%	\$ 100,000	
\$ 125,000	\$ 150,000	9,812.50 plus 8.30%	\$ 125,000	
\$ 150,000	\$ 250,000	11,887.50 plus 8.55%	\$ 150,000	
\$ 250,000	\$ 500,000	20,437.50 plus 8.80%	\$ 250,000	
\$ 500,000	\$ 1,000,000	42,437.50 plus 9.30%	\$ 500,000	
\$ 1,000,000	\$ --	88,937.50 plus 9.55%	\$ 1,000,000	

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

**9.55%**