



Department of the Treasury
Internal Revenue Service

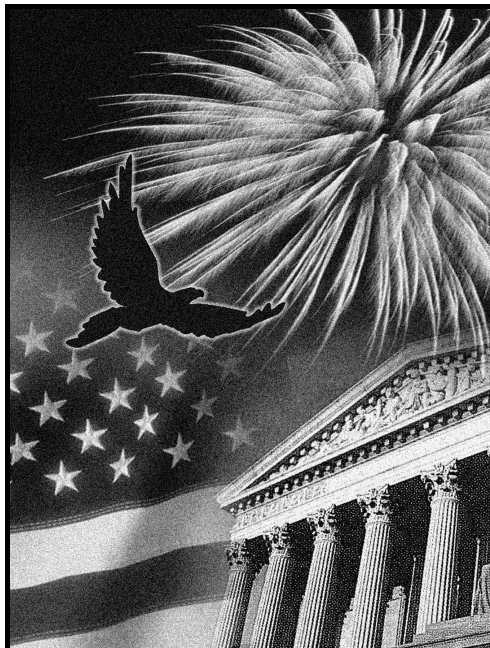
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**(Circular E),
Employer's
Tax Guide**

**(Including 2009 Wage
Withholding and Advance
Earned Income Credit
Payment Tables)**

For use in **2009**



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What's New

Social security and Medicare tax for 2009. Do not withhold social security tax after an employee reaches \$106,800 in social security wages. There is no limit on the amount of wages subject to Medicare tax. Social security and Medicare taxes apply to the wages of household workers you pay \$1,700 or more in cash. Social security and Medicare taxes apply to election workers who are paid \$1,500 or more.

Disregarded entities and qualified subchapter S subsidiaries (QSubs). The IRS has published final regulations (T.D. 9356) under which QSubs and eligible single-owner disregarded entities are treated as separate entities for employment tax purposes. For more information, see [Disregarded entities and qualified subchapter S subsidiaries](#) in the Introduction.

New employment tax adjustment and claim for refund process in 2009. If you discover an error on a previously filed Form 941 or Form 944 after December 31, 2008, make the correction using new Form 941-X, Adjusted Employer's QUARTERLY Federal Tax Return or Claim for Refund, or Form 944-X, Adjusted Employer's ANNUAL Federal Tax Return or Claim for Refund. For errors discovered before January 1, 2009, taxpayers make corrections to Forms 941 and 944 using Form 941c that is filed with Form 941 or Form 944 or by requesting a claim for refund or abatement on Form 843. Forms 941-X and 944-X are stand-alone forms, meaning taxpayers can file them when an error is discovered, rather than wait until the end of the quarter or year to file Form 941c with Form 941 or 944. Lines 7d, 7e, 7f, and 7g will be deleted from Form 941 beginning with the first calendar quarter of 2009 and lines 6b, 6c, 6d, and 6e will be deleted from Form 944 for 2009. Adjustments previously made on those lines are now made on the new Forms 941-X and 944-X. Claims for refund or abatement previously made on Form 843 are now made on Forms 941-X and 944-X. For more information, visit the IRS website at www.irs.gov and enter the keyword *Correcting Employment Taxes*.

Credit card payments. You can pay the balance due on Form 943 and Form 945 by credit card. Do not use a credit card to make federal tax deposits. For more information on paying your taxes with a credit card, visit the IRS website at www.irs.gov and click on the electronic IRS link.

Social Security Administration and magnetic media. Employers and authorized reporting agents requesting verification of names and social security numbers of between 51 and 250,000 employees can no longer use magnetic media to submit their requests to the Social Security Administration. Employers can upload a file through the Social Security Number Verification System (SSNVS) and will usually receive the results the next government business day. For more information, see [Verification of social security numbers](#) in section 4.

Paid preparers must sign Form 941 and Form 944. The paid preparer's section is no longer optional and is included in Part 5 of Form 941 and Form 944.

Differential wage payments. Differential wage payments will be treated as wages, subject to income tax withholding, but not social security, Medicare, or FUTA taxes, beginning with wages paid after December 31, 2008. See *Differential wage payments* in section 5 for more information.

Calendar

The following is a list of important dates. Also see Publication 509, Tax Calendars for 2009.



If any date shown below for filing a return, furnishing a form, or depositing taxes falls on a Saturday, Sunday, or federal holiday, use the next business day. A statewide legal holiday delays a filing due date only if the IRS office where you are required to file is located in that state. For any due date, you will meet the "file" or "furnish" requirement if the envelope containing the return or form is properly addressed, contains sufficient postage, and is postmarked by the U.S. Postal Service on or before the due date, or sent by an IRS-designated private delivery service on or before the due date. See Private Delivery Services on page 6 for more information.

By January 31

Furnish Forms 1099 and W-2. Furnish each employee a completed Form W-2, Wage and Tax Statement. Furnish each other payee a completed Form 1099 (for example, Form 1099-MISC, Miscellaneous Income).

File Form 941 or Form 944. File Form 941, Employer's QUARTERLY Federal Tax Return, for the fourth quarter of the previous calendar year and deposit any undeposited income, social security, and Medicare taxes. You may pay these taxes with Form 941 if your total tax liability for the quarter is less than \$2,500. File Form 944, Employer's ANNUAL Federal Tax Return, for the previous calendar year instead of Form 941 if the IRS has notified you in writing to file Form 944 and pay any undeposited income, social security, and Medicare taxes. You may pay these taxes with Form 944 if your total tax liability for the year is less than \$2,500. For additional rules on when you can pay your taxes with your return, see [Payment with return](#) on page 19. If you timely deposited all taxes when due, you have 10 additional calendar days from the due date above to file the appropriate return.

File Form 940. File Form 940, Employer's Annual Federal Unemployment (FUTA) Tax Return. However, if you deposited all of the FUTA tax when due, you have 10 additional calendar days to file.

File Form 945. File Form 945, Annual Return of Withheld Federal Income Tax, to report any nonpayroll income tax withheld in 2008. If you deposited all taxes when due, you have 10 additional calendar days to file. See [Nonpayroll Income Tax Withholding](#) on page 5 for more information.

By February 15

Request a new Form W-4 from exempt employees. Ask for a new Form W-4, Employee's Withholding Allowance Certificate, from each employee who claimed exemption from income tax withholding last year.

On February 16

Exempt Forms W-4 expire. Any Form W-4 previously given to you claiming exemption from withholding has expired. Begin withholding for any employee who previously claimed exemption from withholding, but has not given you a new Form W-4 for the current year. If the employee does not give you a new Form W-4, withhold tax as if he or she is single, with zero withholding allowances. See section 9 for more information. However, if you have an earlier Form W-4 for this employee that is valid, withhold based on the earlier Form W-4.

By February 28

File Forms 1099 and 1096. File Copy A of all Forms 1099 with Form 1096, Annual Summary and Transmittal of U.S. Information Returns, with the IRS. For electronically filed returns, see [By March 31](#) next.

File Forms W-2 and W-3. File Copy A of all Forms W-2 with Form W-3, Transmittal of Wage and Tax Statements, with the Social Security Administration (SSA). For electronically filed returns, see [By March 31](#) next.

File Form 8027. File Form 8027, Employer's Annual Information Return of Tip Income and Allocated Tips, with the IRS. See section 6. For electronically filed returns, see [By March 31](#) next.

Employer Responsibilities: The following list provides a brief summary of your basic responsibilities. Because the individual circumstances for each employer can vary greatly, responsibilities for withholding, depositing, and reporting employment taxes can differ. Each item in this list has a page reference to a more detailed discussion in this publication.

New Employees:	Page	Quarterly (By April 30, July 31, October 31, and January 31):	Page
<input type="checkbox"/> Verify work eligibility of employees	4	<input type="checkbox"/> Deposit FUTA tax if undeposited amount is over \$500	30
<input type="checkbox"/> Record employees' names and SSNs from social security cards	9	<input type="checkbox"/> File Form 941 (pay tax with return if not required to deposit)	25
<input type="checkbox"/> Ask employees for Form W-4	15		
Each Payday:		Annually (See <i>Calendar</i> for due dates):	
<input type="checkbox"/> Withhold federal income tax based on each employee's Form W-4	15	<input type="checkbox"/> Remind employees to submit a new Form W-4 if they need to change their withholding	15
<input type="checkbox"/> Withhold employee's share of social security and Medicare taxes	17	<input type="checkbox"/> Ask for a new Form W-4 from employees claiming exemption from income tax withholding	15
<input type="checkbox"/> Include advance earned income credit payment in paycheck if employee requested it on Form W-5	18	<input type="checkbox"/> Reconcile Forms 941 (or Form 944) with Forms W-2 and W-3.	26
<input type="checkbox"/> Deposit:		<input type="checkbox"/> Furnish each employee a Form W-2	2
• Withheld income tax		<input type="checkbox"/> File Copy A of Forms W-2 and the transmittal Form W-3 with the SSA	2
• Withheld and employer social security taxes		<input type="checkbox"/> Furnish each other payee a Form 1099 (for example, Forms 1099-R and 1099-MISC)	2
• Withheld and employer Medicare taxes	19	<input type="checkbox"/> File Forms 1099 and the transmittal Form 1096	2
Note: <i>Due date of deposit generally depends on your deposit schedule (monthly or semiweekly).</i>		<input type="checkbox"/> File Form 940	30
Annually (By January 31)		<input type="checkbox"/> File Form 945 for any nonpayroll income tax withholding	2
<input type="checkbox"/> File Form 944 if required (pay tax with return if not required to deposit)	25		

By March 31

File electronic Forms 1099, 8027, and W-2. File electronic Forms 1099 and 8027 with the IRS. File electronic Forms W-2 with the SSA. For information on reporting Form W-2 information to the SSA electronically, visit the Social Security Administration's Employer W-2 Filing Instructions & Information webpage at www.socialsecurity.gov/employer. For information on filing information returns electronically with the IRS, see Publication 1220, Specifications for Filing Forms 1098, 1099, 5498, and W-2G Electronically, and Publication 1239, Specifications for Filing Form 8027, Employer's Annual Information Return of Tip Income and Allocated Tips Electronically.

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

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

File Form 941. File Form 941 and deposit any undeposited income, social security, and Medicare taxes. You may pay these taxes with Form 941 if your total tax liability for the quarter is less than \$2,500. If you timely deposited all taxes when due, you have 10 additional calendar days from the due dates above to file the return.

Before December 1

New Forms W-4. Remind employees to submit a new Form W-4 if their withholding allowances have changed or will change for the next year.

On December 31

Form W-5 expires. Form W-5, Earned Income Credit Advance Payment Certificate, expires each year on December 31. Eligible employees who want to receive advance payments of the earned income credit next year must give you a new Form W-5.

Reminders

Electronic Filing and Payment

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

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

- For *e-file*, visit www.irs.gov for additional information.
- For EFTPS, visit www.eftps.gov or call EFTPS Customer Service at 1-800-555-4477.
- For electronic filing of Forms W-2, visit www.socialsecurity.gov/employer.

Electronic funds withdrawal (EFW). If you file Form 940, Form 941, or Form 944 electronically, you can e-file and e-pay (electronic funds withdrawal) the balance due in a single step using tax preparation software or through a

tax professional. However, **do not** use EFW to make federal tax deposits. For more information on paying your taxes using EFW, visit the IRS website at www.irs.gov and click on the *electronic IRS* link. A fee may be charged to file electronically.

Credit Card Payments

You can use your American Express® Card, Discover® Card, MasterCard® card, or Visa® card to pay the balance due shown on Form 940, Form 941, Form 943, Form 944, and Form 945. To pay by credit card, call toll-free or visit the website of either service provider listed below and follow the instructions. A convenience fee will be charged by the service provider based on the amount you are paying. Fees vary between the providers. You will be told what the fee is during the transaction and you will have the option to either continue or cancel the transaction. You can also find out what the fee will be by calling the provider's toll-free automated customer service number or by visiting the provider's website shown below. You may not use a credit card to pay taxes that are required to be deposited.

- Link2Gov Corporation
1-888-PAY-1040sm (1-888-729-1040)
1-888-658-5465 (Customer Service)
www.PAY1040.com
- Official Payments Corporation
1-800-2PAY-TAXsm (1-800-272-9829)
1-877-754-4413 (Customer Service)
www.officialpayments.com

Forms in Spanish

You can provide Formulario W-4(SP), Certificado de Exención de la Retención del Empleado, in place of Form W-4, Employee's Withholding Allowance Certificate, to your Spanish-speaking employees. For more information, see Publication 17SP, El Impuesto Federal sobre los Ingresos (para Personas Físicas). You can also provide Formulario W-5(SP), Certificado del Pago por Adelantado del Crédito por Ingreso del Trabajo, in place of Form W-5, Earned Income Credit Advance Payment Certificate. For nonemployees, Formulario W-9(SP), Solicitud y Certificación del Número de Identificación del Contribuyente, may be used in place of Form W-9, Request for Taxpayer Identification Number and Certification.

Hiring New Employees

Eligibility for employment. You must verify that each new employee is legally eligible to work in the United States. This will include completing the U.S. Citizenship and Immigration Services (USCIS) Form I-9, Employment Eligibility Verification. You can get the form from USCIS offices or by calling 1-800-870-3676. Contact the USCIS at 1-800-375-5283, or visit the USCIS website at www.uscis.gov for further information.

New hire reporting. You are required to report any new employee to a designated state new hire registry. Many states accept a copy of Form W-4 with employer information added. Visit the Office of Child Support Enforcement website at www.acf.hhs.gov/programs/cse/newhire for more information.

Income tax withholding. Ask each new employee to complete the 2009 Form W-4. See section 9.

Name and social security number. Record each new employee's name and number from his or her social security card. Any employee without a social security card should apply for one. See section 4.

Paying Wages, Pensions, or Annuities

Correcting Form 941 or Form 944. If you discover an error on a previously filed Form 941 or Form 944 after December 31, 2008, make the correction using new Form 941-X, Adjusted Employer's QUARTERLY Federal Tax Return or Claim for Refund, or Form 944-X, Adjusted Employer's ANNUAL Federal Tax Return or Claim for Refund. For errors discovered before January 1, 2009, taxpayers make corrections to Forms 941 and 944 using Form 941c that is filed with Form 941 or Form 944, or with Form 843 to claim a refund or abatement. Forms 941-X and 944-X are stand-alone forms, meaning taxpayers can file them when an error is discovered, rather than wait until the end of the quarter or year to file Form 941c with Form 941 or 944. Forms 941-X and 944-X are now used by employers to claim refunds or abatements of employment taxes, rather than Form 843. See section 13 for more information.

Income tax withholding. Withhold federal income tax from each wage payment or supplemental unemployment compensation plan benefit payment according to the employee's Form W-4 and the correct withholding rate. If you have nonresident alien employees, see [Withholding income taxes on the wages of nonresident alien employees](#) in section 9.

Withhold from periodic **pension and annuity payments** as if the recipient is married claiming three withholding allowances, unless he or she has provided Form W-4P, Withholding Certificate for Pension or Annuity Payments, either electing no withholding or giving a different number of allowances, marital status, or an additional amount to be withheld. Do not withhold on direct rollovers from qualified plans or governmental section 457(b) plans. See section 9 and Publication 15-A, Employer's Supplemental Tax Guide. Publication 15-A includes information about withholding on pensions and annuities.

Zero wage return. If you have not filed a "final" Form 941 or Form 944, or are not a "seasonal" employer (see lines 16 and 17 on Form 941), you must continue to file a Form 941 or Form 944 even for periods during which you paid no wages. IRS encourages you to file your "Zero Wage" Forms 941 or 944 electronically using IRS e-file at www.irs.gov. Click on the *e-file* link.

Information Returns

You may be required to file information returns to report certain types of payments made during the year. For example, you must file Form 1099-MISC, Miscellaneous Income, to report payments of \$600 or more to persons not treated as employees (for example, independent contractors) for services performed for your trade or business. For details about filing Forms 1099 and for information about required electronic filing, see the 2009 General Instructions for Forms 1099, 1098, 5498, and W-2G for general information and the separate, specific instructions for each information return that you file (for example, 2008 Instructions for Forms 1099-MISC). Do not use Forms 1099 to report wages and other compensation that you paid to employees; report these on Form W-2. See the Instructions for Forms W-2 and W-3 for details about filing Form W-2 and for information about required electronic filing. If you file 250 or more Forms 1099, you must file them electronically. If you file 250 or more Forms W-2, you must

file them electronically. SSA will not accept Forms W-2 and W-3 filed on magnetic media.



After December 1, 2008, you cannot file Forms 1099 using magnetic media.

Information reporting customer service site. The IRS operates the Enterprise Computing Center-Martinsburg, a centralized customer service site, to answer questions about reporting on Forms W-2, W-3, 1099, and other information returns. If you have questions related to reporting on information returns, call 1-866-455-7438 (toll free) or 304-263-8700 (toll call). The center can also be reached by email at mccirp@irs.gov. Call 304-267-3367 if you are a TDD/TTY user.

Annual Employment Tax Filing for Small Employers

Certain small employers may have to file Form 944 rather than Form 941 to report their employment taxes. For more information, see the Instructions for Form 944.

Nonpayroll Income Tax Withholding

Nonpayroll federal income tax withholding must be reported on Form 945, Annual Return of Withheld Federal Income Tax. Form 945 is an annual tax return and the return for 2008 is due February 2, 2009. Separate deposits are required for payroll (Form 941 or Form 944) and nonpayroll (Form 945) withholding. Nonpayroll items include:

- Pensions (including distributions from governmental section 457(b) plans), annuities, and IRAs.
- Military retirement.
- Gambling winnings.
- Indian gaming profits.
- Certain government payments subject to voluntary withholding.
- Payments subject to backup withholding.

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

All income tax withholding reported on Forms 1099 or Form W-2G must also be reported on Form 945. All income tax withholding reported on Form W-2 must be reported on Form 941, Form 943, Form 944, or Schedule H (Form 1040).

Distributions from nonqualified pension plans and deferred compensation plans. Because distributions to participants from some nonqualified pension plans and deferred compensation plans (including section 457(b) plans of tax-exempt organizations) are treated as wages and are reported on Form W-2, income tax withheld must be reported on Form 941 or Form 944, not on Form 945. However, distributions from such plans to a beneficiary or estate of a deceased employee are not wages and are reported on Forms 1099-R; income tax withheld must be reported on Form 945.

Backup withholding. You generally must withhold 28% of certain taxable payments if the payee fails to furnish you with his or her correct taxpayer identification number (TIN). This withholding is referred to as “backup withholding.”

Payments subject to backup withholding include interest, dividends, patronage dividends, rents, royalties, commissions, nonemployee compensation, and certain other

payments that you make in the course of your trade or business. In addition, transactions by brokers and barter exchanges and certain payments made by fishing boat operators are subject to backup withholding.



Backup withholding does not apply to wages, pensions, annuities, IRAs (including simplified employee pension (SEP) and SIMPLE retirement plans), section 404(k) distributions from an employee stock ownership plan (ESOP), medical savings accounts, health savings accounts, long-term-care benefits, or real estate transactions.

You can use Form W-9 or Formulario W-9(SP) to request that payees furnish a TIN and to certify that the number furnished is correct. You can also use Form W-9 or Formulario W-9(SP) to get certifications from payees that they are not subject to backup withholding or that they are exempt from backup withholding. The Instructions for the Requester of Form W-9 (also available in Spanish) includes a list of types of payees who are exempt from backup withholding. For more information, see Publication 1281, Backup Withholding for Missing and Incorrect Name/TIN(s).

Recordkeeping

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

- Your employer identification number (EIN),
- Amounts and dates of all wage, annuity, and pension payments,
- Amounts of tips reported to you by your employees,
- Records of allocated tips,
- The fair market value of in-kind wages paid,
- Names, addresses, social security numbers, and occupations of employees and recipients,
- Any employee copies of Forms W-2 and W-2c that were returned to you as undeliverable,
- Dates of employment for each employee,
- Periods for which employees and recipients were paid while absent due to sickness or injury and the amount and weekly rate of payments you or third-party payers made to them,
- Copies of employees' and recipients' income tax withholding allowance certificates (Forms W-4, W-4P, W-4(SP), W-4S, and W-4V),
- Copies of employees' Earned Income Credit Advance Payment Certificates (Forms W-5 and W-5(SP)),
- Dates and amounts of tax deposits that you made and acknowledgment numbers for deposits made by EFTPS,
- Copies of returns filed, including 941TeleFile Tax Records (discontinued after June 2005) and confirmation numbers, and
- Records of fringe benefits and expense reimbursements provided to your employees, including substantiation.

Change of Address

To notify the IRS of a new business mailing address or business location, file Form 8822, Change of Address. Do not mail Form 8822 with your employment tax return. For

information on how to change your address for deposit coupons, see [Making deposits with FTD coupons](#) in section 11.

Private Delivery Services

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

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

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



Private delivery services cannot deliver items to P.O. boxes. You must use the U.S. Postal Service to mail any item to an IRS P.O. box address.

Telephone Help

Additional employment tax information. Visit the IRS website at www.irs.gov/businesses and click on the *Employment Taxes* link.

Tax questions. You can call the IRS Business and Specialty Tax Line with your employment tax questions at 1-800-829-4933.

Help for people with disabilities. Telephone help is available using TTY/TDD equipment. You may call 1-800-829-4059 with any tax question or to order forms and publications. You may also use this number for assistance with unresolved tax problems.

Recorded tax information (TeleTax). The IRS TeleTax service provides recorded tax information on topics that answer many individual and business federal tax questions. You can listen to up to three topics on each call that you make. Touch-Tone service is available 24 hours a day, 7 days a week. TeleTax topics are also available on the IRS website at www.irs.gov/taxtopics.

A list of employment tax topics is provided below. Select, by number, the topic you want to hear and call 1-800-829-4477. For the directory of all topics, select Topic 123.

Teletax Topics

Topic No.	Subject (These topics are available in Spanish)
752	Form W-2—Where, When, and How to File (Dónde, Cuándo y Cómo Presentar La Formulario W-2)

Topic No.	Subject (These topics are available in Spanish)
753	Form W-4—Employee's Withholding Allowance Certificate (Formulario W-4—Certificado de Deducción en la Retención del Empleado)
754	Form W-5—Advance Earned Income Credit (Formulario W-5—Pago Anticipado del Crédito por Ingreso del Trabajo)
755	Employer Identification Number (EIN)—How to Apply (Como Solicitar Un Número de Identificación Patronal (EIN))
756	Employment Taxes for Household Employees (Impuestos Patronales por Empleados Domésticos)
757	Form 941 and Form 944—Deposit Requirements (Formulario 941 and Formulario 944—Requisitos de Depósito)
758	Form 941—Employer's QUARTERLY Federal Tax Return and Form 944—Employer's ANNUAL Federal Tax Return (Formulario 941—Declaración Trimestral del Impuesto Federal del Empleador) (Formulario 944—Declaración Anual del Impuesto Federal del Empleador)
759	Form 940—Deposit Requirements (Formulario 940—Requisitos de Depósito)
760	Form 940—Employer's Annual Federal Unemployment (FUTA) Tax Return (Formulario 940—Declaración Anual del Empleador del Impuesto Federal para el Desempleo)
761	Tips—Withholding and Reporting (Propinas—Declaración y Retención)
762	Independent Contractor vs. Employee (Contratista Independiente vs. Empleado)

Ordering Employer Tax Products

You can order employer tax products and information returns online at www.irs.gov/businesses. To order 2008 and 2009 forms, select "Online Ordering for Information Returns and Employer Returns." You may also order employer tax products and information returns by calling 1-800-829-3676.

Instead of ordering paper Forms W-2 and W-3, consider filing them electronically using the Social Security Administration's (SSA) free e-file service. Visit SSA's Employer W-2 Filing Instructions & Information website at www.socialsecurity.gov/employer, select "Electronically File Your W-2s," and provide registration information. You will be able to create and file "fill-in" versions of Forms W-2 with SSA and can print out completed copies of Forms W-2 for filing with state and local governments, for distribution to your employees, and for your records. Form W-3 will be created for you based on your Forms W-2.

Contacting Your Taxpayer Advocate

The Taxpayer Advocate Service (TAS) is an independent organization within the IRS whose employees assist taxpayers who are experiencing economic harm, who are seeking help in resolving tax problems that have not been resolved through normal channels, or who believe that an IRS system or procedure is not working as it should.

You can contact TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059 to see if you are eligible for assistance. You can also call or write to your local taxpayer advocate, whose phone number and address are listed in your local telephone directory and in Publication 1546, Taxpayer Advocate Service – Your Voice at the IRS. You can file Form 911, Request for Taxpayer Advocate Service Assistance (And Application for Taxpayer Assistance Order), or ask an IRS employee to complete it on your behalf. For more information, go to www.irs.gov/advocate.

Filing Addresses

Generally, your filing address for Forms 940, 941, 943, 944, and 945 depends on the location of your residence or principal place of business and whether or not you included a payment with your return. There are separate filing addresses for these returns if you are a tax-exempt organization or government entity. If you are located in the United States and do not include a payment with your return, you should file at either the Cincinnati or Ogden Service Centers. File Form CT-1 (for railroad retirement taxes) at the Cincinnati Service Center. See the separate instructions for Form 940, 941, 943, 944, 945, or CT-1 for the filing addresses.

Photographs of Missing Children

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

Introduction

This publication explains your tax responsibilities as an employer. It explains the requirements for withholding, depositing, reporting, paying, and correcting employment taxes. It explains the forms that you must give to your employees, those that your employees must give to you, and those that you must send to the IRS and SSA. This guide also has tax tables that you need to figure the taxes to withhold from each employee for 2009. References to “income tax” in this guide apply only to “federal” income tax. Contact your state or local tax department to determine if their rules are different.

Additional employment tax information is available in Publication 15-A, Employer’s Supplemental Tax Guide. Publication 15-A includes specialized information supplementing the basic employment tax information provided in this publication. Publication 15-B, Employer’s Tax Guide to Fringe Benefits, contains information about the employment tax treatment and valuation of various types of non-cash compensation.

Most employers must withhold (except FUTA), deposit, report, and pay the following employment taxes.

- Income tax.
- Social security tax.

- Medicare tax.
- Federal unemployment tax (FUTA).

There are exceptions to these requirements. See section 15, *Special Rules for Various Types of Services and Payments*. Railroad retirement taxes are explained in the Instructions for Form CT-1.

Employer’s liability. Employers are responsible to ensure that tax returns are filed and deposits and payments are made, even if the employer contracts with a third-party. The employer remains liable if the third party fails to perform a required action.

Federal Government employers. The information in this guide applies to federal agencies except for the rules requiring deposit of federal taxes only at Federal Reserve banks or through the FedTax option of the Government On-Line Accounting Link Systems (GOALS). See the Treasury Financial Manual (I TFM 3-4000) for more information.

State and local government employers. Payments to employees for services in the employ of state and local government employers are generally subject to federal income tax withholding but not federal unemployment (FUTA) tax. Most elected and appointed public officials of state or local governments are employees under common law rules. See chapter 3 of Publication 963, Federal-State Reference Guide. In addition, wages, with certain exceptions, are subject to social security and Medicare taxes. See section 15 of this guide for more information on the exceptions.

If an election worker is employed in another capacity with the same government entity, see Revenue Ruling 2000-6 on page 512 of Internal Revenue Bulletin 2000-6 at www.irs.gov/pub/irs-irbs/irb00-06.pdf.

You can get information on reporting and social security coverage from your local IRS office. If you have any questions about coverage under a section 218 (Social Security Act) agreement, contact the appropriate state official. To find your State Social Security Administrator, visit the National Conference of State Social Security Administrators website at www.ncsssa.org.

Disregarded entities and qualified subchapter S subsidiaries. The IRS has published final regulations section 301.7701-2(c)(2)(iv) under which QSubs and eligible single-owner disregarded entities are treated as separate entities for employment tax purposes. Under these regulations eligible single-member entities that have not elected to be taxed as corporations must report and pay employment taxes on wages paid to their employees after December 31, 2008, using the entities own name and EIN. The disregarded entity will be responsible for its own employment tax obligations on wages paid after December 31, 2008. For wages paid before January 1, 2009, see Publication 15 (Circular E), For Use in 2008.

Comments and suggestions. We welcome your comments about this publication and your suggestions for future editions. You can email us at *taxforms@irs.gov. (The asterisk must be included in the address.) Please put “Publications Comment” on the subject line.

You can write to us at the following address:

Internal Revenue Service
Tax Products Coordinating Committee
SE:W:CAR:MP:T:T:SP
1111 Constitution Ave. NW, IR-6526
Washington, DC 20224

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

1. Employer Identification Number (EIN)

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

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

If you do not have an EIN, you may apply for one online. Go to the IRS website at www.irs.gov and click on the *Online EIN Application* link. You may also apply for an EIN by calling 1-800-829-4933, or you can fax or mail Form SS-4 to the IRS. Do not use a social security number (SSN) in place of an EIN.

You should have only one EIN. If you have more than one and are not sure which one to use, call 1-800-829-4933 (TTY/TDD users can call 1-800-829-4059). Give the numbers that you have, the name and address to which each was assigned, and the address of your main place of business. The IRS will tell you which number to use.

If you took over another employer's business (see Successor employer, in section 9), do not use that employer's EIN. If you have applied for an EIN but do not have your EIN by the time a return is due, write "Applied For" and the date that you applied for it in the space shown for the number. See *Depositing without an EIN* in section 11 if you must make a tax deposit and you do not have an EIN.

2. Who Are Employees?

Generally, employees are defined either under common law or under statutes for certain situations. See Pub. 15-A for details on statutory employees and nonemployees.

Employee status under common law. Generally, a worker who performs services for you is your employee if you have the right to control what will be done and how it will be done. This is so even when you give the employee freedom of action. What matters is that you have the right to control the details of how the services are performed. See Publication 15-A for more information on how to determine whether an individual providing services is an independent contractor or an employee.

Generally, people in business for themselves are not employees. For example, doctors, lawyers, veterinarians, construction contractors, and others in an independent trade in which they offer their services to the public are usually not employees. However, if the business is incorporated, corporate officers who work in the business are employees.

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

Statutory employees. If someone who works for you is not an employee under the common law rules discussed above, do not withhold federal income tax from his or her pay, unless backup withholding applies. Although the following persons may not be common law employees, they may be considered employees by statute for social security, Medicare, and FUTA tax purposes under certain conditions.

- An agent (or commission) driver who delivers food, beverages (other than milk), laundry, or dry cleaning for someone else.
- A full-time life insurance salesperson who sells primarily for one company.
- A homemaker who works by guidelines of the person for whom the work is done, with materials furnished by and returned to that person or to someone that person designates.
- A traveling or city salesperson (other than an agent-driver or commission-driver) who works full time (except for sideline sales activities) for one firm or person getting orders from customers. The orders must be for items for resale or use as supplies in the customer's business. The customers must be retailers, wholesalers, contractors, or operators of hotels, restaurants, or other businesses dealing with food or lodging.

Statutory nonemployees. Direct sellers, qualified real estate agents, and certain companion sitters are, by law, considered nonemployees. They are generally treated as self-employed for all federal tax purposes, including income and employment taxes.

Treating employees as nonemployees. You will generally be liable for social security and Medicare taxes and withheld income tax if you do not deduct and withhold these taxes because you treated an employee as a non-employee. You may be able to calculate your liability using special rates for the employee share of social security and Medicare taxes and the federal income tax withholding. The applicable rates depend on whether you filed required Forms 1099. You cannot recover the employee share of social security, or Medicare tax, or income tax withholding from the employee. You are liable for the income tax withholding regardless of whether the employee paid income tax on the wages. You continue to owe the full employer share of social security and Medicare taxes. See Internal Revenue Code section 3509 for details. Also see the Instructions for Form 941-X.

Section 3509 rates are not available if you intentionally disregard the requirement to withhold taxes from the employee or if you withheld income taxes but not social security or Medicare taxes. Section 3509 is not available for reclassifying statutory employees. See *Statutory employees* above.

If the employer issued required information returns, the section 3509 rates are:

- For social security taxes; employer rate of 6.2% plus 20% of the employee rate of 6.2%, for a total rate of 7.44% of wages.
- For Medicare taxes; employer rate of 1.45% plus 20% of the employee rate of 1.45%, for a total rate of 1.74% of wages.
- For income tax withholding, withhold 1.5% of wages.

If the employer did not issue required information returns, the section 3509 rates are:

- For social security taxes; employer rate of 6.2% plus 40% of the employee rate of 6.2%, for a total rate of 8.68% of wages.
- For Medicare taxes; employer rate of 1.45% plus 40% of the employee rate of 1.45%, for a total rate of 2.03% of wages.
- For income tax withholding, withhold 3.0% of wages.

Relief provisions. If you have a reasonable basis for not treating a worker as an employee, you may be relieved from having to pay employment taxes for that worker. To get this relief, you must file all required 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 periods beginning after 1977. See Publication 1976, Do You Qualify for Relief Under Section 530?

IRS help. If you want the IRS to determine whether a worker is an employee, file Form SS-8, Determination of Worker Status for Purposes of Federal Employment Taxes and Income Tax Withholding.

3. Family Employees

Child employed by parents. Payments for the services of a child under age 18 who works for his or her parent in a trade or business are not subject to social security and Medicare taxes if the trade or business is a sole proprietorship or a partnership in which each partner is a parent of the child. If these payments are for work other than in a trade or business, such as domestic work in the parent's private home, they are not subject to social security and Medicare taxes until the child reaches age 21. However, see [Covered services of a child or spouse](#) later. Payments for the services of a child under age 21 who works for his or her parent, whether or not in a trade or business, are not subject to federal unemployment (FUTA) tax. Although not subject to FUTA tax, the wages of a child may be subject to income tax withholding.

One spouse employed by another. The wages for the services of an individual who works for his or her spouse in a trade or business are subject to income tax withholding and social security and Medicare taxes, but not to FUTA tax. However, the payments for services of one spouse employed by another in other than a trade or business, such as domestic service in a private home, are not subject to social security, Medicare, and FUTA taxes.

Covered services of a child or spouse. The wages for the services of a child or spouse are subject to income tax withholding as well as social security, Medicare, and FUTA taxes if he or she works for:

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

Parent employed by child. The payments for the services of a parent employed by his or her child in a trade or business are subject to income tax withholding and social security and Medicare taxes. Social security and Medicare taxes do not apply to payments made to a parent for services not in a trade or business, but they apply to domestic services if:

- The parent cares for a child who lives with the parent's child and the child is under age 18 or requires adult supervision for at least 4 continuous weeks in a calendar quarter due to a mental or physical condition and

- The parent's son or daughter is a widow or widower, divorced, or living with a spouse who, because of a physical or mental condition that lasts at least 4 continuous weeks, cannot care for the child during such period.

Payments made to a parent employed by his or her child are not subject to FUTA tax, regardless of the type of services provided.

4. Employee's Social Security Number (SSN)

You are required to get each employee's name and SSN and to enter them on Form W-2. This requirement also applies to resident and nonresident alien employees. You should ask your employee to show you his or her social security card. The employee may show the card if it is available. You may, but are not required to, photocopy the social security card if the employee provides it. If you do not provide the correct employee name and SSN on Form W-2, you may owe a penalty unless you have reasonable cause. See Publication 1586, Reasonable Cause Regulations and Requirements for Missing and Incorrect Name/TINs, for information on the requirement to solicit the employee's SSN.

Applying for a social security card. Any employee who is legally eligible to work in the United States and does not have a social security card can get one by completing Form SS-5, Application for a Social Security Card, and submitting the necessary documentation. You can get this form at SSA offices, by calling 1-800-772-1213, or from the SSA website at www.socialsecurity.gov/online/ss-5.html. The employee must complete and sign Form SS-5; it cannot be filed by the employer.

Applying for a social security number. If you file Form W-2 on paper and your employee applied for an SSN but does not have one when you must file Form W-2, enter "Applied For" on the form. If you are filing electronically, enter all zeros (000-00-000) in the social security number field. When the employee receives the SSN, file Copy A of Form W-2c, Corrected Wage and Tax Statement, with the SSA to show the employee's SSN. Furnish copies B, C, and 2 of Form W-2c to the employee. Up to five Forms W-2c for each Form W-3c may now be filed per session over the Internet, with no limit on the number of sessions. For more information, visit the SSA's Employer W-2 Filing Instructions & Information webpage at www.socialsecurity.gov/employer. Advise your employee to correct the SSN on his or her original Form W-2.

Correctly record the employee's name and SSN. Record the name and number of each employee as they are shown on the employee's social security card. If the employee's name is not correct as shown on the card (for example, because of marriage or divorce), the employee should request a corrected card from the SSA. Continue to report the employee's wages under the old name until the employee shows you an updated social security card with the new name.

If the Social Security Administration issues the employee a replacement card after a name change, or a new card with a different social security number after a change in alien work status, file a Form W-2c to correct the name/SSN reported for the most recently filed Form W-2. It is not necessary to correct other years if the previous name and number were used for years before the most recent Form W-2.

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



An individual with an ITIN who later becomes eligible to work in the United States must obtain an SSN.

Verification of social security numbers. The SSA offers employers and authorized reporting agents three methods for verifying employee SSNs.

- **Internet.** Verify up to 10 names and numbers (per screen) online and receive immediate results, or upload batch files of up to 250,000 names and numbers and usually receive results the next government business day. Visit www.socialsecurity.gov/employer and click on the *Verify SSNs Online* link.
- **Telephone.** Verify up to five names and numbers by calling 1-800-772-6270 or 1-800-772-1213.
- **Paper.** Verify up to 300 names and numbers by submitting a paper request. For information, see *Appendix A* in the Social Security Number Verification System (SSNVS) handbook at www.socialsecurity.gov/employer/ssnvs_handbk.htm#appendix.

Some verification methods require registration. For more information, call 1-800-772-6270.

5. Wages and Other Compensation

Wages subject to federal employment taxes generally include all pay that you give to an employee for services performed. The pay may be in cash or in other forms. It includes salaries, vacation allowances, bonuses, commissions, and fringe benefits. It does not matter how you measure or make the payments. Amounts an employer pays as a bonus for signing or ratifying a contract in connection with the establishment of an employer-employee relationship and an amount paid to an employee for cancellation of an employment contract and relinquishment of contract rights are wages subject to social security, Medicare, and federal unemployment taxes and income tax withholding. Also, compensation paid to a former employee for services performed while still employed is wages subject to employment taxes.

More information. See section 6 for a discussion of tips and section 7 for a discussion of supplemental wages. Also, see section 15 for exceptions to the general rules for wages. Publication 15-A provides additional information on wages, including nonqualified deferred compensation, and other compensation. Publication 15-B provides information on other forms of compensation, including:

- Accident and health benefits,
- Achievement awards,
- Adoption assistance,
- Athletic facilities,
- De minimis (minimal) benefits,
- Dependent care assistance,

- Educational assistance,
- Employee discounts,
- Employee stock options,
- Group-term life insurance coverage,
- Health Savings Accounts,
- Lodging on your business premises,
- Meals,
- Moving expense reimbursements,
- No-additional-cost services,
- Retirement planning services,
- Transportation (commuting) benefits,
- Volunteer firefighter and emergency medical responder benefits,
- Tuition reduction, and
- Working condition benefits.

Employee business expense reimbursements. A reimbursement or allowance arrangement is a system by which you pay the advances, reimbursements, and charges for your employees' substantiated business expenses. How you report a reimbursement or allowance amount depends on whether you have an accountable or a nonaccountable plan. If a single payment includes both wages and an expense reimbursement, you must specify the amount of the reimbursement.

These rules apply to all ordinary and necessary employee business expenses that would otherwise qualify for a deduction by the employee.

Accountable plan. To be an accountable plan, your reimbursement or allowance arrangement must require your employees to meet all three of the following rules.

1. They must have paid or incurred deductible expenses while performing services as your employees. A reimbursement or advance may not be paid instead of a wage payment.
2. They must adequately account to you for these expenses within a reasonable period of time.
3. They must return any amounts in excess of expenses within a reasonable period of time.

Amounts paid under an accountable plan are not wages and are not subject to the withholding and payment of income, social security, Medicare, and federal unemployment (FUTA) taxes.

If the expenses covered by this arrangement are not substantiated (or amounts in excess of substantiated expenses are not returned within a reasonable period of time), the amount paid under the arrangement in excess of the substantiated expenses is treated as paid under a nonaccountable plan. This amount is subject to the withholding and payment of income, social security, Medicare, and FUTA taxes for the first payroll period following the end of the reasonable period of time.

A reasonable period of time depends on the facts and circumstances. Generally, it is considered reasonable if your employees receive their advance within 30 days of the time that they incur the expenses, adequately account for the expenses within 60 days after the expenses were paid or incurred, and return any amounts in excess of expenses within 120 days after the expenses were paid or incurred. Also, it is considered reasonable if you give your employees a periodic statement (at least quarterly) that asks them to either return or adequately account for outstanding amounts and they do so within 120 days.

Nonaccountable plan. Payments to your employee for travel and other necessary expenses of your business under a nonaccountable plan are wages and are treated as supplemental wages and subject to the withholding and payment of income, social security, Medicare, and FUTA taxes. Your payments are treated as paid under a nonaccountable plan if:

- Your employee is not required to or does not substantiate timely those expenses to you with receipts or other documentation,
- You advance an amount to your employee for business expenses and your employee is not required to or does not return timely any amount he or she does not use for business expenses, or
- You advance or pay an amount to your employee regardless of whether you reasonably expect the employee to have business expenses related to your business.
- You pay an amount as a reimbursement that you would have otherwise paid as wages.

See section 7 for more information on supplemental wages.

Per diem or other fixed allowance. You may reimburse your employees by travel days, miles, or some other fixed allowance under the applicable revenue procedure. In these cases, your employee is considered to have accounted to you if your reimbursement does not exceed rates established by the Federal Government. The 2008 standard mileage rate for auto expenses was 50.5 cents per mile from January 1 – June 30 and 58.5 cents per mile from July 1 – December 31. The rate for 2009 is 55 cents per mile. The government per diem rates for meals and lodging in the continental United States are listed in Publication 1542, Per Diem Rates. Other than the amount of these expenses, your employees' business expenses must be substantiated (for example, the business purpose of the travel or the number of business miles driven).

If the per diem or allowance paid exceeds the amounts specified, you must report the excess amount as wages. This excess amount is subject to income tax withholding and payment of social security, Medicare, and FUTA taxes. Show the amount equal to the specified amount (for example, the nontaxable portion) in box 12 of Form W-2 using code L.

Wages not paid in money. If in the course of your trade or business you pay your employees in a medium that is neither cash nor a readily negotiable instrument, such as a check, you are said to pay them "in kind." Payments in kind may be in the form of goods, lodging, food, clothing, or services. Generally, the fair market value of such payments at the time that they are provided is subject to federal income tax withholding and social security, Medicare, and FUTA taxes.

However, noncash payments for household work, agricultural labor, and service not in the employer's trade or business are exempt from social security, Medicare, and FUTA taxes. Withhold income tax on these payments only if you and the employee agree to do so. Nonetheless, noncash payments for agricultural labor, such as commodity wages, are treated as cash payments subject to employment taxes if the substance of the transaction is a cash payment.

Moving expenses. Reimbursed and employer-paid qualified moving expenses (those that would otherwise be deductible by the employee) paid under an accountable plan are not includible in an employee's income unless you have knowledge that the employee deducted the expenses in a prior year. Reimbursed and employer-paid

nonqualified moving expenses are includible in income and are subject to employment taxes and income tax withholding. For more information on moving expenses, see Publication 521, Moving Expenses.

Meals and lodging. The value of meals is not taxable income and is not subject to income tax withholding and social security, Medicare, and FUTA taxes if the meals are furnished for the employer's convenience and on the employer's premises. The value of lodging is not subject to income tax withholding and social security, Medicare, and FUTA taxes if the lodging is furnished for the employer's convenience, on the employer's premises, and as a condition of employment.

"For the convenience of the employer" means that you have a substantial business reason for providing the meals and lodging other than to provide additional compensation to the employee. For example, meals that you provide at the place of work so that an employee is available for emergencies during his or her lunch period are generally considered to be for your convenience.

However, whether meals or lodging are provided for the convenience of the employer depends on all of the facts and circumstances. A written statement that the meals or lodging are for your convenience is not sufficient.

50% test. If over 50% of the employees who are provided meals on an employer's business premises receive these meals for the convenience of the employer, all meals provided on the premises are treated as furnished for the convenience of the employer. If this 50% test is met, the value of the meals is excludable from income for all employees and is not subject to federal income tax withholding or employment taxes. For more information, see Publication 15-B.

Health insurance plans. If you pay the cost of an accident or health insurance plan for your employees, including an employee's spouse and dependents, your payments are not wages and are not subject to social security, Medicare, and FUTA taxes, or federal income tax withholding. Generally, this exclusion also applies to qualified long-term care insurance contracts. However, for income tax withholding, the value of health insurance benefits must be included in the wages of S corporation employees who own more than 2% of the S corporation (2% shareholders). For social security, Medicare, and FUTA taxes, the health insurance benefits are excluded from the wages only for employees and their dependents or for a class or classes of employees and their dependents. See Announcement 92-16 for more information. You can find Announcement 92-16 on page 53 of Internal Revenue Bulletin 1992-5.

Health Savings Accounts and medical savings accounts. Your contributions to an employee's Health Savings Account (HSA) or medical savings account (Archer MSA) are not subject to social security, Medicare, or FUTA taxes, or federal income tax withholding if it is reasonable to believe at the time of payment of the contributions that they will be excludable from the income of the employee. To the extent that it is not reasonable to believe that they will be excludable, your contributions are subject to these taxes. Employee contributions to their HSAs or MSAs through a payroll deduction plan must be included in wages and are subject to social security, Medicare, and FUTA taxes and income tax withholding. However, HSA contributions made under a salary reduction arrangement in a section 125 cafeteria plan are not wages and are not subject to employment taxes or withholding. For more information, see the Instructions for Form 8889.

Medical care reimbursements. Generally, medical care reimbursements paid for an employee under an employer's self-insured medical reimbursement plan are not

wages and are not subject to social security, Medicare, and FUTA taxes, or income tax withholding. See Publication 15-B for an exception for highly compensated employees.

Differential wage payments. Differential wage payments are any payments made by an employer to an individual for a period during which the individual is performing service in the uniformed services while on active duty for a period of more than 30 days and represent all or a portion of the wages the individual would have received from the employer if the individual were performing services for the employer.

Differential wage payments are wages for income tax withholding, but are not subject to social security, Medicare, or FUTA taxes. Employers should report differential wage payments on Form W-2 in box 1. For more information about the tax treatment of differential wage payments, visit the IRS website at www.irs.gov and search for "Employers with Employees in a Combat Zone."

Fringe benefits. You generally must include fringe benefits in an employee's gross income (but see [Nontaxable fringe benefits](#) next). The benefits are subject to income tax withholding and employment taxes. Fringe benefits include cars that you provide, flights on aircraft that you provide, free or discounted commercial flights, vacations, discounts on property or services, memberships in country clubs or other social clubs, and tickets to entertainment or sporting events. In general, the amount that you must include is the amount by which the fair market value of the benefits is more than the sum of what the employee paid for it plus any amount that the law excludes. There are other special rules that you and your employees may use to value certain fringe benefits. See Publication 15-B for more information.

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

1. Services provided to your employees at no additional cost to you,
2. Qualified employee discounts,
3. Working condition fringes that are property or services that the employee could deduct as a business expense if he or she had paid for it. Examples include a company car for business use and subscriptions to business magazines,
4. Certain minimal value fringes (including an occasional cab ride when an employee must work overtime, local transportation benefits provided because of unsafe conditions and unusual circumstances, and meals that you provide at eating places that you run for your employees if the meals are not furnished at below cost),
5. Qualified transportation fringes subject to specified conditions and dollar limitations (including transportation in a commuter highway vehicle, any transit pass, and qualified parking),
6. Qualified moving expense reimbursement. See [Moving expenses](#), on page 11 for details,
7. The use of on-premises athletic facilities, if substantially all of the use is by employees, their spouses, and their dependent children, and
8. Qualified tuition reduction that an educational organization provides to its employees for education. For more information, see Publication 970, Tax Benefits for Education.

However, do not exclude the following fringe benefits from the income of highly compensated employees unless the benefit is available to other employees on a nondiscriminatory basis.

- No-additional-cost services (item 1 above).
- Qualified employee discounts (item 2 above).
- Meals provided at an employer operated eating facility (included in item 4 above).
- Reduced tuition for education (item 8 above).

For more information, including the definition of a highly compensated employee, see Publication 15-B.

When fringe benefits are treated as paid. You may choose to treat certain noncash fringe benefits as paid by the pay period, by the quarter, or on any other basis that you choose as long as you treat the benefits as paid at least once a year. You do not have to make a formal choice of payment dates or notify the IRS of the dates that you choose. You do not have to make this choice for all employees. You may change methods as often as you like, as long as you treat all benefits provided in a calendar year as paid by December 31 of the calendar year. See Publication 15-B for more information, including a discussion of the special accounting rule for fringe benefits provided during November and December.

Valuation of fringe benefits. Generally, you must determine the value of fringe benefits no later than January 31 of the next year. Before January 31, you may reasonably estimate the value of the fringe benefits for purposes of withholding and depositing on time.

Withholding on fringe benefits. You may add the value of fringe benefits to regular wages for a payroll period and figure withholding taxes on the total, or you may withhold federal income tax on the value of the fringe benefits at the flat 25% supplemental wage rate. However, see *Withholding on supplemental wages when an employee receives more than \$1,000,000 of supplemental wages during the calendar year* in section 7.

You may choose not to withhold income tax on the value of an employee's personal use of a vehicle that you provide. You must, however, withhold social security and Medicare taxes on the use of the vehicle. See Publication 15-B for more information on this election.

Depositing taxes on fringe benefits. Once you choose payment dates for fringe benefits (discussed above), you must deposit taxes in the same deposit period that you treat the fringe benefits as paid. To avoid a penalty, deposit the taxes following the general deposit rules for that deposit period.

If you determine by January 31 that you overestimated the value of a fringe benefit at the time you withheld and deposited for it, you may claim a refund for the overpayment or have it applied to your next employment tax return. See [Valuation of fringe benefits](#) above. If you underestimated the value and deposited too little, you may be subject to a failure-to-deposit penalty. See section 11 for information on deposit penalties.

If you deposited the required amount of taxes but withheld a lesser amount from the employee, you can recover from the employee the social security, Medicare, or income taxes that you deposited on his or her behalf, and included in the employee's Form W-2. However, you must recover the income taxes before April 1 of the following year.

Sick pay. In general, sick pay is any amount that you pay under a plan to an employee who is unable to work because of sickness or injury. These amounts are sometimes paid by a third party, such as an insurance company or an

employees' trust. In either case, these payments are subject to social security, Medicare, and FUTA taxes. Sick pay becomes exempt from these taxes after the end of 6 calendar months after the calendar month that the employee last worked for the employer. The payments are always subject to federal income tax. See Publication 15-A for more information.

6. Tips

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

- The employee's name, address, and SSN.
- Your name and address.
- The month or period that the report covers.
- The total of tips received during the month or period.

Both Forms 4070 and 4070-A, Employee's Daily Record of Tips, are included in Publication 1244, Employee's Daily Record of Tips and Report to Employer.



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

Collecting taxes on tips. You must collect income tax, employee social security tax, and employee Medicare tax on the employee's tips. If an employee reports to you in writing \$20 or more of tips in a month, the tips are also subject to FUTA tax.

You can collect these taxes from the employee's wages or from other funds that he or she makes available. See [Tips treated as supplemental wages](#) in section 7 for more information. Stop collecting the employee social security tax when his or her wages and tips for tax year 2009 reach \$106,800; collect the income and employee Medicare taxes for the whole year on all wages and tips. You are responsible for the employer social security tax on wages and tips until the wages (including tips) reach the limit. You are responsible for the employer Medicare tax for the whole year on all wages and tips. File Form 941 or Form 944 to report withholding and employment taxes on tips.

Ordering rule. If, by the 10th of the month after the month for which you received an employee's report on tips, you do not have enough employee funds available to deduct the employee tax, you no longer have to collect it. If there are not enough funds available, withhold taxes in the following order.

1. Withhold on regular wages and other compensation.
2. Withhold social security and Medicare taxes on tips.
3. Withhold income tax on tips.

Reporting tips. Report tips and any uncollected social security and Medicare taxes on Form W-2 and on lines 5b and 5c of Form 941 (lines 4b and 4c of Form 944). Report an adjustment on line 7c of Form 941 (line 6a of the 2008 Form 944, line 6 of the 2009 Form 944) for the uncollected social security and Medicare taxes. Enter the amount of

uncollected social security and Medicare taxes in box 12 of Form W-2 with codes A and B. See section 13 and the Instructions for Forms W-2 and W-3.

Allocated tips. If you operate a large food or beverage establishment, you must report allocated tips under certain circumstances. However, do not withhold income, social security, or Medicare taxes on allocated tips.

A large food or beverage establishment is one that provides food or beverages for consumption on the premises, where tipping is customary, and where there were normally more than 10 employees on a typical business day during the preceding year.

The tips may be allocated by one of three methods—hours worked, gross receipts, or good faith agreement. For information about these allocation methods, including the requirement to file Forms 8027 on magnetic media or electronically if 250 or more forms are filed, see the Instructions for Form 8027.

Tip Rate Determination and Education Program. Employers may participate in the Tip Rate Determination and Education Program. The program primarily consists of two voluntary agreements developed to improve tip income reporting by helping taxpayers to understand and meet their tip reporting responsibilities. The two agreements are the Tip Rate Determination Agreement (TRDA) and the Tip Reporting Alternative Commitment (TRAC). Additionally, the IRS is offering an expanded tip reporting and education program for food and beverage industry employers called the Attributed Tip Income Program (ATIP). ATIP has simple enrollment requirements and procedures. To find out more about the program, or to identify the IRS Tip Coordinator for your state, call the IRS at 1-800-829-4933. To get more information about TRDA, TRAC, or ATIP agreements, access the IRS website at www.irs.gov and search for Market Segment Understanding (MSU) agreements.

7. Supplemental Wages

Supplemental wages are compensation paid in addition to an employee's regular wages. They include, but are not limited to, bonuses, commissions, overtime pay, payments for accumulated sick leave, severance pay, awards, prizes, back pay, retroactive pay increases, and payments for nondeductible moving expenses. Other payments subject to the supplemental wage rules include taxable fringe benefits and expense allowances paid under a nonaccountable plan. How you withhold on supplemental wages depends on whether the supplemental payment is identified as a separate payment from regular wages. See Regulations section 31.3402(g)-1 for additional guidance for wages paid after January 1, 2007. Also see Revenue Ruling 2008-29. You can find Revenue Ruling 2008-29 on page 1149 of Internal Revenue Bulletin 2008-24 at www.irs.gov/pub/irs-irbs/irb08-24.pdf.

Withholding on supplemental wages when an employee receives more than \$1,000,000 of supplemental wages from you during the calendar year. Special rules apply to the extent that supplemental wages paid to any one employee during the calendar year exceed \$1,000,000. If a supplemental wage payment, together with other supplemental wage payments made to the employee during the calendar year, exceeds \$1,000,000, the excess is subject to withholding at 35 percent (or the highest rate of income tax for the year). Withhold using the 35% rate without regard to the employee's Form W-4. In determining supplemental wages paid to the employee during the year, include payments from all businesses under common control. For more information, see Treasury Decision 9276. You can find Treasury Decision 9276

on page 423 of Internal Revenue Bulletin 2006-37 at www.irs.gov/pub/irs-irbs/irb06-37.pdf.

Withholding on supplemental wage payments to an employee who does not receive \$1,000,000 of supplemental wages during the calendar year. If the supplemental wages paid to the employee during the calendar year are less than or equal to \$1,000,000, the following rules apply in determining the amount of income tax to be withheld.

Supplemental wages combined with regular wages. If you pay supplemental wages with regular wages but do not specify the amount of each, withhold federal income tax as if the total were a single payment for a regular payroll period.

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

1. If you withheld income tax from an employee's regular wages in the current or immediately preceding calendar year, you can use one of the following methods for the supplemental wages.
 - a. Withhold a flat 25% (no other percentage allowed).
 - b. Add the supplemental wages to the concurrently paid regular wages, or, if there are no concurrently paid regular wages, to the most recent payment of regular wages this year. Then figure the income tax withholding as if the total was a single payment. Subtract the tax already withheld from the regular wages. Withhold the remaining tax from the supplemental wages. If there are no concurrently paid regular wages but there were other payments of supplemental wages (after the last payment of regular wages but before the current payment of supplemental wages), aggregate all the payments, calculate the tax on the total, subtract the tax already withheld from the regular wages and the previous supplemental wages, and withhold the remaining tax.
2. If you did not withhold income tax from the employee's regular wages in the current or immediately preceding calendar year, use method 1-b above. This would occur, for example, when the value of the employee's withholding allowances claimed on Form W-4 is more than the wages.

Regardless of the method that you use to withhold income tax on supplemental wages, they are subject to social security, Medicare, and FUTA taxes.

Example 1. You pay John Peters a base salary on the 1st of each month. He is single and claims one withholding allowance. In January of 2009, he is paid \$1,000. Using the wage bracket tables, you withhold \$50 from this amount. In February 2009, he receives salary of \$1,000 plus a commission of \$2,000, which you include with regular wages. You figure the withholding based on the total of \$3,000. The correct withholding from the tables is \$342.

Example 2. You pay Sharon Warren a base salary on the 1st of each month. She is single and claims one allowance. Her May 1, 2009, pay is \$2,000. Using the wage bracket tables, you withhold \$192. On May 14, 2009, she receives a bonus of \$2,000. Electing to use supplemental payment method 1-b, you:

1. Add the bonus amount to the amount of wages from the most recent pay date ($\$2,000 + \$2,000 = \$4,000$).
2. Determine the amount of withholding on the combined \$4,000 amount to be \$569 using the wage bracket tables.
3. Subtract the amount withheld from wages on the most recent pay date from the combined withholding amount ($\$569 - \$192 = \$377$).
4. Withhold \$377 from the bonus payment.

Example 3. The facts are the same as in Example 2, except that you elect to use the flat rate method of withholding on the bonus. You withhold 25% of \$2,000, or \$500, from Sharon's bonus payment.

Example 4. The facts are the same as in Example 2, except that you elect to pay Sharon a second bonus of \$1,000 on May 28. Using supplemental payment method 1-b, you:

1. Add the bonus amount to the amount of wages from the most recent pay date ($\$2,000 + \$2,000 + \$1,000 = \$5,000$).
2. Determine the amount of withholding on the combined \$5,000 amount to be \$819 using the wage bracket tables.
3. Subtract the amount withheld from wages on the most recent pay date and from the first bonus payment from the combined withholding amount ($\$819 - \$569 = \$250$).
4. Withhold \$250 from the second bonus payment.

Tips treated as supplemental wages. Withhold income tax on tips from wages or from other funds that the employee makes available. If an employee receives regular wages and reports tips, figure income tax withholding as if the tips were supplemental wages. If you have not withheld income tax from the regular wages, add the tips to the regular wages. Then withhold income tax on the total. If you withheld income tax from the regular wages, you can withhold on the tips by method 1-a or 1-b above.

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

8. Payroll Period

Your payroll period is a period of service for which you usually pay wages. When you have a regular payroll period, withhold income tax for that time period even if your employee does not work the full period.

No regular payroll period. When you do not have a regular payroll period, withhold the tax as if you paid wages for a daily or miscellaneous payroll period. Figure the number of days (including Sundays and holidays) in the period covered by the wage payment. If the wages are unrelated to a specific length of time (for example, commissions paid on completion of a sale), count back the number of days from the payment period to the latest of:

- The last wage payment made during the same calendar year,

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

Employee paid for period less than 1 week. When you pay an employee for a period of less than one week, and the employee signs a statement under penalties of perjury indicating that he or she is not working for any other employer during the same week for wages subject to withholding, figure withholding based on a weekly payroll period. If the employee later begins to work for another employer for wages subject to withholding, the employee must notify you within 10 days. You then figure withholding based on the daily or miscellaneous period.

9. Withholding From Employees' Wages

Income Tax Withholding

Using Form W-4 to figure withholding. To know how much federal income tax to withhold from employees' wages, you should have a Form W-4, Employee's Withholding Allowance Certificate, on file for each employee. Encourage your employees to file an updated Form W-4 for 2009, especially if they owed taxes or received a large refund when filing their 2008 tax return. Advise your employees to use the Withholding Calculator on the IRS website at www.irs.gov/individuals for help in determining how many withholding allowances to claim on their Forms W-4.

Ask all new employees to give you a signed Form W-4 when they start work. Make the form effective with the first wage payment. If a new employee does not give you a completed Form W-4, withhold income tax as if he or she is single, with no withholding allowances.

Form in Spanish. You can provide Formulario W-4(SP), Certificado de Exención de la Retención del Empleado, in place of Form W-4, Employee's Withholding Allowance Certificate, to your Spanish-speaking employees. For more information, see Publication 17SP, *El Impuesto Federal sobre los Ingresos (para Personas Físicas)*. The rules discussed in this section that apply to Form W-4 also apply to Formulario W-4(SP).

Electronic system to receive Form W-4. You may establish a system to electronically receive Forms W-4 from your employees. See Regulations section 31.3402(f)(5)-1(c) for more information.

Effective date of Form W-4. A Form W-4 remains in effect until the employee gives you a new one. When you receive a new Form W-4 from an employee, do not adjust withholding for pay periods before the effective date of the new form. If an employee gives you a Form W-4 that replaces an existing Form W-4, begin withholding no later than the start of the first payroll period ending on or after the 30th day from the date when you received the replacement Form W-4. For exceptions, see *Exemption from federal income tax withholding*, *IRS review of Forms W-4*, and *Invalid Forms W-4* later.



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

Successor employer. If you are a successor employer (see *Successor employer* on page 17), secure new Forms W-4 from the transferred employees unless the "Alternative Procedure" in section 5 of Revenue Procedure 2004-53 applies. You can find Rev. Proc. 2004-53 on page 320 of Internal Revenue Bulletin 2004-34 at www.irs.gov/pub/irs-irbs/irb04-34.pdf.

Completing Form W-4. The amount of any federal income tax withholding must be based on marital status and withholding allowances. Your employees may not base their withholding amounts on a fixed dollar amount or percentage. However, an employee may specify a dollar amount to be withheld in addition to the amount of withholding based on filing status and withholding allowances claimed on Form W-4.

Employees may claim fewer withholding allowances than they are entitled to claim. They may wish to claim fewer allowances to ensure that they have enough withholding or to offset the tax on other sources of taxable income that are not subject to adequate withholding.

See Publication 505, *Tax Withholding and Estimated Tax*, for more information about completing Form W-4. Along with Form W-4, you may wish to order Publication 505 and Publication 919, *How Do I Adjust My Tax Withholding*, for use by your employees.

Do not accept any withholding or estimated tax payments from your employees in addition to withholding based on their Form W-4. If they require additional withholding, they should submit a new Form W-4 and, if necessary, pay estimated tax by filing Form 1040-ES, *Estimated Tax for Individuals*.

Exemption from federal income tax withholding. Generally, an employee may claim exemption from federal income tax withholding because he or she had no income tax liability last year and expects none this year. See the Form W-4 instructions for more information. However, the wages are still subject to social security and Medicare taxes. See also *Invalid Forms W-4* on page 17.

A Form W-4 claiming exemption from withholding is valid for only 1 calendar year. To continue to be exempt from withholding in the next year, an employee must give you a new Form W-4 by February 15 of that year. If the employee does not give you a new Form W-4, withhold tax as if the employee is single with zero withholding allowances or withhold based on the last valid Form W-4 you have for the employee.

Withholding income taxes on the wages of nonresident alien employees. In general, you must withhold federal income taxes on the wages of nonresident alien employees. However, see Publication 515 for exceptions to this general rule. You must add an amount as set forth in the chart below to the nonresident alien's wages solely for calculating the income tax withholding for each payroll period. You determine the amount to be withheld by applying the income tax withholding tables to the amount of wages paid plus the additional chart amount. For more information, see Notice 2005-76. You can find Notice 2005-76 on page 947 of Internal Revenue Bulletin 2005-46 at www.irs.gov/pub/irs-irbs/irb05-46.pdf.



Nonresident alien students from India and business apprentices from India are not subject to this procedure.

The amount to be added to the nonresident alien's wages to calculate income tax withholding is set forth in the following chart.

Amount to Add to Nonresident Alien Employee's Wages for Calculating Income Tax Withholding Only

<u>Payroll Period</u>	<u>Add Additional</u>
Weekly	\$ 51.00
Biweekly	102.00
Semimonthly	110.00
Monthly	221.00
Quarterly	663.00
Semiannually	1,325.00
Annually	2,650.00
Daily or Miscellaneous (each day of the payroll period)	10.20

The amounts added under this chart are added to wages solely for calculating income tax withholding on the wages of the nonresident alien employee. These chart amounts should not be included in any box on the employee's Form W-2 and do not increase the income tax liability of the employee. Also, these chart amounts do not increase the social security, Medicare, or FUTA tax liability of the employer or the employee.

This procedure only applies to nonresident alien employees who have wages subject to income tax withholding.

Example. An employer using the percentage method of withholding pays wages of \$500 for a biweekly payroll period to a married nonresident alien employee. The nonresident alien has properly completed Form W-4, entering marital status as "single" with one withholding allowance and indicating status as a nonresident alien on line 6 of Form W-4 (see below). The employer determines the wages to be used in the withholding tables by adding to the \$500 amount of wages paid the amount of \$102 from the chart above (\$602 total). The employer then applies the applicable table (Table 2(a), the table for biweekly payroll period, single persons) by subtracting the applicable percentage method amount for one withholding allowance for a biweekly payroll period from \$602 and making the calculations according to the table.

The \$102 added to wages for purposes of calculating income tax withholding is not reported on Form W-2, and does not increase the income tax liability of the employee. The \$102 added amount also does not affect the social security tax, Medicare tax, or FUTA tax liability of the employer or the employee.

Supplemental wage payment. This procedure for determining the amount of income tax withholding does not apply to a supplemental wage payment (see section 7) if the 35 percent mandatory flat rate withholding applies or if the 25 percent flat rate withholding is being used to calculate income tax withholding on the supplemental wage payment.

Nonresident alien employee's Form W-4. When completing Forms W-4, nonresident aliens are required to:

- Not claim exemption from income tax withholding,
- Request withholding as if they are single, regardless of their actual marital status,
- Claim only one allowance (if the nonresident alien is a resident of Canada, Mexico, or Korea, he or she may claim more than one allowance), and
- Write "Nonresident Alien" or "NRA" above the dotted line on line 6 of Form W-4.

If you maintain an electronic Form W-4 system, you should provide a field for nonresident aliens to enter nonresident alien status in lieu of writing "Nonresident Alien" or "NRA" above the dotted line on line 6.



A nonresident alien employee may request additional withholding at his or her option for other purposes, although such additions should not be necessary for withholding to cover federal income tax liability related to employment.

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

IRS review of Forms W-4. When requested by the IRS, you must make original Forms W-4 available for inspection by an IRS employee. You may also be directed to send certain Forms W-4 to the IRS. You may receive a notice from the IRS requiring you to submit a copy of Form W-4 for one or more of your named employees. Send the requested copy or copies of Form W-4 to the IRS at the address provided and in the manner directed by the notice. The IRS may also require you to submit copies of Form W-4 to the IRS as directed by a revenue procedure or notice published in the Internal Revenue Bulletin. When we refer to Form W-4, the same rules apply to Formulario W-4(SP), its Spanish translation.

After submitting a copy of a requested Form W-4 to the IRS, continue to withhold federal income tax based on that Form W-4 if it is valid (see [Invalid Forms W-4](#) on page 17). However, if the IRS later notifies you in writing that the employee is not entitled to claim exemption from withholding or a claimed number of withholding allowances, withhold federal income tax based on the effective date, marital status, and maximum number of withholding allowances specified in the notice (commonly referred to as a "lock-in letter").

Initial lock-in letter. The IRS also uses information reported on Form W-2 to identify employees with withholding compliance problems. In some cases, if a serious under-withholding problem is found to exist for a particular employee, the IRS may issue a lock-in letter to the employer specifying the maximum number of withholding allowances and marital status permitted for a specific employee. You must furnish this notice to the employee within 10 business days of receipt if the employee is employed by you as of the date of the notice. Begin withholding based on the notice on the date specified in the notice.

Employee not performing services. If you receive a notice for an employee who is not performing services for you, you must still furnish the notice to the employee and withhold based on the notice if any of the following apply.

- You are paying wages for the employee's prior services and the wages are subject to income tax withholding on or after the date specified in the notice.
- You reasonably expect the employee to resume services within 12 months of the date of the notice.
- The employee is on a leave of absence that does not exceed 12 months or the employee has a right to reemployment after the leave of absence.

Termination and re-hire of employees. If you must furnish and withhold based on the notice and the employment relationship is terminated after the date of the notice, you must continue to withhold based on the notice if you

continue to pay any wages subject to income tax withholding. You must also withhold based on the notice or modification notice if the employee resumes the employment relationship with you within 12 months after the termination of the employment relationship.

Modification notice. After issuing the notice specifying the maximum number of withholding allowances and marital status permitted, the IRS may issue a subsequent notice (modification notice) that modifies the original notice. The modification notice may change the marital status and/or the number of withholding allowances permitted. You must withhold federal income tax based on effective date specified in the modification notice.

New Form W-4 after notice. After the IRS issues a notice or modification notice, if the employee provides you with a new Form W-4 claiming complete exemption from withholding or claims a marital status, a number of withholding allowances, and any additional withholding that results in less withholding than would result under the IRS notice or modification notice, disregard the new Form W-4. You must withhold based on the notice or modification notice unless the IRS notifies you to withhold based on the new Form W-4. If the employee wants to put a new Form W-4 into effect that results in less withholding than required, the employee must contact the IRS.

If, after you receive an IRS notice or modification notice, your employee gives you a new Form W-4 that does not claim exemption from federal income tax withholding and claims a marital status, a number of withholding allowances, and any additional withholding that results in more withholding than would result under the notice or modification notice, you must withhold tax based on the new Form W-4. Otherwise, disregard any subsequent Forms W-4 provided by the employee and withhold based on the IRS notice or modification notice.

For additional information about these rules, see Treasury Decision 9337. You can find Treasury Decision 9337 on page 455 of Internal Revenue Bulletin 2007-35 at www.irs.gov/pub/irs-irbs/irb07-35.pdf.

Substitute Forms W-4. You are encouraged to have your employees use the official version of Form W-4 to claim withholding allowances or exemption from withholding. Call the IRS at 1-800-829-3676 or visit the IRS website at www.irs.gov to obtain copies of Form W-4.

You may use a substitute version of Form W-4 to meet your business needs. However, your substitute Form W-4 must contain language that is identical to the official Form W-4 and your form must meet all current IRS rules for substitute forms. At the time that you provide your substitute form to the employee, you must provide him or her with all tables, instructions, and worksheets from the current Form W-4.

You cannot accept substitute Forms W-4 developed by employees. An employee who submits an employee-developed substitute Form W-4 after October 10, 2007, will be treated as failing to furnish a Form W-4. However, continue to honor any valid employee-developed Forms W-4 you accepted before October 11, 2007.

Invalid Forms W-4. Any unauthorized change or addition to Form W-4 makes it invalid. This includes taking out any language by which the employee certifies that the form is correct. A Form W-4 is also invalid if, by the date an employee gives it to you, he or she indicates in any way that it is false. An employee who submits a false Form W-4 may be subject to a \$500 penalty. You may treat a Form W-4 as invalid if the employee wrote "exempt" on line 7 and also entered a number on line 5 or an amount on line 6.

When you get an invalid Form W-4, do not use it to figure federal income tax withholding. Tell the employee that it is invalid and ask for another one. If the employee

does not give you a valid one, withhold taxes as if the employee was single and claiming no withholding allowances. However, if you have an earlier Form W-4 for this worker that is valid, withhold as you did before.

Amounts exempt from levy on wages, salary, and other income. If you receive a Notice of Levy on Wages, Salary, and Other Income (Forms 668-W(c), 668-W(c)(DO), or 668-W(ICS)), you must withhold amounts as described in the instructions for these forms. Publication 1494 (2009), Tables for Figuring Amount Exempt From Levy on Wages, Salary, and Other Income—Forms 668-W(c), 668-W(c)(DO), and 668-W(ICS), shows the exempt amount. If a levy issued in a prior year is still in effect and the taxpayer submits a new Statement of Exemptions and Filing Status, use the current year Publication 1494 to compute the exempt amount.

Social Security and Medicare Taxes

The Federal Insurance Contributions Act (FICA) provides for a federal system of old-age, survivors, disability, and hospital insurance. The old-age, survivors, and disability insurance part is financed by the social security tax. The hospital insurance part is financed by the Medicare tax. Each of these taxes is reported separately.

Generally, you are required to withhold social security and Medicare taxes from your employees' wages and you must also pay a matching amount of these taxes. Certain types of wages and compensation are not subject to social security and Medicare taxes. See sections 5 and 15 for details. Generally, employee wages are subject to social security and Medicare taxes regardless of the employee's age or whether he or she is receiving social security benefits. If the employee reported tips, see section 6.

Tax rates and the social security wage base limit. Social security and Medicare taxes have different rates and only the social security tax has a wage base limit. The wage base limit is the maximum wage that is subject to the tax for the year. Determine the amount of withholding for social security and Medicare taxes by multiplying each payment by the employee tax rate. There are no withholding allowances for social security and Medicare taxes.

The employee tax rate for social security is 6.2% (amount withheld). The employer tax rate for social security is also 6.2% (12.4% total). The 2008 wage base limit was \$102,000. For 2009, the wage base limit is \$106,800.

The employee tax rate for Medicare is 1.45% (amount withheld). The employer tax rate for Medicare tax is also 1.45% (2.9% total). There is no wage base limit for Medicare tax; all covered wages are subject to Medicare tax.

Successor employer. If you received all or most of the property used in the trade or business of another employer, or a unit of that employer's trade or business, you may include the wages that the other employer paid to your acquired employees before the transfer of property when you figure the annual wage base limit for social security. You should determine whether or not you should file Schedule D (Form 941), Report of Discrepancies Caused by Acquisitions, Statutory Mergers, or Consolidations, by reviewing the Instructions for Schedule D (Form 941). See Regulations section 31.3121(a)(1)-1(b) for more information. Also see Rev. Proc. 2004-53 for more information. You can find Rev. Proc. 2004-53 on page 320 of Internal Revenue Bulletin 2004-34 at www.irs.gov/pub/irs-irbs/irb04-34.pdf.

Example. Early in 2009, you bought all of the assets of a plumbing business from Mr. Martin. Mr. Brown, who had been employed by Mr. Martin and received \$2,000 in wages before the date of purchase, continued to work for you. The wages that you paid to Mr. Brown are subject to

social security taxes on the first \$104,800 (\$106,800 minus \$2,000). Medicare tax is due on all of the wages that you pay him during the calendar year.

Withholding of social security and Medicare taxes on nonresident aliens. In general, if you pay wages to nonresident alien employees, you must withhold federal social security and Medicare taxes as you would for a U.S. citizen. However, see Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*, for exceptions to this general rule.

International social security agreements. The United States has social security agreements with many countries that eliminate dual taxation and dual coverage. Compensation subject to social security and Medicare taxes may be exempt under one of these agreements. You can get more information and a list of agreement countries from the SSA at www.socialsecurity.gov/international or see section 7 of Publication 15-A.

Religious exemption. An exemption from social security and Medicare taxes is available to members of a recognized religious sect opposed to insurance. This exemption is available only if both the employee and the employer are members of the sect.

For more information, see Publication 517, *Social Security and Other Information for Members of the Clergy and Religious Workers*.

Part-Time Workers

For federal income tax withholding and social security, Medicare, and federal unemployment (FUTA) tax purposes, there are no differences among full-time employees, part-time employees, and employees hired for short periods. It does not matter whether the worker has another job or has the maximum amount of social security tax withheld by another employer. Income tax withholding may be figured the same way as for full-time workers. Or it may be figured by the part-year employment method explained in section 9 of Publication 15-A.

10. Advance Earned Income Credit (EIC) Payment

An employee who expects to be eligible for the earned income credit (EIC) and expects to have a qualifying child is entitled to receive EIC payments with his or her pay during the year. To get these payments, the employee must provide to you a properly completed Form W-5 (or Formulario W-5(SP), its Spanish translation), Earned Income Credit Advance Payment Certificate, using either the paper form or an approved electronic format. You are required to make advance EIC payments to employees who give you a completed and signed Form W-5. You may establish a system to electronically receive Forms W-5 from your employees. See Announcement 99-3 for information on electronic requirements for Form W-5. You can find Announcement 99-3 on page 15 of Internal Revenue Bulletin 1999-3 at www.irs.gov/pub/irs-irbs/irb99-03.pdf.

Certain employees who do not have a qualifying child may be able to claim the EIC on their tax return. However, they cannot get advance EIC payments.

For 2009, the advance payment can be as much as \$1,826. The tables that begin on page 60 reflect that limit.

Form W-5. Form W-5 explains the eligibility requirements for receiving advance EIC payments. On Form W-5, an employee states that he or she expects to be eligible to claim the EIC and shows whether he or she has another

Form W-5 in effect with any other current employer. The employee also shows the following:

- Whether he or she expects to have a qualifying child.
- Whether he or she will file a joint return.
- If the employee is married, whether his or her spouse has a Form W-5 in effect with any employer.

An employee may have only one certificate in effect with a current employer at one time. If an employee is married and his or her spouse also works, each spouse should file a separate Form W-5.

Length of effective period. Form W-5 is effective for the first payroll period ending on or after the date the employee gives you the form (or the first wage payment made without regard to a payroll period). It remains in effect until the end of the calendar year unless the employee revokes it or files another one. Eligible employees must file a new Form W-5 each year.

Change of status. If an employee gives you a signed Form W-5 and later becomes ineligible for advance EIC payments, he or she must revoke Form W-5 within 10 days after learning about the change of circumstances. The employee must give you a new Form W-5 stating that he or she is no longer eligible for or no longer wants advance EIC payments.

If an employee's situation changes because his or her spouse files a Form W-5, the employee must file a new Form W-5 showing that his or her spouse has a Form W-5 in effect with an employer. This will reduce the maximum amount of advance payments that you can make to that employee.

If an employee's spouse has filed a Form W-5 that is no longer in effect, the employee may file a new Form W-5 with you, but is not required to do so. A new form will certify that the spouse does not have a Form W-5 in effect and will increase the maximum amount of advance payments you can make to that employee.

Invalid Form W-5. The Form W-5 is invalid if it is incomplete, unsigned, or has an alteration or unauthorized addition. The form has been altered if any of the language has been deleted. Any writing added to the form other than the requested entries is an unauthorized addition.

You should consider a Form W-5 invalid if an employee has made an oral or written statement that clearly shows the Form W-5 to be false. If you receive an invalid form, tell the employee that it is invalid as of the date that he or she made the oral or written statement. For advance EIC payment purposes, the invalid Form W-5 is considered void.

You are not required to determine if a completed and signed Form W-5 is correct. However, you should contact the IRS if you have reason to believe that it contains an incorrect statement.

How to figure the advance EIC payment. To figure the amount of the advance EIC payment to include with the employee's pay, you must consider:

- Wages, including reported tips, for the same period. Generally, figure advance EIC payments using the amount of wages subject to income tax withholding. If an employee's wages are not subject to income tax withholding, use the amount of wages subject to withholding for social security and Medicare taxes.
- Whether the employee is married or single.
- Whether a married employee's spouse has a Form W-5 in effect with an employer.

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

Figure the amount of advance EIC to include in the employee's pay by using the tables that begin on page 60. There are separate tables for employees whose spouses have a Form W-5 in effect. See page 36 for instructions on using the advance EIC payment tables.



The amount of advance EIC paid to an employee during 2009 cannot exceed \$1,826. If during the year you have paid an employee total wages of at least \$35,464 (\$38,584 if married filing jointly), you must also stop making advance EIC payments to that employee for the rest of the year.

Paying the advance EIC to employees. An advance EIC payment is not subject to withholding of income, social security, or Medicare taxes. An advance EIC payment does not change the amount of income, social security, or Medicare taxes that you withhold from the employee's wages. You add the EIC payment to the employee's **net** pay for the pay period. At the end of the year, you show the total advance EIC payments in box 9 on Form W-2. Do not include this amount as wages in box 1.

Employer's returns. Show the total payments that you made to employees on the advance EIC payments line (line 9) of your Form 941 (line 8 of Form 944). Subtract this amount from your total taxes on line 8 (line 7 of Form 944). See the separate Instructions for Form 941 (or the separate Instructions for Form 944). Reduce the amounts reported on line 15 of Form 941 or on appropriate lines of Schedule B (Form 941), Report of Tax Liability for Semi-weekly Schedule Depositors, by any advance EIC paid to your employees.

Generally, employers will make the advance EIC payment from withheld income tax and employee and employer social security and Medicare taxes. These taxes are normally required to be paid over to the IRS either through federal tax deposits or with employment tax returns. For purposes of deposit due dates, advance EIC payments are treated as deposits of these taxes on the day that you pay wages (including the advance EIC payment) to your employees. The payments are treated as deposits of these taxes in the following order: (1) income tax withholding, (2) withheld employee social security and Medicare taxes, and (3) the employer's share of social security and Medicare taxes.

Example. You have 10 employees, each entitled to an advance EIC payment of \$10. The total amount of advance EIC payments that you make for the payroll period is \$100. The total amount of income tax withholding for the payroll period is \$90. The total employee and employer social security and Medicare taxes for the payroll period is \$122.60 (\$61.30 each).

You are considered to have made a deposit of \$100 advance EIC payment on the day that you paid wages. The \$100 is treated as if you deposited the \$90 total income tax withholding and \$10 of the employee social security and Medicare taxes. You remain liable for depositing the remaining \$112.60 of the social security and Medicare taxes (\$51.30 + \$61.30 = \$112.60).

Advance EIC payments more than taxes due. For any payroll period, if the total advance EIC payments are more than the total payroll taxes (withheld income tax and both employee and employer shares of social security and Medicare taxes), you may choose either to:

1. Reduce each employee's advance payment proportionally so that the total advance EIC payments equal the amount of taxes due or

2. Make full payment of the advance EIC and treat the excess as an advance payment of employment taxes.

Example. You have 10 employees who are each entitled to an advance EIC payment of \$10. The total amount of advance EIC payable for the payroll period is \$100. The total employment tax for the payroll period is \$90 (including income tax withholding and social security and Medicare taxes). The advance EIC payable is \$10 more than the total employment tax. The \$10 excess is 10% of the advance EIC payable (\$100). You may—

- Reduce each employee's payment by 10% (to \$9 each) so that the advance EIC payments equal your total employment tax (\$90) or
- Pay each employee \$10, and treat the excess \$10 as an advance payment of employment taxes. See the Instructions for Form 941 (or the Instructions for Form 944) for reporting details.

U.S. possessions. If you are in American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, or the U.S. Virgin Islands, consult your local tax office for information on the EIC. You cannot take advance EIC payments into account on Form 941-SS or Form 944-SS.

Required Notice to Employees

You must notify employees who have no federal income tax withheld that they may be able to claim a tax refund because of the EIC. Although you do not have to notify employees who claim exemption from withholding on Form W-4 about the EIC, you are encouraged to notify any employees whose wages for 2008 were less than \$38,646 (\$41,646 if married filing jointly) that they may be eligible to claim the credit for 2008. This is because eligible employees may get a refund of the amount of EIC that is more than the tax that they owe.

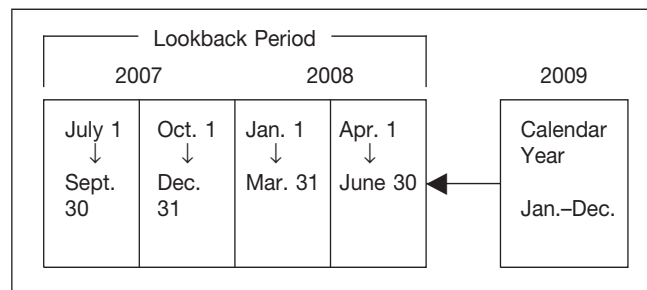
You will meet this notification requirement if you issue the employee Form W-2 with the EIC notice on the back of Copy B, or a substitute Form W-2 with the same statement. You will also meet the requirement by providing Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC), or your own statement that contains the same wording.

If a substitute for Form W-2 is given to the employee on time but does not have the required statement, you must notify the employee within 1 week of the date that the substitute for Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date that Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 7, 2009.

11. Depositing Taxes

In general, you must deposit federal income tax withheld and both the employer and employee social security and Medicare taxes plus or minus any prior period adjustments to your tax liability (minus any advance EIC payments). You must deposit by using the Electronic Federal Tax Payment System (EFTPS) or by mailing or delivering a check, money order, or cash with Form 8109, Federal Tax Deposit Coupon, to a financial institution that is an authorized depository for federal taxes. Some taxpayers are required to deposit using EFTPS. See [How To Deposit](#) on page 22 for information on electronic deposit requirements for 2009.

Table 1. Lookback Period for Calendar Year 2009



The lookback period for a 2009 Form 941 filer who filed Form 944 in either 2007 or 2008 is calendar year 2007.

Payment with return. You may make a payment with Form 941 or Form 944 instead of depositing, without incurring a penalty, if one of the following applies.

- You report less than a \$2,500 tax liability for the quarter on line 10 of Form 941 (or for the year on line 9 of Form 944). However, if you are unsure that you will report less than \$2,500, deposit under the appropriate rules so that you will not be subject to failure-to-deposit penalties.
- You are a monthly schedule depositor (defined below) and make a payment in accordance with the *Accuracy of Deposits Rule* discussed on page 22. This payment may be \$2,500 or more.

Employers who have been notified to file Form 944 can pay their fourth quarter tax liability with Form 944 if the fourth quarter tax liability is less than \$2,500. Employers must have deposited any tax liability due for the first, second, and third quarters according to the deposit rules to avoid failure-to-deposit penalties for deposits during those quarters.

Separate deposit requirements for nonpayroll (Form 945) tax liabilities. Separate deposits are required for nonpayroll and payroll income tax withholding. Do not combine deposits for Forms 941 (or Form 944) and 945 tax liabilities. Generally, the deposit rules for nonpayroll liabilities are the same as discussed below, except that the rules apply to an annual rather than a quarterly return period. Thus, the \$2,500 threshold for the deposit requirement discussed above applies to Form 945 on an annual basis. See the separate Instructions for Form 945 for more information.

When To Deposit

There are two deposit schedules—monthly and semi-weekly—for determining when you deposit social security, Medicare, and withheld income taxes. These schedules tell you when a deposit is due after a tax liability arises (for example, when you have a payday). Before the beginning of each calendar year, you must determine which of the two deposit schedules that you are required to use. The deposit schedule that you must use is based on the total tax liability that you reported on Form 941 during a lookback period discussed below. Your deposit schedule is not determined by how often you pay your employees or make deposits. See special rules for Forms 944 and 945 below. See [Application of Monthly and Semiweekly Schedules](#) on page 21.



These rules do not apply to federal unemployment (FUTA) tax. See section 14 for information on depositing FUTA tax.

Lookback period. If you are a Form 941 filer, your deposit schedule for a calendar year is determined from the total taxes (that is, not reduced by any advance EIC payments) reported on line 8 of your Forms 941 in a 4-quarter lookback period. The lookback period begins July 1 and ends June 30 as shown in Table 1 below. If you reported \$50,000 or less of taxes for the lookback period, you are a monthly schedule depositor; if you reported more than \$50,000, you are a semiweekly schedule depositor.

If you are a Form 944 filer for the current year or either of the preceding 2 years, your deposit schedule for a calendar year is determined from the total taxes (that is, not reduced by any advance EIC payments) reported during the second preceding calendar year (either on line 8 of your Form 941 for all 4 quarters of that year or line 7 of your Form 944 for that year). The lookback period for 2009 for a Form 944 filer is calendar year 2007.

If you are a Form 945 filer, your deposit schedule for a calendar year is determined from the total taxes reported on line 4 of your Form 945 for the second preceding calendar year. The lookback period for 2009 for a Form 945 filer is calendar year 2007.

Adjustments and the lookback rule. Determine your tax liability for the 4 quarters in the lookback period based on the tax liability as reported on your Form 941. If you made adjustments on lines 7d, 7e, 7f, and 7g on Forms 941 filed for periods in 2008 and earlier to correct errors on previously filed Forms 941, these adjustments do affect the amount of tax liability for purposes of the lookback rule. Adjustments made on Form 941-X do not affect the amount of tax liability for previous periods for purposes of the lookback rule.

Example. An employer originally reported a tax liability of \$45,000 for the lookback period. The employer discovered during January 2009 that the tax during one of the lookback period quarters was understated by \$10,000 and corrected this error by filing Form 941-X for the quarter in which the error was discovered. This employer is a monthly schedule depositor for 2009 because the lookback period tax liabilities are based on the amounts originally reported, and they were \$50,000 or less.

Deposit period. The term deposit period refers to the period during which tax liabilities are accumulated for each required deposit due date. For monthly schedule depositors, the deposit period is a calendar month. The deposit periods for semiweekly schedule depositors are Wednesday through Friday and Saturday through Tuesday.

Monthly Deposit Schedule

You are a monthly schedule depositor for a calendar year if the total taxes on line 8 of Form 941 for the 4 quarters in your lookback period were \$50,000 or less. **Under the monthly deposit schedule, deposit employment taxes on payments made during a month by the 15th day of the following month.** See also *Deposits on Banking Days Only* on page 21.

Monthly schedule depositors should not file Form 941 or Form 944 on a monthly basis. Also, do not file Form 941-M, Employer's Monthly Federal Tax Return, unless you are instructed to do so by an IRS representative.

New employers. Your tax liability for any quarter in the lookback period before you started or acquired your business is considered to be zero. Therefore, you are a monthly schedule depositor for the first calendar year of your business. However, see the *\$100,000 Next-Day Deposit Rule* on page 21.

Semiweekly Deposit Schedule

You are a semiweekly schedule depositor for a calendar year if the total taxes on line 8 of Form 941 during your lookback period were more than \$50,000. Under the semiweekly deposit schedule, deposit employment taxes for payments made on Wednesday, Thursday, and/or Friday by the following Wednesday. Deposit taxes for payments made on Saturday, Sunday, Monday, and/or Tuesday by the following Friday. See also *Deposits on Banking Days Only* on page 21.

Note. Semiweekly schedule depositors must complete Schedule B (Form 941), Report of Tax Liability for Semiweekly Schedule Depositors, and submit it with Form 941. If you must file Form 944 and are a semiweekly schedule depositor, complete Form 945-A, Annual Record of Federal Tax Liability, and submit it with your return (instead of Schedule B).

Table 2. Semiweekly Deposit Schedule

IF the payday falls on a . . .	THEN deposit taxes by the following . . .
Wednesday, Thursday, and/or Friday	Wednesday
Saturday, Sunday, Monday, and/or Tuesday	Friday

Semiweekly deposit period spanning 2 quarters. If you have more than one pay date during a semiweekly period and the pay dates fall in different calendar quarters, you will need to make **separate deposits** for the separate liabilities.

Example 1. If you have a pay date on Wednesday, September 30, 2009 (third quarter), and another pay date on Friday, October 2, 2009 (fourth quarter), two separate deposits would be required even though the pay dates fall within the same semiweekly period. Both deposits would be due Wednesday, October 7, 2009 (3 banking days from the end of the semiweekly deposit period).

Example 2. If you made a payment on both Wednesday and Friday and incurred taxes of \$10,000 for each pay date, deposit the \$20,000 on the following Wednesday. If you made no additional payments on Saturday through Tuesday, no deposit is due on the following Friday.

Summary of Steps To Determine Your Deposit Schedule	
1. Identify your lookback period (see <i>Lookback period</i> earlier).	
2. Add the total taxes from line 8, Form 941 you reported during the lookback period.	
3. Determine if you are a monthly or semiweekly schedule depositor:	
If the total taxes you reported in the lookback period were . . .	Then you are a . . .
\$50,000 or less	Monthly Schedule Depositor
More than \$50,000	Semiweekly Schedule Depositor

Example of Monthly and Semiweekly Schedules

Rose Co. reported Form 941 taxes as follows:

2008 Lookback Period		2009 Lookback Period	
3rd Quarter 2006	\$12,000	3rd Quarter 2007	\$12,000
4th Quarter 2006	\$12,000	4th Quarter 2007	\$12,000
1st Quarter 2007	\$12,000	1st Quarter 2008	\$12,000
2nd Quarter 2007	<u>\$12,000</u>	2nd Quarter 2008	<u>\$15,000</u>
	\$48,000		\$51,000

Rose Co. is a monthly schedule depositor for 2008 because its tax liability for the 4 quarters in its lookback period (third quarter 2006 through second quarter 2007) was not more than \$50,000. However, for 2009, Rose Co. is a semiweekly schedule depositor because the total taxes exceeded \$50,000 for the 4 quarters in its lookback period (third quarter 2007 through second quarter 2008).

Deposits on Banking Days Only

If a deposit is required to be made on a day that is not a banking day, the deposit is considered timely if it is made by the close of the next banking day. In addition to federal and state bank holidays, Saturdays and Sundays are treated as nonbanking days. For example, if a deposit is required to be made on a Friday and Friday is not a banking day, the deposit will be considered timely if it is made by the following Monday (if that Monday is a banking day).

Semiweekly schedule depositors have at least 3 banking days to make a deposit. That is, if any of the 3 weekdays after the end of a semiweekly period is a banking holiday, you will have 1 additional banking day to deposit. For example, if a semiweekly schedule depositor accumulated taxes for payments made on Friday and the following Monday is not a banking day, the deposit normally due on Wednesday may be made on Thursday (allowing 3 banking days to make the deposit).

Application of Monthly and Semiweekly Schedules

The terms “monthly schedule depositor” and “semiweekly schedule depositor” do not refer to how often your business pays its employees or even how often you are required to make deposits. The terms identify which set of deposit rules that you must follow when an employment tax liability arises. The deposit rules are based on the dates when wages are paid (for example, cash basis); not on when tax liabilities are accrued for accounting purposes.

Monthly schedule example. Spruce Co. is a monthly schedule depositor with seasonal employees. It paid wages each Friday. During March it paid wages but did not pay any wages during April. Under the monthly deposit schedule, Spruce Co. must deposit the combined tax liabilities for the four March paydays by April 15. Spruce Co. does not have a deposit requirement for April (due by May 15) because no wages were paid and, therefore, it did not have a tax liability for April.

Semiweekly schedule example. Green, Inc., which has a semiweekly deposit schedule, pays wages once each month on the last day of the month. Although Green, Inc., has a semiweekly deposit schedule, it will deposit just once a month because it pays wages only once a month. The

deposit, however, will be made under the semiweekly deposit schedule as follows: Green, Inc.'s tax liability for the April 24, 2009 (Friday), payday must be deposited by April 29, 2009 (Wednesday). Under the semiweekly deposit schedule, liabilities for wages paid on Wednesday through Friday must be deposited by the following Wednesday.

\$100,000 Next-Day Deposit Rule

If you accumulate \$100,000 or more of taxes (that is, line 10 of Form 941 or line 9 of Form 944) on any day during a deposit period, you must deposit the tax by the next banking day, whether you are a monthly or semiweekly schedule depositor.

For purposes of the \$100,000 rule, do not continue accumulating a tax liability after the end of a deposit period. For example, if a semiweekly schedule depositor has accumulated a liability of \$95,000 on a Tuesday (of a Saturday-through-Tuesday deposit period) and accumulated a \$10,000 liability on Wednesday, the \$100,000 next-day deposit rule does not apply. Thus, \$95,000 must be deposited by Friday and \$10,000 must be deposited by the following Wednesday.

However, once you accumulate at least \$100,000 in a deposit period, stop accumulating at the end of that day and begin to accumulate anew on the next day. For example, Fir Co. is a semiweekly schedule depositor. On Monday, Fir Co. accumulates taxes of \$110,000 and must deposit this amount on Tuesday, the next banking day. On Tuesday, Fir Co. accumulates additional taxes of \$30,000. Because the \$30,000 is not added to the previous \$110,000 and is less than \$100,000, Fir Co. must deposit the \$30,000 by Friday (following the semiweekly deposit schedule).



If you are a monthly schedule depositor and accumulate a \$100,000 tax liability on any day, you become a semiweekly schedule depositor on the next day and remain so for at least the rest of the calendar year and for the following calendar year.

Example. Elm, Inc., started its business on April 1, 2009. On April 11, it paid wages for the first time and accumulated a tax liability of \$40,000. On Friday, April 17, 2009, Elm, Inc., paid wages and accumulated a liability of \$60,000, bringing its accumulated tax liability to \$100,000. Because this was the first year of its business, the tax liability for its lookback period is considered to be zero, and it would be a monthly schedule depositor based on the lookback rules. However, since Elm, Inc., accumulated a \$100,000 liability on April 17, it became a semiweekly schedule depositor on April 18. It will be a semiweekly schedule depositor for the remainder of 2009 and for 2010. Elm, Inc., is required to deposit the \$100,000 by Monday, April 20, the next banking day.

Accuracy of Deposits Rule

You are required to deposit 100% of your tax liability on or before the deposit due date. However, penalties will not be applied for depositing less than 100% if both of the following conditions are met.

- Any deposit shortfall does not exceed the greater of \$100 or 2% of the amount of taxes otherwise required to be deposited and
- The deposit shortfall is paid or deposited by the shortfall makeup date as described below.

Makeup Date for Deposit Shortfall:

1. **Monthly schedule depositor.** Deposit the shortfall or pay it with your return by the due date of your return for the return period in which the shortfall occurred. You may pay the shortfall with your return even if the amount is \$2,500 or more.
2. **Semiweekly schedule depositor.** Deposit by the earlier of:
 - a. The first Wednesday or Friday (whichever comes first) that falls on or after the 15th of the month following the month in which the shortfall occurred or
 - b. The due date of your return (for the return period of the tax liability).

For example, if a semiweekly schedule depositor has a deposit shortfall during July 2009, the shortfall makeup date is August 19, 2009 (Wednesday). However, if the shortfall occurred on the required April 1 (Wednesday) deposit due date for a March 27 (Friday) pay date, the return due date for the March 27 pay date (April 30) would come before the May 15 (Friday) shortfall makeup date. In this case, the shortfall must be deposited by April 30.

How To Deposit

The two methods of depositing employment taxes, including Form 945 taxes, are discussed below. See [Payment with return](#) on page 19 for exceptions explaining when taxes may be paid with the tax return instead of being deposited.

Electronic deposit requirement. You must make electronic deposits of all depository taxes (such as employment tax, excise tax, and corporate income tax) using the Electronic Federal Tax Payment System (EFTPS) in 2009 if:

- Your total deposits of depository taxes in 2007 were more than \$200,000 or
- You were required to use EFTPS in 2008 or any prior year.

If you are required to use EFTPS and fail to do so, you may be subject to a 10% failure-to-deposit penalty. EFTPS is a free service provided by the Department of Treasury. If you are not required to use EFTPS, you may participate voluntarily. To get more information or to enroll in EFTPS, call 1-800-555-4477. You can also visit the EFTPS website at www.eftps.gov.

When you receive your EIN. If you are a new employer that indicated a federal tax obligation when requesting an EIN, you will be pre-enrolled in EFTPS. You will receive information in your Employer Identification Number (EIN) Package about Express Enrollment and an additional mailing containing your EFTPS personal identification number (PIN) and instructions for activating your PIN. Call the toll-free number located in your "How to Activate Your Enrollment" brochure to activate your enrollment and begin making your payroll tax deposits. Be sure to tell your payroll provider about your EFTPS enrollment. Consider using EFTPS to make your other federal tax payments electronically as well. You should activate your EFTPS enrollment now even if you plan to deposit using FTD coupons (Form 8109) because it may take 5 to 6 weeks to receive the coupons and you may be required to make a deposit while waiting for them.

Depositing on time. For deposits made by EFTPS to be on time, you must initiate the transaction at least 1 business day before the date that the deposit is due.

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

Same day payment option. If you fail to initiate a deposit transaction on EFTPS at least 1 business day before the date a deposit is due, you can still make your deposit on time by using the Federal Reserve-Electronic Tax Application (FR-ETA). If you ever need the same-day payment method, you will need to make arrangements with your financial institution ahead of time. FR-ETA allows you to initiate the transaction and have the funds transferred from your financial institution on the same day. Enrollment in EFTPS automatically enrolls you in FR-ETA. Instructions for using FR-ETA are included in your EFTPS enrollment package. Business taxpayers can use FR-ETA even if not enrolled, but may need help to have their financial institution use the proper format for making the payment. The guidelines for financial institutions for making payments using FR-ETA can be found at www.frb services.org/Treasury/pdf/Sameday.pdf.

Making deposits with FTD coupons. If you are not making deposits by EFTPS, use Form 8109 to make the deposits at an authorized financial institution.

For **new employers**, if you would like to receive a Federal Tax Deposit (FTD) coupon booklet, call 1-800-829-4933. Allow 5 to 6 weeks for delivery. Consider activating your enrollment in EFTPS now so that you can make timely deposits of payroll taxes while waiting for requested FTD coupons.

The IRS will keep track of the number of FTD coupons that you use and automatically will send you additional coupons when you need them. If you do not receive your resupply of FTD coupons, call 1-800-829-4933. You can have the FTD coupon books sent to a branch office, tax preparer, or service bureau that is making your deposits by showing that address on Form 8109-C, FTD Address Change, which is in the FTD coupon book. Filing Form 8109-C will not change your address of record; it will change only the address where the FTD coupons are mailed. The FTD coupons will be preprinted with your name, address, and EIN. They have entry boxes for indicating the type of tax and the tax period for which the deposit is made.

It is very important to clearly mark the correct type of tax and tax period on each FTD coupon. This information is used by the IRS to credit your account.

If you have branch offices depositing taxes, give them FTD coupons and complete instructions so that they can deposit the taxes when due.

Please use only **your** FTD coupons. If you use anyone else's FTD coupon, you may be subject to a failure-to-deposit penalty. This is because your account will be underpaid by the amount of the deposit credited to the other person's account. See [Deposit Penalties](#) on page 23 below for penalty amounts.

How to deposit with an FTD coupon. Mail or deliver each FTD coupon and a single payment covering the taxes to be deposited to an authorized depository. An authorized depository is a financial institution (for example, a commercial bank) that is authorized to accept federal tax deposits. Follow the instructions in the FTD coupon book. Make your check or money order payable to the depository. To help ensure proper crediting of your account, include your EIN, the type of tax (for example, Form 941), and the tax period to which the payment applies on your check or money order.

Authorized depositories must accept cash, a postal money order drawn to the order of the depository, or a

check or draft drawn on and to the order of the depository. You may deposit taxes with a check drawn on another financial institution only if the depository is willing to accept that form of payment. Be sure that the financial institution where you make deposits is an authorized depository. Deposits made at an unauthorized institution may be subject to the failure-to-deposit penalty.

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

Depositing on time. The IRS determines whether deposits are on time by the date that they are received by an authorized depository. To be considered timely, the funds must be available to the depository on the deposit due date before the institution's daily cutoff deadline. Contact your local depository for information concerning check clearance and cutoff schedules. However, a deposit received by the authorized depository after the due date will be considered timely if the taxpayer establishes that it was mailed in the United States in a properly addressed, postage prepaid envelope at least 2 days before the due date.



If you must deposit any taxes more than once a month, any deposit of \$20,000 or more must be received by the authorized depository by its due date to be timely. See Internal Revenue Code section 7502(e)(3) for more information.

Depositing without an EIN. If you have applied for an EIN but have not received it and you must make a deposit, make the deposit with the IRS. Do not make the deposit at an authorized depository. Make it payable to the "United States Treasury" and show on it your name (as shown on Form SS-4), address, kind of tax, period covered, and date you applied for an EIN. Send your deposit with an explanation to the IRS office where you will file your return. IRS office addresses are in the instructions for your return and on the IRS website at www.irs.gov/businesses under "Where To File". Use the "Without a payment" address. Do not use Form 8109-B, Federal Tax Deposit Coupon, in this situation.

Depositing without Form 8109. If you have an EIN but do not have a preprinted Form 8109, you may use Form 8109-B to make deposits. Form 8109-B is an over-the-counter FTD coupon that is not preprinted with your identifying information. You may get this form by visiting an IRS taxpayer assistance center. Be sure to have your EIN with you. You will not be able to obtain Form 8109-B by calling 1-800-TAX-FORM.

Use Form 8109-B to make deposits only if:

- You are a new employer and you have been assigned an EIN, but you have not received your initial supply of Forms 8109 or
- You have not received your resupply of preprinted Forms 8109.

Deposit record. For your records, a stub is provided with each FTD coupon in the coupon book. The FTD coupon itself will not be returned. It is used to credit your account. Your cancelled check, bank receipt, or money order receipt is your deposit record.

How to claim credit for overpayments. If you deposited more than the right amount of taxes for a quarter, you can choose on Form 941 for that quarter (or on Form 944 for that year) to have the overpayment refunded or applied as a credit to your next return. Do not ask the depository or EFTPS to request a refund from the IRS for you.

Deposit Penalties



Although the deposit penalties information provided below refers specifically to Form 941, these rules also apply to Form 945 and Form 944 (if the employer required to file Form 944 does not qualify for the exception to the deposit requirements discussed on page 19 under Payment with return).

Penalties may apply if you do not make required deposits on time, if you make deposits for less than the required amount, or if you do not use EFTPS when required. The penalties do not apply if any failure to make a proper and timely deposit was due to reasonable cause and not to willful neglect. The IRS may also waive penalties if you inadvertently fail to deposit in the first quarter that you were required to deposit any employment tax, or in the first quarter during which your frequency of deposits changed, if you timely filed your employment tax return.

For amounts not properly or timely deposited, the penalty rates are as follows.

- 2% - Deposits made 1 to 5 days late.
- 5% - Deposits made 6 to 15 days late.
- 10% - Deposits made 16 or more days late. Also applies to amounts paid within 10 days of the date of the first notice the IRS sent asking for the tax due.
- 10% - Deposits made at an unauthorized financial institution, paid directly to the IRS, or paid with your tax return. But see [Depositing without an EIN](#) on page 23 and [Payment with return](#) on page 19 for exceptions.
- 10% - Amounts subject to electronic deposit requirements but not deposited using EFTPS.
- 15% - Amounts still unpaid more than 10 days after the date of the first notice that the IRS sent asking for the tax due or the day on which you received notice and demand for immediate payment, whichever is earlier.

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

Special rule for former Form 944 filers. If you filed Form 944 for the prior year and must file Forms 941 for the current year because your employment tax liability for the prior year exceeded the Form 944 eligibility requirement (\$1,000 or less), the failure-to-deposit penalty will not apply to a late deposit of employment taxes for the first month of the current year if the taxes are deposited in full by March 15 of the current year.

Order in which deposits are applied. Deposits generally are applied to the most recent tax liability within the quarter. If you receive a failure-to-deposit penalty notice, you may designate how your deposits are to be applied in order to minimize the amount of the penalty if you do so within 90 days of the date of the notice. Follow the instructions on the penalty notice that you received. For more information on designating deposits, see Rev. Proc. 2001-58. You can find Rev. Proc. 2001-58 on page 579 of Internal Revenue Bulletin 2001-50 at www.irs.gov/pub/irs-irbs/irb01-50.pdf.

Example. Cedar, Inc. is required to make a deposit of \$1,000 on June 15 and \$1,500 on July 15. It does not make the deposit on June 15. On July 15, Cedar, Inc. deposits \$2,000. Under the deposits rule, which applies deposits to the most recent tax liability, \$1,500 of the deposit is applied to the July 15 deposit and the remaining \$500 is applied to the June deposit. Accordingly, \$500 of the June 15 liability remains undeposited. The penalty on this underdeposit will apply as explained above.

Trust fund recovery penalty. If federal income, social security, and Medicare taxes that must be withheld are not withheld or are not deposited or paid to the United States Treasury, the trust fund recovery penalty may apply. The penalty is the full amount of the unpaid trust fund tax. This penalty may apply to you if these unpaid taxes cannot be immediately collected from the employer or business.

The trust fund recovery penalty may be imposed on all persons who are determined by the IRS to be responsible for collecting, accounting for, and paying over these taxes, and who acted willfully in not doing so.

A **responsible person** can be an officer or employee of a corporation, a partner or employee of a partnership, an accountant, a volunteer director/trustee, or an employee of a sole proprietorship. A responsible person also may include one who signs checks for the business or otherwise has authority to cause the spending of business funds.

Willfully means voluntarily, consciously, and intentionally. A responsible person acts willfully if the person knows that the required actions are not taking place.

Separate accounting when deposits are not made or withheld taxes are not paid. Separate accounting may be required if you do not pay over withheld employee social security, Medicare, or income taxes; deposit required taxes; make required payments; or file tax returns. In this case, you would receive written notice from the IRS requiring you to deposit taxes into a special trust account for the U.S. Government. You would also have to file monthly tax returns on Form 941-M, Employer's Monthly Federal Tax Return.



You may be charged with criminal penalties if you do not comply with the special bank deposit requirements for the special trust account for the U.S. Government.

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

The IRS may also assess an "averaged" FTD penalty of 2% to 10% if you are a semiweekly schedule depositor and your tax liability (line 10) shown on Form 941 equaled or exceeded \$2,500 and you:

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

The FTD penalty is figured by distributing your total tax liability shown on line 10 of Form 941 equally throughout the tax period. As a result, your deposits and payments may not be counted as timely because the actual dates of your tax liabilities cannot be accurately determined.

You can avoid an "averaged" FTD penalty by reviewing your return before you file it. Follow these steps before submitting your Form 941.

- If you are a monthly schedule depositor, report your tax liabilities (not your deposits) in the monthly entry spaces on line 15 of Form 941.
- If you are a semiweekly schedule depositor, report your tax liabilities (not your deposits) on Schedule B (Form 941) in the lines that represent the dates your employees were paid.

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

12. Filing Form 941 or Form 944

Form 941. Each quarter, all employers who pay wages subject to income tax withholding (including withholding on sick pay and supplemental unemployment benefits) or social security and Medicare taxes must file Form 941, Employer's QUARTERLY Federal Tax Return, unless the employer is required to file Form 944 or the following exceptions apply. Form 941 must be filed by the last day of the month that follows the end of the quarter. See the *Calendar* on page 2.

Form 944. If you receive written notification that you qualify for the Form 944 program, you must file Form 944, Employer's ANNUAL Federal Tax Return, instead of Form 941. If you received this notification, but prefer to file Form 941, you can request to have your filing requirement changed to Form 941 if you satisfy certain requirements. See the Instructions for Form 944 for details. Employers who must file Form 944 have until the last day of the month that follows the end of the year to file Form 944.

Exceptions. The following exceptions apply to the filing requirements for Forms 941 and 944.

- **Seasonal employers who no longer file for quarters when they regularly have no tax liability because they have paid no wages.** To alert the IRS that you will not have to file a return for one or more quarters during the year, check the "Seasonal employer" box on line 17 of Form 941. When you fill out Form 941, be sure to check the box on the top of the form that corresponds to the quarter reported. Generally, the IRS will not inquire about unfiled returns if at least one taxable return is filed each year. However, you must check the "Seasonal employer" box on **every** Form 941 that you file. Otherwise, the IRS will expect a return to be filed for each quarter.
- **Household employers reporting social security and Medicare taxes and/or withheld income tax.** If you are a sole proprietor and file Form 941 or Form 944 for business employees, you may include taxes for household employees on your Form 941 or Form 944. Otherwise, report social security and Medicare taxes and income tax withholding for household employees on Schedule H (Form 1040), Household Employment Taxes. See Publication 926, Household Employer's Tax Guide, for more information.
- **Employers reporting wages for employees in American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, or Puerto Rico.** If your employees are not subject to U.S. income tax withholding, use Form 941-SS or Form 944-SS. Employers in Puerto Rico use Form 941-PR or Form 944-PR. If you have both

employees who are subject to U.S. income tax withholding and employees who are not subject to U.S. income tax withholding, you can file only Form 941 (or Form 944) and include all your employees' wages on that form. For more information, see Publication 80 (Circular SS).

- **Agricultural employers reporting social security, Medicare, and withheld income taxes.** Report these taxes on Form 943, Employer's Annual Federal Tax Return for Agricultural Employees.

Form 941 e-file. The Form 941 e-file program allows a taxpayer to electronically file Form 941 or Form 944 using a personal computer, modem, and commercial tax preparation software. For more information, visit the IRS website at www.irs.gov and click on the *e-file* link, or call 1-866-255-0654. See Publication 1855, Technical Specifications Guide for the Electronic Filing of Form 941, Employer's QUARTERLY Federal Tax Return, for technical specifications.

Electronic filing by reporting agents. Reporting agents filing Forms 941 or Form 944 for groups of taxpayers can file them electronically. See *Reporting Agents* in section 7 of Publication 15-A.

Penalties. For each whole or part month that a return is not filed when required (disregarding any extensions of the filing deadline), there is a failure-to-file penalty of 5% of the unpaid tax due with that return. The maximum penalty is generally 25% of the tax due. Also, for each whole or part month that the tax is paid late (disregarding any extensions of the payment deadline), there is a failure-to-pay penalty of 0.5% per month of the amount of tax. For individual filers only, the failure-to-pay penalty is reduced from 0.5% per month to 0.25% per month if an installment agreement is in effect. You must have filed your return on or before the due date of the return to qualify for the reduced penalty. The maximum amount of the failure-to-pay penalty is also 25% of the tax due. If both penalties apply in any month, the failure-to-file penalty is reduced by the amount of the failure-to-pay penalty. The penalties will not be charged if you have a reasonable cause for failing to file or pay. If you receive a penalty notice, you can provide an explanation of why you believe reasonable cause exists.

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

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

Use of a reporting agent or other third-party payroll service provider does not relieve an employer of the responsibility to ensure that tax returns are filed and all taxes are paid or deposited correctly and on time.

Do not file more than one Form 941 per quarter or more than one Form 944 per year. Employers with multiple locations or divisions must file only one Form 941 per quarter or one Form 944 per year. Filing more than one return may result in processing delays and may require correspondence between you and the IRS. For information on making adjustments to previously filed returns, see section 13.

Reminders about filing.

- Do not report more than 1 calendar quarter on a Form 941.
- Use the preaddressed form mailed to you. If you do not have the form, get one from the IRS in time to file the return when due.

- If you use a form that is not preaddressed, show your name and EIN on it. Be sure that they are exactly as they appeared on earlier returns.
- See the Instructions for Form 941 or the Instructions for Form 944 for information on preparing the form.

Final return. If you go out of business, you must file a final return for the last quarter (last year for Form 944) in which wages are paid. If you continue to pay wages or other compensation for periods following termination of your business, you must file returns for those periods. See the Instructions for Form 941 or the Instructions for Form 944 for details on how to file a final return.

If you are required to file a final return, you are also required to furnish Forms W-2 to your employees by the due date of your final return. File Forms W-2 and W-3 with the SSA by the last day of the month that follows the due date of your final return. Do not send an original or copy of your Form 941 or Form 944 to the SSA. See the Instructions for Forms W-2 and W-3 for more information.

Filing late returns for previous years. If possible, get a copy of Form 941 or Form 944 (and separate instructions) with a revision date showing the year for which your delinquent return is being filed. See [Quick and Easy Access to IRS Tax Help and Tax Products](#) on page 69 for various ways to secure any necessary forms and instructions. Contact the IRS at 1-800-829-4933 if you have any questions.

Table 3. Social Security and Medicare Tax Rates (for 3 prior years)

Calendar Year	Wage Base Limit (each employee)	Tax Rate on Taxable Wages and Tips
2008–Social Security	\$102,000	12.4%
2008–Medicare	All Wages	2.9%
2007–Social Security	\$97,500	12.4%
2007–Medicare	All Wages	2.9%
2006–Social Security	\$94,200	12.4%
2006–Medicare	All Wages	2.9%

Reconciling Forms W-2, W-3, and 941 or 944. When there are discrepancies between Forms 941 or Form 944 filed with the IRS and Forms W-2 and W-3 filed with the SSA, the IRS must contact you to resolve the discrepancies.

To help reduce discrepancies:

1. Report bonuses as wages and as social security and Medicare wages on Forms W-2 and on Form 941 or Form 944,
2. Report both social security and Medicare wages and taxes separately on Forms W-2, W-3, 941, and 944,
3. Report employee share of social security taxes on Form W-2 in the box for social security tax withheld (box 4), not as social security wages,
4. Report employee share of Medicare taxes on Form W-2 in the box for Medicare tax withheld (box 6), not as Medicare wages,

5. Make sure the social security wage amount for each employee does not exceed the annual social security wage base limit (for example, \$102,000 for 2008),
6. Do not report noncash wages that are not subject to social security or Medicare taxes as social security or Medicare wages,
7. If you used an EIN on any Form 941 or Form 944 for the year that is different from the EIN reported on Form W-3, enter the other EIN on Form W-3 in the box for “Other EIN used this year,”
8. Be sure that the amounts on Form W-3 are the total of amounts from Forms W-2, and
9. Reconcile Form W-3 with your four quarterly Forms 941 or annual Form 944 by comparing amounts reported for:
 - a. Income tax withholding;
 - b. Social security wages, social security tips, and Medicare wages and tips. Form W-3 should include Form 941 or Form 944 adjustments only for the current year (that is, if the Form 941 or Form 944 adjustments include amounts for a prior year, do not report those prior year adjustments on the current-year Forms W-2 and W-3);
 - c. Social security and Medicare taxes. The amounts shown on the four quarterly Forms 941 or the annual Form 944, including current-year adjustments, should be approximately twice the amounts shown on Form W-3. This is because Form 941 and Form 944 include both the employer and employee shares of social security and Medicare taxes; and
 - d. Advance earned income credit (EIC).

Do not report on Form 941 or Form 944 backup withholding or income tax withholding on nonpayroll payments such as pensions, annuities, and gambling winnings. Nonpayroll withholding must be reported on Form 945, Annual Return of Withheld Federal Income Tax. See the Instructions for Form 945 for details. Income tax withholding required to be reported on Forms 1099 or W-2G must be reported on Form 945. Only taxes and withholding properly reported on Form W-2 should be reported on Form 941 or Form 944.

Amounts reported on Forms W-2, W-3, and Forms 941 or Form 944 may not match for valid reasons. If they do not match, you should determine that the reasons are valid. Keep your reconciliation so that you will have a record of why amounts did not match in case there are inquiries from the IRS or the SSA. See the Instructions for Schedule D (Form 941) if you need to explain any discrepancies that were caused by an acquisition, statutory merger, or consolidation.

13. Reporting Corrections to Form 941 and Form 944



There is a new process for correcting errors on a previously filed Form 941 or Form 944, beginning with errors discovered in 2009. Corrections to a previously filed Form 941 or Form 944 will be made on new Form 941-X or new Form 944-X. For more information, see the Instructions for Form 941-X (or the Instructions for Form 944-X). Current period adjustments will continue to be reported on Form 941 or Form 944. See the Instructions for Form 941 (or the Instructions for Form 944). There are

also new Forms 943-X, 945-X, and CT-1-X to report corrections on the corresponding returns. All of the X forms will be used by employers or payers to make corrections or claim refunds or abatements of employment taxes.

Current Period Adjustments

In certain cases, amounts reported as social security and Medicare taxes in column 2 of lines 5a, 5b, and 5c of Form 941 (column 2 of lines 4a, 4b, and 4c for Form 944) must be adjusted to arrive at your correct tax liability (for example, excluding amounts withheld by a third-party payor or amounts you were not required to withhold). Current period adjustments are reported on lines 7a, 7b, and 7c of Form 941 (line 6a of the 2008 Form 944, line 6 of the 2009 Form 944) and include the following:

Adjustment of tax on tips. If, by the 10th of the month after the month you received an employee's report on tips, you do not have enough employee funds available to withhold the employee's share of social security and Medicare taxes, you no longer have to collect it. However, report the entire amount of these tips on lines 5b (social security tips) and 5c (Medicare wages and tips) (lines 4b and 4c of Form 944). Include as a negative adjustment on line 7c (line 6a of the 2008 Form 944, line 6 of the 2009 Form 944) the total uncollected employee share of the social security and Medicare taxes.

Adjustment of tax on group-term life insurance premiums paid for former employees. The employee share of social security and Medicare taxes on group-term life insurance over \$50,000 for a former employee is paid by the former employee with his or her tax return and is not collected by the employer. However, include all social security and Medicare taxes for such coverage on lines 5a and 5c (social security and Medicare taxes) (lines 4a and 4c of Form 944), and back out the amount of the employee share of these taxes as a negative adjustment on line 7c (line 6a of the 2008 Form 944, line 6 of the 2009 Form 944). See Publication 15-B for more information on group-term life insurance.

Adjustment of tax on third-party sick pay. Report both the employer and employee shares of social security and Medicare taxes for sick pay on lines 5a and 5c of Form 941 (lines 4a and 4c of Form 944). Show as a negative adjustment on line 7b (line 6a of the 2008 Form 944, line 6 of the 2009 Form 944) the social security and Medicare taxes

withheld on sick pay by a third-party payor. See section 6 of Publication 15-A for more information.

Fractions-of-cents adjustment. If there is a small difference between total taxes after adjustment for advance EIC (line 10) (line 9 of Form 944) and total deposits (line 11) (line 10 of Form 944), it may have been caused, all or in part, by rounding to the nearest cent each time you computed payroll. This rounding occurs when you figure the amount of social security and Medicare tax to be withheld and deposited from each employee's wages. The IRS refers to rounding differences relating to employee withholding of social security and Medicare taxes as "fractions-of-cents" adjustments. If you pay your taxes with Form 941 (or Form 944) instead of making deposits because your total taxes for the quarter (year for Form 944) are less than \$2,500, you also may report a fractions-of-cents adjustment.

To determine if you have a fractions-of-cents adjustment, multiply the total wages and tips for the quarter subject to:

- Social security tax (reported on lines 5a, column 1, and 5b, column 1) (or lines 4a and 4b of column 1 on Form 944) by 6.2% (.062) and
- Medicare tax (reported on line 5c, column 1) (line 4c of column 1 on Form 944) by 1.45% (.0145).

Compare these amounts (the employee share of social security and Medicare taxes) with the total social security and Medicare taxes actually withheld from employees for the quarter (from your payroll records). The difference, positive or negative, is your fractions-of-cents adjustment to be reported on line 7a (line 6a of the 2008 Form 944, line 6 of the 2009 Form 944). If the actual amount withheld is less, report a negative adjustment using a minus sign (if possible) in the entry space. If the actual amount is more, report a positive adjustment.



For the above adjustments, prepare and retain a brief supporting statement explaining the nature and amount of each. Do not attach the statement to Form 941 or Form 944.

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

- **Third-party sick pay.** Cedar, Inc. included taxes of \$2,000 for sick pay on lines 5a, column 2 and 5c, column 2 for social security and Medicare taxes.

Current Period Adjustment Example (Form 941)

7 TAX ADJUSTMENTS (Read the instructions for line 7 before completing lines 7a through 7c.):

7a Current quarter's fractions of cents	1.44
7b Current quarter's sick pay	-1000.00
7c Current quarter's adjustments for tips and group-term life insurance	-200.00
7d TOTAL ADJUSTMENTS (Combine all amounts: lines 7a through 7c.) 7d	-1198.56

However, the third-party payor of the sick pay withheld and paid the employee share (\$1,000) of these taxes. Cedar, Inc. is entitled to a \$1,000 sick pay adjustment (negative) on line 7b.

- **Fractions of cents.** Cedar, Inc. determined that the amounts withheld and deposited for social security and Medicare taxes during the quarter were a net \$1.44 more than the employee share of the amount figured on lines 5a, column 2, 5b, column 2, and 5c, column 2 (social security and Medicare taxes). This difference was caused by adding or dropping fractions of cents when figuring social security and Medicare taxes for each wage payment. Cedar, Inc. must report a positive \$1.44 fractions-of-cents adjustment on line 7a.
- **Life insurance premiums.** Cedar, Inc. paid group-term life insurance premiums for policies in excess of \$50,000 for former employees. The former employees must pay the employee share of the social security and Medicare taxes (\$200) on the policies. However, Cedar, Inc. must include the employee share of these taxes with the social security and Medicare taxes reported on lines 5a, column 2 and 5c, column 2 of Form 941. Therefore, Cedar, Inc. is entitled to a negative \$200 adjustment on line 7c.

Cedar, Inc. reported these adjustments on line 7 of Form 941 as shown in the *Current Period Adjustment Example* on page 27.

No change to record of federal tax liability. Do not make any changes to your record of federal tax liability reported on line 15 or Schedule B (Form 941) (line 13 or Form 945-A for Form 944 filers) for current period adjustments. The amounts reported on the record reflect the actual amounts you withheld from employees' wages for social security and Medicare taxes. Because the current period adjustments make the amounts reported on lines 5a, column 2, 5b, column 2, and 5c, column 2 of Form 941 (lines 4a, 4b, and 4c of column 2 for Form 944) equal the actual amounts you withheld (the amounts reported on the record), no additional changes to the record of federal tax liability are necessary for these adjustments.

Prior Period Adjustments

New forms. The Internal Revenue Service has developed Form 941-X, Adjusted Employer's QUARTERLY Federal Tax Return or Claim for Refund, and Form 944-X, Adjusted Employer's ANNUAL Federal Tax Return or Claim for Refund, to replace Form 941c, Supporting Statement to Correct Information. There are also new Forms 943-X, 945-X, and CT-1-X to report corrections on the corresponding returns.

Form 941-X and Form 944-X also replace Form 843, Claim for Refund or Request for Abatement, for employers to request a refund or abatement of overreported employment taxes. Continue to use Form 843 when requesting a refund or abatement of assessed interest or penalties.

Background. Treasury Decision 9405 changed the process for making interest-free adjustments to employment taxes reported on Form 941 and Form 944 and for filing a claim for refund of employment taxes. Treasury Decision 9405, 2008-32 I.R.B. 293, is available at www.irs.gov/irb/2008-32_irb/ar13.html. You will use the revised adjustment process if you underreported employment taxes and are making a payment, or if you overreported employment taxes and will be applying the credit to the Form 941 or Form 944 period during which you file Form 941-X or Form

944-X. You will use the revised claim process if you overreported employment taxes and are requesting a refund or abatement of the overreported amount. We use the terms "correct" and "corrections" to include interest-free adjustments under sections 6205 and 6413, and claims for refund and abatement under sections 6402, 6414, and 6404 of the Internal Revenue Code.

New process for correcting employment taxes. After December 31, 2008, when you discover an error on a previously filed Form 941 or Form 944, you **must**:

- correct that error using Form 941-X or Form 944-X,
- file a separate Form 941-X or Form 944-X for each Form 941 or Form 944 you are correcting, and
- file Form 941-X or Form 944-X separately. **Do not** file with Form 941 or Form 944.

Beginning with the first quarter of 2009, Form 941 will no longer provide adjustment lines (formerly lines 7d through 7g) for correcting prior quarter errors. Beginning with calendar year 2009, Form 944 will no longer provide adjustment lines (formerly lines 6b through 6e) for correcting prior year errors. However, continue to report current quarter adjustments for fractions of cents, third-party sick pay, tips, and group-term life insurance on Form 941 using lines 7a through 7c, and on Form 944 using line 6.

Report the correction of underreported and overreported amounts for the same tax period on a single Form 941-X or Form 944-X unless you are requesting a refund. If you are requesting a refund and are correcting both underreported and overreported amounts, file one Form 941-X or Form 944-X correcting the underreported amounts only and a second Form 941-X or Form 944-X correcting the overreported amounts.

See the chart on the back of Form 941-X or Form 944-X for help in choosing whether to use the adjustment process or the claim process. See the Instructions for Form 941-X for details on how to make the adjustment or claim for refund or abatement.

Income tax withholding adjustments. Correct prior quarter income tax withholding errors by making the correction on Form 941-X when you discover the error.

You may make an adjustment only to correct income tax withholding errors discovered during the same calendar year in which you paid the wages. This is because the employee uses the amount shown on Form W-2 as a credit when filing his or her income tax return (Form 1040, etc.).

You cannot adjust amounts reported as income tax withheld in a prior calendar year unless it is to correct an administrative error. An administrative error occurs if the amount you entered on Form 941 or Form 944 is not the amount you actually withheld. For example, if the total income tax actually withheld was incorrectly reported on Form 941 or Form 944 due to a mathematical or transposition error, this would be an administrative error. The administrative error adjustment corrects the amount reported on Form 941 or Form 944 to agree with the amount actually withheld from employees.

Collecting underwithheld taxes from employees. If you withheld no income, social security, or Medicare taxes or less than the correct amount from an employee's wages, you can make it up from later pay to that employee. But you are the one who owes the underpayment. Reimbursement is a matter for settlement between you and the employee. Underwithheld income tax must be recovered from the employee on or before the last day of the calendar year. There are special rules for tax on tips (see section 6) and fringe benefits (see section 5).

Refunding amounts incorrectly withheld from employees. If you withheld more than the correct amount of

income, social security, or Medicare taxes from wages paid, repay or reimburse the employee the excess. Any excess income tax withholding must be repaid or reimbursed to the employee before the end of the calendar year in which it was withheld. Keep in your records the employee's written receipt showing the date and amount of the repayment or record of reimbursement. If you did not repay or reimburse the employee, you must report and pay each excess amount when you file Form 941 for the quarter (or Form 944 for the year) in which you withheld too much tax.

Correcting filed Forms W-2 and W-3. When adjustments are made to correct wages and social security and Medicare taxes because of a change in the wage totals reported for a previous year, you also need to file Form W-2c, Corrected Wage and Tax Statement, and Form W-3c, Transmittal of Corrected Wage and Tax Statements, with the SSA. Up to five Forms W-2c per Form W-3c may now be filed per session over the Internet, with no limit on the number of sessions. For more information, visit the Social Security Administration's Employer W-2 Filing Instructions & Information webpage at www.socialsecurity.gov/employer.

Exceptions to interest-free corrections of employment taxes. A correction will **not** be eligible for interest-free treatment if

- the failure to report relates to an issue that was raised in an IRS examination of a prior return or
- the employer knowingly underreported its employment tax liability.

A correction will **not** be eligible for interest-free treatment after the **earlier** of the following:

- Receipt of an IRS notice and demand for payment after assessment or
- Receipt of an IRS Notice of Determination of Worker Classification (Letter 3523).

Wage Repayments

If an employee repays you for wages received in error, do not offset the repayments against current-year wages unless the repayments are for amounts received in error in the current year.

Repayment of current year wages. If you receive repayments for wages paid during a prior quarter in the current year, report adjustments on Form 941-X to recover income tax withholding and social security and Medicare taxes for the repaid wages (as discussed earlier).

Repayment of prior year wages. If you receive repayments for wages paid during a prior year, report an adjustment on Form 941-X or Form 944-X to recover the social security and Medicare taxes. You may not make an adjustment for income tax withholding because the wages were wages and income to the employee for the prior year.

You also must file Forms W-2c and W-3c with the SSA to correct social security and Medicare wages and taxes. Do not correct wages (box 1) on Form W-2c for the amount paid in error. Give a copy of Form W-2c to the employee.

Employee reporting of repayment. The wages paid in error in the prior year remain taxable to the employee for that year. This is because the employee received and had use of those funds during that year. The employee is not entitled to file an amended return (Form 1040X) to recover the income tax on these wages. Instead, the employee is entitled to a deduction (or credit in some cases) for the

repaid wages on his or her income tax return for the year of repayment.

14. Federal Unemployment (FUTA) Tax

The Federal Unemployment Tax Act (FUTA), with state unemployment systems, provides for payments of unemployment compensation to workers who have lost their jobs. Most employers pay both a federal and a state unemployment tax. A list of state unemployment agencies, including addresses and phone numbers, is available in the Instructions for Form 940. Only the employer pays FUTA tax; it is not withheld from the employee's wages. For more information, see the Instructions for Form 940.



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

Who must pay? Use the following three tests to determine whether you must pay FUTA tax. Each test applies to a different category of employee, and each is independent of the others. If a test describes your situation, you are subject to FUTA tax on the wages that you pay to employees in that category during the current calendar year.

1. General test.

You are subject to FUTA tax in 2009 on the wages that you pay employees who are not farmworkers or household workers if in the current or preceding calendar year:

- a. You paid wages of \$1,500 or more in any calendar quarter in 2008 or 2009, or
- b. You had one or more employees for at least some part of a day in any 20 or more different weeks in 2008 or 20 or more different weeks in 2009.

2. Household employees test.

You are subject to FUTA tax if you paid total cash wages of \$1,000 or more to household employees in any calendar quarter in 2008 or 2009. A household employee is an employee who performs household work in a private home, local college club, or local fraternity or sorority chapter.

3. Farmworkers test.

You are subject to FUTA tax on the wages that you pay to farmworkers if:

- a. You paid cash wages of \$20,000 or more to farmworkers during any calendar quarter in 2008 or 2009, or
- b. You employed 10 or more farmworkers during at least some part of a day (whether or not at the same time) during any 20 or more different weeks in 2008 or 20 or more different weeks in 2009.

Computing FUTA tax. For 2008 and 2009, the FUTA tax rate is 6.2%. The tax applies to the first \$7,000 that you pay to each employee as wages during the year. The \$7,000 is the federal wage base. Your state wage base may be different. Generally, you can take a credit against your FUTA tax for amounts that you paid into state unemployment funds. This credit cannot be more than 5.4% of

taxable wages. If you are entitled to the maximum 5.4% credit, the FUTA tax rate after the credit is 0.8%.

Successor employer. If you acquired a business from an employer who was liable for FUTA tax, you may be able to count the wages that employer paid to the employees who continue to work for you when you figure the \$7,000 FUTA wage base. See the Instructions for Form 940.

Depositing FUTA tax. For deposit purposes, figure FUTA tax quarterly. Determine your FUTA tax liability by multiplying the amount of taxable wages paid during the quarter by .008 (0.8%). Stop depositing FUTA tax on an employee's wages when he or she reaches \$7,000 in taxable wages for the calendar year. If any part of the wages subject to FUTA is exempt from state unemployment tax, you may have to deposit more than the tax using the 0.8% rate. For example, in certain states, wages paid to corporate officers, certain payments of sick pay by unions, and certain fringe benefits are exempt from state unemployment tax.

If your FUTA tax liability for a quarter is \$500 or less, you do not have to deposit the tax. Instead, you may carry it forward and add it to the liability figured in the next quarter to see if you must make a deposit. If your FUTA tax liability for any calendar quarter in 2009 is over \$500 (including any FUTA tax carried forward from an earlier quarter), you must deposit the tax using EFTPS or at an authorized financial institution using Form 8109. See section 11 for information on these two deposit methods.

Household employees. You are not required to deposit FUTA taxes for household employees unless you report their wages on Form 941, Form 944, or Form 943. See Publication 926, Household Employer's Tax Guide, for more information.

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

If your liability for the fourth quarter (plus any undeposited amount from any earlier quarter) is over \$500, deposit the entire amount by the due date of Form 940 (January 31). If it is \$500 or less, you can make a deposit, pay the tax with a major credit card, or pay the tax with your Form 940 by January 31.

Table 4. **When to Deposit FUTA Taxes**

Quarter	Ending	Due Date
Jan.–Feb.–Mar.	Mar. 31	Apr. 30
Apr.–May–June	June 30	July 31
July–Aug.–Sept.	Sept. 30	Oct. 31
Oct.–Nov.–Dec.	Dec. 31	Jan. 31

Reporting FUTA tax. Use Form 940, Employer's Annual Federal Unemployment (FUTA) Tax Return, to report FUTA tax. File Form 940 by February 2, 2009. However, if you deposited all FUTA tax when due, you may file on or before February 10, 2009. If you do not receive Form 940, you can get a form by calling 1-800-TAX-FORM (1-800-829-3676).

Household employees. If you did not report employment taxes for household employees on Form 941, Form 944, or Form 943, report FUTA tax for these employees on Schedule H (Form 1040), Household Employment Taxes. See Publication 926 for more information. You must have an EIN to file Schedule H (Form 1040).

Electronic filing by reporting agents. Reporting agents filing Forms 940 for groups of taxpayers can file them electronically. See the *Reporting Agent* discussion in section 7 of Publication 15-A.

15. Special Rules for Various Types of Services and Payments

Section references are to the Internal Revenue Code unless otherwise noted.

Special Classes of Employment and Special Types of Payments	Treatment Under Employment Taxes		
	Income Tax Withholding	Social Security and Medicare	Federal Unemployment
Aliens, nonresident.	See pages 14 and 16 and Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities, and Publication 519, U.S. Tax Guide for Aliens.		
Aliens, resident 1. Service performed in the U.S. 2. Service performed outside U.S.	Same as U.S. citizen. Withhold	Same as U.S. citizen. (Exempt if any part of service as crew member of foreign vessel or aircraft is performed outside U.S.) Taxable if (1) working for an American employer or (2) an American employer by agreement covers U.S. citizens and residents employed by its foreign affiliates.	Same as U.S. citizen. Exempt unless on or in connection with an American vessel or aircraft and either performed under contract made in U.S., or alien is employed on such vessel or aircraft when it touches U.S. port.
Cafeteria plan benefits under section 125.	If employee chooses cash, subject to all employment taxes. If employee chooses another benefit, the treatment is the same as if the benefit was provided outside the plan. See Publication 15-B for more information.		
Deceased worker: 1. Wages paid to beneficiary or estate in same calendar year as worker's death. See the Instructions for Forms W-2 and W-3 for details. 2. Wages paid to beneficiary or estate after calendar year of worker's death.	Exempt Exempt	Taxable Exempt	Taxable Exempt
Dependent care assistance programs.	Exempt to the extent that it is reasonable to believe that amounts are excludable from gross income under section 129.		
Disabled worker's wages paid after year in which worker became entitled to disability insurance benefits under the Social Security Act.	Withhold	Exempt, if worker did not perform any service for employer during period for which payment is made.	Taxable
Employee business expense reimbursement: 1. Accountable plan. a. Amounts not exceeding specified government rate for per diem or standard mileage. b. Amounts in excess of specified government rate for per diem or standard mileage. 2. Nonaccountable plan. See page 10 for details.	Exempt Withhold Withhold	Exempt Taxable Taxable	Exempt Taxable Taxable
Family employees: 1. Child employed by parent (or partnership in which each partner is a parent of the child). 2. Parent employed by child. 3. Spouse employed by spouse. See section 3 for more information.	Withhold Withhold Withhold	Exempt until age 18; age 21 for domestic service. Taxable if in course of the son's or daughter's business. For domestic services, see section 3. Taxable if in course of spouse's business.	Exempt until age 21 Exempt Exempt
Fishing and related activities.	See Publication 334, Tax Guide for Small Business.		
Foreign governments and international organizations.	Exempt	Exempt	Exempt

Special Classes of Employment and Special Types of Payments	Treatment Under Employment Taxes		
	Income Tax Withholding	Social Security and Medicare	Federal Unemployment
Foreign service by U.S. citizens: 1. As U.S. government employees. 2. For foreign affiliates of American employers and other private employers.	Withhold Exempt if at time of payment (1) it is reasonable to believe employee is entitled to exclusion from income under section 911 or (2) the employer is required by law of the foreign country to withhold income tax on such payment.	Same as within U.S. Exempt unless (1) an American employer by agreement covers U.S. citizens employed by its foreign affiliates or (2) U.S. citizen works for American employer.	Exempt Exempt unless (1) on American vessel or aircraft and work is performed under contract made in U.S. or worker is employed on vessel when it touches U.S. port or (2) U.S. citizen works for American employer (except in a contiguous country with which the U.S. has an agreement for unemployment compensation) or in the U.S. Virgin Islands.
Fringe benefits	Taxable on excess of fair market value of the benefit over the sum of an amount paid for it by the employee and any amount excludable by law. However, special valuation rules may apply. Benefits provided under cafeteria plans may qualify for exclusion from wages for social security, Medicare, and FUTA taxes. See Publication 15-B for details.		
Government employment: State/local governments and political subdivisions, employees of: 1. Salaries and wages (includes payments to most elected and appointed officials.) See Chapter 3 of Publication 963, Federal-State Reference Guide. 2. Election workers. Election individuals are workers who are employed to perform services for state or local governments at election booths in connection with national, state, or local elections. Note. File Form W-2 for payments of \$600 or more even if no social security, or Medicare taxes were withheld. 3. Emergency workers. Emergency workers who were hired on a temporary basis in response to a specific unforeseen emergency and are not intended to become permanent employees. U.S. federal government employees	Withhold Exempt Withhold Withhold	Generally, taxable for (1) services performed by employees who are either (a) covered under a section 218 agreement or (b) not covered under a section 218 agreement and not a member of a public retirement system (mandatory social security and Medicare coverage), and (2) (for Medicare tax only) for services performed by employees hired or rehired after 3/31/86 who are not covered under a section 218 agreement or the mandatory social security provisions, unless specifically excluded by law. See Publication 963. Taxable if paid \$1,500 or more in 2009 (lesser amount if specified by a section 218 social security agreement). See Rev. Rul. 2000-6. Exempt if serving on a temporary basis in case of fire, storm, snow, earthquake, flood, or similar emergency. Taxable for Medicare. Taxable for social security unless hired before 1984. See IRC 3121(b)(5).	Exempt Exempt Exempt Exempt

Special Classes of Employment and Special Types of Payments	Treatment Under Employment Taxes		
	Income Tax Withholding	Social Security and Medicare	Federal Unemployment
Homeworkers (industrial, cottage industry): 1. Common law employees. 2. Statutory employees. See section 2 for details.	Withhold Exempt	Taxable Taxable if paid \$100 or more in cash in a year.	Taxable Exempt
Hospital employees: 1. Interns 2. Patients	Withhold Withhold	Taxable Taxable (Exempt for state or local government hospitals.)	Exempt Exempt
Household employees: 1. Domestic service in private homes. Farmers, see Publication 51 (Circular A). 2. Domestic service in college clubs, fraternities, and sororities.	Exempt (withhold if both employer and employee agree). Exempt (withhold if both employer and employee agree).	Taxable if paid \$1,700 or more in cash in 2009. Exempt if performed by an individual under age 18 during any portion of the calendar year and is not the principal occupation of the employee. Exempt if paid to regular student; also exempt if employee is paid less than \$100 in a year by an income-tax-exempt employer.	Taxable if employer paid total cash wages of \$1,000 or more in any quarter in the current or preceding calendar year. Taxable if employer paid total cash wages of \$1,000 or more in any quarter in the current or preceding calendar year.
Insurance for employees: 1. Accident and health insurance premiums under a plan or system for employees and their dependents generally or for a class or classes of employees and their dependents. 2. Group-term life insurance costs. See Publication 15-B for details	Exempt (except 2% shareholder-employees of S corporations). Exempt	Exempt Exempt, except for the cost of group-term life insurance that is includible in the employee's gross income. Special rules apply for former employees.	Exempt Exempt
Insurance agents or solicitors: 1. Full-time life insurance salesperson. 2. Other salesperson of life, casualty, etc., insurance.	Withhold only if employee under common law. See section 2. Withhold only if employee under common law.	Taxable Taxable only if employee under common law.	Taxable if (1) employee under common law and (2) not paid solely by commissions. Taxable if (1) employee under common law and (2) not paid solely by commissions.
Interest on loans with below-market interest rates (foregone interest and deemed original issue discount).	See Publication 15-A.		
Leave-sharing plans: Amounts paid to an employee under a leave-sharing plan.	Withhold	Taxable	Taxable
Newspaper carriers and vendors: Newspaper carriers under age 18; newspaper and magazine vendors buying at fixed prices and retaining receipts from sales to customers. See Publication 15-A for information on statutory nonemployee status.	Exempt (withhold if both employer and employee voluntarily agree).	Exempt	Exempt

Special Classes of Employment and Special Types of Payments	Treatment Under Employment Taxes		
	Income Tax Withholding	Social Security and Medicare	Federal Unemployment
Noncash payments: 1. For household work, agricultural labor, and service not in the course of the employer's trade or business. 2. To certain retail commission salespersons ordinarily paid solely on a cash commission basis.	Exempt (withhold if both employer and employee voluntarily agree). Optional with employer, except to the extent employee's supplemental wages during the year exceed \$1,000,000.	Exempt Taxable	Exempt Taxable
Nonprofit organizations.	See Publication 15-A.		
Officers or shareholders of an S Corporation. Distributions and other payments by an S corporation to a corporate officer or shareholder must be treated as wages to the extent the amounts are reasonable compensation for services to the corporation by an employee. See the Instructions for Form 1120S.	Withhold	Taxable	Taxable
Partners: Payments to general or limited partners of a partnership. See Publication 541, Partnerships, for partner reporting rules.	Exempt	Exempt	Exempt
Railroads: Payments subject to the Railroad Retirement Act.	Withhold	Exempt	Exempt
Religious exemptions.	See Publication 15-A and Pub. 517, Social Security and Other Information for Members of the Clergy and Religious Workers.		
Retirement and pension plans: 1. Employer contributions to a qualified plan. 2. Elective employee contributions and deferrals to a plan containing a qualified cash or deferred compensation arrangement (for example, 401(k)). 3. Employer contributions to individual retirement accounts under simplified employee pension plan (SEP). 4. Employer contributions to section 403(b) annuities. 5. Employee salary reduction contributions to a SIMPLE retirement account. 6. Distributions from qualified retirement and pension plans and section 403(b) annuities. See Publication 15-A for information on pensions, annuities, and employer contributions to nonqualified deferred compensation arrangements.	Exempt Generally exempt, but see section 402(g) for limitation. Generally exempt, but see section 402(g) for salary reduction SEP limitation. Generally exempt, but see section 402(g) for limitation. Exempt Withhold, but recipient may elect exemption on Form W-4P in certain cases; mandatory 20% withholding applies to an eligible rollover distribution that is not a direct rollover. See Publication 15-A.	Exempt Taxable Exempt, except for amounts contributed under a salary reduction SEP agreement. Taxable if paid through a salary reduction agreement (written or otherwise). Taxable Exempt	Exempt Taxable Taxable Exempt
Salespersons: 1. Common law employees. 2. Statutory employees. 3. Statutory nonemployees (qualified real estate agents, direct sellers, and certain companion sitters). See Publication 15-A for details.	Withhold Exempt Exempt	Taxable Taxable Exempt	Taxable Taxable, except for full-time life insurance sales agents. Exempt
Scholarships and fellowship grants: (includible in income under section 117(c)).	Withhold	Taxability depends on the nature of the employment and the status of the organization. See <i>Students</i> on next page.	
Severance or dismissal pay.	Withhold	Taxable	Taxable

Special Classes of Employment and Special Types of Payments	Treatment Under Employment Taxes		
	Income Tax Withholding	Social Security and Medicare	Federal Unemployment
Service not in the course of the employer's trade or business , other than on a farm operated for profit or for household employment in private homes.	Withhold only if employee earns \$50 or more in cash in a quarter and works on 24 or more different days in that quarter or in the preceding quarter.	Taxable if employee receives \$100 or more in cash in a calendar year.	Taxable only if employee earns \$50 or more in cash in a quarter and works on 24 or more different days in that quarter or in the preceding quarter.
Sick pay. See Publication 15-A for more information.	Withhold	Exempt after end of 6 calendar months after the calendar month employee last worked for employer.	
Students, scholars, trainees, teachers, etc.: 1. Student enrolled and regularly attending classes, performing services for: a. Private school, college, or university b. Auxiliary nonprofit organization operated for and controlled by school, college, or university. c. Public school, college, or university. 2. Full-time student performing service for academic credit, combining instruction with work experience as an integral part of the program. 3. Student nurse performing part-time services for nominal earnings at hospital as incidental part of training. 4. Student employed by organized camps. 5. Student, scholar, trainee, teacher, etc., as nonimmigrant alien under section 101(a)(15)(F), (J), (M), or (Q) of Immigration and Nationality Act (that is, aliens holding F-1, J-1, M-1, or Q-1 visas).	Withhold Withhold Withhold Withhold Withhold unless excepted by regulations.	Exempt Exempt unless services are covered by a section 218 (Social Security Act) agreement. Exempt unless services are covered by a section 218 (Social Security Act) agreement. Taxable Exempt Taxable Exempt if service is performed for purpose specified in section 101(a)(15)(F), (J), (M), or (Q) of Immigration and Nationality Act. However, these taxes may apply if the employee becomes a resident alien. See the special residency tests for exempt individuals in chapter 1 of Publication 519.	Exempt Exempt Exempt Exempt unless program was established for or on behalf of an employer or group of employers. Exempt Exempt
Supplemental unemployment compensation plan benefits.	Withhold	Exempt under certain conditions. See Publication 15-A.	
Tips: 1. If \$20 or more in a month. 2. If less than \$20 in a month. See section 6 for more information.	Withhold Exempt	Taxable Exempt	Taxable for all tips reported in writing to employer. Exempt
Worker's compensation.	Exempt	Exempt	Exempt

16. How To Use the Income Tax Withholding and Advance Earned Income Credit (EIC) Payment Tables

Income Tax Withholding

There are several ways to figure income tax withholding. The following methods of withholding are based on the information that you get from your employees on Form W-4. See section 9 for more information on Form W-4.



Adjustments are not required when there will be more than the usual number of pay periods, for example, 27 biweekly pay dates instead of 26.

Wage Bracket Method

Under the wage bracket method, find the proper table (on pages 40-59) for your payroll period and the employee's marital status as shown on his or her Form W-4. Then, based on the number of withholding allowances claimed on the Form W-4 and the amount of wages, find the amount of federal tax to withhold. If your employee is claiming more than 10 withholding allowances, see below.

If you cannot use the wage bracket tables because wages exceed the amount shown in the last bracket of the table, use the percentage method of withholding described below. Be sure to reduce wages by the amount of total withholding allowances in Table 5 on this page before using the percentage method tables (pages 38-39).

Adjusting wage bracket withholding for employees claiming more than 10 withholding allowances. The wage bracket tables can be used if an employee claims up to 10 allowances. More than 10 allowances may be claimed because of the special withholding allowance, additional allowances for deductions and credits, and the system itself.

Adapt the tables to more than 10 allowances as follows:

1. Multiply the number of withholding allowances over 10 by the allowance value for the payroll period. The allowance values are in *Table 5, Percentage Method—2009 Amount for One Withholding Allowance* later.
2. Subtract the result from the employee's wages.
3. On this amount, find and withhold the tax in the column for 10 allowances.

This is a voluntary method. If you use the wage bracket tables, you may continue to withhold the amount in the "10" column when your employee has more than 10 allowances, using the method above. You can also use any other method described below.

Percentage Method

If you do not want to use the wage bracket tables on pages 40-59 to figure how much income tax to withhold, you can use a percentage computation based on Table 5 below and the appropriate rate table. This method works for any number of withholding allowances the employee claims and any amount of wages.

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

1. Multiply one withholding allowance for your payroll period (see Table 5 below) by the number of allowances that the employee claims.
2. Subtract that amount from the employee's wages.
3. Determine the amount to withhold from the appropriate table on page 38 or 39.

Table 5. Percentage Method—2009 Amount for One Withholding Allowance

Payroll Period	One Withholding Allowance
Weekly	\$ 70.19
Biweekly	140.38
Semi-monthly	152.08
Monthly	304.17
Quarterly	912.50
Semi-annually	1,825.00
Annually	3,650.00
Daily or miscellaneous (each day of the payroll period)	14.04

Example. An unmarried employee is paid \$600 weekly. This employee has in effect a Form W-4 claiming two withholding allowances. Using the percentage method, figure the income tax to withhold as follows:

1. Total wage payment		\$600.00
2. One allowance	\$70.19	
3. Allowances claimed on Form W-4	<u>2</u>	
4. Multiply line 2 by line 3		\$140.38
5. Amount subject to withholding (subtract line 4 from line 1)		\$459.62
6. Tax to be withheld on \$459.62 from Table 1—single person, page 38		<u>\$ 53.84</u>

To figure the income tax to withhold, you may reduce the last digit of the wages to zero, or figure the wages to the nearest dollar.

Annual income tax withholding. Figure the income tax to withhold on annual wages under the *Percentage Method* for an annual payroll period. Then prorate the tax back to the payroll period.

Example. A married person claims four withholding allowances. She is paid \$1,000 a week. Multiply the weekly wages by 52 weeks to figure the annual wage of \$52,000. Subtract \$14,600 (the value of four withholding allowances for 2009) for a balance of \$37,400. Using the table for the annual payroll period on page 39, \$3,612.50 is withheld. Divide the annual tax by 52. The weekly income tax to withhold is \$69.47.

Alternative Methods of Income Tax Withholding

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

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

Some of the alternative methods explained in Publication 15-A are annualized wages, average estimated wages, cumulative wages, and part-year employment.

Advance Payment Methods for the Earned Income Credit (EIC)

To figure the advance EIC payment, you may use either the *Wage Bracket Method* or the *Percentage Method* as explained below. You may use other methods for figuring advance EIC payments if the amount of the payment is about the same as it would be using tables in this booklet. See the tolerances allowed in the chart in section 9 of Publication 15-A. See also section 10 in this booklet for an explanation of the advance payment of the EIC.

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

Wage Bracket Method

If you use the wage bracket tables on pages 62-68, figure the advance EIC payment as follows.

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

Percentage Method

If you do not want to use the wage bracket tables to figure how much to include in an employee's wages for the advance EIC payment, you can use the percentage method based on the appropriate rate table on pages 60 and 61.

Find the employee's gross wages before any deductions in the appropriate table on pages 60 and 61. There are different tables for (a) single or head of household, (b) married without spouse filing certificate, and (c) married with both spouses filing certificates. Find the advance EIC payment shown in the appropriate table for the amount of wages paid.

Whole-Dollar Withholding and Paying Advance EIC (Rounding)

The income tax withholding amounts in the Wage Bracket Tables (pages 40-59) have been rounded to whole-dollar amounts.

When employers use the Percentage Method (pages 38-39) 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 62-68) have also been rounded to whole-dollar amounts. If you use the Tables for Percentage Method of Advance EIC Payments (pages 60-61), the payments may be rounded to the nearest dollar.

Tables for Percentage Method of Withholding

(For Wages Paid in 2009)

TABLE 1—WEEKLY Payroll Period

(a) SINGLE person (including head of household)— If the amount of wages (after subtracting withholding allowances) is: Not over \$51 \$0 Over— But not over— of excess over— \$51 —\$200 . . . 10% —\$51 \$200 —\$681 . . . \$14.90 plus 15% —\$200 \$681 —\$1,621 . . . \$87.05 plus 25% —\$681 \$1,621 —\$3,338 . . . \$322.05 plus 28% —\$1,621 \$3,338 —\$7,212 . . . \$802.81 plus 33% —\$3,338 \$7,212 \$2,081.23 plus 35% —\$7,212				(b) MARRIED person — If the amount of wages (after subtracting withholding allowances) is: Not over \$154 \$0 Over— But not over— of excess over— \$154 —\$461 . . . 10% —\$154 \$461 —\$1,455 . . . \$30.70 plus 15% —\$461 \$1,455 —\$2,785 . . . \$179.80 plus 25% —\$1,455 \$2,785 —\$4,165 . . . \$512.30 plus 28% —\$2,785 \$4,165 —\$7,321 . . . \$898.70 plus 33% —\$4,165 \$7,321 \$1,940.18 plus 35% —\$7,321			
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TABLE 2—BIWEEKLY Payroll Period

(a) SINGLE person (including head of household)— If the amount of wages (after subtracting withholding allowances) is: Not over \$102 \$0 Over— But not over— of excess over— \$102 —\$400 . . . 10% —\$102 \$400 —\$1,362 . . . \$29.80 plus 15% —\$400 \$1,362 —\$3,242 . . . \$174.10 plus 25% —\$1,362 \$3,242 —\$6,677 . . . \$644.10 plus 28% —\$3,242 \$6,677 —\$14,423 . . . \$1,605.90 plus 33% —\$6,677 \$14,423 \$4,162.08 plus 35% —\$14,423				(b) MARRIED person — If the amount of wages (after subtracting withholding allowances) is: Not over \$308 \$0 Over— But not over— of excess over— \$308 —\$921 . . . 10% —\$308 \$921 —\$2,910 . . . \$61.30 plus 15% —\$921 \$2,910 —\$5,569 . . . \$359.65 plus 25% —\$2,910 \$5,569 —\$8,331 . . . \$1,024.40 plus 28% —\$5,569 \$8,331 —\$14,642 . . . \$1,797.76 plus 33% —\$8,331 \$14,642 \$3,880.39 plus 35% —\$14,642			
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TABLE 3—SEMIMONTHLY Payroll Period

(a) SINGLE person (including head of household)— If the amount of wages (after subtracting withholding allowances) is: Not over \$110 \$0 Over— But not over— of excess over— \$110 —\$433 . . . 10% —\$110 \$433 —\$1,475 . . . \$32.30 plus 15% —\$433 \$1,475 —\$3,513 . . . \$188.60 plus 25% —\$1,475 \$3,513 —\$7,233 . . . \$698.10 plus 28% —\$3,513 \$7,233 —\$15,625 . . . \$1,739.70 plus 33% —\$7,233 \$15,625 \$4,509.06 plus 35% —\$15,625				(b) MARRIED person — If the amount of wages (after subtracting withholding allowances) is: Not over \$333 \$0 Over— But not over— of excess over— \$333 —\$998 . . . 10% —\$333 \$998 —\$3,152 . . . \$66.50 plus 15% —\$998 \$3,152 —\$6,033 . . . \$389.60 plus 25% —\$3,152 \$6,033 —\$9,025 . . . \$1,109.85 plus 28% —\$6,033 \$9,025 —\$15,863 . . . \$1,947.61 plus 33% —\$9,025 \$15,863 \$4,204.15 plus 35% —\$15,863			
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TABLE 4—MONTHLY Payroll Period

(a) SINGLE person (including head of household)— If the amount of wages (after subtracting withholding allowances) is: Not over \$221 \$0 Over— But not over— of excess over— \$221 —\$867 . . . 10% —\$221 \$867 —\$2,950 . . . \$64.60 plus 15% —\$867 \$2,950 —\$7,025 . . . \$377.05 plus 25% —\$2,950 \$7,025 —\$14,467 . . . \$1,395.80 plus 28% —\$7,025 \$14,467 —\$31,250 . . . \$3,479.56 plus 33% —\$14,467 \$31,250 \$9,017.95 plus 35% —\$31,250				(b) MARRIED person — If the amount of wages (after subtracting withholding allowances) is: Not over \$667 \$0 Over— But not over— of excess over— \$667 —\$1,996 . . . 10% —\$667 \$1,996 —\$6,304 . . . \$132.90 plus 15% —\$1,996 \$6,304 —\$12,067 . . . \$779.10 plus 25% —\$6,304 \$12,067 —\$18,050 . . . \$2,219.85 plus 28% —\$12,067 \$18,050 —\$31,725 . . . \$3,895.09 plus 33% —\$18,050 \$31,725 \$8,407.84 plus 35% —\$31,725			
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Tables for Percentage Method of Withholding (continued)

(For Wages Paid in 2009)

TABLE 5—QUARTERLY Payroll Period

(a) SINGLE person (including head of household)—				(b) MARRIED person—			
If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:		If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$663		\$0		Not over \$2,000		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$663	—\$2,600 . . . 10%	—\$663		\$2,000	—\$5,988 . . . 10%	—\$2,000	
\$2,600	—\$8,850 . . . \$193.70 plus 15%	—\$2,600		\$5,988	—\$18,913 . . . \$398.80 plus 15%	—\$5,988	
\$8,850	—\$21,075 . . . \$1,131.20 plus 25%	—\$8,850		\$18,913	—\$36,200 . . . \$2,337.55 plus 25%	—\$18,913	
\$21,075	—\$43,400 . . . \$4,187.45 plus 28%	—\$21,075		\$36,200	—\$54,150 . . . \$6,659.30 plus 28%	—\$36,200	
\$43,400	—\$93,750 . . . \$10,438.45 plus 33%	—\$43,400		\$54,150	—\$95,175 . . . \$11,685.30 plus 33%	—\$54,150	
\$93,750	—\$27,053.95 plus 35%	—\$93,750		\$95,175	—\$25,223.55 plus 35%	—\$95,175	

TABLE 6—SEMIANNUAL Payroll Period

(a) SINGLE person (including head of household)—				(b) MARRIED person—			
If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:		If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$1,325		\$0		Not over \$4,000		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$1,325	—\$5,200 . . . 10%	—\$1,325		\$4,000	—\$11,975 . . . 10%	—\$4,000	
\$5,200	—\$17,700 . . . \$387.50 plus 15%	—\$5,200		\$11,975	—\$37,825 . . . \$797.50 plus 15%	—\$11,975	
\$17,700	—\$42,150 . . . \$2,262.50 plus 25%	—\$17,700		\$37,825	—\$72,400 . . . \$4,675.00 plus 25%	—\$37,825	
\$42,150	—\$86,800 . . . \$8,375.00 plus 28%	—\$42,150		\$72,400	—\$108,300 . . . \$13,318.75 plus 28%	—\$72,400	
\$86,800	—\$187,500 . . . \$20,877.00 plus 33%	—\$86,800		\$108,300	—\$190,350 . . . \$23,370.75 plus 33%	—\$108,300	
\$187,500	—\$54,108.00 plus 35%	—\$187,500		\$190,350	—\$50,447.25 plus 35%	—\$190,350	

TABLE 7—ANNUAL Payroll Period

(a) SINGLE person (including head of household)—				(b) MARRIED person—			
If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:		If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$2,650		\$0		Not over \$8,000		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$2,650	—\$10,400 . . . 10%	—\$2,650		\$8,000	—\$23,950 . . . 10%	—\$8,000	
\$10,400	—\$35,400 . . . \$775.00 plus 15%	—\$10,400		\$23,950	—\$75,650 . . . \$1,595.00 plus 15%	—\$23,950	
\$35,400	—\$84,300 . . . \$4,525.00 plus 25%	—\$35,400		\$75,650	—\$144,800 . . . \$9,350.00 plus 25%	—\$75,650	
\$84,300	—\$173,600 . . . \$16,750.00 plus 28%	—\$84,300		\$144,800	—\$216,600 . . . \$26,637.50 plus 28%	—\$144,800	
\$173,600	—\$375,000 . . . \$41,754.00 plus 33%	—\$173,600		\$216,600	—\$380,700 . . . \$46,741.50 plus 33%	—\$216,600	
\$375,000	—\$108,216.00 plus 35%	—\$375,000		\$380,700	—\$100,894.50 plus 35%	—\$380,700	

TABLE 8—DAILY or MISCELLANEOUS Payroll Period

(a) SINGLE person (including head of household)—				(b) MARRIED person—			
If the amount of wages (after subtracting withholding allowances) divided by the number of days in the payroll period is:		The amount of income tax to withhold per day is:		If the amount of wages (after subtracting withholding allowances) divided by the number of days in the payroll period is:		The amount of income tax to withhold per day is:	
Not over \$10.20		\$0		Not over \$30.80		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$10.20	—\$40.00 . . . 10%	—\$10.20		\$30.80	—\$92.10 . . . 10%	—\$30.80	
\$40.00	—\$136.20 . . . \$2.98 plus 15%	—\$40.00		\$92.10	—\$291.00 . . . \$6.13 plus 15%	—\$92.10	
\$136.20	—\$324.20 . . . \$17.41 plus 25%	—\$136.20		\$291.00	—\$556.90 . . . \$35.97 plus 25%	—\$291.00	
\$324.20	—\$667.70 . . . \$64.41 plus 28%	—\$324.20		\$556.90	—\$833.10 . . . \$102.45 plus 28%	—\$556.90	
\$667.70	—\$1,442.30 . . . \$160.59 plus 33%	—\$667.70		\$833.10	—\$1,464.20 . . . \$179.79 plus 33%	—\$833.10	
\$1,442.30	—\$416.21 plus 35%	—\$1,442.30		\$1,464.20	—\$388.05 plus 35%	—\$1,464.20	

SINGLE Persons—WEEKLY Payroll Period
(For Wages Paid in 2009)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$0	\$55	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
55	60	1	0	0	0	0	0	0	0	0	0	0
60	65	1	0	0	0	0	0	0	0	0	0	0
65	70	2	0	0	0	0	0	0	0	0	0	0
70	75	2	0	0	0	0	0	0	0	0	0	0
75	80	3	0	0	0	0	0	0	0	0	0	0
80	85	3	0	0	0	0	0	0	0	0	0	0
85	90	4	0	0	0	0	0	0	0	0	0	0
90	95	4	0	0	0	0	0	0	0	0	0	0
95	100	5	0	0	0	0	0	0	0	0	0	0
100	105	5	0	0	0	0	0	0	0	0	0	0
105	110	6	0	0	0	0	0	0	0	0	0	0
110	115	6	0	0	0	0	0	0	0	0	0	0
115	120	7	0	0	0	0	0	0	0	0	0	0
120	125	7	0	0	0	0	0	0	0	0	0	0
125	130	8	1	0	0	0	0	0	0	0	0	0
130	135	8	1	0	0	0	0	0	0	0	0	0
135	140	9	2	0	0	0	0	0	0	0	0	0
140	145	9	2	0	0	0	0	0	0	0	0	0
145	150	10	3	0	0	0	0	0	0	0	0	0
150	155	10	3	0	0	0	0	0	0	0	0	0
155	160	11	4	0	0	0	0	0	0	0	0	0
160	165	11	4	0	0	0	0	0	0	0	0	0
165	170	12	5	0	0	0	0	0	0	0	0	0
170	175	12	5	0	0	0	0	0	0	0	0	0
175	180	13	6	0	0	0	0	0	0	0	0	0
180	185	13	6	0	0	0	0	0	0	0	0	0
185	190	14	7	0	0	0	0	0	0	0	0	0
190	195	14	7	0	0	0	0	0	0	0	0	0
195	200	15	8	1	0	0	0	0	0	0	0	0
200	210	16	8	1	0	0	0	0	0	0	0	0
210	220	17	9	2	0	0	0	0	0	0	0	0
220	230	19	10	3	0	0	0	0	0	0	0	0
230	240	20	11	4	0	0	0	0	0	0	0	0
240	250	22	12	5	0	0	0	0	0	0	0	0
250	260	23	13	6	0	0	0	0	0	0	0	0
260	270	25	14	7	0	0	0	0	0	0	0	0
270	280	26	16	8	1	0	0	0	0	0	0	0
280	290	28	17	9	2	0	0	0	0	0	0	0
290	300	29	19	10	3	0	0	0	0	0	0	0
300	310	31	20	11	4	0	0	0	0	0	0	0
310	320	32	22	12	5	0	0	0	0	0	0	0
320	330	34	23	13	6	0	0	0	0	0	0	0
330	340	35	25	14	7	0	0	0	0	0	0	0
340	350	37	26	16	8	1	0	0	0	0	0	0
350	360	38	28	17	9	2	0	0	0	0	0	0
360	370	40	29	19	10	3	0	0	0	0	0	0
370	380	41	31	20	11	4	0	0	0	0	0	0
380	390	43	32	22	12	5	0	0	0	0	0	0
390	400	44	34	23	13	6	0	0	0	0	0	0
400	410	46	35	25	14	7	0	0	0	0	0	0
410	420	47	37	26	16	8	1	0	0	0	0	0
420	430	49	38	28	17	9	2	0	0	0	0	0
430	440	50	40	29	19	10	3	0	0	0	0	0
440	450	52	41	31	20	11	4	0	0	0	0	0
450	460	53	43	32	22	12	5	0	0	0	0	0
460	470	55	44	34	23	13	6	0	0	0	0	0
470	480	56	46	35	25	14	7	0	0	0	0	0
480	490	58	47	37	26	16	8	1	0	0	0	0
490	500	59	49	38	28	17	9	2	0	0	0	0
500	510	61	50	40	29	19	10	3	0	0	0	0
510	520	62	52	41	31	20	11	4	0	0	0	0
520	530	64	53	43	32	22	12	5	0	0	0	0
530	540	65	55	44	34	23	13	6	0	0	0	0
540	550	67	56	46	35	25	14	7	0	0	0	0
550	560	68	58	47	37	26	16	8	1	0	0	0
560	570	70	59	49	38	28	17	9	2	0	0	0
570	580	71	61	50	40	29	19	10	3	0	0	0
580	590	73	62	52	41	31	20	11	4	0	0	0
590	600	74	64	53	43	32	22	12	5	0	0	0
600	610	76	65	55	44	34	23	13	6	0	0	0
610	620	77	67	56	46	35	25	14	7	0	0	0
620	630	79	68	58	47	37	26	15	8	1	0	0
630	640	80	70	59	49	38	28	17	9	2	0	0
640	650	82	71	61	50	40	29	18	10	3	0	0

SINGLE Persons—WEEKLY Payroll Period

(For Wages Paid in 2009)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$650	\$660	\$83	\$73	\$62	\$52	\$41	\$31	\$20	\$11	\$4	\$0	\$0
660	670	85	74	64	53	43	32	21	12	5	0	0
670	680	86	76	65	55	44	34	23	13	6	0	0
680	690	88	77	67	56	46	35	24	14	7	0	0
690	700	91	79	68	58	47	37	26	15	8	1	0
700	710	93	80	70	59	49	38	27	17	9	2	0
710	720	96	82	71	61	50	40	29	18	10	3	0
720	730	98	83	73	62	52	41	30	20	11	4	0
730	740	101	85	74	64	53	43	32	21	12	5	0
740	750	103	86	76	65	55	44	33	23	13	6	0
750	760	106	88	77	67	56	46	35	24	14	7	0
760	770	108	91	79	68	58	47	36	26	15	8	1
770	780	111	93	80	70	59	49	38	27	17	9	2
780	790	113	96	82	71	61	50	39	29	18	10	3
790	800	116	98	83	73	62	52	41	30	20	11	4
800	810	118	101	85	74	64	53	42	32	21	12	5
810	820	121	103	86	76	65	55	44	33	23	13	6
820	830	123	106	88	77	67	56	45	35	24	14	7
830	840	126	108	90	79	68	58	47	36	26	15	8
840	850	128	111	93	80	70	59	48	38	27	17	9
850	860	131	113	95	82	71	61	50	39	29	18	10
860	870	133	116	98	83	73	62	51	41	30	20	11
870	880	136	118	100	85	74	64	53	42	32	21	12
880	890	138	121	103	86	76	65	54	44	33	23	13
890	900	141	123	105	88	77	67	56	45	35	24	14
900	910	143	126	108	90	79	68	57	47	36	26	15
910	920	146	128	110	93	80	70	59	48	38	27	17
920	930	148	131	113	95	82	71	60	50	39	29	18
930	940	151	133	115	98	83	73	62	51	41	30	20
940	950	153	136	118	100	85	74	63	53	42	32	21
950	960	156	138	120	103	86	76	65	54	44	33	23
960	970	158	141	123	105	88	77	66	56	45	35	24
970	980	161	143	125	108	90	79	68	57	47	36	26
980	990	163	146	128	110	93	80	69	59	48	38	27
990	1,000	166	148	130	113	95	82	71	60	50	39	29
1,000	1,010	168	151	133	115	98	83	72	62	51	41	30
1,010	1,020	171	153	135	118	100	85	74	63	53	42	32
1,020	1,030	173	156	138	120	103	86	75	65	54	44	33
1,030	1,040	176	158	140	123	105	88	77	66	56	45	35
1,040	1,050	178	161	143	125	108	90	78	68	57	47	36
1,050	1,060	181	163	145	128	110	93	80	69	59	48	38
1,060	1,070	183	166	148	130	113	95	81	71	60	50	39
1,070	1,080	186	168	150	133	115	98	83	72	62	51	41
1,080	1,090	188	171	153	135	118	100	84	74	63	53	42
1,090	1,100	191	173	155	138	120	103	86	75	65	54	44
1,100	1,110	193	176	158	140	123	105	88	77	66	56	45
1,110	1,120	196	178	160	143	125	108	90	78	68	57	47
1,120	1,130	198	181	163	145	128	110	93	80	69	59	48
1,130	1,140	201	183	165	148	130	113	95	81	71	60	50
1,140	1,150	203	186	168	150	133	115	98	83	72	62	51
1,150	1,160	206	188	170	153	135	118	100	84	74	63	53
1,160	1,170	208	191	173	155	138	120	103	86	75	65	54
1,170	1,180	211	193	175	158	140	123	105	88	77	66	56
1,180	1,190	213	196	178	160	143	125	108	90	78	68	57
1,190	1,200	216	198	180	163	145	128	110	93	80	69	59
1,200	1,210	218	201	183	165	148	130	113	95	81	71	60
1,210	1,220	221	203	185	168	150	133	115	98	83	72	62
1,220	1,230	223	206	188	170	153	135	118	100	84	74	63
1,230	1,240	226	208	190	173	155	138	120	103	86	75	65
1,240	1,250	228	211	193	175	158	140	123	105	88	77	66

\$1,250 and over

Use Table 1(a) for a **SINGLE person** on page 38. Also see the instructions on page 36.

MARRIED Persons—WEEKLY Payroll Period
(For Wages Paid in 2009)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$0	\$160	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
160	165	1	0	0	0	0	0	0	0	0	0	0
165	170	1	0	0	0	0	0	0	0	0	0	0
170	175	2	0	0	0	0	0	0	0	0	0	0
175	180	2	0	0	0	0	0	0	0	0	0	0
180	185	3	0	0	0	0	0	0	0	0	0	0
185	190	3	0	0	0	0	0	0	0	0	0	0
190	195	4	0	0	0	0	0	0	0	0	0	0
195	200	4	0	0	0	0	0	0	0	0	0	0
200	210	5	0	0	0	0	0	0	0	0	0	0
210	220	6	0	0	0	0	0	0	0	0	0	0
220	230	7	0	0	0	0	0	0	0	0	0	0
230	240	8	1	0	0	0	0	0	0	0	0	0
240	250	9	2	0	0	0	0	0	0	0	0	0
250	260	10	3	0	0	0	0	0	0	0	0	0
260	270	11	4	0	0	0	0	0	0	0	0	0
270	280	12	5	0	0	0	0	0	0	0	0	0
280	290	13	6	0	0	0	0	0	0	0	0	0
290	300	14	7	0	0	0	0	0	0	0	0	0
300	310	15	8	1	0	0	0	0	0	0	0	0
310	320	16	9	2	0	0	0	0	0	0	0	0
320	330	17	10	3	0	0	0	0	0	0	0	0
330	340	18	11	4	0	0	0	0	0	0	0	0
340	350	19	12	5	0	0	0	0	0	0	0	0
350	360	20	13	6	0	0	0	0	0	0	0	0
360	370	21	14	7	0	0	0	0	0	0	0	0
370	380	22	15	8	1	0	0	0	0	0	0	0
380	390	23	16	9	2	0	0	0	0	0	0	0
390	400	24	17	10	3	0	0	0	0	0	0	0
400	410	25	18	11	4	0	0	0	0	0	0	0
410	420	26	19	12	5	0	0	0	0	0	0	0
420	430	27	20	13	6	0	0	0	0	0	0	0
430	440	28	21	14	7	0	0	0	0	0	0	0
440	450	29	22	15	8	1	0	0	0	0	0	0
450	460	30	23	16	9	2	0	0	0	0	0	0
460	470	31	24	17	10	3	0	0	0	0	0	0
470	480	33	25	18	11	4	0	0	0	0	0	0
480	490	34	26	19	12	5	0	0	0	0	0	0
490	500	36	27	20	13	6	0	0	0	0	0	0
500	510	37	28	21	14	7	0	0	0	0	0	0
510	520	39	29	22	15	8	1	0	0	0	0	0
520	530	40	30	23	16	9	2	0	0	0	0	0
530	540	42	31	24	17	10	3	0	0	0	0	0
540	550	43	33	25	18	11	4	0	0	0	0	0
550	560	45	34	26	19	12	5	0	0	0	0	0
560	570	46	36	27	20	13	6	0	0	0	0	0
570	580	48	37	28	21	14	7	0	0	0	0	0
580	590	49	39	29	22	15	8	1	0	0	0	0
590	600	51	40	30	23	16	9	2	0	0	0	0
600	610	52	42	31	24	17	10	3	0	0	0	0
610	620	54	43	33	25	18	11	4	0	0	0	0
620	630	55	45	34	26	19	12	5	0	0	0	0
630	640	57	46	36	27	20	13	6	0	0	0	0
640	650	58	48	37	28	21	14	7	0	0	0	0
650	660	60	49	39	29	22	15	8	1	0	0	0
660	670	61	51	40	30	23	16	9	2	0	0	0
670	680	63	52	42	31	24	17	10	3	0	0	0
680	690	64	54	43	33	25	18	11	4	0	0	0
690	700	66	55	45	34	26	19	12	5	0	0	0
700	710	67	57	46	36	27	20	13	6	0	0	0
710	720	69	58	48	37	28	21	14	7	0	0	0
720	730	70	60	49	39	29	22	15	8	1	0	0
730	740	72	61	51	40	30	23	16	9	2	0	0
740	750	73	63	52	42	31	24	17	10	3	0	0
750	760	75	64	54	43	33	25	18	11	4	0	0
760	770	76	66	55	45	34	26	19	12	5	0	0
770	780	78	67	57	46	36	27	20	13	6	0	0
780	790	79	69	58	48	37	28	21	14	7	0	0
790	800	81	70	60	49	39	29	22	15	8	1	0
800	810	82	72	61	51	40	30	23	16	9	2	0

MARRIED Persons—WEEKLY Payroll Period

(For Wages Paid in 2009)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$810	\$820	\$84	\$73	\$63	\$52	\$42	\$31	\$24	\$17	\$10	\$3	\$0
820	830	85	75	64	54	43	33	25	18	11	4	0
830	840	87	76	66	55	45	34	26	19	12	5	0
840	850	88	78	67	57	46	36	27	20	13	6	0
850	860	90	79	69	58	48	37	28	21	14	7	0
860	870	91	81	70	60	49	39	29	22	15	8	1
870	880	93	82	72	61	51	40	30	23	16	9	2
880	890	94	84	73	63	52	42	31	24	17	10	3
890	900	96	85	75	64	54	43	33	25	18	11	4
900	910	97	87	76	66	55	45	34	26	19	12	5
910	920	99	88	78	67	57	46	36	27	20	13	6
920	930	100	90	79	69	58	48	37	28	21	14	7
930	940	102	91	81	70	60	49	39	29	22	15	8
940	950	103	93	82	72	61	51	40	30	23	16	9
950	960	105	94	84	73	63	52	42	31	24	17	10
960	970	106	96	85	75	64	54	43	33	25	18	11
970	980	108	97	87	76	66	55	45	34	26	19	12
980	990	109	99	88	78	67	57	46	36	27	20	13
990	1,000	111	100	90	79	69	58	48	37	28	21	14
1,000	1,010	112	102	91	81	70	60	49	39	29	22	15
1,010	1,020	114	103	93	82	72	61	51	40	30	23	16
1,020	1,030	115	105	94	84	73	63	52	42	31	24	17
1,030	1,040	117	106	96	85	75	64	54	43	33	25	18
1,040	1,050	118	108	97	87	76	66	55	45	34	26	19
1,050	1,060	120	109	99	88	78	67	57	46	36	27	20
1,060	1,070	121	111	100	90	79	69	58	48	37	28	21
1,070	1,080	123	112	102	91	81	70	60	49	39	29	22
1,080	1,090	124	114	103	93	82	72	61	51	40	30	23
1,090	1,100	126	115	105	94	84	73	63	52	42	31	24
1,100	1,110	127	117	106	96	85	75	64	54	43	33	25
1,110	1,120	129	118	108	97	87	76	66	55	45	34	26
1,120	1,130	130	120	109	99	88	78	67	57	46	36	27
1,130	1,140	132	121	111	100	90	79	69	58	48	37	28
1,140	1,150	133	123	112	102	91	81	70	60	49	39	29
1,150	1,160	135	124	114	103	93	82	72	61	51	40	30
1,160	1,170	136	126	115	105	94	84	73	63	52	42	31
1,170	1,180	138	127	117	106	96	85	75	64	54	43	33
1,180	1,190	139	129	118	108	97	87	76	66	55	45	34
1,190	1,200	141	130	120	109	99	88	78	67	57	46	36
1,200	1,210	142	132	121	111	100	90	79	69	58	48	37
1,210	1,220	144	133	123	112	102	91	81	70	60	49	39
1,220	1,230	145	135	124	114	103	93	82	72	61	51	40
1,230	1,240	147	136	126	115	105	94	84	73	63	52	42
1,240	1,250	148	138	127	117	106	96	85	75	64	54	43
1,250	1,260	150	139	129	118	108	97	87	76	66	55	45
1,260	1,270	151	141	130	120	109	99	88	78	67	57	46
1,270	1,280	153	142	132	121	111	100	90	79	69	58	48
1,280	1,290	154	144	133	123	112	102	91	81	70	60	49
1,290	1,300	156	145	135	124	114	103	93	82	72	61	51
1,300	1,310	157	147	136	126	115	105	94	84	73	63	52
1,310	1,320	159	148	138	127	117	106	96	85	75	64	54
1,320	1,330	160	150	139	129	118	108	97	87	76	66	55
1,330	1,340	162	151	141	130	120	109	99	88	78	67	57
1,340	1,350	163	153	142	132	121	111	100	90	79	69	58
1,350	1,360	165	154	144	133	123	112	102	91	81	70	60
1,360	1,370	166	156	145	135	124	114	103	93	82	72	61
1,370	1,380	168	157	147	136	126	115	105	94	84	73	63
1,380	1,390	169	159	148	138	127	117	106	96	85	75	64
1,390	1,400	171	160	150	139	129	118	108	97	87	76	66

\$1,400 and over

Use Table 1(b) for a **MARRIED** person on page 38. Also see the instructions on page 36.

SINGLE Persons—BIWEEKLY Payroll Period
(For Wages Paid in 2009)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$0	\$105	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
105	110	1	0	0	0	0	0	0	0	0	0	0
110	115	1	0	0	0	0	0	0	0	0	0	0
115	120	2	0	0	0	0	0	0	0	0	0	0
120	125	2	0	0	0	0	0	0	0	0	0	0
125	130	3	0	0	0	0	0	0	0	0	0	0
130	135	3	0	0	0	0	0	0	0	0	0	0
135	140	4	0	0	0	0	0	0	0	0	0	0
140	145	4	0	0	0	0	0	0	0	0	0	0
145	150	5	0	0	0	0	0	0	0	0	0	0
150	155	5	0	0	0	0	0	0	0	0	0	0
155	160	6	0	0	0	0	0	0	0	0	0	0
160	165	6	0	0	0	0	0	0	0	0	0	0
165	170	7	0	0	0	0	0	0	0	0	0	0
170	175	7	0	0	0	0	0	0	0	0	0	0
175	180	8	0	0	0	0	0	0	0	0	0	0
180	185	8	0	0	0	0	0	0	0	0	0	0
185	190	9	0	0	0	0	0	0	0	0	0	0
190	195	9	0	0	0	0	0	0	0	0	0	0
195	200	10	0	0	0	0	0	0	0	0	0	0
200	205	10	0	0	0	0	0	0	0	0	0	0
205	210	11	0	0	0	0	0	0	0	0	0	0
210	215	11	0	0	0	0	0	0	0	0	0	0
215	220	12	0	0	0	0	0	0	0	0	0	0
220	225	12	0	0	0	0	0	0	0	0	0	0
225	230	13	0	0	0	0	0	0	0	0	0	0
230	235	13	0	0	0	0	0	0	0	0	0	0
235	240	14	0	0	0	0	0	0	0	0	0	0
240	245	14	0	0	0	0	0	0	0	0	0	0
245	250	15	1	0	0	0	0	0	0	0	0	0
250	260	15	1	0	0	0	0	0	0	0	0	0
260	270	16	2	0	0	0	0	0	0	0	0	0
270	280	17	3	0	0	0	0	0	0	0	0	0
280	290	18	4	0	0	0	0	0	0	0	0	0
290	300	19	5	0	0	0	0	0	0	0	0	0
300	310	20	6	0	0	0	0	0	0	0	0	0
310	320	21	7	0	0	0	0	0	0	0	0	0
320	330	22	8	0	0	0	0	0	0	0	0	0
330	340	23	9	0	0	0	0	0	0	0	0	0
340	350	24	10	0	0	0	0	0	0	0	0	0
350	360	25	11	0	0	0	0	0	0	0	0	0
360	370	26	12	0	0	0	0	0	0	0	0	0
370	380	27	13	0	0	0	0	0	0	0	0	0
380	390	28	14	0	0	0	0	0	0	0	0	0
390	400	29	15	1	0	0	0	0	0	0	0	0
400	410	31	16	2	0	0	0	0	0	0	0	0
410	420	32	17	3	0	0	0	0	0	0	0	0
420	430	34	18	4	0	0	0	0	0	0	0	0
430	440	35	19	5	0	0	0	0	0	0	0	0
440	450	37	20	6	0	0	0	0	0	0	0	0
450	460	38	21	7	0	0	0	0	0	0	0	0
460	470	40	22	8	0	0	0	0	0	0	0	0
470	480	41	23	9	0	0	0	0	0	0	0	0
480	490	43	24	10	0	0	0	0	0	0	0	0
490	500	44	25	11	0	0	0	0	0	0	0	0
500	520	46	27	13	0	0	0	0	0	0	0	0
520	540	49	29	15	1	0	0	0	0	0	0	0
540	560	52	31	17	3	0	0	0	0	0	0	0
560	580	55	34	19	5	0	0	0	0	0	0	0
580	600	58	37	21	7	0	0	0	0	0	0	0
600	620	61	40	23	9	0	0	0	0	0	0	0
620	640	64	43	25	11	0	0	0	0	0	0	0
640	660	67	46	27	13	0	0	0	0	0	0	0
660	680	70	49	29	15	1	0	0	0	0	0	0
680	700	73	52	31	17	3	0	0	0	0	0	0
700	720	76	55	34	19	5	0	0	0	0	0	0
720	740	79	58	37	21	7	0	0	0	0	0	0
740	760	82	61	40	23	9	0	0	0	0	0	0
760	780	85	64	43	25	11	0	0	0	0	0	0
780	800	88	67	46	27	13	0	0	0	0	0	0
800	820	91	70	49	29	15	1	0	0	0	0	0
820	840	94	73	52	31	17	3	0	0	0	0	0
840	860	97	76	55	34	19	5	0	0	0	0	0
860	880	100	79	58	37	21	7	0	0	0	0	0
880	900	103	82	61	40	23	9	0	0	0	0	0

SINGLE Persons—BIWEEKLY Payroll Period

(For Wages Paid in 2009)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$900	\$920	\$106	\$85	\$64	\$43	\$25	\$11	\$0	\$0	\$0	\$0	\$0
920	940	109	88	67	46	27	13	0	0	0	0	0
940	960	112	91	70	49	29	15	1	0	0	0	0
960	980	115	94	73	52	31	17	3	0	0	0	0
980	1,000	118	97	76	55	34	19	5	0	0	0	0
1,000	1,020	121	100	79	58	37	21	7	0	0	0	0
1,020	1,040	124	103	82	61	40	23	9	0	0	0	0
1,040	1,060	127	106	85	64	43	25	11	0	0	0	0
1,060	1,080	130	109	88	67	46	27	13	0	0	0	0
1,080	1,100	133	112	91	70	49	29	15	1	0	0	0
1,100	1,120	136	115	94	73	52	31	17	3	0	0	0
1,120	1,140	139	118	97	76	55	34	19	5	0	0	0
1,140	1,160	142	121	100	79	58	37	21	7	0	0	0
1,160	1,180	145	124	103	82	61	40	23	9	0	0	0
1,180	1,200	148	127	106	85	64	43	25	11	0	0	0
1,200	1,220	151	130	109	88	67	46	27	13	0	0	0
1,220	1,240	154	133	112	91	70	49	29	15	1	0	0
1,240	1,260	157	136	115	94	73	52	31	17	3	0	0
1,260	1,280	160	139	118	97	76	55	34	19	5	0	0
1,280	1,300	163	142	121	100	79	58	37	21	7	0	0
1,300	1,320	166	145	124	103	82	61	40	23	9	0	0
1,320	1,340	169	148	127	106	85	64	43	25	11	0	0
1,340	1,360	172	151	130	109	88	67	46	27	13	0	0
1,360	1,380	176	154	133	112	91	70	49	29	15	0	0
1,380	1,400	181	157	136	115	94	73	52	31	17	2	0
1,400	1,420	186	160	139	118	97	76	55	34	19	4	0
1,420	1,440	191	163	142	121	100	79	58	37	21	6	0
1,440	1,460	196	166	145	124	103	82	61	40	23	8	0
1,460	1,480	201	169	148	127	106	85	64	43	25	10	0
1,480	1,500	206	172	151	130	109	88	67	46	27	12	0
1,500	1,520	211	176	154	133	112	91	70	49	29	14	0
1,520	1,540	216	181	157	136	115	94	73	52	31	16	2
1,540	1,560	221	186	160	139	118	97	76	55	34	18	4
1,560	1,580	226	191	163	142	121	100	79	58	37	20	6
1,580	1,600	231	196	166	145	124	103	82	61	40	22	8
1,600	1,620	236	201	169	148	127	106	85	64	43	24	10
1,620	1,640	241	206	172	151	130	109	88	67	46	26	12
1,640	1,660	246	211	176	154	133	112	91	70	49	28	14
1,660	1,680	251	216	181	157	136	115	94	73	52	31	16
1,680	1,700	256	221	186	160	139	118	97	76	55	34	18
1,700	1,720	261	226	191	163	142	121	100	79	58	37	20
1,720	1,740	266	231	196	166	145	124	103	82	61	40	22
1,740	1,760	271	236	201	169	148	127	106	85	64	43	24
1,760	1,780	276	241	206	172	151	130	109	88	67	46	26
1,780	1,800	281	246	211	176	154	133	112	91	70	49	28
1,800	1,820	286	251	216	181	157	136	115	94	73	52	31
1,820	1,840	291	256	221	186	160	139	118	97	76	55	34
1,840	1,860	296	261	226	191	163	142	121	100	79	58	37
1,860	1,880	301	266	231	196	166	145	124	103	82	61	40
1,880	1,900	306	271	236	201	169	148	127	106	85	64	43
1,900	1,920	311	276	241	206	172	151	130	109	88	67	46
1,920	1,940	316	281	246	211	176	154	133	112	91	70	49
1,940	1,960	321	286	251	216	181	157	136	115	94	73	52
1,960	1,980	326	291	256	221	186	160	139	118	97	76	55
1,980	2,000	331	296	261	226	191	163	142	121	100	79	58
2,000	2,020	336	301	266	231	196	166	145	124	103	82	61
2,020	2,040	341	306	271	236	201	169	148	127	106	85	64
2,040	2,060	346	311	276	241	206	172	151	130	109	88	67
2,060	2,080	351	316	281	246	211	176	154	133	112	91	70
2,080	2,100	356	321	286	251	216	181	157	136	115	94	73

\$2, 100 and over

Use Table 2(a) for a **SINGLE person** on page 38. Also see the instructions on page 36.

MARRIED Persons—BIWEEKLY Payroll Period

(For Wages Paid in 2009)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$1,600	\$1,620	\$165	\$144	\$123	\$102	\$80	\$60	\$46	\$32	\$18	\$4	\$0
1,620	1,640	168	147	126	105	83	62	48	34	20	6	0
1,640	1,660	171	150	129	108	86	65	50	36	22	8	0
1,660	1,680	174	153	132	111	89	68	52	38	24	10	0
1,680	1,700	177	156	135	114	92	71	54	40	26	12	0
1,700	1,720	180	159	138	117	95	74	56	42	28	14	0
1,720	1,740	183	162	141	120	98	77	58	44	30	16	2
1,740	1,760	186	165	144	123	101	80	60	46	32	18	4
1,760	1,780	189	168	147	126	104	83	62	48	34	20	6
1,780	1,800	192	171	150	129	107	86	65	50	36	22	8
1,800	1,820	195	174	153	132	110	89	68	52	38	24	10
1,820	1,840	198	177	156	135	113	92	71	54	40	26	12
1,840	1,860	201	180	159	138	116	95	74	56	42	28	14
1,860	1,880	204	183	162	141	119	98	77	58	44	30	16
1,880	1,900	207	186	165	144	122	101	80	60	46	32	18
1,900	1,920	210	189	168	147	125	104	83	62	48	34	20
1,920	1,940	213	192	171	150	128	107	86	65	50	36	22
1,940	1,960	216	195	174	153	131	110	89	68	52	38	24
1,960	1,980	219	198	177	156	134	113	92	71	54	40	26
1,980	2,000	222	201	180	159	137	116	95	74	56	42	28
2,000	2,020	225	204	183	162	140	119	98	77	58	44	30
2,020	2,040	228	207	186	165	143	122	101	80	60	46	32
2,040	2,060	231	210	189	168	146	125	104	83	62	48	34
2,060	2,080	234	213	192	171	149	128	107	86	65	50	36
2,080	2,100	237	216	195	174	152	131	110	89	68	52	38
2,100	2,120	240	219	198	177	155	134	113	92	71	54	40
2,120	2,140	243	222	201	180	158	137	116	95	74	56	42
2,140	2,160	246	225	204	183	161	140	119	98	77	58	44
2,160	2,180	249	228	207	186	164	143	122	101	80	60	46
2,180	2,200	252	231	210	189	167	146	125	104	83	62	48
2,200	2,220	255	234	213	192	170	149	128	107	86	65	50
2,220	2,240	258	237	216	195	173	152	131	110	89	68	52
2,240	2,260	261	240	219	198	176	155	134	113	92	71	54
2,260	2,280	264	243	222	201	179	158	137	116	95	74	56
2,280	2,300	267	246	225	204	182	161	140	119	98	77	58
2,300	2,320	270	249	228	207	185	164	143	122	101	80	60
2,320	2,340	273	252	231	210	188	167	146	125	104	83	62
2,340	2,360	276	255	234	213	191	170	149	128	107	86	65
2,360	2,380	279	258	237	216	194	173	152	131	110	89	68
2,380	2,400	282	261	240	219	197	176	155	134	113	92	71
2,400	2,420	285	264	243	222	200	179	158	137	116	95	74
2,420	2,440	288	267	246	225	203	182	161	140	119	98	77
2,440	2,460	291	270	249	228	206	185	164	143	122	101	80
2,460	2,480	294	273	252	231	209	188	167	146	125	104	83
2,480	2,500	297	276	255	234	212	191	170	149	128	107	86
2,500	2,520	300	279	258	237	215	194	173	152	131	110	89
2,520	2,540	303	282	261	240	218	197	176	155	134	113	92
2,540	2,560	306	285	264	243	221	200	179	158	137	116	95
2,560	2,580	309	288	267	246	224	203	182	161	140	119	98
2,580	2,600	312	291	270	249	227	206	185	164	143	122	101
2,600	2,620	315	294	273	252	230	209	188	167	146	125	104
2,620	2,640	318	297	276	255	233	212	191	170	149	128	107
2,640	2,660	321	300	279	258	236	215	194	173	152	131	110
2,660	2,680	324	303	282	261	239	218	197	176	155	134	113
2,680	2,700	327	306	285	264	242	221	200	179	158	137	116

\$2,700 and over

Use Table 2(b) for a MARRIED person on page 38. Also see the instructions on page 36.

SINGLE Persons—SEMIMONTHLY Payroll Period
(For Wages Paid in 2009)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$0	\$115	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
115	120	1	0	0	0	0	0	0	0	0	0	0
120	125	1	0	0	0	0	0	0	0	0	0	0
125	130	2	0	0	0	0	0	0	0	0	0	0
130	135	2	0	0	0	0	0	0	0	0	0	0
135	140	3	0	0	0	0	0	0	0	0	0	0
140	145	3	0	0	0	0	0	0	0	0	0	0
145	150	4	0	0	0	0	0	0	0	0	0	0
150	155	4	0	0	0	0	0	0	0	0	0	0
155	160	5	0	0	0	0	0	0	0	0	0	0
160	165	5	0	0	0	0	0	0	0	0	0	0
165	170	6	0	0	0	0	0	0	0	0	0	0
170	175	6	0	0	0	0	0	0	0	0	0	0
175	180	7	0	0	0	0	0	0	0	0	0	0
180	185	7	0	0	0	0	0	0	0	0	0	0
185	190	8	0	0	0	0	0	0	0	0	0	0
190	195	8	0	0	0	0	0	0	0	0	0	0
195	200	9	0	0	0	0	0	0	0	0	0	0
200	205	9	0	0	0	0	0	0	0	0	0	0
205	210	10	0	0	0	0	0	0	0	0	0	0
210	215	10	0	0	0	0	0	0	0	0	0	0
215	220	11	0	0	0	0	0	0	0	0	0	0
220	225	11	0	0	0	0	0	0	0	0	0	0
225	230	12	0	0	0	0	0	0	0	0	0	0
230	235	12	0	0	0	0	0	0	0	0	0	0
235	240	13	0	0	0	0	0	0	0	0	0	0
240	245	13	0	0	0	0	0	0	0	0	0	0
245	250	14	0	0	0	0	0	0	0	0	0	0
250	260	14	0	0	0	0	0	0	0	0	0	0
260	270	15	0	0	0	0	0	0	0	0	0	0
270	280	16	1	0	0	0	0	0	0	0	0	0
280	290	17	2	0	0	0	0	0	0	0	0	0
290	300	18	3	0	0	0	0	0	0	0	0	0
300	310	19	4	0	0	0	0	0	0	0	0	0
310	320	20	5	0	0	0	0	0	0	0	0	0
320	330	21	6	0	0	0	0	0	0	0	0	0
330	340	22	7	0	0	0	0	0	0	0	0	0
340	350	23	8	0	0	0	0	0	0	0	0	0
350	360	24	9	0	0	0	0	0	0	0	0	0
360	370	25	10	0	0	0	0	0	0	0	0	0
370	380	26	11	0	0	0	0	0	0	0	0	0
380	390	27	12	0	0	0	0	0	0	0	0	0
390	400	28	13	0	0	0	0	0	0	0	0	0
400	410	29	14	0	0	0	0	0	0	0	0	0
410	420	30	15	0	0	0	0	0	0	0	0	0
420	430	31	16	1	0	0	0	0	0	0	0	0
430	440	33	17	2	0	0	0	0	0	0	0	0
440	450	34	18	3	0	0	0	0	0	0	0	0
450	460	36	19	4	0	0	0	0	0	0	0	0
460	470	37	20	5	0	0	0	0	0	0	0	0
470	480	39	21	6	0	0	0	0	0	0	0	0
480	490	40	22	7	0	0	0	0	0	0	0	0
490	500	42	23	8	0	0	0	0	0	0	0	0
500	520	44	25	10	0	0	0	0	0	0	0	0
520	540	47	27	12	0	0	0	0	0	0	0	0
540	560	50	29	14	0	0	0	0	0	0	0	0
560	580	53	31	16	0	0	0	0	0	0	0	0
580	600	56	33	18	2	0	0	0	0	0	0	0
600	620	59	36	20	4	0	0	0	0	0	0	0
620	640	62	39	22	6	0	0	0	0	0	0	0
640	660	65	42	24	8	0	0	0	0	0	0	0
660	680	68	45	26	10	0	0	0	0	0	0	0
680	700	71	48	28	12	0	0	0	0	0	0	0
700	720	74	51	30	14	0	0	0	0	0	0	0
720	740	77	54	32	16	1	0	0	0	0	0	0
740	760	80	57	34	18	3	0	0	0	0	0	0
760	780	83	60	37	20	5	0	0	0	0	0	0
780	800	86	63	40	22	7	0	0	0	0	0	0
800	820	89	66	43	24	9	0	0	0	0	0	0
820	840	92	69	46	26	11	0	0	0	0	0	0
840	860	95	72	49	28	13	0	0	0	0	0	0
860	880	98	75	52	30	15	0	0	0	0	0	0
880	900	101	78	55	32	17	2	0	0	0	0	0
900	920	104	81	58	35	19	4	0	0	0	0	0
920	940	107	84	61	38	21	6	0	0	0	0	0

SINGLE Persons—SEMIMONTHLY Payroll Period
(For Wages Paid in 2009)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$940	\$960	\$110	\$87	\$64	\$41	\$23	\$8	\$0	\$0	\$0	\$0	\$0
960	980	113	90	67	44	25	10	0	0	0	0	0
980	1,000	116	93	70	47	27	12	0	0	0	0	0
1,000	1,020	119	96	73	50	29	14	0	0	0	0	0
1,020	1,040	122	99	76	53	31	16	1	0	0	0	0
1,040	1,060	125	102	79	56	34	18	3	0	0	0	0
1,060	1,080	128	105	82	59	37	20	5	0	0	0	0
1,080	1,100	131	108	85	62	40	22	7	0	0	0	0
1,100	1,120	134	111	88	65	43	24	9	0	0	0	0
1,120	1,140	137	114	91	68	46	26	11	0	0	0	0
1,140	1,160	140	117	94	71	49	28	13	0	0	0	0
1,160	1,180	143	120	97	74	52	30	15	0	0	0	0
1,180	1,200	146	123	100	77	55	32	17	2	0	0	0
1,200	1,220	149	126	103	80	58	35	19	4	0	0	0
1,220	1,240	152	129	106	83	61	38	21	6	0	0	0
1,240	1,260	155	132	109	86	64	41	23	8	0	0	0
1,260	1,280	158	135	112	89	67	44	25	10	0	0	0
1,280	1,300	161	138	115	92	70	47	27	12	0	0	0
1,300	1,320	164	141	118	95	73	50	29	14	0	0	0
1,320	1,340	167	144	121	98	76	53	31	16	0	0	0
1,340	1,360	170	147	124	101	79	56	33	18	2	0	0
1,360	1,380	173	150	127	104	82	59	36	20	4	0	0
1,380	1,400	176	153	130	107	85	62	39	22	6	0	0
1,400	1,420	179	156	133	110	88	65	42	24	8	0	0
1,420	1,440	182	159	136	113	91	68	45	26	10	0	0
1,440	1,460	185	162	139	116	94	71	48	28	12	0	0
1,460	1,480	188	165	142	119	97	74	51	30	14	0	0
1,480	1,500	192	168	145	122	100	77	54	32	16	1	0
1,500	1,520	197	171	148	125	103	80	57	34	18	3	0
1,520	1,540	202	174	151	128	106	83	60	37	20	5	0
1,540	1,560	207	177	154	131	109	86	63	40	22	7	0
1,560	1,580	212	180	157	134	112	89	66	43	24	9	0
1,580	1,600	217	183	160	137	115	92	69	46	26	11	0
1,600	1,620	222	186	163	140	118	95	72	49	28	13	0
1,620	1,640	227	189	166	143	121	98	75	52	30	15	0
1,640	1,660	232	194	169	146	124	101	78	55	32	17	2
1,660	1,680	237	199	172	149	127	104	81	58	35	19	4
1,680	1,700	242	204	175	152	130	107	84	61	38	21	6
1,700	1,720	247	209	178	155	133	110	87	64	41	23	8
1,720	1,740	252	214	181	158	136	113	90	67	44	25	10
1,740	1,760	257	219	184	161	139	116	93	70	47	27	12
1,760	1,780	262	224	187	164	142	119	96	73	50	29	14
1,780	1,800	267	229	191	167	145	122	99	76	53	31	16
1,800	1,820	272	234	196	170	148	125	102	79	56	33	18
1,820	1,840	277	239	201	173	151	128	105	82	59	36	20
1,840	1,860	282	244	206	176	154	131	108	85	62	39	22
1,860	1,880	287	249	211	179	157	134	111	88	65	42	24
1,880	1,900	292	254	216	182	160	137	114	91	68	45	26
1,900	1,920	297	259	221	185	163	140	117	94	71	48	28
1,920	1,940	302	264	226	188	166	143	120	97	74	51	30
1,940	1,960	307	269	231	193	169	146	123	100	77	54	32
1,960	1,980	312	274	236	198	172	149	126	103	80	57	35
1,980	2,000	317	279	241	203	175	152	129	106	83	60	38
2,000	2,020	322	284	246	208	178	155	132	109	86	63	41
2,020	2,040	327	289	251	213	181	158	135	112	89	66	44
2,040	2,060	332	294	256	218	184	161	138	115	92	69	47
2,060	2,080	337	299	261	223	187	164	141	118	95	72	50
2,080	2,100	342	304	266	228	190	167	144	121	98	75	53
2,100	2,120	347	309	271	233	195	170	147	124	101	78	56
2,120	2,140	352	314	276	238	200	173	150	127	104	81	59

\$2,140 and over

Use Table 3(a) for a **SINGLE person** on page 38. Also see the instructions on page 36.

MARRIED Persons—SEMIMONTHLY Payroll Period
(For Wages Paid in 2009)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$0	\$340	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
340	350	1	0	0	0	0	0	0	0	0	0	0
350	360	2	0	0	0	0	0	0	0	0	0	0
360	370	3	0	0	0	0	0	0	0	0	0	0
370	380	4	0	0	0	0	0	0	0	0	0	0
380	390	5	0	0	0	0	0	0	0	0	0	0
390	400	6	0	0	0	0	0	0	0	0	0	0
400	410	7	0	0	0	0	0	0	0	0	0	0
410	420	8	0	0	0	0	0	0	0	0	0	0
420	430	9	0	0	0	0	0	0	0	0	0	0
430	440	10	0	0	0	0	0	0	0	0	0	0
440	450	11	0	0	0	0	0	0	0	0	0	0
450	460	12	0	0	0	0	0	0	0	0	0	0
460	470	13	0	0	0	0	0	0	0	0	0	0
470	480	14	0	0	0	0	0	0	0	0	0	0
480	490	15	0	0	0	0	0	0	0	0	0	0
490	500	16	1	0	0	0	0	0	0	0	0	0
500	520	18	2	0	0	0	0	0	0	0	0	0
520	540	20	4	0	0	0	0	0	0	0	0	0
540	560	22	6	0	0	0	0	0	0	0	0	0
560	580	24	8	0	0	0	0	0	0	0	0	0
580	600	26	10	0	0	0	0	0	0	0	0	0
600	620	28	12	0	0	0	0	0	0	0	0	0
620	640	30	14	0	0	0	0	0	0	0	0	0
640	660	32	16	1	0	0	0	0	0	0	0	0
660	680	34	18	3	0	0	0	0	0	0	0	0
680	700	36	20	5	0	0	0	0	0	0	0	0
700	720	38	22	7	0	0	0	0	0	0	0	0
720	740	40	24	9	0	0	0	0	0	0	0	0
740	760	42	26	11	0	0	0	0	0	0	0	0
760	780	44	28	13	0	0	0	0	0	0	0	0
780	800	46	30	15	0	0	0	0	0	0	0	0
800	820	48	32	17	2	0	0	0	0	0	0	0
820	840	50	34	19	4	0	0	0	0	0	0	0
840	860	52	36	21	6	0	0	0	0	0	0	0
860	880	54	38	23	8	0	0	0	0	0	0	0
880	900	56	40	25	10	0	0	0	0	0	0	0
900	920	58	42	27	12	0	0	0	0	0	0	0
920	940	60	44	29	14	0	0	0	0	0	0	0
940	960	62	46	31	16	1	0	0	0	0	0	0
960	980	64	48	33	18	3	0	0	0	0	0	0
980	1,000	66	50	35	20	5	0	0	0	0	0	0
1,000	1,020	68	52	37	22	7	0	0	0	0	0	0
1,020	1,040	71	54	39	24	9	0	0	0	0	0	0
1,040	1,060	74	56	41	26	11	0	0	0	0	0	0
1,060	1,080	77	58	43	28	13	0	0	0	0	0	0
1,080	1,100	80	60	45	30	15	0	0	0	0	0	0
1,100	1,120	83	62	47	32	17	2	0	0	0	0	0
1,120	1,140	86	64	49	34	19	4	0	0	0	0	0
1,140	1,160	89	66	51	36	21	6	0	0	0	0	0
1,160	1,180	92	69	53	38	23	8	0	0	0	0	0
1,180	1,200	95	72	55	40	25	10	0	0	0	0	0
1,200	1,220	98	75	57	42	27	12	0	0	0	0	0
1,220	1,240	101	78	59	44	29	14	0	0	0	0	0
1,240	1,260	104	81	61	46	31	16	0	0	0	0	0
1,260	1,280	107	84	63	48	33	18	2	0	0	0	0
1,280	1,300	110	87	65	50	35	20	4	0	0	0	0
1,300	1,320	113	90	68	52	37	22	6	0	0	0	0
1,320	1,340	116	93	71	54	39	24	8	0	0	0	0
1,340	1,360	119	96	74	56	41	26	10	0	0	0	0
1,360	1,380	122	99	77	58	43	28	12	0	0	0	0
1,380	1,400	125	102	80	60	45	30	14	0	0	0	0
1,400	1,420	128	105	83	62	47	32	16	1	0	0	0
1,420	1,440	131	108	86	64	49	34	18	3	0	0	0
1,440	1,460	134	111	89	66	51	36	20	5	0	0	0
1,460	1,480	137	114	92	69	53	38	22	7	0	0	0
1,480	1,500	140	117	95	72	55	40	24	9	0	0	0
1,500	1,520	143	120	98	75	57	42	26	11	0	0	0
1,520	1,540	146	123	101	78	59	44	28	13	0	0	0
1,540	1,560	149	126	104	81	61	46	30	15	0	0	0
1,560	1,580	152	129	107	84	63	48	32	17	2	0	0
1,580	1,600	155	132	110	87	65	50	34	19	4	0	0
1,600	1,620	158	135	113	90	67	52	36	21	6	0	0
1,620	1,640	161	138	116	93	70	54	38	23	8	0	0
1,640	1,660	164	141	119	96	73	56	40	25	10	0	0

MARRIED Persons—SEMIMONTHLY Payroll Period
(For Wages Paid in 2009)

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

\$2,740 and over

Use Table 3(b) for a **MARRIED person** on page 38. Also see the instructions on page 36.

SINGLE Persons—MONTHLY Payroll Period
(For Wages Paid in 2009)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$0	\$230	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
230	240	1	0	0	0	0	0	0	0	0	0	0
240	250	2	0	0	0	0	0	0	0	0	0	0
250	260	3	0	0	0	0	0	0	0	0	0	0
260	270	4	0	0	0	0	0	0	0	0	0	0
270	280	5	0	0	0	0	0	0	0	0	0	0
280	290	6	0	0	0	0	0	0	0	0	0	0
290	300	7	0	0	0	0	0	0	0	0	0	0
300	320	9	0	0	0	0	0	0	0	0	0	0
320	340	11	0	0	0	0	0	0	0	0	0	0
340	360	13	0	0	0	0	0	0	0	0	0	0
360	380	15	0	0	0	0	0	0	0	0	0	0
380	400	17	0	0	0	0	0	0	0	0	0	0
400	420	19	0	0	0	0	0	0	0	0	0	0
420	440	21	0	0	0	0	0	0	0	0	0	0
440	460	23	0	0	0	0	0	0	0	0	0	0
460	480	25	0	0	0	0	0	0	0	0	0	0
480	500	27	0	0	0	0	0	0	0	0	0	0
500	520	29	0	0	0	0	0	0	0	0	0	0
520	540	31	1	0	0	0	0	0	0	0	0	0
540	560	33	3	0	0	0	0	0	0	0	0	0
560	580	35	5	0	0	0	0	0	0	0	0	0
580	600	37	7	0	0	0	0	0	0	0	0	0
600	640	40	10	0	0	0	0	0	0	0	0	0
640	680	44	14	0	0	0	0	0	0	0	0	0
680	720	48	18	0	0	0	0	0	0	0	0	0
720	760	52	22	0	0	0	0	0	0	0	0	0
760	800	56	26	0	0	0	0	0	0	0	0	0
800	840	60	30	0	0	0	0	0	0	0	0	0
840	880	64	34	3	0	0	0	0	0	0	0	0
880	920	70	38	7	0	0	0	0	0	0	0	0
920	960	76	42	11	0	0	0	0	0	0	0	0
960	1,000	82	46	15	0	0	0	0	0	0	0	0
1,000	1,040	88	50	19	0	0	0	0	0	0	0	0
1,040	1,080	94	54	23	0	0	0	0	0	0	0	0
1,080	1,120	100	58	27	0	0	0	0	0	0	0	0
1,120	1,160	106	62	31	1	0	0	0	0	0	0	0
1,160	1,200	112	66	35	5	0	0	0	0	0	0	0
1,200	1,240	118	72	39	9	0	0	0	0	0	0	0
1,240	1,280	124	78	43	13	0	0	0	0	0	0	0
1,280	1,320	130	84	47	17	0	0	0	0	0	0	0
1,320	1,360	136	90	51	21	0	0	0	0	0	0	0
1,360	1,400	142	96	55	25	0	0	0	0	0	0	0
1,400	1,440	148	102	59	29	0	0	0	0	0	0	0
1,440	1,480	154	108	63	33	2	0	0	0	0	0	0
1,480	1,520	160	114	68	37	6	0	0	0	0	0	0
1,520	1,560	166	120	74	41	10	0	0	0	0	0	0
1,560	1,600	172	126	80	45	14	0	0	0	0	0	0
1,600	1,640	178	132	86	49	18	0	0	0	0	0	0
1,640	1,680	184	138	92	53	22	0	0	0	0	0	0
1,680	1,720	190	144	98	57	26	0	0	0	0	0	0
1,720	1,760	196	150	104	61	30	0	0	0	0	0	0
1,760	1,800	202	156	110	65	34	4	0	0	0	0	0
1,800	1,840	208	162	116	71	38	8	0	0	0	0	0
1,840	1,880	214	168	122	77	42	12	0	0	0	0	0
1,880	1,920	220	174	128	83	46	16	0	0	0	0	0
1,920	1,960	226	180	134	89	50	20	0	0	0	0	0
1,960	2,000	232	186	140	95	54	24	0	0	0	0	0
2,000	2,040	238	192	146	101	58	28	0	0	0	0	0
2,040	2,080	244	198	152	107	62	32	1	0	0	0	0
2,080	2,120	250	204	158	113	67	36	5	0	0	0	0
2,120	2,160	256	210	164	119	73	40	9	0	0	0	0
2,160	2,200	262	216	170	125	79	44	13	0	0	0	0
2,200	2,240	268	222	176	131	85	48	17	0	0	0	0
2,240	2,280	274	228	182	137	91	52	21	0	0	0	0
2,280	2,320	280	234	188	143	97	56	25	0	0	0	0
2,320	2,360	286	240	194	149	103	60	29	0	0	0	0
2,360	2,400	292	246	200	155	109	64	33	3	0	0	0
2,400	2,440	298	252	206	161	115	69	37	7	0	0	0
2,440	2,480	304	258	212	167	121	75	41	11	0	0	0
2,480	2,520	310	264	218	173	127	81	45	15	0	0	0
2,520	2,560	316	270	224	179	133	87	49	19	0	0	0
2,560	2,600	322	276	230	185	139	93	53	23	0	0	0
2,600	2,640	328	282	236	191	145	99	57	27	0	0	0
2,640	2,680	334	288	242	197	151	105	61	31	1	0	0

SINGLE Persons—MONTHLY Payroll Period

(For Wages Paid in 2009)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$2,680	\$2,720	\$340	\$294	\$248	\$203	\$157	\$111	\$66	\$35	\$5	\$0	\$0
2,720	2,760	346	300	254	209	163	117	72	39	9	0	0
2,760	2,800	352	306	260	215	169	123	78	43	13	0	0
2,800	2,840	358	312	266	221	175	129	84	47	17	0	0
2,840	2,880	364	318	272	227	181	135	90	51	21	0	0
2,880	2,920	370	324	278	233	187	141	96	55	25	0	0
2,920	2,960	376	330	284	239	193	147	102	59	29	0	0
2,960	3,000	385	336	290	245	199	153	108	63	33	2	0
3,000	3,040	395	342	296	251	205	159	114	68	37	6	0
3,040	3,080	405	348	302	257	211	165	120	74	41	10	0
3,080	3,120	415	354	308	263	217	171	126	80	45	14	0
3,120	3,160	425	360	314	269	223	177	132	86	49	18	0
3,160	3,200	435	366	320	275	229	183	138	92	53	22	0
3,200	3,240	445	372	326	281	235	189	144	98	57	26	0
3,240	3,280	455	379	332	287	241	195	150	104	61	30	0
3,280	3,320	465	389	338	293	247	201	156	110	65	34	4
3,320	3,360	475	399	344	299	253	207	162	116	71	38	8
3,360	3,400	485	409	350	305	259	213	168	122	77	42	12
3,400	3,440	495	419	356	311	265	219	174	128	83	46	16
3,440	3,480	505	429	362	317	271	225	180	134	89	50	20
3,480	3,520	515	439	368	323	277	231	186	140	95	54	24
3,520	3,560	525	449	374	329	283	237	192	146	101	58	28
3,560	3,600	535	459	383	335	289	243	198	152	107	62	32
3,600	3,640	545	469	393	341	295	249	204	158	113	67	36
3,640	3,680	555	479	403	347	301	255	210	164	119	73	40
3,680	3,720	565	489	413	353	307	261	216	170	125	79	44
3,720	3,760	575	499	423	359	313	267	222	176	131	85	48
3,760	3,800	585	509	433	365	319	273	228	182	137	91	52
3,800	3,840	595	519	443	371	325	279	234	188	143	97	56
3,840	3,880	605	529	453	377	331	285	240	194	149	103	60
3,880	3,920	615	539	463	386	337	291	246	200	155	109	64
3,920	3,960	625	549	473	396	343	297	252	206	161	115	69
3,960	4,000	635	559	483	406	349	303	258	212	167	121	75
4,000	4,040	645	569	493	416	355	309	264	218	173	127	81
4,040	4,080	655	579	503	426	361	315	270	224	179	133	87
4,080	4,120	665	589	513	436	367	321	276	230	185	139	93
4,120	4,160	675	599	523	446	373	327	282	236	191	145	99
4,160	4,200	685	609	533	456	380	333	288	242	197	151	105
4,200	4,240	695	619	543	466	390	339	294	248	203	157	111
4,240	4,280	705	629	553	476	400	345	300	254	209	163	117
4,280	4,320	715	639	563	486	410	351	306	260	215	169	123
4,320	4,360	725	649	573	496	420	357	312	266	221	175	129
4,360	4,400	735	659	583	506	430	363	318	272	227	181	135
4,400	4,440	745	669	593	516	440	369	324	278	233	187	141
4,440	4,480	755	679	603	526	450	375	330	284	239	193	147
4,480	4,520	765	689	613	536	460	384	336	290	245	199	153
4,520	4,560	775	699	623	546	470	394	342	296	251	205	159
4,560	4,600	785	709	633	556	480	404	348	302	257	211	165
4,600	4,640	795	719	643	566	490	414	354	308	263	217	171
4,640	4,680	805	729	653	576	500	424	360	314	269	223	177
4,680	4,720	815	739	663	586	510	434	366	320	275	229	183
4,720	4,760	825	749	673	596	520	444	372	326	281	235	189
4,760	4,800	835	759	683	606	530	454	378	332	287	241	195
4,800	4,840	845	769	693	616	540	464	388	338	293	247	201
4,840	4,880	855	779	703	626	550	474	398	344	299	253	207
4,880	4,920	865	789	713	636	560	484	408	350	305	259	213
4,920	4,960	875	799	723	646	570	494	418	356	311	265	219
4,960	5,000	885	809	733	656	580	504	428	362	317	271	225
5,000	5,040	895	819	743	666	590	514	438	368	323	277	231
5,040	5,080	905	829	753	676	600	524	448	374	329	283	237

\$5,080 and over

Use Table 4(a) for a **SINGLE person** on page 38. Also see the instructions on page 36.

MARRIED Persons—MONTHLY Payroll Period
(For Wages Paid in 2009)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$0	\$680	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
680	720	3	0	0	0	0	0	0	0	0	0	0
720	760	7	0	0	0	0	0	0	0	0	0	0
760	800	11	0	0	0	0	0	0	0	0	0	0
800	840	15	0	0	0	0	0	0	0	0	0	0
840	880	19	0	0	0	0	0	0	0	0	0	0
880	920	23	0	0	0	0	0	0	0	0	0	0
920	960	27	0	0	0	0	0	0	0	0	0	0
960	1,000	31	1	0	0	0	0	0	0	0	0	0
1,000	1,040	35	5	0	0	0	0	0	0	0	0	0
1,040	1,080	39	9	0	0	0	0	0	0	0	0	0
1,080	1,120	43	13	0	0	0	0	0	0	0	0	0
1,120	1,160	47	17	0	0	0	0	0	0	0	0	0
1,160	1,200	51	21	0	0	0	0	0	0	0	0	0
1,200	1,240	55	25	0	0	0	0	0	0	0	0	0
1,240	1,280	59	29	0	0	0	0	0	0	0	0	0
1,280	1,320	63	33	3	0	0	0	0	0	0	0	0
1,320	1,360	67	37	7	0	0	0	0	0	0	0	0
1,360	1,400	71	41	11	0	0	0	0	0	0	0	0
1,400	1,440	75	45	15	0	0	0	0	0	0	0	0
1,440	1,480	79	49	19	0	0	0	0	0	0	0	0
1,480	1,520	83	53	23	0	0	0	0	0	0	0	0
1,520	1,560	87	57	27	0	0	0	0	0	0	0	0
1,560	1,600	91	61	31	0	0	0	0	0	0	0	0
1,600	1,640	95	65	35	4	0	0	0	0	0	0	0
1,640	1,680	99	69	39	8	0	0	0	0	0	0	0
1,680	1,720	103	73	43	12	0	0	0	0	0	0	0
1,720	1,760	107	77	47	16	0	0	0	0	0	0	0
1,760	1,800	111	81	51	20	0	0	0	0	0	0	0
1,800	1,840	115	85	55	24	0	0	0	0	0	0	0
1,840	1,880	119	89	59	28	0	0	0	0	0	0	0
1,880	1,920	123	93	63	32	2	0	0	0	0	0	0
1,920	1,960	127	97	67	36	6	0	0	0	0	0	0
1,960	2,000	131	101	71	40	10	0	0	0	0	0	0
2,000	2,040	137	105	75	44	14	0	0	0	0	0	0
2,040	2,080	143	109	79	48	18	0	0	0	0	0	0
2,080	2,120	149	113	83	52	22	0	0	0	0	0	0
2,120	2,160	155	117	87	56	26	0	0	0	0	0	0
2,160	2,200	161	121	91	60	30	0	0	0	0	0	0
2,200	2,240	167	125	95	64	34	3	0	0	0	0	0
2,240	2,280	173	129	99	68	38	7	0	0	0	0	0
2,280	2,320	179	133	103	72	42	11	0	0	0	0	0
2,320	2,360	185	139	107	76	46	15	0	0	0	0	0
2,360	2,400	191	145	111	80	50	19	0	0	0	0	0
2,400	2,440	197	151	115	84	54	23	0	0	0	0	0
2,440	2,480	203	157	119	88	58	27	0	0	0	0	0
2,480	2,520	209	163	123	92	62	31	1	0	0	0	0
2,520	2,560	215	169	127	96	66	35	5	0	0	0	0
2,560	2,600	221	175	131	100	70	39	9	0	0	0	0
2,600	2,640	227	181	135	104	74	43	13	0	0	0	0
2,640	2,680	233	187	141	108	78	47	17	0	0	0	0
2,680	2,720	239	193	147	112	82	51	21	0	0	0	0
2,720	2,760	245	199	153	116	86	55	25	0	0	0	0
2,760	2,800	251	205	159	120	90	59	29	0	0	0	0
2,800	2,840	257	211	165	124	94	63	33	2	0	0	0
2,840	2,880	263	217	171	128	98	67	37	6	0	0	0
2,880	2,920	269	223	177	132	102	71	41	10	0	0	0
2,920	2,960	275	229	183	138	106	75	45	14	0	0	0
2,960	3,000	281	235	189	144	110	79	49	18	0	0	0
3,000	3,040	287	241	195	150	114	83	53	22	0	0	0
3,040	3,080	293	247	201	156	118	87	57	26	0	0	0
3,080	3,120	299	253	207	162	122	91	61	30	0	0	0
3,120	3,160	305	259	213	168	126	95	65	34	4	0	0
3,160	3,200	311	265	219	174	130	99	69	38	8	0	0
3,200	3,240	317	271	225	180	134	103	73	42	12	0	0
3,240	3,280	323	277	231	186	140	107	77	46	16	0	0
3,280	3,320	329	283	237	192	146	111	81	50	20	0	0
3,320	3,360	335	289	243	198	152	115	85	54	24	0	0
3,360	3,400	341	295	249	204	158	119	89	58	28	0	0
3,400	3,440	347	301	255	210	164	123	93	62	32	2	0
3,440	3,480	353	307	261	216	170	127	97	66	36	6	0
3,480	3,520	359	313	267	222	176	131	101	70	40	10	0
3,520	3,560	365	319	273	228	182	136	105	74	44	14	0
3,560	3,600	371	325	279	234	188	142	109	78	48	18	0
3,600	3,640	377	331	285	240	194	148	113	82	52	22	0

MARRIED Persons—MONTHLY Payroll Period

(For Wages Paid in 2009)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$3,640	\$3,680	\$383	\$337	\$291	\$246	\$200	\$154	\$117	\$86	\$56	\$26	\$0
3,680	3,720	389	343	297	252	206	160	121	90	60	30	0
3,720	3,760	395	349	303	258	212	166	125	94	64	34	3
3,760	3,800	401	355	309	264	218	172	129	98	68	38	7
3,800	3,840	407	361	315	270	224	178	133	102	72	42	11
3,840	3,880	413	367	321	276	230	184	139	106	76	46	15
3,880	3,920	419	373	327	282	236	190	145	110	80	50	19
3,920	3,960	425	379	333	288	242	196	151	114	84	54	23
3,960	4,000	431	385	339	294	248	202	157	118	88	58	27
4,000	4,040	437	391	345	300	254	208	163	122	92	62	31
4,040	4,080	443	397	351	306	260	214	169	126	96	66	35
4,080	4,120	449	403	357	312	266	220	175	130	100	70	39
4,120	4,160	455	409	363	318	272	226	181	135	104	74	43
4,160	4,200	461	415	369	324	278	232	187	141	108	78	47
4,200	4,240	467	421	375	330	284	238	193	147	112	82	51
4,240	4,280	473	427	381	336	290	244	199	153	116	86	55
4,280	4,320	479	433	387	342	296	250	205	159	120	90	59
4,320	4,360	485	439	393	348	302	256	211	165	124	94	63
4,360	4,400	491	445	399	354	308	262	217	171	128	98	67
4,400	4,440	497	451	405	360	314	268	223	177	132	102	71
4,440	4,480	503	457	411	366	320	274	229	183	138	106	75
4,480	4,520	509	463	417	372	326	280	235	189	144	110	79
4,520	4,560	515	469	423	378	332	286	241	195	150	114	83
4,560	4,600	521	475	429	384	338	292	247	201	156	118	87
4,600	4,640	527	481	435	390	344	298	253	207	162	122	91
4,640	4,680	533	487	441	396	350	304	259	213	168	126	95
4,680	4,720	539	493	447	402	356	310	265	219	174	130	99
4,720	4,760	545	499	453	408	362	316	271	225	180	134	103
4,760	4,800	551	505	459	414	368	322	277	231	186	140	107
4,800	4,840	557	511	465	420	374	328	283	237	192	146	111
4,840	4,880	563	517	471	426	380	334	289	243	198	152	115
4,880	4,920	569	523	477	432	386	340	295	249	204	158	119
4,920	4,960	575	529	483	438	392	346	301	255	210	164	123
4,960	5,000	581	535	489	444	398	352	307	261	216	170	127
5,000	5,040	587	541	495	450	404	358	313	267	222	176	131
5,040	5,080	593	547	501	456	410	364	319	273	228	182	136
5,080	5,120	599	553	507	462	416	370	325	279	234	188	142
5,120	5,160	605	559	513	468	422	376	331	285	240	194	148
5,160	5,200	611	565	519	474	428	382	337	291	246	200	154
5,200	5,240	617	571	525	480	434	388	343	297	252	206	160
5,240	5,280	623	577	531	486	440	394	349	303	258	212	166
5,280	5,320	629	583	537	492	446	400	355	309	264	218	172
5,320	5,360	635	589	543	498	452	406	361	315	270	224	178
5,360	5,400	641	595	549	504	458	412	367	321	276	230	184
5,400	5,440	647	601	555	510	464	418	373	327	282	236	190
5,440	5,480	653	607	561	516	470	424	379	333	288	242	196
5,480	5,520	659	613	567	522	476	430	385	339	294	248	202
5,520	5,560	665	619	573	528	482	436	391	345	300	254	208
5,560	5,600	671	625	579	534	488	442	397	351	306	260	214
5,600	5,640	677	631	585	540	494	448	403	357	312	266	220
5,640	5,680	683	637	591	546	500	454	409	363	318	272	226
5,680	5,720	689	643	597	552	506	460	415	369	324	278	232
5,720	5,760	695	649	603	558	512	466	421	375	330	284	238
5,760	5,800	701	655	609	564	518	472	427	381	336	290	244
5,800	5,840	707	661	615	570	524	478	433	387	342	296	250
5,840	5,880	713	667	621	576	530	484	439	393	348	302	256

\$5,880 and over

Use Table 4(b) for a **MARRIED person** on page 38. Also see the instructions on page 36.

SINGLE Persons—DAILY OR MISCELLANEOUS Payroll Period
(For Wages Paid in 2009)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$0	\$15	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	18	1	0	0	0	0	0	0	0	0	0	0
18	21	1	0	0	0	0	0	0	0	0	0	0
21	24	1	0	0	0	0	0	0	0	0	0	0
24	27	2	0	0	0	0	0	0	0	0	0	0
27	30	2	0	0	0	0	0	0	0	0	0	0
30	33	2	1	0	0	0	0	0	0	0	0	0
33	36	2	1	0	0	0	0	0	0	0	0	0
36	39	3	1	0	0	0	0	0	0	0	0	0
39	42	3	2	0	0	0	0	0	0	0	0	0
42	45	4	2	1	0	0	0	0	0	0	0	0
45	48	4	2	1	0	0	0	0	0	0	0	0
48	51	4	3	1	0	0	0	0	0	0	0	0
51	54	5	3	1	0	0	0	0	0	0	0	0
54	57	5	3	2	0	0	0	0	0	0	0	0
57	60	6	4	2	1	0	0	0	0	0	0	0
60	63	6	4	2	1	0	0	0	0	0	0	0
63	66	7	5	3	1	0	0	0	0	0	0	0
66	69	7	5	3	2	0	0	0	0	0	0	0
69	72	8	5	3	2	0	0	0	0	0	0	0
72	75	8	6	4	2	1	0	0	0	0	0	0
75	78	8	6	4	2	1	0	0	0	0	0	0
78	81	9	7	5	3	1	0	0	0	0	0	0
81	84	9	7	5	3	2	0	0	0	0	0	0
84	87	10	8	6	3	2	1	0	0	0	0	0
87	90	10	8	6	4	2	1	0	0	0	0	0
90	93	11	9	6	4	3	1	0	0	0	0	0
93	96	11	9	7	5	3	1	0	0	0	0	0
96	99	12	10	7	5	3	2	0	0	0	0	0
99	102	12	10	8	6	4	2	1	0	0	0	0
102	105	13	10	8	6	4	2	1	0	0	0	0
105	108	13	11	9	7	5	3	1	0	0	0	0
108	111	13	11	9	7	5	3	2	0	0	0	0
111	114	14	12	10	8	5	3	2	0	0	0	0
114	117	14	12	10	8	6	4	2	1	0	0	0
117	120	15	13	11	8	6	4	2	1	0	0	0
120	123	15	13	11	9	7	5	3	1	0	0	0
123	126	16	14	11	9	7	5	3	2	0	0	0
126	129	16	14	12	10	8	6	3	2	1	0	0
129	132	17	14	12	10	8	6	4	2	1	0	0
132	135	17	15	13	11	9	6	4	3	1	0	0
135	138	17	15	13	11	9	7	5	3	1	0	0
138	141	18	16	14	12	9	7	5	3	2	0	0
141	144	19	16	14	12	10	8	6	4	2	1	0
144	147	20	17	15	12	10	8	6	4	2	1	0
147	150	20	17	15	13	11	9	7	5	3	1	0
150	153	21	18	15	13	11	9	7	5	3	1	0
153	156	22	18	16	14	12	10	8	5	3	2	0
156	159	23	19	16	14	12	10	8	6	4	2	1
159	162	23	20	17	15	13	11	8	6	4	2	1
162	165	24	21	17	15	13	11	9	7	5	3	1
165	168	25	21	18	16	14	11	9	7	5	3	2
168	171	26	22	19	16	14	12	10	8	6	3	2
171	174	26	23	19	17	14	12	10	8	6	4	2
174	177	27	24	20	17	15	13	11	9	6	4	2
177	180	28	24	21	17	15	13	11	9	7	5	3
180	183	29	25	22	18	16	14	12	9	7	5	3
183	186	29	26	22	19	16	14	12	10	8	6	4
186	189	30	27	23	20	17	15	12	10	8	6	4
189	192	31	27	24	20	17	15	13	11	9	7	4
192	195	32	28	25	21	18	15	13	11	9	7	5
195	198	32	29	25	22	18	16	14	12	10	8	5
198	201	33	30	26	23	19	16	14	12	10	8	6
201	204	34	30	27	23	20	17	15	13	11	8	6
204	207	35	31	28	24	21	17	15	13	11	9	7
207	210	35	32	28	25	21	18	16	14	11	9	7
210	213	36	33	29	26	22	19	16	14	12	10	8
213	216	37	33	30	26	23	19	17	14	12	10	8
216	219	38	34	31	27	24	20	17	15	13	11	9
219	222	38	35	31	28	24	21	17	15	13	11	9
222	225	39	36	32	29	25	22	18	16	14	12	9
225	228	40	36	33	29	26	22	19	16	14	12	10
228	231	41	37	34	30	27	23	20	17	15	12	10
231	234	41	38	34	31	27	24	20	17	15	13	11
234	237	42	39	35	32	28	25	21	18	15	13	11

SINGLE Persons—DAILY OR MISCELLANEOUS Payroll Period
(For Wages Paid in 2009)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$237	\$240	\$43	\$39	\$36	\$32	\$29	\$25	\$22	\$18	\$16	\$14	\$12
240	243	44	40	37	33	30	26	23	19	16	14	12
243	246	44	41	37	34	30	27	23	20	17	15	13
246	249	45	42	38	35	31	28	24	21	17	15	13
249	252	46	42	39	35	32	28	25	21	18	16	13
252	255	47	43	40	36	33	29	26	22	19	16	14
255	258	47	44	40	37	33	30	26	23	19	17	14
258	261	48	45	41	38	34	31	27	24	20	17	15
261	264	49	45	42	38	35	31	28	24	21	17	15
264	267	50	46	43	39	36	32	29	25	22	18	16
267	270	50	47	43	40	36	33	29	26	22	19	16
270	273	51	48	44	41	37	34	30	27	23	20	17
273	276	52	48	45	41	38	34	31	27	24	20	17
276	279	53	49	46	42	39	35	32	28	25	21	18
279	282	53	50	46	43	39	36	32	29	25	22	18
282	285	54	51	47	44	40	37	33	30	26	23	19
285	288	55	51	48	44	41	37	34	30	27	23	20
288	291	56	52	49	45	42	38	35	31	28	24	21
291	294	56	53	49	46	42	39	35	32	28	25	21
294	297	57	54	50	47	43	40	36	33	29	26	22
297	300	58	54	51	47	44	40	37	33	30	26	23
300	303	59	55	52	48	45	41	38	34	31	27	24
303	306	59	56	52	49	45	42	38	35	31	28	24
306	309	60	57	53	50	46	43	39	36	32	29	25
309	312	61	57	54	50	47	43	40	36	33	29	26
312	315	62	58	55	51	48	44	41	37	34	30	27
315	318	62	59	55	52	48	45	41	38	34	31	27
318	321	63	60	56	53	49	46	42	39	35	32	28
321	324	64	60	57	53	50	46	43	39	36	32	29
324	327	65	61	58	54	51	47	44	40	37	33	30
327	330	66	62	58	55	51	48	44	41	37	34	30
330	333	66	63	59	56	52	49	45	42	38	35	31
333	336	67	63	60	56	53	49	46	42	39	35	32
336	339	68	64	61	57	54	50	47	43	40	36	33
339	341	69	65	61	58	54	51	47	44	40	37	33
341	343	69	65	62	58	55	51	48	44	41	37	34
343	345	70	66	62	59	55	52	48	45	41	38	34
345	347	71	67	63	59	56	52	49	45	42	38	35
347	349	71	67	63	60	56	53	49	46	42	39	35
349	351	72	68	64	60	57	53	50	46	43	39	36
351	353	72	68	64	61	57	54	50	47	43	40	36
353	355	73	69	65	61	58	54	51	47	44	40	37
355	357	73	69	65	62	58	55	51	48	44	41	37
357	359	74	70	66	62	59	55	52	48	45	41	38
359	361	74	71	67	63	59	56	52	49	45	42	38
361	363	75	71	67	63	60	56	53	49	46	42	39
363	365	76	72	68	64	60	57	53	50	46	43	39
365	367	76	72	68	64	61	57	54	50	47	43	40
367	369	77	73	69	65	61	58	54	51	47	44	40
369	371	77	73	69	65	62	58	55	51	48	44	41
371	373	78	74	70	66	62	59	55	52	48	45	41
373	375	78	74	70	67	63	59	56	52	49	45	42
375	377	79	75	71	67	63	60	56	53	49	46	42
377	379	79	76	72	68	64	60	57	53	50	46	43
379	381	80	76	72	68	64	61	57	54	50	47	43
381	383	81	77	73	69	65	61	58	54	51	47	44
383	385	81	77	73	69	65	62	58	55	51	48	44
385	387	82	78	74	70	66	62	59	55	52	48	45
387	389	82	78	74	70	67	63	59	56	52	49	45
389	391	83	79	75	71	67	63	60	56	53	49	46

\$391 and over

Use Table 8(a) for a **SINGLE person** on page 39. Also see the instructions on page 36.

MARRIED Persons—DAILY OR MISCELLANEOUS Payroll Period
(For Wages Paid in 2009)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$0	\$36	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
36	39	1	0	0	0	0	0	0	0	0	0	0
39	42	1	0	0	0	0	0	0	0	0	0	0
42	45	1	0	0	0	0	0	0	0	0	0	0
45	48	2	0	0	0	0	0	0	0	0	0	0
48	51	2	0	0	0	0	0	0	0	0	0	0
51	54	2	1	0	0	0	0	0	0	0	0	0
54	57	2	1	0	0	0	0	0	0	0	0	0
57	60	3	1	0	0	0	0	0	0	0	0	0
60	63	3	2	0	0	0	0	0	0	0	0	0
63	66	3	2	1	0	0	0	0	0	0	0	0
66	69	4	2	1	0	0	0	0	0	0	0	0
69	72	4	3	1	0	0	0	0	0	0	0	0
72	75	4	3	1	0	0	0	0	0	0	0	0
75	78	5	3	2	0	0	0	0	0	0	0	0
78	81	5	3	2	1	0	0	0	0	0	0	0
81	84	5	4	2	1	0	0	0	0	0	0	0
84	87	5	4	3	1	0	0	0	0	0	0	0
87	90	6	4	3	2	0	0	0	0	0	0	0
90	93	6	5	3	2	0	0	0	0	0	0	0
93	96	6	5	4	2	1	0	0	0	0	0	0
96	99	7	5	4	2	1	0	0	0	0	0	0
99	102	7	6	4	3	1	0	0	0	0	0	0
102	105	8	6	4	3	2	0	0	0	0	0	0
105	108	8	6	5	3	2	1	0	0	0	0	0
108	111	9	7	5	4	2	1	0	0	0	0	0
111	114	9	7	5	4	3	1	0	0	0	0	0
114	117	10	8	6	4	3	1	0	0	0	0	0
117	120	10	8	6	5	3	2	0	0	0	0	0
120	123	11	8	6	5	3	2	1	0	0	0	0
123	126	11	9	7	5	4	2	1	0	0	0	0
126	129	11	9	7	5	4	3	1	0	0	0	0
129	132	12	10	8	6	4	3	2	0	0	0	0
132	135	12	10	8	6	5	3	2	0	0	0	0
135	138	13	11	9	6	5	4	2	1	0	0	0
138	141	13	11	9	7	5	4	2	1	0	0	0
141	144	14	12	9	7	6	4	3	1	0	0	0
144	147	14	12	10	8	6	4	3	2	0	0	0
147	150	15	12	10	8	6	5	3	2	1	0	0
150	153	15	13	11	9	7	5	4	2	1	0	0
153	156	15	13	11	9	7	5	4	3	1	0	0
156	159	16	14	12	10	8	6	4	3	1	0	0
159	162	16	14	12	10	8	6	5	3	2	0	0
162	165	17	15	13	11	8	6	5	3	2	1	0
165	168	17	15	13	11	9	7	5	4	2	1	0
168	171	18	16	14	11	9	7	5	4	3	1	0
171	174	18	16	14	12	10	8	6	4	3	2	0
174	177	19	17	14	12	10	8	6	5	3	2	0
177	180	19	17	15	13	11	9	6	5	4	2	1
180	183	20	17	15	13	11	9	7	5	4	2	1
183	186	20	18	16	14	12	9	7	6	4	3	1
186	189	20	18	16	14	12	10	8	6	4	3	2
189	192	21	19	17	15	12	10	8	6	5	3	2
192	195	21	19	17	15	13	11	9	7	5	4	2
195	198	22	20	18	15	13	11	9	7	5	4	3
198	201	22	20	18	16	14	12	10	8	6	4	3
201	204	23	21	18	16	14	12	10	8	6	5	3
204	207	23	21	19	17	15	13	11	8	6	5	3
207	210	24	21	19	17	15	13	11	9	7	5	4
210	213	24	22	20	18	16	14	11	9	7	5	4
213	216	24	22	20	18	16	14	12	10	8	6	4
216	219	25	23	21	19	17	14	12	10	8	6	5
219	222	25	23	21	19	17	15	13	11	9	6	5
222	225	26	24	22	20	17	15	13	11	9	7	5
225	228	26	24	22	20	18	16	14	12	9	7	6
228	231	27	25	23	20	18	16	14	12	10	8	6
231	234	27	25	23	21	19	17	15	12	10	8	6
234	237	28	26	23	21	19	17	15	13	11	9	7
237	240	28	26	24	22	20	18	15	13	11	9	7
240	243	29	26	24	22	20	18	16	14	12	10	7
243	246	29	27	25	23	21	18	16	14	12	10	8
246	249	29	27	25	23	21	19	17	15	13	10	8
249	252	30	28	26	24	21	19	17	15	13	11	9
252	255	30	28	26	24	22	20	18	16	13	11	9
255	258	31	29	27	24	22	20	18	16	14	12	10

**MARRIED Persons—DAILY OR MISCELLANEOUS Payroll Period
(For Wages Paid in 2009)**

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$258	\$261	\$31	\$29	\$27	\$25	\$23	\$21	\$19	\$17	\$14	\$12	\$10
261	264	32	30	27	25	23	21	19	17	15	13	11
264	267	32	30	28	26	24	22	20	17	15	13	11
267	270	33	30	28	26	24	22	20	18	16	14	12
270	273	33	31	29	27	25	23	20	18	16	14	12
273	276	33	31	29	27	25	23	21	19	17	15	12
276	279	34	32	30	28	26	23	21	19	17	15	13
279	282	34	32	30	28	26	24	22	20	18	15	13
282	285	35	33	31	29	26	24	22	20	18	16	14
285	288	35	33	31	29	27	25	23	21	18	16	14
288	291	36	34	32	29	27	25	23	21	19	17	15
291	294	36	34	32	30	28	26	24	21	19	17	15
294	297	37	35	32	30	28	26	24	22	20	18	16
297	300	38	35	33	31	29	27	24	22	20	18	16
300	303	39	35	33	31	29	27	25	23	21	19	16
303	306	39	36	34	32	30	27	25	23	21	19	17
306	309	40	37	34	32	30	28	26	24	22	19	17
309	312	41	37	35	33	30	28	26	24	22	20	18
312	315	42	38	35	33	31	29	27	25	22	20	18
315	318	42	39	36	33	31	29	27	25	23	21	19
318	321	43	40	36	34	32	30	28	26	23	21	19
321	324	44	40	37	34	32	30	28	26	24	22	20
324	327	45	41	38	35	33	31	29	26	24	22	20
327	330	45	42	38	35	33	31	29	27	25	23	21
330	333	46	43	39	36	34	32	29	27	25	23	21
333	336	47	43	40	36	34	32	30	28	26	24	21
336	339	48	44	41	37	35	32	30	28	26	24	22
339	341	48	45	41	38	35	33	31	29	26	24	22
341	343	49	45	42	38	35	33	31	29	27	25	23
343	345	49	46	42	39	35	33	31	29	27	25	23
345	347	50	46	43	39	36	34	32	29	27	25	23
347	349	50	47	43	40	36	34	32	30	28	26	23
349	351	51	47	44	40	37	34	32	30	28	26	24
351	353	51	48	44	41	37	35	32	30	28	26	24
353	355	52	48	45	41	38	35	33	31	29	26	24
355	357	52	49	45	42	38	35	33	31	29	27	25
357	359	53	49	46	42	39	35	33	31	29	27	25
359	361	53	50	46	43	39	36	34	32	29	27	25
361	363	54	50	47	43	40	36	34	32	30	28	26
363	365	54	51	47	44	40	37	34	32	30	28	26
365	367	55	51	48	44	41	37	35	32	30	28	26
367	369	55	52	48	45	41	38	35	33	31	29	26
369	371	56	52	49	45	42	38	35	33	31	29	27
371	373	56	53	49	46	42	39	35	33	31	29	27
373	375	57	53	50	46	43	39	36	34	32	29	27
375	377	57	54	50	47	43	40	36	34	32	30	28
377	379	58	54	51	47	44	40	37	34	32	30	28
379	381	58	55	51	48	44	41	37	35	32	30	28
381	383	59	55	52	48	45	41	38	35	33	31	29
383	385	59	56	52	49	45	42	38	35	33	31	29
385	387	60	56	53	49	46	42	39	35	33	31	29
387	389	60	57	53	50	46	43	39	36	34	32	29
389	391	61	57	54	50	47	43	40	36	34	32	30
391	393	61	58	54	51	47	44	40	37	34	32	30
393	395	62	58	55	51	48	44	41	37	35	32	30
395	397	62	59	55	52	48	45	41	38	35	33	31
397	399	63	59	56	52	49	45	42	38	35	33	31
399	401	63	60	56	53	49	46	42	39	35	33	31

\$401 and over

Use Table 8(b) for a **MARRIED** person on page 39. Also see the instructions on page 36.

Tables for Percentage Method of Advance EIC Payments

(For Wages Paid in 2009)

TABLE 1—WEEKLY Payroll Period

(a) SINGLE or HEAD OF HOUSEHOLD			(b) MARRIED Without Spouse Filing Certificate			(c) MARRIED With Both Spouses Filing Certificate		
If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—		Over—	But not over—		Over—	But not over—	
\$0	\$172	20.40% of wages	\$0	\$172	20.40% of wages	\$0	\$86	20.40% of wages
\$172	\$315	\$35	\$172	\$375	\$35	\$86	\$187	\$18
\$315		\$35 less 9.588% of wages in excess of \$315	\$375		\$35 less 9.588% of wages in excess of \$375	\$187		\$18 less 9.588% of wages in excess of \$187

TABLE 2—BIWEEKLY Payroll Period

(a) SINGLE or HEAD OF HOUSEHOLD			(b) MARRIED Without Spouse Filing Certificate			(c) MARRIED With Both Spouses Filing Certificate		
If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—		Over—	But not over—		Over—	But not over—	
\$0	\$344	20.40% of wages	\$0	\$344	20.40% of wages	\$0	\$172	20.40% of wages
\$344	\$631	\$70	\$344	\$751	\$70	\$172	\$375	\$35
\$631		\$70 less 9.588% of wages in excess of \$631	\$751		\$70 less 9.588% of wages in excess of \$751	\$375		\$35 less 9.588% of wages in excess of \$375

TABLE 3—SEMIMONTHLY Payroll Period

(a) SINGLE or HEAD OF HOUSEHOLD			(b) MARRIED Without Spouse Filing Certificate			(c) MARRIED With Both Spouses Filing Certificate		
If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—		Over—	But not over—		Over—	But not over—	
\$0	\$372	20.40% of wages	\$0	\$372	20.40% of wages	\$0	\$186	20.40% of wages
\$372	\$684	\$76	\$372	\$814	\$76	\$186	\$407	\$38
\$684		\$76 less 9.588% of wages in excess of \$684	\$814		\$76 less 9.588% of wages in excess of \$814	\$407		\$38 less 9.588% of wages in excess of \$407

TABLE 4—MONTHLY Payroll Period

(a) SINGLE or HEAD OF HOUSEHOLD			(b) MARRIED Without Spouse Filing Certificate			(c) MARRIED With Both Spouses Filing Certificate		
If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—		Over—	But not over—		Over—	But not over—	
\$0	\$745	20.40% of wages	\$0	\$745	20.40% of wages	\$0	\$372	20.40% of wages
\$745	\$1,368	\$152	\$745	\$1,628	\$152	\$372	\$814	\$76
\$1,368		\$152 less 9.588% of wages in excess of \$1,368	\$1,628		\$152 less 9.588% of wages in excess of \$1,628	\$814		\$76 less 9.588% of wages in excess of \$814

Tables for Percentage Method of Advance EIC Payments (continued)
(For Wages Paid in 2009)

TABLE 5—QUARTERLY Payroll Period

(a) SINGLE or HEAD OF HOUSEHOLD		(b) MARRIED Without Spouse Filing Certificate		(c) MARRIED With Both Spouses Filing Certificate	
If the amount of wages (before deducting withholding allowances) is:		If the amount of wages (before deducting withholding allowances) is:		If the amount of wages (before deducting withholding allowances) is:	
The amount of payment to be made is:		The amount of payment to be made is:		The amount of payment to be made is:	
Over—	But not over—	Over—	But not over—	Over—	But not over—
\$0	\$2,237	\$0	\$2,237	\$0	\$1,118
20.40% of wages	\$456	20.40% of wages	\$456	20.40% of wages	\$228
	\$456 less		\$456 less		\$228 less
	9.588% of wages in excess of \$4,105		9.588% of wages in excess of \$4,885		9.588% of wages in excess of \$2,442

TABLE 6—SEMIANNUAL Payroll Period

(a) SINGLE or HEAD OF HOUSEHOLD		(b) MARRIED Without Spouse Filing Certificate		(c) MARRIED With Both Spouses Filing Certificate	
If the amount of wages (before deducting withholding allowances) is:		If the amount of wages (before deducting withholding allowances) is:		If the amount of wages (before deducting withholding allowances) is:	
The amount of payment to be made is:		The amount of payment to be made is:		The amount of payment to be made is:	
Over—	But not over—	Over—	But not over—	Over—	But not over—
\$0	\$4,475	\$0	\$4,475	\$0	\$2,237
20.40% of wages	\$913	20.40% of wages	\$913	20.40% of wages	\$456
	\$913 less		\$913 less		\$456 less
	9.588% of wages in excess of \$8,210		9.588% of wages in excess of \$9,770		9.588% of wages in excess of \$4,885

TABLE 7—ANNUAL Payroll Period

(a) SINGLE or HEAD OF HOUSEHOLD		(b) MARRIED Without Spouse Filing Certificate		(c) MARRIED With Both Spouses Filing Certificate	
If the amount of wages (before deducting withholding allowances) is:		If the amount of wages (before deducting withholding allowances) is:		If the amount of wages (before deducting withholding allowances) is:	
The amount of payment to be made is:		The amount of payment to be made is:		The amount of payment to be made is:	
Over—	But not over—	Over—	But not over—	Over—	But not over—
\$0	\$8,950	\$0	\$8,950	\$0	\$4,475
20.40% of wages	\$1,826	20.40% of wages	\$1,826	20.40% of wages	\$913
	\$1,826 less		\$1,826 less		\$913 less
	9.588% of wages in excess of \$16,420		9.588% of wages in excess of \$19,540		9.588% of wages in excess of \$9,770

TABLE 8—DAILY or MISCELLANEOUS Payroll Period

(a) SINGLE or HEAD OF HOUSEHOLD		(b) MARRIED Without Spouse Filing Certificate		(c) MARRIED With Both Spouses Filing Certificate	
If the wages divided by the number of days in such period (before deducting withholding allowances) are:		If the wages divided by the number of days in such period (before deducting withholding allowances) are:		If the wages divided by the number of days in such period (before deducting withholding allowances) are:	
The amount of payment to be made is the following amount multiplied by the number of days in such period:		The amount of payment to be made is the following amount multiplied by the number of days in such period:		The amount of payment to be made is the following amount multiplied by the number of days in such period:	
Over—	But not over—	Over—	But not over—	Over—	But not over—
\$0	\$34	\$0	\$34	\$0	\$17
20.40% of wages	\$7	20.40% of wages	\$7	20.40% of wages	\$3
	\$7 less		\$7 less		\$3 less
	9.588% of wages in excess of \$63		9.588% of wages in excess of \$75		9.588% of wages in excess of \$37

Tables for Wage Bracket Method of Advance EIC Payments (For Wages Paid in 2009)

WEEKLY Payroll Period

SINGLE or HEAD OF HOUSEHOLD

Wages —			Wages —			Wages —			Wages —			Wages —		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$75	\$80	\$15	\$150	\$155	31	\$415	\$425	\$25	\$565	\$575	\$10
5	10	1	80	85	16	155	160	32	425	435	24	575	585	9
10	15	2	85	90	17	160	165	33	435	445	23	585	595	8
15	20	3	90	95	18	165	170	34	445	455	22	595	605	7
20	25	4	95	100	19	170	315	35	455	465	21	605	615	6
25	30	5	100	105	20	315	325	34	465	475	20	615	625	5
30	35	6	105	110	21	325	335	33	475	485	19	625	635	5
35	40	7	110	115	22	335	345	32	485	495	18	635	645	4
40	45	8	115	120	23	345	355	31	495	505	17	645	655	3
45	50	9	120	125	24	355	365	30	505	515	16	655	665	2
50	55	10	125	130	26	365	375	29	515	525	15	665	675	1
55	60	11	130	135	27	375	385	28	525	535	14	675	---	0
60	65	12	135	140	28	385	395	28	535	545	13			
65	70	13	140	145	29	395	405	27	545	555	12			
70	75	14	145	150	30	405	415	26	555	565	11			

MARRIED Without Spouse Filing Certificate

Wages —			Wages —			Wages —			Wages —			Wages —		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$75	\$80	\$15	\$150	\$155	\$31	\$475	\$485	\$25	\$625	\$635	\$10
5	10	1	80	85	16	155	160	32	485	495	24	635	645	9
10	15	2	85	90	17	160	165	33	495	505	23	645	655	8
15	20	3	90	95	18	165	170	34	505	515	22	655	665	7
20	25	4	95	100	19	170	375	35	515	525	21	665	675	6
25	30	5	100	105	20	375	385	34	525	535	20	675	685	5
30	35	6	105	110	21	385	395	33	535	545	19	685	695	5
35	40	7	110	115	22	395	405	32	545	555	18	695	705	4
40	45	8	115	120	23	405	415	31	555	565	17	705	715	3
45	50	9	120	125	24	415	425	30	565	575	16	715	725	2
50	55	10	125	130	26	425	435	29	575	585	15	725	735	1
55	60	11	130	135	27	435	445	28	585	595	14	735	---	0
60	65	12	135	140	28	445	455	28	595	605	13			
65	70	13	140	145	29	455	465	27	605	615	12			
70	75	14	145	150	30	465	475	26	615	625	11			

MARRIED With Both Spouses Filing Certificate

Wages —			Wages —			Wages —			Wages —			Wages —		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$40	\$45	\$8	\$80	\$85	\$16	\$245	\$255	\$11	\$325	\$335	\$3
5	10	1	45	50	9	85	185	17	255	265	10	335	345	2
10	15	2	50	55	10	185	195	17	265	275	9	345	355	2
15	20	3	55	60	11	195	205	16	275	285	8	355	365	1
20	25	4	60	65	12	205	215	15	285	295	7	365	---	0
25	30	5	65	70	13	215	225	14	295	305	6			
30	35	6	70	75	14	225	235	13	305	315	5			
35	40	7	75	80	15	235	245	12	315	325	4			

BIWEEKLY Payroll Period (continued)

MARRIED With Both Spouses Filing Certificate

Wages —			Wages —			Wages —			Wages —			Wages —		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$75	\$80	\$15	\$150	\$155	\$31	\$475	\$485	\$25	625	635	10
5	10	1	80	85	16	155	160	32	485	495	24	635	645	9
10	15	2	85	90	17	160	165	33	495	505	23	645	655	8
15	20	3	90	95	18	165	170	34	505	515	22	655	665	7
20	25	4	95	100	19	170	375	35	515	525	21	665	675	6
25	30	5	100	105	20	375	385	34	525	535	20	675	685	5
30	35	6	105	110	21	385	395	33	535	545	19	685	695	5
35	40	7	110	115	22	395	405	32	545	555	18	695	705	4
40	45	8	115	120	23	405	415	31	555	565	17	705	715	3
45	50	9	120	125	24	415	425	30	565	575	16	715	725	2
50	55	10	125	130	26	425	435	29	575	585	15	725	735	1
55	60	11	130	135	27	435	445	28	585	595	14	735	---	0
60	65	12	135	140	28	445	455	28	595	605	13			
65	70	13	140	145	29	455	465	27	605	615	12			
70	75	14	145	150	30	465	475	26	615	625	11			

SEMIMONTHLY Payroll Period

SINGLE or HEAD OF HOUSEHOLD

Wages —			Wages —			Wages —			Wages —			Wages —		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$155	\$160	\$32	\$310	\$315	\$63	\$860	\$870	\$58	\$1,170	\$1,180	\$29
5	10	1	160	165	33	315	320	64	870	880	57	1,180	1,190	28
10	15	2	165	170	34	320	325	65	880	890	56	1,190	1,200	27
15	20	3	170	175	35	325	330	66	890	900	55	1,200	1,210	26
20	25	4	175	180	36	330	335	67	900	910	54	1,210	1,220	25
25	30	5	180	185	37	335	340	68	910	920	53	1,220	1,230	24
30	35	6	185	190	38	340	345	69	920	930	53	1,230	1,240	23
35	40	7	190	195	39	345	350	70	930	940	52	1,240	1,250	22
40	45	8	195	200	40	350	355	71	940	950	51	1,250	1,260	21
45	50	9	200	205	41	355	360	72	950	960	50	1,260	1,270	20
50	55	10	205	210	42	360	365	73	960	970	49	1,270	1,280	19
55	60	11	210	215	43	365	370	74	970	980	48	1,280	1,290	18
60	65	12	215	220	44	370	375	75	980	990	47	1,290	1,300	17
65	70	13	220	225	45	680	690	76	990	1,000	46	1,300	1,310	16
70	75	14	225	230	46	690	700	75	1,000	1,010	45	1,310	1,320	15
75	80	15	230	235	47	700	710	74	1,010	1,020	44	1,320	1,330	14
80	85	16	235	240	48	710	720	73	1,020	1,030	43	1,330	1,340	13
85	90	17	240	245	49	720	730	72	1,030	1,040	42	1,340	1,350	12
90	95	18	245	250	50	730	740	71	1,040	1,050	41	1,350	1,360	11
95	100	19	250	255	51	740	750	70	1,050	1,060	40	1,360	1,370	10
100	105	20	255	260	52	750	760	69	1,060	1,070	39	1,370	1,380	9
105	110	21	260	265	53	760	770	68	1,070	1,080	38	1,380	1,390	8
110	115	22	265	270	54	770	780	67	1,080	1,090	37	1,390	1,400	7
115	120	23	270	275	55	780	790	66	1,090	1,100	36	1,400	1,410	6
120	125	24	275	280	56	790	800	65	1,100	1,110	35	1,410	1,420	6
125	130	26	280	285	57	800	810	64	1,110	1,120	34	1,420	1,430	5
130	135	27	285	290	58	810	820	63	1,120	1,130	33	1,430	1,440	4
135	140	28	290	295	59	820	830	62	1,130	1,140	32	1,440	1,450	3
140	145	29	295	300	60	830	840	61	1,140	1,150	31	1,450	1,460	2
145	150	30	300	305	61	840	850	60	1,150	1,160	30	1,460	1,470	1
150	155	31	305	310	62	850	860	59	1,160	1,170	30	1,470	---	0

SEMIMONTHLY Payroll Period (continued)

MARRIED Without Spouse Filing Certificate

Wages—			Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$155	\$160	\$32	\$310	\$315	\$63	\$990	\$1,000	\$58	\$1,300	\$1,310	\$29
5	10	1	160	165	33	315	320	64	1,000	1,010	57	1,310	1,320	28
10	15	2	165	170	34	320	325	65	1,010	1,020	56	1,320	1,330	27
15	20	3	170	175	35	325	330	66	1,020	1,030	55	1,330	1,340	26
20	25	4	175	180	36	330	335	67	1,030	1,040	54	1,340	1,350	25
25	30	5	180	185	37	335	340	68	1,040	1,050	53	1,350	1,360	24
30	35	6	185	190	38	340	345	69	1,050	1,060	53	1,360	1,370	23
35	40	7	190	195	39	345	350	70	1,060	1,070	52	1,370	1,380	22
40	45	8	195	200	40	350	355	71	1,070	1,080	51	1,380	1,390	21
45	50	9	200	205	41	355	360	72	1,080	1,090	50	1,390	1,400	20
50	55	10	205	210	42	360	365	73	1,090	1,100	49	1,400	1,410	19
55	60	11	210	215	43	365	370	74	1,100	1,110	48	1,410	1,420	18
60	65	12	215	220	44	370	810	75	1,110	1,120	47	1,420	1,430	17
65	70	13	220	225	45	810	820	76	1,120	1,130	46	1,430	1,440	16
70	75	14	225	230	46	820	830	75	1,130	1,140	45	1,440	1,450	15
75	80	15	230	235	47	830	840	74	1,140	1,150	44	1,450	1,460	14
80	85	16	235	240	48	840	850	73	1,150	1,160	43	1,460	1,470	13
85	90	17	240	245	49	850	860	72	1,160	1,170	42	1,470	1,480	12
90	95	18	245	250	50	860	870	71	1,170	1,180	41	1,480	1,490	11
95	100	19	250	255	51	870	880	70	1,180	1,190	40	1,490	1,500	10
100	105	20	255	260	52	880	890	69	1,190	1,200	39	1,500	1,510	9
105	110	21	260	265	53	890	900	68	1,200	1,210	38	1,510	1,520	8
110	115	22	265	270	54	900	910	67	1,210	1,220	37	1,520	1,530	7
115	120	23	270	275	55	910	920	66	1,220	1,230	36	1,530	1,540	6
120	125	24	275	280	56	920	930	65	1,230	1,240	35	1,540	1,550	6
125	130	26	280	285	57	930	940	64	1,240	1,250	34	1,550	1,560	5
130	135	27	285	290	58	940	950	63	1,250	1,260	33	1,560	1,570	4
135	140	28	290	295	59	950	960	62	1,260	1,270	32	1,570	1,580	3
140	145	29	295	300	60	960	970	61	1,270	1,280	31	1,580	1,590	2
145	150	30	300	305	61	970	980	60	1,280	1,290	30	1,590	1,600	1
150	155	31	305	310	62	980	990	59	1,290	1,300	30	1,600	---	0

MARRIED With Both Spouses Filing Certificate

Wages—			Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$80	\$85	\$16	\$160	\$165	\$33	\$505	\$515	\$28	\$665	\$675	\$12
5	10	1	85	90	17	165	170	34	515	525	27	675	685	11
10	15	2	90	95	18	170	175	35	525	535	26	685	695	10
15	20	3	95	100	19	175	180	36	535	545	25	695	705	9
20	25	4	100	105	20	180	185	37	545	555	24	705	715	9
25	30	5	105	110	21	185	405	38	555	565	23	715	725	8
30	35	6	110	115	22	405	415	37	565	575	22	725	735	7
35	40	7	115	120	23	415	425	36	575	585	21	735	745	6
40	45	8	120	125	24	425	435	35	585	595	20	745	755	5
45	50	9	125	130	26	435	445	34	595	605	19	755	765	4
50	55	10	130	135	27	445	455	33	605	615	18	765	775	3
55	60	11	135	140	28	455	465	32	615	625	17	775	785	2
60	65	12	140	145	29	465	475	32	625	635	16	785	795	1
65	70	13	145	150	30	475	485	31	635	645	15	795	---	0
70	75	14	150	155	31	485	495	30	645	655	14			
75	80	15	155	160	32	495	505	29	655	665	13			

MONTHLY Payroll Period (continued)

MARRIED With Both Spouses Filing Certificate

Wages —			Wages —			Wages —			Wages —			Wages —		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$155	\$160	\$32	\$310	\$315	\$63	\$990	\$1,000	\$58	\$1,300	\$1,310	\$29
5	10	1	160	165	33	315	320	64	1,000	1,010	57	1,310	1,320	28
10	15	2	165	170	34	320	325	65	1,010	1,020	56	1,320	1,330	27
15	20	3	170	175	35	325	330	66	1,020	1,030	55	1,330	1,340	26
20	25	4	175	180	36	330	335	67	1,030	1,040	54	1,340	1,350	25
25	30	5	180	185	37	335	340	68	1,040	1,050	53	1,350	1,360	24
30	35	6	185	190	38	340	345	69	1,050	1,060	53	1,360	1,370	23
35	40	7	190	195	39	345	350	70	1,060	1,070	52	1,370	1,380	22
40	45	8	195	200	40	350	355	71	1,070	1,080	51	1,380	1,390	21
45	50	9	200	205	41	355	360	72	1,080	1,090	50	1,390	1,400	20
50	55	10	205	210	42	360	365	73	1,090	1,100	49	1,400	1,410	19
55	60	11	210	215	43	365	370	74	1,100	1,110	48	1,410	1,420	18
60	65	12	215	220	44	370	810	75	1,110	1,120	47	1,420	1,430	17
65	70	13	220	225	45	810	820	76	1,120	1,130	46	1,430	1,440	16
70	75	14	225	230	46	820	830	75	1,130	1,140	45	1,440	1,450	15
75	80	15	230	235	47	830	840	74	1,140	1,150	44	1,450	1,460	14
80	85	16	235	240	48	840	850	73	1,150	1,160	43	1,460	1,470	13
85	90	17	240	245	49	850	860	72	1,160	1,170	42	1,470	1,480	12
90	95	18	245	250	50	860	870	71	1,170	1,180	41	1,480	1,490	11
95	100	19	250	255	51	870	880	70	1,180	1,190	40	1,490	1,500	10
100	105	20	255	260	52	880	890	69	1,190	1,200	39	1,500	1,510	9
105	110	21	260	265	53	890	900	68	1,200	1,210	38	1,510	1,520	8
110	115	22	265	270	54	900	910	67	1,210	1,220	37	1,520	1,530	7
115	120	23	270	275	55	910	920	66	1,220	1,230	36	1,530	1,540	6
120	125	24	275	280	56	920	930	65	1,230	1,240	35	1,540	1,550	6
125	130	26	280	285	57	930	940	64	1,240	1,250	34	1,550	1,560	5
130	135	27	285	290	58	940	950	63	1,250	1,260	33	1,560	1,570	4
135	140	28	290	295	59	950	960	62	1,260	1,270	32	1,570	1,580	3
140	145	29	295	300	60	960	970	61	1,270	1,280	31	1,580	1,590	2
145	150	30	300	305	61	970	980	60	1,280	1,290	30	1,590	1,600	1
150	155	31	305	310	62	980	990	59	1,290	1,300	30	1,600	--	0

DAILY Payroll Period

SINGLE or HEAD OF HOUSEHOLD			MARRIED Without Spouse Filing Certificate			MARRIED With Both Spouses Filing Certificate								
Wages —			Wages —			Wages —			Wages —			Wages —		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$70	\$80	\$5	\$0	\$5	\$0	\$75	\$85	\$6	\$0	\$5	\$0
5	10	1	80	90	4	5	10	1	85	95	5	5	10	1
10	15	2	90	100	3	10	15	2	95	105	4	10	15	2
15	20	3	100	110	3	15	20	3	105	115	3	15	35	3
20	25	4	110	120	2	20	25	4	115	125	2	35	45	3
25	30	5	120	130	1	25	30	5	125	135	1			
30	60	6	130	---	0	30	75	6	135	145	0			
60	70	6												



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