



Department of the Treasury
Internal Revenue Service

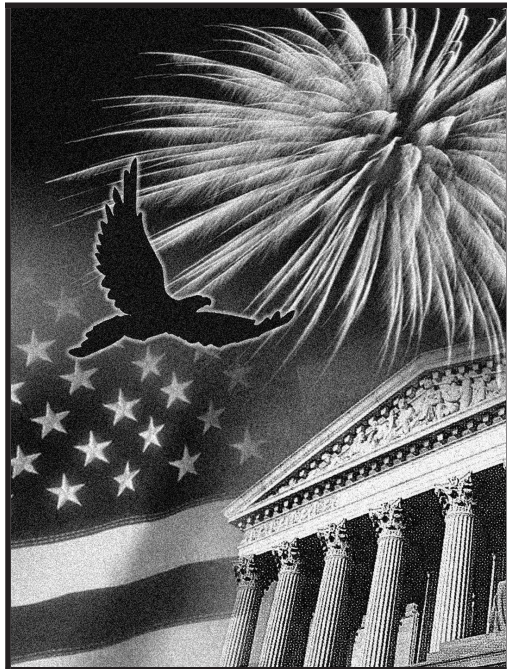
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**(Circular E),
Employer's
Tax Guide**

**(Including 2008 Wage
Withholding and Advance
Earned Income Credit
Payment Tables)**

For use in **2008**



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What's New

Social security and Medicare tax for 2008. Do not withhold social security tax after an employee reaches \$102,000 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 \$1,600 or more in cash. Social security and Medicare taxes apply to election workers who are paid \$1,400 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.

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.

Substitute Forms W-4. After October 10, 2007, you cannot accept substitute Forms W-4 developed by employees. For more information, see *Substitute Forms W-4* in section 9.

Calendar

The following is a list of important dates. Also see Publication 509, Tax Calendars for 2008.



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-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., and 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 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 2007. 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* below.

By February 29

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* below.

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* below.

By March 31

File electronic Forms 1099, 8027, and W-2. File electronic (not magnetic media) 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.

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 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.

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 Calendar 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: Due date of deposit generally depends on your deposit schedule (monthly or semiweekly).		<input type="checkbox"/> File Form 940	30
		<input type="checkbox"/> File Form 945 for any nonpayroll income tax withholding	2
Annually (By January 31)			
<input type="checkbox"/> File Form 944 if required (pay tax with return if not required to deposit)	25		

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, or Form 944. 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.

- Official Payments Corporation
1-800-2PAY-TAXSM (1-800-272-9829)
1-877-754-4413 (Customer Service)
www.officialpayments.com
- Link2Gov Corporation
1-888-PAY-1040SM (1-888-729-1040)
1-888-658-5465 (Customer Service)
www.PAY1040.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 579SP, Cómo Preparar la Declaración de Impuesto Federal. 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. Call the Office of Child Support Enforcement at 202-401-9267 or access their website at www.acf.hhs.gov/programs/cse/newhire for more information.

Income tax withholding. Ask each new employee to complete the 2008 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, make the correction for the quarter (Form 941) or the year (Form 944) in which you discovered the error and attach Form 941c, Supporting Statement to Correct Information. For example, in March 2008, you discover that you under-reported \$10,000 in social security and Medicare wages on your fourth quarter 2007 Form 941. Correct the error by showing \$1,530 (15.3% × \$10,000) on line 7e of your 2008 first quarter Form 941 and attaching a completed Form 941c. See *Prior Period Adjustments* in 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 or magnetic media filing, see the 2008 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 or on magnetic media. 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 2007 is due January 31, 2008. 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)
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 2007 and 2008 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 the 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, and paying 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 2008. 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.

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 (1 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. Under Notice 99-6, employment taxes for employees of a qualified subchapter S subsidiary (QSub) or an entity disregarded as an entity separate from the owner under Regulations section 301.7701-2(c)(2) may be reported and paid either:

- By the owner (as if the employees of the disregarded entity are employed directly by the owner) using the owner’s name and taxpayer identification number (TIN), or
- By each entity recognized as a separate entity under state law using the entity’s own name and TIN.

If the second method is chosen, the owner retains responsibility for the employment tax obligations of the disregarded entity on wages paid before January 1, 2009. You can find Notice 99-6 on page 12 of Internal Revenue Bulletin 1999-3 at www.irs.gov/pub/irs-irbs/irb99-03.pdf.

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. Under T.D. 9356, disregarded entities, and the owners of such entities may continue to use the first method permitted for wages paid before January 1, 2009. A taxpayer may switch to the second method for wages paid after August 15, 2007, and before January 1, 2009, without seeking permission of the Commissioner. Taxpayers who switch from the first method to the second method for wages paid before January 1, 2009, may consider wages paid by the owner to employees of the disregarded entity during the calendar year of the switch as having been paid by the disregarded entity for purposes of determining whether wages paid to the disregarded entity’s

employees have reached the compensation bases for social security and FUTA taxes.

Note. All taxpayers must switch to the second method for wages paid after December 31, 2008, and the disregarded entity will be responsible for its own employment tax obligations on wages paid after that date.

You can find T.D. 9356 on page 675 of Internal Revenue Bulletin 2007-39 at www.irs.gov/pub/irs-irbs/irb07-39.pdf.

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.

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.

See Publication 15-A for details on statutory employees.

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. See Publication 15-A for details.

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. See Internal Revenue Code section 3509 for details. Also see *Special additions to tax liability under Prior Period Adjustments* in section 13.

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.

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.

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. 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,
- 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.
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 income tax withholding and payment of social security, Medicare, and federal unemployment (FUTA) taxes.

If the expenses covered by this arrangement are not substantiated (or amounts in excess of 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 income tax withholding and payment of social security, Medicare, and FUTA taxes for the first payroll period following the end of the reasonable period.

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 income tax withholding and payment of 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 without regard for anticipated or incurred business expenses.

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. 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 2007 standard mileage rate for auto expenses was 48.5 cents per mile. The rate for 2008 is 50.5 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.

Military differential pay. Military differential payments are made voluntarily by an employer to make up some or all of the difference between the regular salary of an employee called to military active duty and the amount being paid by the military if the regular salary was higher. It also includes military continuation pay and active duty differential payments required by state statutes or payments made by certain states or commonwealths that pay a stipend or a set dollar amount to their employees called to military active duty.

Military differential payments are not wages and are not subject to social security, Medicare, or FUTA taxes or to income tax withholding. Employers should report military differential pay on Form 1099-MISC in box 3, Other income. For more information about the tax treatment of military differential pay, visit the IRS website at www.irs.gov.

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 2008 reach \$102,000; 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 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.

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, 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 and regular wages for the most recent payroll period 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 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, 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 2008, he is paid \$1,000. Using the wage bracket tables, you withhold \$51 from this amount. In February 2008, 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 \$344.

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, 2008, pay is \$2,000. Using the wage bracket tables, you withhold \$194. On May 14, 2008, 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 \$584 using the wage bracket tables.
3. Subtract the amount withheld from wages on the most recent pay date from the combined withholding amount ($\$584 - \$194 = \$390$).
4. Withhold \$390 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 \$834 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 ($\$834 - \$584 = \$250$).
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 2008, especially if they owed taxes or received a large refund when filing their 2007 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 579SP, *Cómo Preparar la Declaración de Impuesto Federal*. 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 (2008), 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 2007 wage base limit was \$97,500. For 2008, the wage base limit is \$102,000.

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 2008, 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 \$100,000 (\$102,000 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 2008, the advance payment can be as much as \$1,750. 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 2008 cannot exceed \$1,750. If during the year you have paid an employee total wages of at least \$33,995 (\$36,995 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 2007 were less than \$37,783 (\$39,783 if married filing jointly) that they may be eligible to claim the credit for 2007. 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, 2008.

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 2008.

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

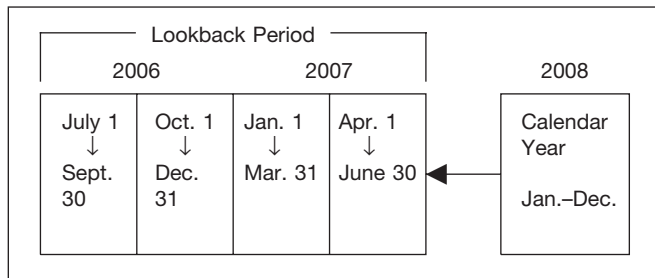
There are two deposit schedules—monthly and semi-weekly—for determining when you deposit social security, Medicare, and withheld income taxes. These schedules tell you when a deposit is due after a tax liability arises (for example, when you have a payday). Before the beginning of each calendar year, 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.

Table 1. Lookback Period for Calendar Year 2008



The lookback period for a 2008 Form 941 filer who filed Form 944 in either 2006 or 2007 is calendar year 2006.

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 on line 8 of your Form 941 for all 4 quarters of the second preceding calendar year. The lookback period for 2008 for a Form 944 filer is calendar year 2006.

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 2008 for a Form 945 filer is calendar year 2006.

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 to correct errors on previously filed Forms 941, these adjustments do not affect the amount of tax liability for purposes of the lookback rule.

If you report adjustments on your current Form 941 (or Form 944) to correct errors on prior returns, include these adjustments as part of your tax liability for the current quarter and adjust your deposits accordingly. If you filed Form 843 to claim a refund for a prior period overpayment, your tax liability does not change for either the prior period or the current period 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 2008 that the tax during one of the lookback period quarters was understated by \$10,000 and corrected this error with an adjustment on the 2008 first quarter return. This employer is a monthly schedule depositor for 2008 because the lookback period tax liabilities are based on the amounts originally reported, and they were \$50,000 or less. The \$10,000 adjustment is part of the 2008 first quarter tax liability.

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 Saturday, March 29, 2008 (first quarter), and another pay date on Tuesday, April 1, 2008 (second quarter), two separate deposits would be required even though the pay dates fall within the same semiweekly period. Both deposits would be due Friday, April 4, 2008 (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:

2007 Lookback Period		2008 Lookback Period	
3rd Quarter 2005	\$12,000	3rd Quarter 2006	\$12,000
4th Quarter 2005	\$12,000	4th Quarter 2006	\$12,000
1st Quarter 2006	\$12,000	1st Quarter 2007	\$12,000
2nd Quarter 2006	\$12,000	2nd Quarter 2007	\$15,000
	\$48,000		\$51,000

Rose Co. is a monthly schedule depositor for 2007 because its tax liability for the 4 quarters in its lookback period (third quarter 2005 through second quarter 2006) was not more than \$50,000. However, for 2008, Rose Co. is a semiweekly schedule depositor because the total taxes exceeded \$50,000 for the 4 quarters in its lookback period (third quarter 2006 through second quarter 2007).

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 25, 2008 (Friday), payday must be deposited by April 30, 2008 (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, 2008. On April 11, it paid wages for the first time and accumulated a tax liability of \$40,000. On Friday, April 18, 2008, 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 18, it became a semiweekly schedule depositor on April 19. It will be a semiweekly schedule depositor for the remainder of 2008 and for 2009. Elm, Inc., is required to deposit the \$100,000 by Monday, April 21, 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 2008, the shortfall makeup date is August 15, 2008 (Friday). However, if the shortfall occurred on the required October 1 (Wednesday) deposit due date for a September 26 (Friday) pay date, the return due date for the September 26 pay date (October 31) would come before the November 19 (Wednesday) shortfall makeup date. In this case, the shortfall must be deposited by October 31.

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 2008 if:

- Your total deposits of depository taxes in 2006 were more than \$200,000 or
- You were required to use EFTPS in 2007 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.frbsservices.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* 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. The IRS will mail two Forms 941 to the seasonal filer once a year after March 1. 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.
- **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
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%
2005–Social Security	\$90,000	12.4%
2005–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, \$97,500 for 2007),
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 Adjustments on Form 941 and Form 944

There are two types of adjustments reported on Form 941 and Form 944: current period adjustments and prior period adjustments to correct errors. See the Instructions for Form 941 (or the Instructions for Form 944) and the Instructions for Form 941c, Supporting Statement to Correct Information, for more information on how to report these adjustments.

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 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 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 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 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 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. 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.

Current Period Adjustment Example (Form 941)

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

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 Current year's income tax withholding (Attach Form 941c) . . . . .	.
7e Prior quarter's social security and Medicare taxes (Attach Form 941c)	.
7f Special additions to federal income tax (Attach Form 941c) . . . . .	.
7g Special additions to social security and Medicare (Attach Form 941c)	.
7h TOTAL ADJUSTMENTS (Combine all amounts: lines 7a through 7g.)	7h -1198.56

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

Generally, you can correct errors on prior period Forms 941 by making an adjustment on your Form 941 (or Form 944) for the quarter (year for Form 944) during which the error was discovered. For example, if you made an error in reporting social security tax on your second quarter 2007 Form 941 and discovered the error during March 2008, correct the error by making an adjustment on your first quarter 2008 Form 941.

The adjustment increases or decreases your tax liability for the quarter in which it is reported (that is, the quarter the error is discovered) and is interest-free. The net adjustments reported on Form 941 or Form 944 may include any number of corrections for one or more previous return periods, including both overpayments and underpayments.

You are required to provide background information and certifications supporting prior quarter adjustments. File Form 941c with Form 941 or Form 944, or attach a statement that shows:

- What the error was,
- Period in which the error was made,
- The amount of the error for each period,
- Date on which you found the error,
- That you repaid the employee tax or reimbursed the employee, if the entry corrects an overcollection, and
- If the entry corrects social security and Medicare taxes overcollected in an earlier year, that you received from the employee a written statement that

he or she will not claim a refund or credit for the amount.

Do not file Form 941c separately. The IRS will not be able to process your adjustments on Form 941 or Form 944 without this supporting information. See the instructions for Form 941c for more information.

Income tax withholding adjustments. Correct prior quarter income tax withholding errors by making an adjustment on line 7d of Form 941 for the quarter during which you discovered the error.

You may make an adjustment to correct income tax withholding errors only for quarters during the same calendar year. 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.

Social security and Medicare tax adjustments. Correct prior quarter social security and Medicare tax errors by making an adjustment on line 7e of Form 941 (line 6c of Form 944) for the quarter during which you discovered the error. You may report adjustments on the current quarter Form 941 for previous quarters in the current and prior years; the current year Form 944 for previous years.

Reporting prior quarter adjustments on the record of federal tax liability. Adjustments to correct errors in prior quarters or years must be taken into account on either Form 941, line 15, or on Schedule B (Form 941), Report of Tax Liability for Semiweekly Schedule Depositors (or Form 944, line 13 or on Form 945-A).

If the adjustment corrects an underreported liability in a prior period, report the adjustment on the entry space corresponding to the date the error was discovered. If the adjustment corrects an overreported liability, use the adjustment amount as a credit to offset subsequent liabilities until it is used up.

Example of reporting prior period adjustments. Elm Co., a monthly schedule depositor, discovered on January

Prior Period Adjustment Example

15 Check one: Line 10 is less than \$2,500, go to Part 3.

You were a monthly schedule depositor for the entire quarter. Fill out your tax liability for each month. Then go to Part 3.

Tax liability:	Month 1	-0- ■
	Month 2	4000.00
	Month 3	4500.00
	Total	8500.00

Total must equal line 10.

You were a semiweekly schedule depositor for any part of this quarter. Fill out Schedule B (Form 941): Report of Tax Liability for Semiweekly Schedule Depositors, and attach it to this form.

8, 2008, that it overreported social security tax on a prior quarter return by \$5,000. Its total tax liabilities for the first quarter of 2007 were: January—\$4,500, February—\$4,500, and March—\$4,500. Elm Co. completed line 15 of Form 941 as shown in the *Prior Period Adjustment Example* on page 28.

The adjustment for the \$5,000 overreported liability offset the January liability, so the \$4,500 liability was not deposited and a “-0-” liability was reported on line 15, Month 1. The remaining \$500 of the \$5,000 adjustment credit was used to partially offset the liability for February, so only \$4,000 of the \$4,500 liability was deposited and reported on line 15, Month 2.

Filing a claim for overreported prior period liabilities. If you discover an error on a prior quarter return resulting in a tax overpayment, you may file Form 843, Claim for Refund and Request for Abatement, for a refund. This form also can be used to request an abatement of an overassessment of employment taxes, interest, and/or penalties. You must file Form 941c, or an equivalent statement, with Form 843. See the Instructions for Form 843.

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 social security and Medicare taxes because of a change in the wage totals reported for a previous year, you also may 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.

Special additions to tax liability. Form 941 includes lines (lines 7f and 7g) (lines 6d and 6e on Form 944) to report special additions to federal income tax and social security and Medicare tax. However, these lines are specifically reserved for special circumstances and are to be used only if the IRS sends the employer a notice instructing the employer to use them.

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 to recover income tax withholding and social security and Medicare taxes for the repaid wages (as discussed earlier). Report the adjustments on Form 941 for the quarter during which the repayment occurred.


Repayment of prior year wages. If you receive repayments for wages paid during a prior year, report an adjustment on the Form 941 or Form 944 for the period during which the repayment was made to recover the social security and Medicare taxes. Instead of making an adjustment on Form 941 or Form 944, you may file a claim for these taxes using Form 843. You may not make an adjustment for income tax withholding because the wages were paid during a 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.

 **TIP** *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 2008 on the wages that you pay employees who are not farmworkers or household workers if in the current or preceding calendar year:

- You paid wages of \$1,500 or more in any calendar quarter in 2007 or 2008, or
- You had one or more employees for at least some part of a day in any 20 or more different weeks in 2007 or 20 or more different weeks in 2008.

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 2007 or 2008. 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 2007 or 2008, 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 2007 or 20 or more different weeks in 2008.

Computing FUTA tax. For 2007 and 2008, 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 2008 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 January 31, 2008. However, if you deposited all FUTA tax when due, you may file on or before February 11, 2008. The IRS will mail a pre-addressed Form 940 to you if you filed a return for the year before. 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 (limited to \$5,000; \$2,500 if married filing separately).	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
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 \$1,600 or more in cash in 2008. 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; exempt for 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.

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—2008 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—2008 Amount for One Withholding Allowance

Payroll Period	One Withholding Allowance
Weekly	\$ 67.31
Biweekly	134.62
Semimonthly	145.83
Monthly	291.67
Quarterly	875.00
Semiannually	1,750.00
Annually	3,500.00
Daily or miscellaneous (each day of the payroll period)	13.46

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	\$67.31	
3. Allowances claimed on Form W-4	<u>2</u>	
4. Multiply line 2 by line 3		\$134.62
5. Amount subject to withholding (subtract line 4 from line 1)		\$465.38
6. Tax to be withheld on \$465.38 from Table 1—single person, page 38		<u>\$ 54.81</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 \$14,000 (the value of four withholding allowances for 2008) for a balance of \$38,000. Using the table for the annual payroll period on page 39, \$3,722.50 is withheld. Divide the annual tax by 52. The weekly income tax to withhold is \$71.59.

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 62-67, 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 62-67) 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 2008)

TABLE 1—WEEKLY 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 \$51		\$0		Not over \$154		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$51	—\$198	10%	—\$51	\$154	—\$453	10%	—\$154
\$198	—\$653	\$14.70 plus 15%	—\$198	\$453	—\$1,388	\$29.90 plus 15%	—\$453
\$653	—\$1,533	\$82.95 plus 25%	—\$653	\$1,388	—\$2,651	\$170.15 plus 25%	—\$1,388
\$1,533	—\$3,202	\$302.95 plus 28%	—\$1,533	\$2,651	—\$3,994	\$485.90 plus 28%	—\$2,651
\$3,202	—\$6,916	\$770.27 plus 33%	—\$3,202	\$3,994	—\$7,021	\$861.94 plus 33%	—\$3,994
\$6,916	.....	\$1,995.89 plus 35%	—\$6,916	\$7,021	.....	\$1,860.85 plus 35%	—\$7,021

TABLE 2—BIWEEKLY 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 \$102		\$0		Not over \$308		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$102	—\$396	10%	—\$102	\$308	—\$906	10%	—\$308
\$396	—\$1,306	\$29.40 plus 15%	—\$396	\$906	—\$2,775	\$59.80 plus 15%	—\$906
\$1,306	—\$3,066	\$165.90 plus 25%	—\$1,306	\$2,775	—\$5,302	\$340.15 plus 25%	—\$2,775
\$3,066	—\$6,404	\$605.90 plus 28%	—\$3,066	\$5,302	—\$7,988	\$971.90 plus 28%	—\$5,302
\$6,404	—\$13,833	\$1,540.54 plus 33%	—\$6,404	\$7,988	—\$14,042	\$1,723.98 plus 33%	—\$7,988
\$13,833	.....	\$3,992.11 plus 35%	—\$13,833	\$14,042	.....	\$3,721.80 plus 35%	—\$14,042

TABLE 3—SEMIMONTHLY 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 \$110		\$0		Not over \$333		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$110	—\$429	10%	—\$110	\$333	—\$981	10%	—\$333
\$429	—\$1,415	\$31.90 plus 15%	—\$429	\$981	—\$3,006	\$64.80 plus 15%	—\$981
\$1,415	—\$3,322	\$179.80 plus 25%	—\$1,415	\$3,006	—\$5,744	\$368.55 plus 25%	—\$3,006
\$3,322	—\$6,938	\$656.55 plus 28%	—\$3,322	\$5,744	—\$8,654	\$1,053.05 plus 28%	—\$5,744
\$6,938	—\$14,985	\$1,669.03 plus 33%	—\$6,938	\$8,654	—\$15,213	\$1,867.85 plus 33%	—\$8,654
\$14,985	.....	\$4,324.54 plus 35%	—\$14,985	\$15,213	.....	\$4,032.32 plus 35%	—\$15,213

TABLE 4—MONTHLY 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 \$221		\$0		Not over \$667		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$221	—\$858	10%	—\$221	\$667	—\$1,963	10%	—\$667
\$858	—\$2,830	\$63.70 plus 15%	—\$858	\$1,963	—\$6,013	\$129.60 plus 15%	—\$1,963
\$2,830	—\$6,644	\$359.50 plus 25%	—\$2,830	\$6,013	—\$11,488	\$737.10 plus 25%	—\$6,013
\$6,644	—\$13,875	\$1,313.00 plus 28%	—\$6,644	\$11,488	—\$17,308	\$2,105.85 plus 28%	—\$11,488
\$13,875	—\$29,971	\$3,337.68 plus 33%	—\$13,875	\$17,308	—\$30,425	\$3,735.45 plus 33%	—\$17,308
\$29,971	.....	\$8,649.36 plus 35%	—\$29,971	\$30,425	.....	\$8,064.06 plus 35%	—\$30,425

Tables for Percentage Method of Withholding (continued)

(For Wages Paid in 2008)

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	—\$2,575 . . . 10%	—\$663		\$2,000	—\$5,888 . . . 10%	—\$2,000	
\$2,575	—\$8,490 . . . \$191.20 plus 15%	—\$2,575		\$5,888	—\$18,038 . . . \$388.80 plus 15%	—\$5,888	
\$8,490	—\$19,931 . . . \$1,078.45 plus 25%	—\$8,490		\$18,038	—\$34,463 . . . \$2,211.30 plus 25%	—\$18,038	
\$19,931	—\$41,625 . . . \$3,938.70 plus 28%	—\$19,931		\$34,463	—\$51,925 . . . \$6,317.55 plus 28%	—\$34,463	
\$41,625	—\$89,913 . . . \$10,013.02 plus 33%	—\$41,625		\$51,925	—\$91,275 . . . \$11,206.91 plus 33%	—\$51,925	
\$89,913	\$25,948.06 plus 35%	—\$89,913		\$91,275	\$24,192.41 plus 35%	—\$91,275	

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	—\$5,150 . . . 10%	—\$1,325		\$4,000	—\$11,775 . . . 10%	—\$4,000	
\$5,150	—\$16,980 . . . \$382.50 plus 15%	—\$5,150		\$11,775	—\$36,075 . . . \$777.50 plus 15%	—\$11,775	
\$16,980	—\$39,863 . . . \$2,157.00 plus 25%	—\$16,980		\$36,075	—\$68,925 . . . \$4,422.50 plus 25%	—\$36,075	
\$39,863	—\$83,250 . . . \$7,877.75 plus 28%	—\$39,863		\$68,925	—\$103,850 . . . \$12,635.00 plus 28%	—\$68,925	
\$83,250	—\$179,825 . . . \$20,026.11 plus 33%	—\$83,250		\$103,850	—\$182,550 . . . \$22,414.00 plus 33%	—\$103,850	
\$179,825	\$51,895.86 plus 35%	—\$179,825		\$182,550	\$48,385.00 plus 35%	—\$182,550	

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	—\$10,300 . . . 10%	—\$2,650		\$8,000	—\$23,550 . . . 10%	—\$8,000	
\$10,300	—\$33,960 . . . \$765.00 plus 15%	—\$10,300		\$23,550	—\$72,150 . . . \$1,555.00 plus 15%	—\$23,550	
\$33,960	—\$79,725 . . . \$4,314.00 plus 25%	—\$33,960		\$72,150	—\$137,850 . . . \$8,845.00 plus 25%	—\$72,150	
\$79,725	—\$166,500 . . . \$15,755.25 plus 28%	—\$79,725		\$137,850	—\$207,700 . . . \$25,270.00 plus 28%	—\$137,850	
\$166,500	—\$359,650 . . . \$40,052.25 plus 33%	—\$166,500		\$207,700	—\$365,100 . . . \$44,828.00 plus 33%	—\$207,700	
\$359,650	\$103,791.75 plus 35%	—\$359,650		\$365,100	\$96,770.00 plus 35%	—\$365,100	

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	—\$39.60 . . . 10%	—\$10.20		\$30.80	—\$90.60 . . . 10%	—\$30.80	
\$39.60	—\$130.60 . . . \$2.94 plus 15%	—\$39.60		\$90.60	—\$277.50 . . . \$5.98 plus 15%	—\$90.60	
\$130.60	—\$306.60 . . . \$16.59 plus 25%	—\$130.60		\$277.50	—\$530.20 . . . \$34.02 plus 25%	—\$277.50	
\$306.60	—\$640.40 . . . \$60.59 plus 28%	—\$306.60		\$530.20	—\$798.80 . . . \$97.20 plus 28%	—\$530.20	
\$640.40	—\$1,383.30 . . . \$154.05 plus 33%	—\$640.40		\$798.80	—\$1,404.20 . . . \$172.41 plus 33%	—\$798.80	
\$1,383.30	\$399.21 plus 35%	—\$1,383.30		\$1,404.20	\$372.19 plus 35%	—\$1,404.20	

SINGLE Persons—WEEKLY Payroll Period
(For Wages Paid in 2008)

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	1	0	0	0	0	0	0	0	0
195	200	15	8	1	0	0	0	0	0	0	0	0
200	210	16	9	2	0	0	0	0	0	0	0	0
210	220	17	10	3	0	0	0	0	0	0	0	0
220	230	19	11	4	0	0	0	0	0	0	0	0
230	240	20	12	5	0	0	0	0	0	0	0	0
240	250	22	13	6	0	0	0	0	0	0	0	0
250	260	23	14	7	0	0	0	0	0	0	0	0
260	270	25	15	8	1	0	0	0	0	0	0	0
270	280	26	16	9	2	0	0	0	0	0	0	0
280	290	28	18	10	3	0	0	0	0	0	0	0
290	300	29	19	11	4	0	0	0	0	0	0	0
300	310	31	21	12	5	0	0	0	0	0	0	0
310	320	32	22	13	6	0	0	0	0	0	0	0
320	330	34	24	14	7	0	0	0	0	0	0	0
330	340	35	25	15	8	1	0	0	0	0	0	0
340	350	37	27	17	9	2	0	0	0	0	0	0
350	360	38	28	18	10	3	0	0	0	0	0	0
360	370	40	30	20	11	4	0	0	0	0	0	0
370	380	41	31	21	12	5	0	0	0	0	0	0
380	390	43	33	23	13	6	0	0	0	0	0	0
390	400	44	34	24	14	7	1	0	0	0	0	0
400	410	46	36	26	15	8	2	0	0	0	0	0
410	420	47	37	27	17	9	3	0	0	0	0	0
420	430	49	39	29	18	10	4	0	0	0	0	0
430	440	50	40	30	20	11	5	0	0	0	0	0
440	450	52	42	32	21	12	6	0	0	0	0	0
450	460	53	43	33	23	13	7	0	0	0	0	0
460	470	55	45	35	24	14	8	1	0	0	0	0
470	480	56	46	36	26	16	9	2	0	0	0	0
480	490	58	48	38	27	17	10	3	0	0	0	0
490	500	59	49	39	29	19	11	4	0	0	0	0
500	510	61	51	41	30	20	12	5	0	0	0	0
510	520	62	52	42	32	22	13	6	0	0	0	0
520	530	64	54	44	33	23	14	7	0	0	0	0
530	540	65	55	45	35	25	15	8	1	0	0	0
540	550	67	57	47	36	26	16	9	2	0	0	0
550	560	68	58	48	38	28	18	10	3	0	0	0
560	570	70	60	50	39	29	19	11	4	0	0	0
570	580	71	61	51	41	31	21	12	5	0	0	0
580	590	73	63	53	42	32	22	13	6	0	0	0
590	600	74	64	54	44	34	24	14	7	1	0	0

SINGLE Persons—WEEKLY Payroll Period

(For Wages Paid in 2008)

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 –										
\$600	\$610	\$76	\$66	\$56	\$45	\$35	\$25	\$15	\$8	\$2	\$0	\$0
610	620	77	67	57	47	37	27	17	9	3	0	0
620	630	79	69	59	48	38	28	18	10	4	0	0
630	640	80	70	60	50	40	30	20	11	5	0	0
640	650	82	72	62	51	41	31	21	12	6	0	0
650	660	83	73	63	53	43	33	23	13	7	0	0
660	670	86	75	65	54	44	34	24	14	8	1	0
670	680	88	76	66	56	46	36	26	16	9	2	0
680	690	91	78	68	57	47	37	27	17	10	3	0
690	700	93	79	69	59	49	39	29	19	11	4	0
700	710	96	81	71	60	50	40	30	20	12	5	0
710	720	98	82	72	62	52	42	32	22	13	6	0
720	730	101	84	74	63	53	43	33	23	14	7	0
730	740	103	87	75	65	55	45	35	25	15	8	1
740	750	106	89	77	66	56	46	36	26	16	9	2
750	760	108	92	78	68	58	48	38	28	17	10	3
760	770	111	94	80	69	59	49	39	29	19	11	4
770	780	113	97	81	71	61	51	41	31	20	12	5
780	790	116	99	83	72	62	52	42	32	22	13	6
790	800	118	102	85	74	64	54	44	34	23	14	7
800	810	121	104	87	75	65	55	45	35	25	15	8
810	820	123	107	90	77	67	57	47	37	26	16	9
820	830	126	109	92	78	68	58	48	38	28	18	10
830	840	128	112	95	80	70	60	50	40	29	19	11
840	850	131	114	97	81	71	61	51	41	31	21	12
850	860	133	117	100	83	73	63	53	43	32	22	13
860	870	136	119	102	85	74	64	54	44	34	24	14
870	880	138	122	105	88	76	66	56	46	35	25	15
880	890	141	124	107	90	77	67	57	47	37	27	17
890	900	143	127	110	93	79	69	59	49	38	28	18
900	910	146	129	112	95	80	70	60	50	40	30	20
910	920	148	132	115	98	82	72	62	52	41	31	21
920	930	151	134	117	100	84	73	63	53	43	33	23
930	940	153	137	120	103	86	75	65	55	44	34	24
940	950	156	139	122	105	89	76	66	56	46	36	26
950	960	158	142	125	108	91	78	68	58	47	37	27
960	970	161	144	127	110	94	79	69	59	49	39	29
970	980	163	147	130	113	96	81	71	61	50	40	30
980	990	166	149	132	115	99	82	72	62	52	42	32
990	1,000	168	152	135	118	101	84	74	64	53	43	33
1,000	1,010	171	154	137	120	104	87	75	65	55	45	35
1,010	1,020	173	157	140	123	106	89	77	67	56	46	36
1,020	1,030	176	159	142	125	109	92	78	68	58	48	38
1,030	1,040	178	162	145	128	111	94	80	70	59	49	39
1,040	1,050	181	164	147	130	114	97	81	71	61	51	41
1,050	1,060	183	167	150	133	116	99	83	73	62	52	42
1,060	1,070	186	169	152	135	119	102	85	74	64	54	44
1,070	1,080	188	172	155	138	121	104	87	76	65	55	45
1,080	1,090	191	174	157	140	124	107	90	77	67	57	47
1,090	1,100	193	177	160	143	126	109	92	79	68	58	48
1,100	1,110	196	179	162	145	129	112	95	80	70	60	50
1,110	1,120	198	182	165	148	131	114	97	82	71	61	51
1,120	1,130	201	184	167	150	134	117	100	83	73	63	53
1,130	1,140	203	187	170	153	136	119	102	86	74	64	54
1,140	1,150	206	189	172	155	139	122	105	88	76	66	56
1,150	1,160	208	192	175	158	141	124	107	91	77	67	57
1,160	1,170	211	194	177	160	144	127	110	93	79	69	59
1,170	1,180	213	197	180	163	146	129	112	96	80	70	60
1,180	1,190	216	199	182	165	149	132	115	98	82	72	62
1,190	1,200	218	202	185	168	151	134	117	101	84	73	63
1,200	1,210	221	204	187	170	154	137	120	103	86	75	65
1,210	1,220	223	207	190	173	156	139	122	106	89	76	66
1,220	1,230	226	209	192	175	159	142	125	108	91	78	68
1,230	1,240	228	212	195	178	161	144	127	111	94	79	69
1,240	1,250	231	214	197	180	164	147	130	113	96	81	71

\$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 2008)

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	\$125	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
125	130	0	0	0	0	0	0	0	0	0	0	0
130	135	0	0	0	0	0	0	0	0	0	0	0
135	140	0	0	0	0	0	0	0	0	0	0	0
140	145	0	0	0	0	0	0	0	0	0	0	0
145	150	0	0	0	0	0	0	0	0	0	0	0
150	155	0	0	0	0	0	0	0	0	0	0	0
155	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	1	0	0	0	0	0	0	0	0
300	310	15	8	2	0	0	0	0	0	0	0	0
310	320	16	9	3	0	0	0	0	0	0	0	0
320	330	17	10	4	0	0	0	0	0	0	0	0
330	340	18	11	5	0	0	0	0	0	0	0	0
340	350	19	12	6	0	0	0	0	0	0	0	0
350	360	20	13	7	0	0	0	0	0	0	0	0
360	370	21	14	8	1	0	0	0	0	0	0	0
370	380	22	15	9	2	0	0	0	0	0	0	0
380	390	23	16	10	3	0	0	0	0	0	0	0
390	400	24	17	11	4	0	0	0	0	0	0	0
400	410	25	18	12	5	0	0	0	0	0	0	0
410	420	26	19	13	6	0	0	0	0	0	0	0
420	430	27	20	14	7	0	0	0	0	0	0	0
430	440	28	21	15	8	1	0	0	0	0	0	0
440	450	29	22	16	9	2	0	0	0	0	0	0
450	460	30	23	17	10	3	0	0	0	0	0	0
460	470	32	24	18	11	4	0	0	0	0	0	0
470	480	33	25	19	12	5	0	0	0	0	0	0
480	490	35	26	20	13	6	0	0	0	0	0	0
490	500	36	27	21	14	7	0	0	0	0	0	0
500	510	38	28	22	15	8	1	0	0	0	0	0
510	520	39	29	23	16	9	2	0	0	0	0	0
520	530	41	31	24	17	10	3	0	0	0	0	0
530	540	42	32	25	18	11	4	0	0	0	0	0
540	550	44	34	26	19	12	5	0	0	0	0	0
550	560	45	35	27	20	13	6	0	0	0	0	0
560	570	47	37	28	21	14	7	1	0	0	0	0
570	580	48	38	29	22	15	8	2	0	0	0	0
580	590	50	40	30	23	16	9	3	0	0	0	0
590	600	51	41	31	24	17	10	4	0	0	0	0
600	610	53	43	33	25	18	11	5	0	0	0	0
610	620	54	44	34	26	19	12	6	0	0	0	0
620	630	56	46	36	27	20	13	7	0	0	0	0
630	640	57	47	37	28	21	14	8	1	0	0	0
640	650	59	49	39	29	22	15	9	2	0	0	0
650	660	60	50	40	30	23	16	10	3	0	0	0
660	670	62	52	42	31	24	17	11	4	0	0	0
670	680	63	53	43	33	25	18	12	5	0	0	0
680	690	65	55	45	34	26	19	13	6	0	0	0
690	700	66	56	46	36	27	20	14	7	0	0	0
700	710	68	58	48	37	28	21	15	8	1	0	0
710	720	69	59	49	39	29	22	16	9	2	0	0
720	730	71	61	51	40	30	23	17	10	3	0	0
730	740	72	62	52	42	32	24	18	11	4	0	0

MARRIED Persons—WEEKLY Payroll Period

(For Wages Paid in 2008)

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—										
\$740	\$750	\$74	\$64	\$54	\$43	\$33	\$25	\$19	\$12	\$5	\$0	\$0
750	760	75	65	55	45	35	26	20	13	6	0	0
760	770	77	67	57	46	36	27	21	14	7	1	0
770	780	78	68	58	48	38	28	22	15	8	2	0
780	790	80	70	60	49	39	29	23	16	9	3	0
790	800	81	71	61	51	41	31	24	17	10	4	0
800	810	83	73	63	52	42	32	25	18	11	5	0
810	820	84	74	64	54	44	34	26	19	12	6	0
820	830	86	76	66	55	45	35	27	20	13	7	0
830	840	87	77	67	57	47	37	28	21	14	8	1
840	850	89	79	69	58	48	38	29	22	15	9	2
850	860	90	80	70	60	50	40	30	23	16	10	3
860	870	92	82	72	61	51	41	31	24	17	11	4
870	880	93	83	73	63	53	43	33	25	18	12	5
880	890	95	85	75	64	54	44	34	26	19	13	6
890	900	96	86	76	66	56	46	36	27	20	14	7
900	910	98	88	78	67	57	47	37	28	21	15	8
910	920	99	89	79	69	59	49	39	29	22	16	9
920	930	101	91	81	70	60	50	40	30	23	17	10
930	940	102	92	82	72	62	52	42	32	24	18	11
940	950	104	94	84	73	63	53	43	33	25	19	12
950	960	105	95	85	75	65	55	45	35	26	20	13
960	970	107	97	87	76	66	56	46	36	27	21	14
970	980	108	98	88	78	68	58	48	38	28	22	15
980	990	110	100	90	79	69	59	49	39	29	23	16
990	1,000	111	101	91	81	71	61	51	41	30	24	17
1,000	1,010	113	103	93	82	72	62	52	42	32	25	18
1,010	1,020	114	104	94	84	74	64	54	44	33	26	19
1,020	1,030	116	106	96	85	75	65	55	45	35	27	20
1,030	1,040	117	107	97	87	77	67	57	47	36	28	21
1,040	1,050	119	109	99	88	78	68	58	48	38	29	22
1,050	1,060	120	110	100	90	80	70	60	50	39	30	23
1,060	1,070	122	112	102	91	81	71	61	51	41	31	24
1,070	1,080	123	113	103	93	83	73	63	53	42	32	25
1,080	1,090	125	115	105	94	84	74	64	54	44	34	26
1,090	1,100	126	116	106	96	86	76	66	56	45	35	27
1,100	1,110	128	118	108	97	87	77	67	57	47	37	28
1,110	1,120	129	119	109	99	89	79	69	59	48	38	29
1,120	1,130	131	121	111	100	90	80	70	60	50	40	30
1,130	1,140	132	122	112	102	92	82	72	62	51	41	31
1,140	1,150	134	124	114	103	93	83	73	63	53	43	33
1,150	1,160	135	125	115	105	95	85	75	65	54	44	34
1,160	1,170	137	127	117	106	96	86	76	66	56	46	36
1,170	1,180	138	128	118	108	98	88	78	68	57	47	37
1,180	1,190	140	130	120	109	99	89	79	69	59	49	39
1,190	1,200	141	131	121	111	101	91	81	71	60	50	40
1,200	1,210	143	133	123	112	102	92	82	72	62	52	42
1,210	1,220	144	134	124	114	104	94	84	74	63	53	43
1,220	1,230	146	136	126	115	105	95	85	75	65	55	45
1,230	1,240	147	137	127	117	107	97	87	77	66	56	46
1,240	1,250	149	139	129	118	108	98	88	78	68	58	48
1,250	1,260	150	140	130	120	110	100	90	80	69	59	49
1,260	1,270	152	142	132	121	111	101	91	81	71	61	51
1,270	1,280	153	143	133	123	113	103	93	83	72	62	52
1,280	1,290	155	145	135	124	114	104	94	84	74	64	54
1,290	1,300	156	146	136	126	116	106	96	86	75	65	55
1,300	1,310	158	148	138	127	117	107	97	87	77	67	57
1,310	1,320	159	149	139	129	119	109	99	89	78	68	58
1,320	1,330	161	151	141	130	120	110	100	90	80	70	60
1,330	1,340	162	152	142	132	122	112	102	92	81	71	61
1,340	1,350	164	154	144	133	123	113	103	93	83	73	63
1,350	1,360	165	155	145	135	125	115	105	95	84	74	64
1,360	1,370	167	157	147	136	126	116	106	96	86	76	66
1,370	1,380	168	158	148	138	128	118	108	98	87	77	67
1,380	1,390	170	160	150	139	129	119	109	99	89	79	69
1,390	1,400	172	161	151	141	131	121	111	101	90	80	70

\$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 2008)

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	1	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	2	0	0	0	0	0	0	0	0	0
260	270	16	3	0	0	0	0	0	0	0	0	0
270	280	17	4	0	0	0	0	0	0	0	0	0
280	290	18	5	0	0	0	0	0	0	0	0	0
290	300	19	6	0	0	0	0	0	0	0	0	0
300	310	20	7	0	0	0	0	0	0	0	0	0
310	320	21	8	0	0	0	0	0	0	0	0	0
320	330	22	9	0	0	0	0	0	0	0	0	0
330	340	23	10	0	0	0	0	0	0	0	0	0
340	350	24	11	0	0	0	0	0	0	0	0	0
350	360	25	12	0	0	0	0	0	0	0	0	0
360	370	26	13	0	0	0	0	0	0	0	0	0
370	380	27	14	0	0	0	0	0	0	0	0	0
380	390	28	15	1	0	0	0	0	0	0	0	0
390	400	29	16	2	0	0	0	0	0	0	0	0
400	410	31	17	3	0	0	0	0	0	0	0	0
410	420	32	18	4	0	0	0	0	0	0	0	0
420	430	34	19	5	0	0	0	0	0	0	0	0
430	440	35	20	6	0	0	0	0	0	0	0	0
440	450	37	21	7	0	0	0	0	0	0	0	0
450	460	38	22	8	0	0	0	0	0	0	0	0
460	470	40	23	9	0	0	0	0	0	0	0	0
470	480	41	24	10	0	0	0	0	0	0	0	0
480	490	43	25	11	0	0	0	0	0	0	0	0
490	500	44	26	12	0	0	0	0	0	0	0	0
500	520	47	27	14	0	0	0	0	0	0	0	0
520	540	50	29	16	2	0	0	0	0	0	0	0
540	560	53	32	18	4	0	0	0	0	0	0	0
560	580	56	35	20	6	0	0	0	0	0	0	0
580	600	59	38	22	8	0	0	0	0	0	0	0
600	620	62	41	24	10	0	0	0	0	0	0	0
620	640	65	44	26	12	0	0	0	0	0	0	0
640	660	68	47	28	14	1	0	0	0	0	0	0
660	680	71	50	30	16	3	0	0	0	0	0	0
680	700	74	53	33	18	5	0	0	0	0	0	0
700	720	77	56	36	20	7	0	0	0	0	0	0
720	740	80	59	39	22	9	0	0	0	0	0	0
740	760	83	62	42	24	11	0	0	0	0	0	0
760	780	86	65	45	26	13	0	0	0	0	0	0
780	800	89	68	48	28	15	2	0	0	0	0	0

SINGLE Persons—BIWEEKLY Payroll Period

(For Wages Paid in 2008)

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—										
\$800	\$820	\$92	\$71	\$51	\$31	\$17	\$4	\$0	\$0	\$0	\$0	\$0
820	840	95	74	54	34	19	6	0	0	0	0	0
840	860	98	77	57	37	21	8	0	0	0	0	0
860	880	101	80	60	40	23	10	0	0	0	0	0
880	900	104	83	63	43	25	12	0	0	0	0	0
900	920	107	86	66	46	27	14	0	0	0	0	0
920	940	110	89	69	49	29	16	2	0	0	0	0
940	960	113	92	72	52	32	18	4	0	0	0	0
960	980	116	95	75	55	35	20	6	0	0	0	0
980	1,000	119	98	78	58	38	22	8	0	0	0	0
1,000	1,020	122	101	81	61	41	24	10	0	0	0	0
1,020	1,040	125	104	84	64	44	26	12	0	0	0	0
1,040	1,060	128	107	87	67	47	28	14	1	0	0	0
1,060	1,080	131	110	90	70	50	30	16	3	0	0	0
1,080	1,100	134	113	93	73	53	33	18	5	0	0	0
1,100	1,120	137	116	96	76	56	36	20	7	0	0	0
1,120	1,140	140	119	99	79	59	39	22	9	0	0	0
1,140	1,160	143	122	102	82	62	42	24	11	0	0	0
1,160	1,180	146	125	105	85	65	45	26	13	0	0	0
1,180	1,200	149	128	108	88	68	48	28	15	1	0	0
1,200	1,220	152	131	111	91	71	51	30	17	3	0	0
1,220	1,240	155	134	114	94	74	54	33	19	5	0	0
1,240	1,260	158	137	117	97	77	57	36	21	7	0	0
1,260	1,280	161	140	120	100	80	60	39	23	9	0	0
1,280	1,300	164	143	123	103	83	63	42	25	11	0	0
1,300	1,320	167	146	126	106	86	66	45	27	13	0	0
1,320	1,340	172	149	129	109	89	69	48	29	15	2	0
1,340	1,360	177	152	132	112	92	72	51	31	17	4	0
1,360	1,380	182	155	135	115	95	75	54	34	19	6	0
1,380	1,400	187	158	138	118	98	78	57	37	21	8	0
1,400	1,420	192	161	141	121	101	81	60	40	23	10	0
1,420	1,440	197	164	144	124	104	84	63	43	25	12	0
1,440	1,460	202	168	147	127	107	87	66	46	27	14	0
1,460	1,480	207	173	150	130	110	90	69	49	29	16	2
1,480	1,500	212	178	153	133	113	93	72	52	32	18	4
1,500	1,520	217	183	156	136	116	96	75	55	35	20	6
1,520	1,540	222	188	159	139	119	99	78	58	38	22	8
1,540	1,560	227	193	162	142	122	102	81	61	41	24	10
1,560	1,580	232	198	165	145	125	105	84	64	44	26	12
1,580	1,600	237	203	170	148	128	108	87	67	47	28	14
1,600	1,620	242	208	175	151	131	111	90	70	50	30	16
1,620	1,640	247	213	180	154	134	114	93	73	53	33	18
1,640	1,660	252	218	185	157	137	117	96	76	56	36	20
1,660	1,680	257	223	190	160	140	120	99	79	59	39	22
1,680	1,700	262	228	195	163	143	123	102	82	62	42	24
1,700	1,720	267	233	200	166	146	126	105	85	65	45	26
1,720	1,740	272	238	205	171	149	129	108	88	68	48	28
1,740	1,760	277	243	210	176	152	132	111	91	71	51	31
1,760	1,780	282	248	215	181	155	135	114	94	74	54	34
1,780	1,800	287	253	220	186	158	138	117	97	77	57	37
1,800	1,820	292	258	225	191	161	141	120	100	80	60	40
1,820	1,840	297	263	230	196	164	144	123	103	83	63	43
1,840	1,860	302	268	235	201	167	147	126	106	86	66	46
1,860	1,880	307	273	240	206	172	150	129	109	89	69	49
1,880	1,900	312	278	245	211	177	153	132	112	92	72	52
1,900	1,920	317	283	250	216	182	156	135	115	95	75	55
1,920	1,940	322	288	255	221	187	159	138	118	98	78	58
1,940	1,960	327	293	260	226	192	162	141	121	101	81	61
1,960	1,980	332	298	265	231	197	165	144	124	104	84	64
1,980	2,000	337	303	270	236	202	169	147	127	107	87	67
2,000	2,020	342	308	275	241	207	174	150	130	110	90	70
2,020	2,040	347	313	280	246	212	179	153	133	113	93	73
2,040	2,060	352	318	285	251	217	184	156	136	116	96	76
2,060	2,080	357	323	290	256	222	189	159	139	119	99	79
2,080	2,100	362	328	295	261	227	194	162	142	122	102	82

\$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 2008)

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	\$250	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
250	260	0	0	0	0	0	0	0	0	0	0	0
260	270	0	0	0	0	0	0	0	0	0	0	0
270	280	0	0	0	0	0	0	0	0	0	0	0
280	290	0	0	0	0	0	0	0	0	0	0	0
290	300	0	0	0	0	0	0	0	0	0	0	0
300	310	0	0	0	0	0	0	0	0	0	0	0
310	320	1	0	0	0	0	0	0	0	0	0	0
320	330	2	0	0	0	0	0	0	0	0	0	0
330	340	3	0	0	0	0	0	0	0	0	0	0
340	350	4	0	0	0	0	0	0	0	0	0	0
350	360	5	0	0	0	0	0	0	0	0	0	0
360	370	6	0	0	0	0	0	0	0	0	0	0
370	380	7	0	0	0	0	0	0	0	0	0	0
380	390	8	0	0	0	0	0	0	0	0	0	0
390	400	9	0	0	0	0	0	0	0	0	0	0
400	410	10	0	0	0	0	0	0	0	0	0	0
410	420	11	0	0	0	0	0	0	0	0	0	0
420	430	12	0	0	0	0	0	0	0	0	0	0
430	440	13	0	0	0	0	0	0	0	0	0	0
440	450	14	0	0	0	0	0	0	0	0	0	0
450	460	15	1	0	0	0	0	0	0	0	0	0
460	470	16	2	0	0	0	0	0	0	0	0	0
470	480	17	3	0	0	0	0	0	0	0	0	0
480	490	18	4	0	0	0	0	0	0	0	0	0
490	500	19	5	0	0	0	0	0	0	0	0	0
500	520	20	7	0	0	0	0	0	0	0	0	0
520	540	22	9	0	0	0	0	0	0	0	0	0
540	560	24	11	0	0	0	0	0	0	0	0	0
560	580	26	13	0	0	0	0	0	0	0	0	0
580	600	28	15	1	0	0	0	0	0	0	0	0
600	620	30	17	3	0	0	0	0	0	0	0	0
620	640	32	19	5	0	0	0	0	0	0	0	0
640	660	34	21	7	0	0	0	0	0	0	0	0
660	680	36	23	9	0	0	0	0	0	0	0	0
680	700	38	25	11	0	0	0	0	0	0	0	0
700	720	40	27	13	0	0	0	0	0	0	0	0
720	740	42	29	15	2	0	0	0	0	0	0	0
740	760	44	31	17	4	0	0	0	0	0	0	0
760	780	46	33	19	6	0	0	0	0	0	0	0
780	800	48	35	21	8	0	0	0	0	0	0	0
800	820	50	37	23	10	0	0	0	0	0	0	0
820	840	52	39	25	12	0	0	0	0	0	0	0
840	860	54	41	27	14	0	0	0	0	0	0	0
860	880	56	43	29	16	2	0	0	0	0	0	0
880	900	58	45	31	18	4	0	0	0	0	0	0
900	920	60	47	33	20	6	0	0	0	0	0	0
920	940	63	49	35	22	8	0	0	0	0	0	0
940	960	66	51	37	24	10	0	0	0	0	0	0
960	980	69	53	39	26	12	0	0	0	0	0	0
980	1,000	72	55	41	28	14	1	0	0	0	0	0
1,000	1,020	75	57	43	30	16	3	0	0	0	0	0
1,020	1,040	78	59	45	32	18	5	0	0	0	0	0
1,040	1,060	81	61	47	34	20	7	0	0	0	0	0
1,060	1,080	84	64	49	36	22	9	0	0	0	0	0
1,080	1,100	87	67	51	38	24	11	0	0	0	0	0
1,100	1,120	90	70	53	40	26	13	0	0	0	0	0
1,120	1,140	93	73	55	42	28	15	1	0	0	0	0
1,140	1,160	96	76	57	44	30	17	3	0	0	0	0
1,160	1,180	99	79	59	46	32	19	5	0	0	0	0
1,180	1,200	102	82	62	48	34	21	7	0	0	0	0
1,200	1,220	105	85	65	50	36	23	9	0	0	0	0
1,220	1,240	108	88	68	52	38	25	11	0	0	0	0
1,240	1,260	111	91	71	54	40	27	13	0	0	0	0
1,260	1,280	114	94	74	56	42	29	15	2	0	0	0
1,280	1,300	117	97	77	58	44	31	17	4	0	0	0
1,300	1,320	120	100	80	60	46	33	19	6	0	0	0
1,320	1,340	123	103	83	63	48	35	21	8	0	0	0
1,340	1,360	126	106	86	66	50	37	23	10	0	0	0
1,360	1,380	129	109	89	69	52	39	25	12	0	0	0

MARRIED Persons—BIWEEKLY Payroll Period

(For Wages Paid in 2008)

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 –										
\$1,380	\$1,400	\$132	\$112	\$92	\$72	\$54	\$41	\$27	\$14	\$1	\$0	\$0
1,400	1,420	135	115	95	75	56	43	29	16	3	0	0
1,420	1,440	138	118	98	78	58	45	31	18	5	0	0
1,440	1,460	141	121	101	81	61	47	33	20	7	0	0
1,460	1,480	144	124	104	84	64	49	35	22	9	0	0
1,480	1,500	147	127	107	87	67	51	37	24	11	0	0
1,500	1,520	150	130	110	90	70	53	39	26	13	0	0
1,520	1,540	153	133	113	93	73	55	41	28	15	1	0
1,540	1,560	156	136	116	96	76	57	43	30	17	3	0
1,560	1,580	159	139	119	99	79	59	45	32	19	5	0
1,580	1,600	162	142	122	102	82	61	47	34	21	7	0
1,600	1,620	165	145	125	105	85	64	49	36	23	9	0
1,620	1,640	168	148	128	108	88	67	51	38	25	11	0
1,640	1,660	171	151	131	111	91	70	53	40	27	13	0
1,660	1,680	174	154	134	114	94	73	55	42	29	15	2
1,680	1,700	177	157	137	117	97	76	57	44	31	17	4
1,700	1,720	180	160	140	120	100	79	59	46	33	19	6
1,720	1,740	183	163	143	123	103	82	62	48	35	21	8
1,740	1,760	186	166	146	126	106	85	65	50	37	23	10
1,760	1,780	189	169	149	129	109	88	68	52	39	25	12
1,780	1,800	192	172	152	132	112	91	71	54	41	27	14
1,800	1,820	195	175	155	135	115	94	74	56	43	29	16
1,820	1,840	198	178	158	138	118	97	77	58	45	31	18
1,840	1,860	201	181	161	141	121	100	80	60	47	33	20
1,860	1,880	204	184	164	144	124	103	83	63	49	35	22
1,880	1,900	207	187	167	147	127	106	86	66	51	37	24
1,900	1,920	210	190	170	150	130	109	89	69	53	39	26
1,920	1,940	213	193	173	153	133	112	92	72	55	41	28
1,940	1,960	216	196	176	156	136	115	95	75	57	43	30
1,960	1,980	219	199	179	159	139	118	98	78	59	45	32
1,980	2,000	222	202	182	162	142	121	101	81	61	47	34
2,000	2,020	225	205	185	165	145	124	104	84	64	49	36
2,020	2,040	228	208	188	168	148	127	107	87	67	51	38
2,040	2,060	231	211	191	171	151	130	110	90	70	53	40
2,060	2,080	234	214	194	174	154	133	113	93	73	55	42
2,080	2,100	237	217	197	177	157	136	116	96	76	57	44
2,100	2,120	240	220	200	180	160	139	119	99	79	59	46
2,120	2,140	243	223	203	183	163	142	122	102	82	62	48
2,140	2,160	246	226	206	186	166	145	125	105	85	65	50
2,160	2,180	249	229	209	189	169	148	128	108	88	68	52
2,180	2,200	252	232	212	192	172	151	131	111	91	71	54
2,200	2,220	255	235	215	195	175	154	134	114	94	74	56
2,220	2,240	258	238	218	198	178	157	137	117	97	77	58
2,240	2,260	261	241	221	201	181	160	140	120	100	80	60
2,260	2,280	264	244	224	204	184	163	143	123	103	83	63
2,280	2,300	267	247	227	207	187	166	146	126	106	86	66
2,300	2,320	270	250	230	210	190	169	149	129	109	89	69
2,320	2,340	273	253	233	213	193	172	152	132	112	92	72
2,340	2,360	276	256	236	216	196	175	155	135	115	95	75
2,360	2,380	279	259	239	219	199	178	158	138	118	98	78
2,380	2,400	282	262	242	222	202	181	161	141	121	101	81
2,400	2,420	285	265	245	225	205	184	164	144	124	104	84
2,420	2,440	288	268	248	228	208	187	167	147	127	107	87
2,440	2,460	291	271	251	231	211	190	170	150	130	110	90
2,460	2,480	294	274	254	234	214	193	173	153	133	113	93
2,480	2,500	297	277	257	237	217	196	176	156	136	116	96
2,500	2,520	300	280	260	240	220	199	179	159	139	119	99
2,520	2,540	303	283	263	243	223	202	182	162	142	122	102
2,540	2,560	306	286	266	246	226	205	185	165	145	125	105
2,560	2,580	309	289	269	249	229	208	188	168	148	128	108
2,580	2,600	312	292	272	252	232	211	191	171	151	131	111
2,600	2,620	315	295	275	255	235	214	194	174	154	134	114
2,620	2,640	318	298	278	258	238	217	197	177	157	137	117
2,640	2,660	321	301	281	261	241	220	200	180	160	140	120
2,660	2,680	324	304	284	264	244	223	203	183	163	143	123
2,680	2,700	327	307	287	267	247	226	206	186	166	146	126

\$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 2008)

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	1	0	0	0	0	0	0	0	0	0
270	280	16	2	0	0	0	0	0	0	0	0	0
280	290	17	3	0	0	0	0	0	0	0	0	0
290	300	18	4	0	0	0	0	0	0	0	0	0
300	310	19	5	0	0	0	0	0	0	0	0	0
310	320	20	6	0	0	0	0	0	0	0	0	0
320	330	21	7	0	0	0	0	0	0	0	0	0
330	340	22	8	0	0	0	0	0	0	0	0	0
340	350	23	9	0	0	0	0	0	0	0	0	0
350	360	24	10	0	0	0	0	0	0	0	0	0
360	370	25	11	0	0	0	0	0	0	0	0	0
370	380	26	12	0	0	0	0	0	0	0	0	0
380	390	27	13	0	0	0	0	0	0	0	0	0
390	400	28	14	0	0	0	0	0	0	0	0	0
400	410	29	15	0	0	0	0	0	0	0	0	0
410	420	30	16	1	0	0	0	0	0	0	0	0
420	430	31	17	2	0	0	0	0	0	0	0	0
430	440	33	18	3	0	0	0	0	0	0	0	0
440	450	34	19	4	0	0	0	0	0	0	0	0
450	460	36	20	5	0	0	0	0	0	0	0	0
460	470	37	21	6	0	0	0	0	0	0	0	0
470	480	39	22	7	0	0	0	0	0	0	0	0
480	490	40	23	8	0	0	0	0	0	0	0	0
490	500	42	24	9	0	0	0	0	0	0	0	0
500	520	44	25	11	0	0	0	0	0	0	0	0
520	540	47	27	13	0	0	0	0	0	0	0	0
540	560	50	29	15	0	0	0	0	0	0	0	0
560	580	53	31	17	2	0	0	0	0	0	0	0
580	600	56	34	19	4	0	0	0	0	0	0	0
600	620	59	37	21	6	0	0	0	0	0	0	0
620	640	62	40	23	8	0	0	0	0	0	0	0
640	660	65	43	25	10	0	0	0	0	0	0	0
660	680	68	46	27	12	0	0	0	0	0	0	0
680	700	71	49	29	14	0	0	0	0	0	0	0
700	720	74	52	31	16	2	0	0	0	0	0	0
720	740	77	55	33	18	4	0	0	0	0	0	0
740	760	80	58	36	20	6	0	0	0	0	0	0
760	780	83	61	39	22	8	0	0	0	0	0	0
780	800	86	64	42	24	10	0	0	0	0	0	0
800	820	89	67	45	26	12	0	0	0	0	0	0
820	840	92	70	48	28	14	0	0	0	0	0	0

SINGLE Persons—SEMIMONTHLY Payroll Period
(For Wages Paid in 2008)

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 –										
\$840	\$860	\$95	\$73	\$51	\$30	\$16	\$1	\$0	\$0	\$0	\$0	\$0
860	880	98	76	54	32	18	3	0	0	0	0	0
880	900	101	79	57	35	20	5	0	0	0	0	0
900	920	104	82	60	38	22	7	0	0	0	0	0
920	940	107	85	63	41	24	9	0	0	0	0	0
940	960	110	88	66	44	26	11	0	0	0	0	0
960	980	113	91	69	47	28	13	0	0	0	0	0
980	1,000	116	94	72	50	30	15	0	0	0	0	0
1,000	1,020	119	97	75	53	32	17	2	0	0	0	0
1,020	1,040	122	100	78	56	35	19	4	0	0	0	0
1,040	1,060	125	103	81	59	38	21	6	0	0	0	0
1,060	1,080	128	106	84	62	41	23	8	0	0	0	0
1,080	1,100	131	109	87	65	44	25	10	0	0	0	0
1,100	1,120	134	112	90	68	47	27	12	0	0	0	0
1,120	1,140	137	115	93	71	50	29	14	0	0	0	0
1,140	1,160	140	118	96	74	53	31	16	2	0	0	0
1,160	1,180	143	121	99	77	56	34	18	4	0	0	0
1,180	1,200	146	124	102	80	59	37	20	6	0	0	0
1,200	1,220	149	127	105	83	62	40	22	8	0	0	0
1,220	1,240	152	130	108	86	65	43	24	10	0	0	0
1,240	1,260	155	133	111	89	68	46	26	12	0	0	0
1,260	1,280	158	136	114	92	71	49	28	14	0	0	0
1,280	1,300	161	139	117	95	74	52	30	16	1	0	0
1,300	1,320	164	142	120	98	77	55	33	18	3	0	0
1,320	1,340	167	145	123	101	80	58	36	20	5	0	0
1,340	1,360	170	148	126	104	83	61	39	22	7	0	0
1,360	1,380	173	151	129	107	86	64	42	24	9	0	0
1,380	1,400	176	154	132	110	89	67	45	26	11	0	0
1,400	1,420	179	157	135	113	92	70	48	28	13	0	0
1,420	1,440	184	160	138	116	95	73	51	30	15	1	0
1,440	1,460	189	163	141	119	98	76	54	32	17	3	0
1,460	1,480	194	166	144	122	101	79	57	35	19	5	0
1,480	1,500	199	169	147	125	104	82	60	38	21	7	0
1,500	1,520	204	172	150	128	107	85	63	41	23	9	0
1,520	1,540	209	175	153	131	110	88	66	44	25	11	0
1,540	1,560	214	178	156	134	113	91	69	47	27	13	0
1,560	1,580	219	182	159	137	116	94	72	50	29	15	0
1,580	1,600	224	187	162	140	119	97	75	53	31	17	2
1,600	1,620	229	192	165	143	122	100	78	56	34	19	4
1,620	1,640	234	197	168	146	125	103	81	59	37	21	6
1,640	1,660	239	202	171	149	128	106	84	62	40	23	8
1,660	1,680	244	207	174	152	131	109	87	65	43	25	10
1,680	1,700	249	212	177	155	134	112	90	68	46	27	12
1,700	1,720	254	217	181	158	137	115	93	71	49	29	14
1,720	1,740	259	222	186	161	140	118	96	74	52	31	16
1,740	1,760	264	227	191	164	143	121	99	77	55	33	18
1,760	1,780	269	232	196	167	146	124	102	80	58	36	20
1,780	1,800	274	237	201	170	149	127	105	83	61	39	22
1,800	1,820	279	242	206	173	152	130	108	86	64	42	24
1,820	1,840	284	247	211	176	155	133	111	89	67	45	26
1,840	1,860	289	252	216	179	158	136	114	92	70	48	28
1,860	1,880	294	257	221	184	161	139	117	95	73	51	30
1,880	1,900	299	262	226	189	164	142	120	98	76	54	32
1,900	1,920	304	267	231	194	167	145	123	101	79	57	35
1,920	1,940	309	272	236	199	170	148	126	104	82	60	38
1,940	1,960	314	277	241	204	173	151	129	107	85	63	41
1,960	1,980	319	282	246	209	176	154	132	110	88	66	44
1,980	2,000	324	287	251	214	179	157	135	113	91	69	47
2,000	2,020	329	292	256	219	183	160	138	116	94	72	50
2,020	2,040	334	297	261	224	188	163	141	119	97	75	53
2,040	2,060	339	302	266	229	193	166	144	122	100	78	56
2,060	2,080	344	307	271	234	198	169	147	125	103	81	59
2,080	2,100	349	312	276	239	203	172	150	128	106	84	62
2,100	2,120	354	317	281	244	208	175	153	131	109	87	65
2,120	2,140	359	322	286	249	213	178	156	134	112	90	68

\$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 2008)

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	\$270	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
270	280	0	0	0	0	0	0	0	0	0	0	0
280	290	0	0	0	0	0	0	0	0	0	0	0
290	300	0	0	0	0	0	0	0	0	0	0	0
300	310	0	0	0	0	0	0	0	0	0	0	0
310	320	0	0	0	0	0	0	0	0	0	0	0
320	330	0	0	0	0	0	0	0	0	0	0	0
330	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	1	0	0	0	0	0	0	0	0	0
490	500	16	2	0	0	0	0	0	0	0	0	0
500	520	18	3	0	0	0	0	0	0	0	0	0
520	540	20	5	0	0	0	0	0	0	0	0	0
540	560	22	7	0	0	0	0	0	0	0	0	0
560	580	24	9	0	0	0	0	0	0	0	0	0
580	600	26	11	0	0	0	0	0	0	0	0	0
600	620	28	13	0	0	0	0	0	0	0	0	0
620	640	30	15	1	0	0	0	0	0	0	0	0
640	660	32	17	3	0	0	0	0	0	0	0	0
660	680	34	19	5	0	0	0	0	0	0	0	0
680	700	36	21	7	0	0	0	0	0	0	0	0
700	720	38	23	9	0	0	0	0	0	0	0	0
720	740	40	25	11	0	0	0	0	0	0	0	0
740	760	42	27	13	0	0	0	0	0	0	0	0
760	780	44	29	15	0	0	0	0	0	0	0	0
780	800	46	31	17	2	0	0	0	0	0	0	0
800	820	48	33	19	4	0	0	0	0	0	0	0
820	840	50	35	21	6	0	0	0	0	0	0	0
840	860	52	37	23	8	0	0	0	0	0	0	0
860	880	54	39	25	10	0	0	0	0	0	0	0
880	900	56	41	27	12	0	0	0	0	0	0	0
900	920	58	43	29	14	0	0	0	0	0	0	0
920	940	60	45	31	16	1	0	0	0	0	0	0
940	960	62	47	33	18	3	0	0	0	0	0	0
960	980	64	49	35	20	5	0	0	0	0	0	0
980	1,000	66	51	37	22	7	0	0	0	0	0	0
1,000	1,020	69	53	39	24	9	0	0	0	0	0	0
1,020	1,040	72	55	41	26	11	0	0	0	0	0	0
1,040	1,060	75	57	43	28	13	0	0	0	0	0	0
1,060	1,080	78	59	45	30	15	1	0	0	0	0	0
1,080	1,100	81	61	47	32	17	3	0	0	0	0	0
1,100	1,120	84	63	49	34	19	5	0	0	0	0	0
1,120	1,140	87	65	51	36	21	7	0	0	0	0	0
1,140	1,160	90	68	53	38	23	9	0	0	0	0	0
1,160	1,180	93	71	55	40	25	11	0	0	0	0	0
1,180	1,200	96	74	57	42	27	13	0	0	0	0	0
1,200	1,220	99	77	59	44	29	15	0	0	0	0	0
1,220	1,240	102	80	61	46	31	17	2	0	0	0	0
1,240	1,260	105	83	63	48	33	19	4	0	0	0	0
1,260	1,280	108	86	65	50	35	21	6	0	0	0	0
1,280	1,300	111	89	67	52	37	23	8	0	0	0	0
1,300	1,320	114	92	70	54	39	25	10	0	0	0	0
1,320	1,340	117	95	73	56	41	27	12	0	0	0	0
1,340	1,360	120	98	76	58	43	29	14	0	0	0	0
1,360	1,380	123	101	79	60	45	31	16	2	0	0	0
1,380	1,400	126	104	82	62	47	33	18	4	0	0	0
1,400	1,420	129	107	85	64	49	35	20	6	0	0	0

MARRIED Persons—SEMIMONTHLY Payroll Period
(For Wages Paid in 2008)

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 –										
\$1,420	\$1,440	\$132	\$110	\$88	\$66	\$51	\$37	\$22	\$8	\$0	\$0	\$0
1,440	1,460	135	113	91	69	53	39	24	10	0	0	0
1,460	1,480	138	116	94	72	55	41	26	12	0	0	0
1,480	1,500	141	119	97	75	57	43	28	14	0	0	0
1,500	1,520	144	122	100	78	59	45	30	16	1	0	0
1,520	1,540	147	125	103	81	61	47	32	18	3	0	0
1,540	1,560	150	128	106	84	63	49	34	20	5	0	0
1,560	1,580	153	131	109	87	66	51	36	22	7	0	0
1,580	1,600	156	134	112	90	69	53	38	24	9	0	0
1,600	1,620	159	137	115	93	72	55	40	26	11	0	0
1,620	1,640	162	140	118	96	75	57	42	28	13	0	0
1,640	1,660	165	143	121	99	78	59	44	30	15	0	0
1,660	1,680	168	146	124	102	81	61	46	32	17	2	0
1,680	1,700	171	149	127	105	84	63	48	34	19	4	0
1,700	1,720	174	152	130	108	87	65	50	36	21	6	0
1,720	1,740	177	155	133	111	90	68	52	38	23	8	0
1,740	1,760	180	158	136	114	93	71	54	40	25	10	0
1,760	1,780	183	161	139	117	96	74	56	42	27	12	0
1,780	1,800	186	164	142	120	99	77	58	44	29	14	0
1,800	1,820	189	167	145	123	102	80	60	46	31	16	2
1,820	1,840	192	170	148	126	105	83	62	48	33	18	4
1,840	1,860	195	173	151	129	108	86	64	50	35	20	6
1,860	1,880	198	176	154	132	111	89	67	52	37	22	8
1,880	1,900	201	179	157	135	114	92	70	54	39	24	10
1,900	1,920	204	182	160	138	117	95	73	56	41	26	12
1,920	1,940	207	185	163	141	120	98	76	58	43	28	14
1,940	1,960	210	188	166	144	123	101	79	60	45	30	16
1,960	1,980	213	191	169	147	126	104	82	62	47	32	18
1,980	2,000	216	194	172	150	129	107	85	64	49	34	20
2,000	2,020	219	197	175	153	132	110	88	66	51	36	22
2,020	2,040	222	200	178	156	135	113	91	69	53	38	24
2,040	2,060	225	203	181	159	138	116	94	72	55	40	26
2,060	2,080	228	206	184	162	141	119	97	75	57	42	28
2,080	2,100	231	209	187	165	144	122	100	78	59	44	30
2,100	2,120	234	212	190	168	147	125	103	81	61	46	32
2,120	2,140	237	215	193	171	150	128	106	84	63	48	34
2,140	2,160	240	218	196	174	153	131	109	87	65	50	36
2,160	2,180	243	221	199	177	156	134	112	90	68	52	38
2,180	2,200	246	224	202	180	159	137	115	93	71	54	40
2,200	2,220	249	227	205	183	162	140	118	96	74	56	42
2,220	2,240	252	230	208	186	165	143	121	99	77	58	44
2,240	2,260	255	233	211	189	168	146	124	102	80	60	46
2,260	2,280	258	236	214	192	171	149	127	105	83	62	48
2,280	2,300	261	239	217	195	174	152	130	108	86	64	50
2,300	2,320	264	242	220	198	177	155	133	111	89	67	52
2,320	2,340	267	245	223	201	180	158	136	114	92	70	54
2,340	2,360	270	248	226	204	183	161	139	117	95	73	56
2,360	2,380	273	251	229	207	186	164	142	120	98	76	58
2,380	2,400	276	254	232	210	189	167	145	123	101	79	60
2,400	2,420	279	257	235	213	192	170	148	126	104	82	62
2,420	2,440	282	260	238	216	195	173	151	129	107	85	64
2,440	2,460	285	263	241	219	198	176	154	132	110	88	66
2,460	2,480	288	266	244	222	201	179	157	135	113	91	69
2,480	2,500	291	269	247	225	204	182	160	138	116	94	72
2,500	2,520	294	272	250	228	207	185	163	141	119	97	75
2,520	2,540	297	275	253	231	210	188	166	144	122	100	78
2,540	2,560	300	278	256	234	213	191	169	147	125	103	81
2,560	2,580	303	281	259	237	216	194	172	150	128	106	84
2,580	2,600	306	284	262	240	219	197	175	153	131	109	87
2,600	2,620	309	287	265	243	222	200	178	156	134	112	90
2,620	2,640	312	290	268	246	225	203	181	159	137	115	93
2,640	2,660	315	293	271	249	228	206	184	162	140	118	96
2,660	2,680	318	296	274	252	231	209	187	165	143	121	99
2,680	2,700	321	299	277	255	234	212	190	168	146	124	102
2,700	2,720	324	302	280	258	237	215	193	171	149	127	105
2,720	2,740	327	305	283	261	240	218	196	174	152	130	108

\$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 2008)

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	\$220	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
220	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	2	0	0	0	0	0	0	0	0	0
540	560	33	4	0	0	0	0	0	0	0	0	0
560	580	35	6	0	0	0	0	0	0	0	0	0
580	600	37	8	0	0	0	0	0	0	0	0	0
600	640	40	11	0	0	0	0	0	0	0	0	0
640	680	44	15	0	0	0	0	0	0	0	0	0
680	720	48	19	0	0	0	0	0	0	0	0	0
720	760	52	23	0	0	0	0	0	0	0	0	0
760	800	56	27	0	0	0	0	0	0	0	0	0
800	840	60	31	2	0	0	0	0	0	0	0	0
840	880	64	35	6	0	0	0	0	0	0	0	0
880	920	70	39	10	0	0	0	0	0	0	0	0
920	960	76	43	14	0	0	0	0	0	0	0	0
960	1,000	82	47	18	0	0	0	0	0	0	0	0
1,000	1,040	88	51	22	0	0	0	0	0	0	0	0
1,040	1,080	94	55	26	0	0	0	0	0	0	0	0
1,080	1,120	100	59	30	0	0	0	0	0	0	0	0
1,120	1,160	106	63	34	4	0	0	0	0	0	0	0
1,160	1,200	112	68	38	8	0	0	0	0	0	0	0
1,200	1,240	118	74	42	12	0	0	0	0	0	0	0
1,240	1,280	124	80	46	16	0	0	0	0	0	0	0
1,280	1,320	130	86	50	20	0	0	0	0	0	0	0
1,320	1,360	136	92	54	24	0	0	0	0	0	0	0
1,360	1,400	142	98	58	28	0	0	0	0	0	0	0
1,400	1,440	148	104	62	32	3	0	0	0	0	0	0
1,440	1,480	154	110	67	36	7	0	0	0	0	0	0
1,480	1,520	160	116	73	40	11	0	0	0	0	0	0
1,520	1,560	166	122	79	44	15	0	0	0	0	0	0
1,560	1,600	172	128	85	48	19	0	0	0	0	0	0
1,600	1,640	178	134	91	52	23	0	0	0	0	0	0
1,640	1,680	184	140	97	56	27	0	0	0	0	0	0
1,680	1,720	190	146	103	60	31	2	0	0	0	0	0
1,720	1,760	196	152	109	65	35	6	0	0	0	0	0
1,760	1,800	202	158	115	71	39	10	0	0	0	0	0
1,800	1,840	208	164	121	77	43	14	0	0	0	0	0
1,840	1,880	214	170	127	83	47	18	0	0	0	0	0
1,880	1,920	220	176	133	89	51	22	0	0	0	0	0
1,920	1,960	226	182	139	95	55	26	0	0	0	0	0
1,960	2,000	232	188	145	101	59	30	1	0	0	0	0
2,000	2,040	238	194	151	107	63	34	5	0	0	0	0
2,040	2,080	244	200	157	113	69	38	9	0	0	0	0
2,080	2,120	250	206	163	119	75	42	13	0	0	0	0
2,120	2,160	256	212	169	125	81	46	17	0	0	0	0
2,160	2,200	262	218	175	131	87	50	21	0	0	0	0
2,200	2,240	268	224	181	137	93	54	25	0	0	0	0
2,240	2,280	274	230	187	143	99	58	29	0	0	0	0
2,280	2,320	280	236	193	149	105	62	33	4	0	0	0
2,320	2,360	286	242	199	155	111	67	37	8	0	0	0
2,360	2,400	292	248	205	161	117	73	41	12	0	0	0
2,400	2,440	298	254	211	167	123	79	45	16	0	0	0

SINGLE Persons—MONTHLY Payroll Period

(For Wages Paid in 2008)

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 –										
\$2,440	\$2,480	\$304	\$260	\$217	\$173	\$129	\$85	\$49	\$20	\$0	\$0	\$0
2,480	2,520	310	266	223	179	135	91	53	24	0	0	0
2,520	2,560	316	272	229	185	141	97	57	28	0	0	0
2,560	2,600	322	278	235	191	147	103	61	32	3	0	0
2,600	2,640	328	284	241	197	153	109	66	36	7	0	0
2,640	2,680	334	290	247	203	159	115	72	40	11	0	0
2,680	2,720	340	296	253	209	165	121	78	44	15	0	0
2,720	2,760	346	302	259	215	171	127	84	48	19	0	0
2,760	2,800	352	308	265	221	177	133	90	52	23	0	0
2,800	2,840	358	314	271	227	183	139	96	56	27	0	0
2,840	2,880	367	320	277	233	189	145	102	60	31	1	0
2,880	2,920	377	326	283	239	195	151	108	64	35	5	0
2,920	2,960	387	332	289	245	201	157	114	70	39	9	0
2,960	3,000	397	338	295	251	207	163	120	76	43	13	0
3,000	3,040	407	344	301	257	213	169	126	82	47	17	0
3,040	3,080	417	350	307	263	219	175	132	88	51	21	0
3,080	3,120	427	356	313	269	225	181	138	94	55	25	0
3,120	3,160	437	364	319	275	231	187	144	100	59	29	0
3,160	3,200	447	374	325	281	237	193	150	106	63	33	4
3,200	3,240	457	384	331	287	243	199	156	112	68	37	8
3,240	3,280	467	394	337	293	249	205	162	118	74	41	12
3,280	3,320	477	404	343	299	255	211	168	124	80	45	16
3,320	3,360	487	414	349	305	261	217	174	130	86	49	20
3,360	3,400	497	424	355	311	267	223	180	136	92	53	24
3,400	3,440	507	434	361	317	273	229	186	142	98	57	28
3,440	3,480	517	444	371	323	279	235	192	148	104	61	32
3,480	3,520	527	454	381	329	285	241	198	154	110	66	36
3,520	3,560	537	464	391	335	291	247	204	160	116	72	40
3,560	3,600	547	474	401	341	297	253	210	166	122	78	44
3,600	3,640	557	484	411	347	303	259	216	172	128	84	48
3,640	3,680	567	494	421	353	309	265	222	178	134	90	52
3,680	3,720	577	504	431	359	315	271	228	184	140	96	56
3,720	3,760	587	514	441	368	321	277	234	190	146	102	60
3,760	3,800	597	524	451	378	327	283	240	196	152	108	65
3,800	3,840	607	534	461	388	333	289	246	202	158	114	71
3,840	3,880	617	544	471	398	339	295	252	208	164	120	77
3,880	3,920	627	554	481	408	345	301	258	214	170	126	83
3,920	3,960	637	564	491	418	351	307	264	220	176	132	89
3,960	4,000	647	574	501	428	357	313	270	226	182	138	95
4,000	4,040	657	584	511	438	365	319	276	232	188	144	101
4,040	4,080	667	594	521	448	375	325	282	238	194	150	107
4,080	4,120	677	604	531	458	385	331	288	244	200	156	113
4,120	4,160	687	614	541	468	395	337	294	250	206	162	119
4,160	4,200	697	624	551	478	405	343	300	256	212	168	125
4,200	4,240	707	634	561	488	415	349	306	262	218	174	131
4,240	4,280	717	644	571	498	425	355	312	268	224	180	137
4,280	4,320	727	654	581	508	435	362	318	274	230	186	143
4,320	4,360	737	664	591	518	445	372	324	280	236	192	149
4,360	4,400	747	674	601	528	455	382	330	286	242	198	155
4,400	4,440	757	684	611	538	465	392	336	292	248	204	161
4,440	4,480	767	694	621	548	475	402	342	298	254	210	167
4,480	4,520	777	704	631	558	485	412	348	304	260	216	173
4,520	4,560	787	714	641	568	495	422	354	310	266	222	179
4,560	4,600	797	724	651	578	505	432	360	316	272	228	185
4,600	4,640	807	734	661	588	515	442	370	322	278	234	191
4,640	4,680	817	744	671	598	525	452	380	328	284	240	197
4,680	4,720	827	754	681	608	535	462	390	334	290	246	203
4,720	4,760	837	764	691	618	545	472	400	340	296	252	209
4,760	4,800	847	774	701	628	555	482	410	346	302	258	215
4,800	4,840	857	784	711	638	565	492	420	352	308	264	221
4,840	4,880	867	794	721	648	575	502	430	358	314	270	227
4,880	4,920	877	804	731	658	585	512	440	367	320	276	233
4,920	4,960	887	814	741	668	595	522	450	377	326	282	239
4,960	5,000	897	824	751	678	605	532	460	387	332	288	245
5,000	5,040	907	834	761	688	615	542	470	397	338	294	251
5,040	5,080	917	844	771	698	625	552	480	407	344	300	257

\$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 2008)

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	\$540	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
540	560	0	0	0	0	0	0	0	0	0	0	0
560	580	0	0	0	0	0	0	0	0	0	0	0
580	600	0	0	0	0	0	0	0	0	0	0	0
600	640	0	0	0	0	0	0	0	0	0	0	0
640	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	2	0	0	0	0	0	0	0	0	0
1,000	1,040	35	6	0	0	0	0	0	0	0	0	0
1,040	1,080	39	10	0	0	0	0	0	0	0	0	0
1,080	1,120	43	14	0	0	0	0	0	0	0	0	0
1,120	1,160	47	18	0	0	0	0	0	0	0	0	0
1,160	1,200	51	22	0	0	0	0	0	0	0	0	0
1,200	1,240	55	26	0	0	0	0	0	0	0	0	0
1,240	1,280	59	30	1	0	0	0	0	0	0	0	0
1,280	1,320	63	34	5	0	0	0	0	0	0	0	0
1,320	1,360	67	38	9	0	0	0	0	0	0	0	0
1,360	1,400	71	42	13	0	0	0	0	0	0	0	0
1,400	1,440	75	46	17	0	0	0	0	0	0	0	0
1,440	1,480	79	50	21	0	0	0	0	0	0	0	0
1,480	1,520	83	54	25	0	0	0	0	0	0	0	0
1,520	1,560	87	58	29	0	0	0	0	0	0	0	0
1,560	1,600	91	62	33	4	0	0	0	0	0	0	0
1,600	1,640	95	66	37	8	0	0	0	0	0	0	0
1,640	1,680	99	70	41	12	0	0	0	0	0	0	0
1,680	1,720	103	74	45	16	0	0	0	0	0	0	0
1,720	1,760	107	78	49	20	0	0	0	0	0	0	0
1,760	1,800	111	82	53	24	0	0	0	0	0	0	0
1,800	1,840	115	86	57	28	0	0	0	0	0	0	0
1,840	1,880	119	90	61	32	3	0	0	0	0	0	0
1,880	1,920	123	94	65	36	7	0	0	0	0	0	0
1,920	1,960	127	98	69	40	11	0	0	0	0	0	0
1,960	2,000	132	102	73	44	15	0	0	0	0	0	0
2,000	2,040	138	106	77	48	19	0	0	0	0	0	0
2,040	2,080	144	110	81	52	23	0	0	0	0	0	0
2,080	2,120	150	114	85	56	27	0	0	0	0	0	0
2,120	2,160	156	118	89	60	31	2	0	0	0	0	0
2,160	2,200	162	122	93	64	35	6	0	0	0	0	0
2,200	2,240	168	126	97	68	39	10	0	0	0	0	0
2,240	2,280	174	130	101	72	43	14	0	0	0	0	0
2,280	2,320	180	136	105	76	47	18	0	0	0	0	0
2,320	2,360	186	142	109	80	51	22	0	0	0	0	0
2,360	2,400	192	148	113	84	55	26	0	0	0	0	0
2,400	2,440	198	154	117	88	59	30	0	0	0	0	0
2,440	2,480	204	160	121	92	63	34	4	0	0	0	0
2,480	2,520	210	166	125	96	67	38	8	0	0	0	0
2,520	2,560	216	172	129	100	71	42	12	0	0	0	0
2,560	2,600	222	178	135	104	75	46	16	0	0	0	0
2,600	2,640	228	184	141	108	79	50	20	0	0	0	0
2,640	2,680	234	190	147	112	83	54	24	0	0	0	0
2,680	2,720	240	196	153	116	87	58	28	0	0	0	0
2,720	2,760	246	202	159	120	91	62	32	3	0	0	0
2,760	2,800	252	208	165	124	95	66	36	7	0	0	0
2,800	2,840	258	214	171	128	99	70	40	11	0	0	0
2,840	2,880	264	220	177	133	103	74	44	15	0	0	0
2,880	2,920	270	226	183	139	107	78	48	19	0	0	0
2,920	2,960	276	232	189	145	111	82	52	23	0	0	0
2,960	3,000	282	238	195	151	115	86	56	27	0	0	0
3,000	3,040	288	244	201	157	119	90	60	31	2	0	0
3,040	3,080	294	250	207	163	123	94	64	35	6	0	0
3,080	3,120	300	256	213	169	127	98	68	39	10	0	0
3,120	3,160	306	262	219	175	131	102	72	43	14	0	0
3,160	3,200	312	268	225	181	137	106	76	47	18	0	0
3,200	3,240	318	274	231	187	143	110	80	51	22	0	0

MARRIED Persons—MONTHLY Payroll Period

(For Wages Paid in 2008)

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 –										
\$3,240	\$3,280	\$324	\$280	\$237	\$193	\$149	\$114	\$84	\$55	\$26	\$0	\$0
3,280	3,320	330	286	243	199	155	118	88	59	30	1	0
3,320	3,360	336	292	249	205	161	122	92	63	34	5	0
3,360	3,400	342	298	255	211	167	126	96	67	38	9	0
3,400	3,440	348	304	261	217	173	130	100	71	42	13	0
3,440	3,480	354	310	267	223	179	135	104	75	46	17	0
3,480	3,520	360	316	273	229	185	141	108	79	50	21	0
3,520	3,560	366	322	279	235	191	147	112	83	54	25	0
3,560	3,600	372	328	285	241	197	153	116	87	58	29	0
3,600	3,640	378	334	291	247	203	159	120	91	62	33	4
3,640	3,680	384	340	297	253	209	165	124	95	66	37	8
3,680	3,720	390	346	303	259	215	171	128	99	70	41	12
3,720	3,760	396	352	309	265	221	177	134	103	74	45	16
3,760	3,800	402	358	315	271	227	183	140	107	78	49	20
3,800	3,840	408	364	321	277	233	189	146	111	82	53	24
3,840	3,880	414	370	327	283	239	195	152	115	86	57	28
3,880	3,920	420	376	333	289	245	201	158	119	90	61	32
3,920	3,960	426	382	339	295	251	207	164	123	94	65	36
3,960	4,000	432	388	345	301	257	213	170	127	98	69	40
4,000	4,040	438	394	351	307	263	219	176	132	102	73	44
4,040	4,080	444	400	357	313	269	225	182	138	106	77	48
4,080	4,120	450	406	363	319	275	231	188	144	110	81	52
4,120	4,160	456	412	369	325	281	237	194	150	114	85	56
4,160	4,200	462	418	375	331	287	243	200	156	118	89	60
4,200	4,240	468	424	381	337	293	249	206	162	122	93	64
4,240	4,280	474	430	387	343	299	255	212	168	126	97	68
4,280	4,320	480	436	393	349	305	261	218	174	130	101	72
4,320	4,360	486	442	399	355	311	267	224	180	136	105	76
4,360	4,400	492	448	405	361	317	273	230	186	142	109	80
4,400	4,440	498	454	411	367	323	279	236	192	148	113	84
4,440	4,480	504	460	417	373	329	285	242	198	154	117	88
4,480	4,520	510	466	423	379	335	291	248	204	160	121	92
4,520	4,560	516	472	429	385	341	297	254	210	166	125	96
4,560	4,600	522	478	435	391	347	303	260	216	172	129	100
4,600	4,640	528	484	441	397	353	309	266	222	178	134	104
4,640	4,680	534	490	447	403	359	315	272	228	184	140	108
4,680	4,720	540	496	453	409	365	321	278	234	190	146	112
4,720	4,760	546	502	459	415	371	327	284	240	196	152	116
4,760	4,800	552	508	465	421	377	333	290	246	202	158	120
4,800	4,840	558	514	471	427	383	339	296	252	208	164	124
4,840	4,880	564	520	477	433	389	345	302	258	214	170	128
4,880	4,920	570	526	483	439	395	351	308	264	220	176	133
4,920	4,960	576	532	489	445	401	357	314	270	226	182	139
4,960	5,000	582	538	495	451	407	363	320	276	232	188	145
5,000	5,040	588	544	501	457	413	369	326	282	238	194	151
5,040	5,080	594	550	507	463	419	375	332	288	244	200	157
5,080	5,120	600	556	513	469	425	381	338	294	250	206	163
5,120	5,160	606	562	519	475	431	387	344	300	256	212	169
5,160	5,200	612	568	525	481	437	393	350	306	262	218	175
5,200	5,240	618	574	531	487	443	399	356	312	268	224	181
5,240	5,280	624	580	537	493	449	405	362	318	274	230	187
5,280	5,320	630	586	543	499	455	411	368	324	280	236	193
5,320	5,360	636	592	549	505	461	417	374	330	286	242	199
5,360	5,400	642	598	555	511	467	423	380	336	292	248	205
5,400	5,440	648	604	561	517	473	429	386	342	298	254	211
5,440	5,480	654	610	567	523	479	435	392	348	304	260	217
5,480	5,520	660	616	573	529	485	441	398	354	310	266	223
5,520	5,560	666	622	579	535	491	447	404	360	316	272	229
5,560	5,600	672	628	585	541	497	453	410	366	322	278	235
5,600	5,640	678	634	591	547	503	459	416	372	328	284	241
5,640	5,680	684	640	597	553	509	465	422	378	334	290	247
5,680	5,720	690	646	603	559	515	471	428	384	340	296	253
5,720	5,760	696	652	609	565	521	477	434	390	346	302	259
5,760	5,800	702	658	615	571	527	483	440	396	352	308	265
5,800	5,840	708	664	621	577	533	489	446	402	358	314	271
5,840	5,880	714	670	627	583	539	495	452	408	364	320	277

\$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 2008)

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

SINGLE Persons—DAILY OR MISCELLANEOUS Payroll Period
(For Wages Paid in 2008)

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 –										
\$219	\$222	\$39	\$36	\$32	\$29	\$26	\$22	\$19	\$16	\$14	\$12	\$10
222	225	40	36	33	30	26	23	20	16	14	12	10
225	228	41	37	34	30	27	24	20	17	15	13	11
228	231	41	38	35	31	28	24	21	18	15	13	11
231	234	42	39	35	32	29	25	22	19	16	14	12
234	237	43	39	36	33	29	26	23	19	16	14	12
237	240	44	40	37	33	30	27	23	20	17	15	13
240	243	44	41	38	34	31	27	24	21	17	15	13
243	246	45	42	38	35	32	28	25	22	18	16	13
246	249	46	42	39	36	32	29	26	22	19	16	14
249	252	47	43	40	36	33	30	26	23	20	16	14
252	255	47	44	41	37	34	30	27	24	20	17	15
255	258	48	45	41	38	35	31	28	25	21	18	15
258	261	49	45	42	39	35	32	29	25	22	19	16
261	264	50	46	43	39	36	33	29	26	23	19	16
264	267	50	47	44	40	37	33	30	27	23	20	17
267	270	51	48	44	41	38	34	31	28	24	21	17
270	273	52	48	45	42	38	35	32	28	25	22	18
273	276	53	49	46	42	39	36	32	29	26	22	19
276	279	53	50	47	43	40	36	33	30	26	23	20
279	282	54	51	47	44	41	37	34	31	27	24	20
282	285	55	51	48	45	41	38	35	31	28	25	21
285	288	56	52	49	45	42	39	35	32	29	25	22
288	291	56	53	50	46	43	39	36	33	29	26	23
291	294	57	54	50	47	44	40	37	34	30	27	23
294	297	58	54	51	48	44	41	38	34	31	28	24
297	300	59	55	52	48	45	42	38	35	32	28	25
300	303	59	56	53	49	46	42	39	36	32	29	26
303	306	60	57	53	50	47	43	40	37	33	30	26
306	309	61	57	54	51	47	44	41	37	34	31	27
309	312	62	58	55	51	48	45	41	38	35	31	28
312	315	62	59	56	52	49	45	42	39	35	32	29
315	318	63	60	56	53	50	46	43	40	36	33	29
318	321	64	60	57	54	50	47	44	40	37	34	30
321	324	65	61	58	54	51	48	44	41	38	34	31
324	327	66	62	59	55	52	48	45	42	38	35	32
327	330	67	63	59	56	53	49	46	43	39	36	32
330	333	68	64	60	57	53	50	47	43	40	37	33
333	336	68	65	61	57	54	51	47	44	41	37	34
336	339	69	65	62	58	55	51	48	45	41	38	35
339	341	70	66	62	59	55	52	49	45	42	39	35
341	343	70	67	63	59	56	53	49	46	43	39	36
343	345	71	67	63	60	56	53	50	46	43	40	36
345	347	72	68	64	60	57	54	50	47	44	40	37
347	349	72	68	65	61	57	54	51	47	44	41	37
349	351	73	69	65	61	58	55	51	48	45	41	38
351	353	73	69	66	62	58	55	52	48	45	42	38
353	355	74	70	66	62	59	56	52	49	46	42	39
355	357	74	71	67	63	59	56	53	49	46	43	39
357	359	75	71	67	64	60	57	53	50	47	43	40
359	361	76	72	68	64	60	57	54	50	47	44	40
361	363	76	72	69	65	61	58	54	51	48	44	41
363	365	77	73	69	65	62	58	55	51	48	45	41
365	367	77	73	70	66	62	59	55	52	49	45	42
367	369	78	74	70	66	63	59	56	52	49	46	42
369	371	78	75	71	67	63	60	56	53	50	46	43
371	373	79	75	71	68	64	60	57	53	50	47	43
373	375	79	76	72	68	64	61	57	54	51	47	44
375	377	80	76	72	69	65	61	58	54	51	48	44
377	379	81	77	73	69	65	62	58	55	52	48	45
379	381	81	77	74	70	66	62	59	55	52	49	45
381	383	82	78	74	70	67	63	59	56	53	49	46
383	385	82	78	75	71	67	63	60	56	53	50	46
385	387	83	79	75	71	68	64	60	57	54	50	47
387	389	83	80	76	72	68	65	61	57	54	51	47
389	391	84	80	76	73	69	65	61	58	55	51	48

\$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 2008)

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	\$27	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	30	0	0	0	0	0	0	0	0	0	0	0
30	33	0	0	0	0	0	0	0	0	0	0	0
33	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	1	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	2	0	0	0	0	0	0	0	0
75	78	5	3	2	1	0	0	0	0	0	0	0
78	81	5	4	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	1	0	0	0	0	0	0
93	96	7	5	4	2	1	0	0	0	0	0	0
96	99	7	5	4	3	1	0	0	0	0	0	0
99	102	7	6	4	3	2	0	0	0	0	0	0
102	105	8	6	5	3	2	1	0	0	0	0	0
105	108	8	6	5	4	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	2	0	0	0	0	0
117	120	10	8	6	5	3	2	1	0	0	0	0
120	123	11	9	7	5	4	2	1	0	0	0	0
123	126	11	9	7	5	4	3	1	0	0	0	0
126	129	12	10	7	6	4	3	2	0	0	0	0
129	132	12	10	8	6	5	3	2	1	0	0	0
132	135	12	10	8	6	5	4	2	1	0	0	0
135	138	13	11	9	7	5	4	2	1	0	0	0
138	141	13	11	9	7	5	4	3	1	0	0	0
141	144	14	12	10	8	6	4	3	2	0	0	0
144	147	14	12	10	8	6	5	3	2	1	0	0
147	150	15	13	11	9	7	5	4	2	1	0	0
150	153	15	13	11	9	7	5	4	3	1	0	0
153	156	16	14	12	10	7	6	4	3	2	0	0
156	159	16	14	12	10	8	6	5	3	2	1	0
159	162	16	14	12	10	8	6	5	4	2	1	0
162	165	17	15	13	11	9	7	5	4	3	1	0
165	168	17	15	13	11	9	7	5	4	3	1	0
168	171	18	16	14	12	10	8	6	4	3	2	0
171	174	18	16	14	12	10	8	6	5	3	2	1
174	177	19	17	15	13	11	9	7	5	4	2	1
177	180	19	17	15	13	11	9	7	5	4	3	1
180	183	20	18	16	14	12	10	8	6	4	3	2
183	186	20	18	16	14	12	10	8	6	5	3	2
186	189	21	19	16	14	12	10	8	6	5	4	2
189	192	21	19	17	15	13	11	9	7	5	4	3
192	195	21	19	17	15	13	11	9	7	6	4	3
195	198	22	20	18	16	14	12	10	8	6	4	3
198	201	22	20	18	16	14	12	10	8	6	5	3
201	204	23	21	19	17	15	13	11	9	7	5	4
204	207	23	21	19	17	15	13	11	9	7	5	4
207	210	24	22	20	18	16	14	12	10	8	6	4
210	213	24	22	20	18	16	14	12	10	8	6	5
213	216	25	23	21	19	16	14	12	10	8	6	5
216	219	25	23	21	19	17	15	13	11	9	7	5
219	222	25	23	21	19	17	15	13	11	9	7	6
222	225	26	24	22	20	18	16	14	12	10	8	6
225	228	26	24	22	20	18	16	14	12	10	8	6
228	231	27	25	23	21	19	17	15	13	11	9	7
231	234	27	25	23	21	19	17	15	13	11	9	7

MARRIED Persons—DAILY OR MISCELLANEOUS Payroll Period
(For Wages Paid in 2008)

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 –										
\$234	\$237	\$28	\$26	\$24	\$22	\$20	\$18	\$16	\$14	\$12	\$10	\$8
237	240	28	26	24	22	20	18	16	14	12	10	8
240	243	29	27	25	23	21	19	17	14	12	10	8
243	246	29	27	25	23	21	19	17	15	13	11	9
246	249	30	28	25	23	21	19	17	15	13	11	9
249	252	30	28	26	24	22	20	18	16	14	12	10
252	255	30	28	26	24	22	20	18	16	14	12	10
255	258	31	29	27	25	23	21	19	17	15	13	11
258	261	31	29	27	25	23	21	19	17	15	13	11
261	264	32	30	28	26	24	22	20	18	16	14	12
264	267	32	30	28	26	24	22	20	18	16	14	12
267	270	33	31	29	27	25	23	21	19	17	14	12
270	273	33	31	29	27	25	23	21	19	17	15	13
273	276	34	32	30	28	25	23	21	19	17	15	13
276	279	34	32	30	28	26	24	22	20	18	16	14
279	282	35	32	30	28	26	24	22	20	18	16	14
282	285	36	33	31	29	27	25	23	21	19	17	15
285	288	36	33	31	29	27	25	23	21	19	17	15
288	291	37	34	32	30	28	26	24	22	20	18	16
291	294	38	34	32	30	28	26	24	22	20	18	16
294	297	39	35	33	31	29	27	25	23	21	19	17
297	300	39	36	33	31	29	27	25	23	21	19	17
300	303	40	37	34	32	30	28	26	23	21	19	17
303	306	41	37	34	32	30	28	26	24	22	20	18
306	309	42	38	35	32	30	28	26	24	22	20	18
309	312	42	39	36	33	31	29	27	25	23	21	19
312	315	43	40	36	33	31	29	27	25	23	21	19
315	318	44	40	37	34	32	30	28	26	24	22	20
318	321	45	41	38	34	32	30	28	26	24	22	20
321	324	45	42	39	35	33	31	29	27	25	23	21
324	327	46	43	39	36	33	31	29	27	25	23	21
327	330	47	43	40	37	34	32	30	28	26	23	21
330	333	48	44	41	37	34	32	30	28	26	24	22
333	336	48	45	42	38	35	32	30	28	26	24	22
336	339	49	46	42	39	36	33	31	29	27	25	23
339	341	50	46	43	40	36	33	31	29	27	25	23
341	343	50	47	43	40	37	34	32	30	28	26	24
343	345	51	47	44	41	37	34	32	30	28	26	24
345	347	51	48	44	41	38	34	32	30	28	26	24
347	349	52	48	45	42	38	35	32	30	28	26	24
349	351	52	49	45	42	39	35	33	31	29	27	25
351	353	53	49	46	43	39	36	33	31	29	27	25
353	355	53	50	46	43	40	36	33	31	29	27	25
355	357	54	50	47	44	40	37	34	32	30	28	26
357	359	54	51	47	44	41	37	34	32	30	28	26
359	361	55	51	48	45	41	38	34	32	30	28	26
361	363	55	52	48	45	42	38	35	33	31	29	27
363	365	56	52	49	46	42	39	35	33	31	29	27
365	367	56	53	49	46	43	39	36	33	31	29	27
367	369	57	53	50	47	43	40	36	33	31	29	27
369	371	57	54	50	47	44	40	37	34	32	30	28
371	373	58	54	51	48	44	41	37	34	32	30	28
373	375	58	55	51	48	45	41	38	35	32	30	28
375	377	59	55	52	49	45	42	38	35	33	31	29
377	379	59	56	52	49	46	42	39	36	33	31	29
379	381	60	56	53	50	46	43	39	36	33	31	29
381	383	60	57	53	50	47	43	40	37	34	32	30
383	385	61	57	54	51	47	44	40	37	34	32	30
385	387	61	58	54	51	48	44	41	38	34	32	30
387	389	62	58	55	52	48	45	41	38	35	32	30
389	391	62	59	55	52	49	45	42	39	35	33	31
391	393	63	59	56	53	49	46	42	39	36	33	31
393	395	63	60	56	53	50	46	43	40	36	33	31
395	397	64	60	57	54	50	47	43	40	37	34	32
397	399	64	61	57	54	51	47	44	41	37	34	32
399	401	65	61	58	55	51	48	44	41	38	34	32

\$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 2008)

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	\$165	20.40% of wages	\$0	\$165	20.40% of wages	\$0	\$82	20.40% of wages
\$165	\$302	\$34	\$165	\$360	\$34	\$82	\$180	\$17
\$302		\$34 less 9.588% of wages in excess of \$302	\$360		\$34 less 9.588% of wages in excess of \$360	\$180		\$17 less 9.588% of wages in excess of \$180

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	\$330	20.40% of wages	\$0	\$330	20.40% of wages	\$0	\$165	20.40% of wages
\$330	\$605	\$67	\$330	\$720	\$67	\$165	\$360	\$34
\$605		\$67 less 9.588% of wages in excess of \$605	\$720		\$67 less 9.588% of wages in excess of \$720	\$360		\$34 less 9.588% of wages in excess of \$360

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	\$357	20.40% of wages	\$0	\$357	20.40% of wages	\$0	\$178	20.40% of wages
\$357	\$655	\$73	\$357	\$780	\$73	\$178	\$390	\$36
\$655		\$73 less 9.588% of wages in excess of \$655	\$780		\$73 less 9.588% of wages in excess of \$780	\$390		\$36 less 9.588% of wages in excess of \$390

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	\$715	20.40% of wages	\$0	\$715	20.40% of wages	\$0	\$357	20.40% of wages
\$715	\$1,311	\$146	\$715	\$1,561	\$146	\$357	\$780	\$73
\$1,311		\$146 less 9.588% of wages in excess of \$1,311	\$1,561		\$146 less 9.588% of wages in excess of \$1,561	\$780		\$73 less 9.588% of wages in excess of \$780

Tables for Percentage Method of Advance EIC Payments (continued)
(For Wages Paid in 2008)

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:		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	\$2,145	20.40% of wages	\$0	\$2,145	20.40% of wages	\$0	\$1,072	20.40% of wages
\$2,145	\$3,935	\$438	\$2,145	\$4,685	\$438	\$1,072	\$2,342	\$219
\$3,935		\$438 less 9.588% of wages in excess of \$3,935	\$4,685		\$438 less 9.588% of wages in excess of \$4,685	\$2,342		\$219 less 9.588% of wages in excess of \$2,342

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:		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	\$4,290	20.40% of wages	\$0	\$4,290	20.40% of wages	\$0	\$2,145	20.40% of wages
\$4,290	\$7,870	\$875	\$4,290	\$9,370	\$875	\$2,145	\$4,685	\$438
\$7,870		\$875 less 9.588% of wages in excess of \$7,870	\$9,370		\$875 less 9.588% of wages in excess of \$9,370	\$4,685		\$438 less 9.588% of wages in excess of \$4,685

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:		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	\$8,580	20.40% of wages	\$0	\$8,580	20.40% of wages	\$0	\$4,290	20.40% of wages
\$8,580	\$15,740	\$1,750	\$8,580	\$18,740	\$1,750	\$4,290	\$9,370	\$875
\$15,740		\$1,750 less 9.588% of wages in excess of \$15,740	\$18,740		\$1,750 less 9.588% of wages in excess of \$18,740	\$9,370		\$875 less 9.588% of wages in excess of \$9,370

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:		The amount of payment to be made is the following amount multiplied by the number of days in such period:	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:	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:
Over—	But not over—		Over—	But not over—		Over—	But not over—	
\$0	\$33	20.40% of wages	\$0	\$33	20.40% of wages	\$0	\$16	20.40% of wages
\$33	\$60	\$7	\$33	\$72	\$7	\$16	\$36	\$3
\$60		\$7 less 9.588% of wages in excess of \$60	\$72		\$7 less 9.588% of wages in excess of \$72	\$36		\$3 less 9.588% of wages in excess of \$36

Tables for Wage Bracket Method of Advance EIC Payments (For Wages Paid in 2008)

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	\$70	\$75	\$14	\$140	\$145	\$29	\$390	\$400	\$24	\$530	\$540	\$11
5	10	1	75	80	15	145	150	30	400	410	23	540	550	10
10	15	2	80	85	16	150	155	31	410	420	22	550	560	9
15	20	3	85	90	17	155	160	32	420	430	21	560	570	8
20	25	4	90	95	18	160	300	33	430	440	20	570	580	7
25	30	5	95	100	19	300	310	33	440	450	20	580	590	6
30	35	6	100	105	20	310	320	32	450	460	19	590	600	5
35	40	7	105	110	21	320	330	31	460	470	18	600	610	4
40	45	8	110	115	22	330	340	30	470	480	17	610	620	3
45	50	9	115	120	23	340	350	29	480	490	16	620	630	2
50	55	10	120	125	24	350	360	28	490	500	15	630	640	1
55	60	11	125	130	26	360	370	27	500	510	14	640	---	0
60	65	12	130	135	27	370	380	26	510	520	13			
65	70	13	135	140	28	380	390	25	520	530	12			

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	\$70	\$75	\$14	\$140	\$145	\$29	\$450	\$460	\$24	\$590	\$600	\$11
5	10	1	75	80	15	145	150	30	460	470	23	600	610	10
10	15	2	80	85	16	150	155	31	470	480	22	610	620	9
15	20	3	85	90	17	155	160	32	480	490	21	620	630	8
20	25	4	90	95	18	160	360	33	490	500	20	630	640	7
25	30	5	95	100	19	360	370	33	500	510	19	640	650	6
30	35	6	100	105	20	370	380	32	510	520	18	650	660	5
35	40	7	105	110	21	380	390	31	520	530	17	660	670	4
40	45	8	110	115	22	390	400	30	530	540	16	670	680	3
45	50	9	115	120	23	400	410	29	540	550	15	680	690	2
50	55	10	120	125	24	410	420	28	550	560	15	690	700	1
55	60	11	125	130	26	420	430	27	560	570	14	700	---	0
60	65	12	130	135	27	430	440	26	570	580	13			
65	70	13	135	140	28	440	450	25	580	590	12			

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	\$35	\$40	\$7	\$70	\$75	\$14	\$220	\$230	\$12	\$290	\$300	\$5
5	10	1	40	45	8	75	80	15	230	240	11	300	310	4
10	15	2	45	50	9	80	180	16	240	250	10	310	320	3
15	20	3	50	55	10	180	190	16	250	260	9	320	330	2
20	25	4	55	60	11	190	200	15	260	270	8	330	340	2
25	30	5	60	65	12	200	210	14	270	280	7	340	350	1
30	35	6	65	70	13	210	220	13	280	290	6	350	---	0

BIWEEKLY 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	\$60	\$65	\$12	\$120	\$125	\$24	\$180	\$185	\$37	\$240	\$245	\$49
5	10	1	65	70	13	125	130	26	185	190	38	245	250	50
10	15	2	70	75	14	130	135	27	190	195	39	250	255	51
15	20	3	75	80	15	135	140	28	195	200	40	255	260	52
20	25	4	80	85	16	140	145	29	200	205	41	260	265	53
25	30	5	85	90	17	145	150	30	205	210	42	265	270	54
30	35	6	90	95	18	150	155	31	210	215	43	270	275	55
35	40	7	95	100	19	155	160	32	215	220	44	275	280	56
40	45	8	100	105	20	160	165	33	220	225	45	280	285	57
45	50	9	105	110	21	165	170	34	225	230	46	285	290	58
50	55	10	110	115	22	170	175	35	230	235	47	290	295	59
55	60	11	115	120	23	175	180	36	235	240	48			

(continued on next page)

SEMIMONTHLY Payroll Period

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	\$480	\$490	\$27	\$630	\$640	\$13
5	10	1	80	85	16	155	160	32	490	500	26	640	650	12
10	15	2	85	90	17	160	165	33	500	510	25	650	660	11
15	20	3	90	95	18	165	170	34	510	520	24	660	670	10
20	25	4	95	100	19	170	175	35	520	530	23	670	680	9
25	30	5	100	105	20	175	390	36	530	540	22	680	690	8
30	35	6	105	110	21	390	400	36	540	550	21	690	700	7
35	40	7	110	115	22	400	410	35	550	560	20	700	710	6
40	45	8	115	120	23	410	420	34	560	570	19	710	720	5
45	50	9	120	125	24	420	430	33	570	580	18	720	730	4
50	55	10	125	130	26	430	440	32	580	590	17	730	740	3
55	60	11	130	135	27	440	450	31	590	600	16	740	750	2
60	65	12	135	140	28	450	460	30	600	610	15	750	760	1
65	70	13	140	145	29	460	470	29	610	620	14	760	---	0
70	75	14	145	150	30	470	480	28	620	630	13			

MONTHLY 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	\$225	\$230	\$46	\$450	\$455	\$92	\$675	\$680	\$138	\$1,680	\$1,690	\$110
5	10	1	230	235	47	455	460	93	680	685	139	1,690	1,700	109
10	15	2	235	240	48	460	465	94	685	690	140	1,700	1,710	108
15	20	3	240	245	49	465	470	95	690	695	141	1,710	1,720	107
20	25	4	245	250	50	470	475	96	695	700	142	1,720	1,730	106
25	30	5	250	255	51	475	480	97	700	705	143	1,730	1,740	105
30	35	6	255	260	52	480	485	98	705	710	144	1,740	1,750	104
35	40	7	260	265	53	485	490	99	710	1,310	145	1,750	1,760	103
40	45	8	265	270	54	490	495	100	1,310	1,320	145	1,760	1,770	102
45	50	9	270	275	55	495	500	101	1,320	1,330	144	1,770	1,780	101
50	55	10	275	280	56	500	505	102	1,330	1,340	143	1,780	1,790	100
55	60	11	280	285	57	505	510	103	1,340	1,350	142	1,790	1,800	99
60	65	12	285	290	58	510	515	104	1,350	1,360	141	1,800	1,810	98
65	70	13	290	295	59	515	520	105	1,360	1,370	140	1,810	1,820	97
70	75	14	295	300	60	520	525	106	1,370	1,380	139	1,820	1,830	96
75	80	15	300	305	61	525	530	107	1,380	1,390	138	1,830	1,840	95
80	85	16	305	310	62	530	535	108	1,390	1,400	137	1,840	1,850	94
85	90	17	310	315	63	535	540	109	1,400	1,410	136	1,850	1,860	93
90	95	18	315	320	64	540	545	110	1,410	1,420	135	1,860	1,870	92
95	100	19	320	325	65	545	550	111	1,420	1,430	134	1,870	1,880	91
100	105	20	325	330	66	550	555	112	1,430	1,440	134	1,880	1,890	90
105	110	21	330	335	67	555	560	113	1,440	1,450	133	1,890	1,900	89
110	115	22	335	340	68	560	565	114	1,450	1,460	132	1,900	1,910	88
115	120	23	340	345	69	565	570	115	1,460	1,470	131	1,910	1,920	88
120	125	24	345	350	70	570	575	116	1,470	1,480	130	1,920	1,930	87
125	130	26	350	355	71	575	580	117	1,480	1,490	129	1,930	1,940	86
130	135	27	355	360	72	580	585	118	1,490	1,500	128	1,940	1,950	85
135	140	28	360	365	73	585	590	119	1,500	1,510	127	1,950	1,960	84
140	145	29	365	370	74	590	595	120	1,510	1,520	126	1,960	1,970	83
145	150	30	370	375	75	595	600	121	1,520	1,530	125	1,970	1,980	82
150	155	31	375	380	77	600	605	122	1,530	1,540	124	1,980	1,990	81
155	160	32	380	385	78	605	610	123	1,540	1,550	123	1,990	2,000	80
160	165	33	385	390	79	610	615	124	1,550	1,560	122	2,000	2,010	79
165	170	34	390	395	80	615	620	125	1,560	1,570	121	2,010	2,020	78
170	175	35	395	400	81	620	625	126	1,570	1,580	120	2,020	2,030	77
175	180	36	400	405	82	625	630	128	1,580	1,590	119	2,030	2,040	76
180	185	37	405	410	83	630	635	129	1,590	1,600	118	2,040	2,050	75
185	190	38	410	415	84	635	640	130	1,600	1,610	117	2,050	2,060	74
190	195	39	415	420	85	640	645	131	1,610	1,620	116	2,060	2,070	73
195	200	40	420	425	86	645	650	132	1,620	1,630	115	2,070	2,080	72
200	205	41	425	430	87	650	655	133	1,630	1,640	114	2,080	2,090	71
205	210	42	430	435	88	655	660	134	1,640	1,650	113	2,090	2,100	70
210	215	43	435	440	89	660	665	135	1,650	1,660	112	2,100	2,110	69
215	220	44	440	445	90	665	670	136	1,660	1,670	111	2,110	2,120	68
220	225	45	445	450	91	670	675	137	1,670	1,680	111	2,120	2,130	67

(continued on next page)

MONTHLY Payroll Period

SINGLE or HEAD OF HOUSEHOLD (continued)

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
\$2,130	\$2,140	\$66	\$2,270	\$2,280	53	\$2,410	\$2,420	\$40	\$2,550	\$2,560	\$26	\$2,690	\$2,700	\$13
2,140	2,150	65	2,280	2,290	52	2,420	2,430	39	2,560	2,570	25	2,700	2,710	12
2,150	2,160	64	2,290	2,300	51	2,430	2,440	38	2,570	2,580	24	2,710	2,720	11
2,160	2,170	64	2,300	2,310	50	2,440	2,450	37	2,580	2,590	23	2,720	2,730	10
2,170	2,180	63	2,310	2,320	49	2,450	2,460	36	2,590	2,600	22	2,730	2,740	9
2,180	2,190	62	2,320	2,330	48	2,460	2,470	35	2,600	2,610	21	2,740	2,750	8
2,190	2,200	61	2,330	2,340	47	2,470	2,480	34	2,610	2,620	20	2,750	2,760	7
2,200	2,210	60	2,340	2,350	46	2,480	2,490	33	2,620	2,630	19	2,760	2,770	6
2,210	2,220	59	2,350	2,360	45	2,490	2,500	32	2,630	2,640	18	2,770	2,780	5
2,220	2,230	58	2,360	2,370	44	2,500	2,510	31	2,640	2,650	18	2,780	2,790	4
2,230	2,240	57	2,370	2,380	43	2,510	2,520	30	2,650	2,660	17	2,790	2,800	3
2,240	2,250	56	2,380	2,390	42	2,520	2,530	29	2,660	2,670	16	2,800	2,810	2
2,250	2,260	55	2,390	2,400	41	2,530	2,540	28	2,670	2,680	15	2,810	2,820	1
2,260	2,270	54	2,400	2,410	41	2,540	2,550	27	2,680	2,690	14	2,820	- - -	0

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	\$225	\$230	\$46	\$450	\$455	\$92	\$675	\$680	\$138	\$1,930	\$1,940	\$110
5	10	1	230	235	47	455	460	93	680	685	139	1,940	1,950	109
10	15	2	235	240	48	460	465	94	685	690	140	1,950	1,960	108
15	20	3	240	245	49	465	470	95	690	695	141	1,960	1,970	107
20	25	4	245	250	50	470	475	96	695	700	142	1,970	1,980	106
25	30	5	250	255	51	475	480	97	700	705	143	1,980	1,990	105
30	35	6	255	260	52	480	485	98	705	710	144	1,990	2,000	104
35	40	7	260	265	53	485	490	99	710	1,560	145	2,000	2,010	103
40	45	8	265	270	54	490	495	100	1,560	1,570	145	2,010	2,020	102
45	50	9	270	275	55	495	500	101	1,570	1,580	144	2,020	2,030	101
50	55	10	275	280	56	500	505	102	1,580	1,590	143	2,030	2,040	100
55	60	11	280	285	57	505	510	103	1,590	1,600	142	2,040	2,050	99
60	65	12	285	290	58	510	515	104	1,600	1,610	141	2,050	2,060	98
65	70	13	290	295	59	515	520	105	1,610	1,620	140	2,060	2,070	97
70	75	14	295	300	60	520	525	106	1,620	1,630	139	2,070	2,080	96
75	80	15	300	305	61	525	530	107	1,630	1,640	138	2,080	2,090	95
80	85	16	305	310	62	530	535	108	1,640	1,650	137	2,090	2,100	94
85	90	17	310	315	63	535	540	109	1,650	1,660	136	2,100	2,110	93
90	95	18	315	320	64	540	545	110	1,660	1,670	135	2,110	2,120	92
95	100	19	320	325	65	545	550	111	1,670	1,680	134	2,120	2,130	91
100	105	20	325	330	66	550	555	112	1,680	1,690	134	2,130	2,140	90
105	110	21	330	335	67	555	560	113	1,690	1,700	133	2,140	2,150	89
110	115	22	335	340	68	560	565	114	1,700	1,710	132	2,150	2,160	88
115	120	23	340	345	69	565	570	115	1,710	1,720	131	2,160	2,170	88
120	125	24	345	350	70	570	575	116	1,720	1,730	130	2,170	2,180	87
125	130	26	350	355	71	575	580	117	1,730	1,740	129	2,180	2,190	86
130	135	27	355	360	72	580	585	118	1,740	1,750	128	2,190	2,200	85
135	140	28	360	365	73	585	590	119	1,750	1,760	127	2,200	2,210	84
140	145	29	365	370	74	590	595	120	1,760	1,770	126	2,210	2,220	83
145	150	30	370	375	75	595	600	121	1,770	1,780	125	2,220	2,230	82
150	155	31	375	380	77	600	605	122	1,780	1,790	124	2,230	2,240	81
155	160	32	380	385	78	605	610	123	1,790	1,800	123	2,240	2,250	80
160	165	33	385	390	79	610	615	124	1,800	1,810	122	2,250	2,260	79
165	170	34	390	395	80	615	620	125	1,810	1,820	121	2,260	2,270	78
170	175	35	395	400	81	620	625	126	1,820	1,830	120	2,270	2,280	77
175	180	36	400	405	82	625	630	128	1,830	1,840	119	2,280	2,290	76
180	185	37	405	410	83	630	635	129	1,840	1,850	118	2,290	2,300	75
185	190	38	410	415	84	635	640	130	1,850	1,860	117	2,300	2,310	74
190	195	39	415	420	85	640	645	131	1,860	1,870	116	2,310	2,320	73
195	200	40	420	425	86	645	650	132	1,870	1,880	115	2,320	2,330	72
200	205	41	425	430	87	650	655	133	1,880	1,890	114	2,330	2,340	71
205	210	42	430	435	88	655	660	134	1,890	1,900	113	2,340	2,350	70
210	215	43	435	440	89	660	665	135	1,900	1,910	112	2,350	2,360	69
215	220	44	440	445	90	665	670	136	1,910	1,920	111	2,360	2,370	68
220	225	45	445	450	91	670	675	137	1,920	1,930	111	2,370	2,380	67

(continued on next page)

MONTHLY Payroll Period

Married Without Spouse Filing Certificate (continued)

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
\$2,380	\$2,390	\$66	\$2,520	\$2,530	\$53	\$2,660	\$2,670	\$40	\$2,800	\$2,810	\$26	\$2,940	\$2,950	\$13
2,390	2,400	65	2,530	2,540	52	2,670	2,680	39	2,810	2,820	25	2,950	2,960	12
2,400	2,410	64	2,540	2,550	51	2,680	2,690	38	2,820	2,830	24	2,960	2,970	11
2,410	2,420	64	2,550	2,560	50	2,690	2,700	37	2,830	2,840	23	2,970	2,980	10
2,420	2,430	63	2,560	2,570	49	2,700	2,710	36	2,840	2,850	22	2,980	2,990	9
2,430	2,440	62	2,570	2,580	48	2,710	2,720	35	2,850	2,860	21	2,990	3,000	8
2,440	2,450	61	2,580	2,590	47	2,720	2,730	34	2,860	2,870	20	3,000	3,010	7
2,450	2,460	60	2,590	2,600	46	2,730	2,740	33	2,870	2,880	19	3,010	3,020	6
2,460	2,470	59	2,600	2,610	45	2,740	2,750	32	2,880	2,890	18	3,020	3,030	5
2,470	2,480	58	2,610	2,620	44	2,750	2,760	31	2,890	2,900	18	3,030	3,040	4
2,480	2,490	57	2,620	2,630	43	2,760	2,770	30	2,900	2,910	17	3,040	3,050	3
2,490	2,500	56	2,630	2,640	42	2,770	2,780	29	2,910	2,920	16	3,050	3,060	2
2,500	2,510	55	2,640	2,650	41	2,780	2,790	28	2,920	2,930	15	3,060	3,070	1
2,510	2,520	54	2,650	2,660	41	2,790	2,800	27	2,930	2,940	14	3,070	---	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	\$150	\$155	\$31	\$300	\$305	\$61	\$960	\$970	\$55	\$1,260	\$1,270	\$26
5	10	1	155	160	32	305	310	62	970	980	54	1,270	1,280	25
10	15	2	160	165	33	310	315	63	980	990	53	1,280	1,290	24
15	20	3	165	170	34	315	320	64	990	1,000	52	1,290	1,300	23
20	25	4	170	175	35	320	325	65	1,000	1,010	51	1,300	1,310	22
25	30	5	175	180	36	325	330	66	1,010	1,020	50	1,310	1,320	21
30	35	6	180	185	37	330	335	67	1,020	1,030	49	1,320	1,330	20
35	40	7	185	190	38	335	340	68	1,030	1,040	48	1,330	1,340	19
40	45	8	190	195	39	340	345	69	1,040	1,050	47	1,340	1,350	18
45	50	9	195	200	40	345	350	70	1,050	1,060	46	1,350	1,360	17
50	55	10	200	205	41	350	355	71	1,060	1,070	45	1,360	1,370	16
55	60	11	205	210	42	355	780	72	1,070	1,080	44	1,370	1,380	15
60	65	12	210	215	43	780	790	72	1,080	1,090	43	1,380	1,390	15
65	70	13	215	220	44	790	800	71	1,090	1,100	42	1,390	1,400	14
70	75	14	220	225	45	800	810	70	1,100	1,110	41	1,400	1,410	13
75	80	15	225	230	46	810	820	69	1,110	1,120	40	1,410	1,420	12
80	85	16	230	235	47	820	830	68	1,120	1,130	39	1,420	1,430	11
85	90	17	235	240	48	830	840	67	1,130	1,140	38	1,430	1,440	10
90	95	18	240	245	49	840	850	66	1,140	1,150	38	1,440	1,450	9
95	100	19	245	250	50	850	860	65	1,150	1,160	37	1,450	1,460	8
100	105	20	250	255	51	860	870	64	1,160	1,170	36	1,460	1,470	7
105	110	21	255	260	52	870	880	63	1,170	1,180	35	1,470	1,480	6
110	115	22	260	265	53	880	890	62	1,180	1,190	34	1,480	1,490	5
115	120	23	265	270	54	890	900	61	1,190	1,200	33	1,490	1,500	4
120	125	24	270	275	55	900	910	61	1,200	1,210	32	1,500	1,510	3
125	130	26	275	280	56	910	920	60	1,210	1,220	31	1,510	1,520	2
130	135	27	280	285	57	920	930	59	1,220	1,230	30	1,520	1,530	1
135	140	28	285	290	58	930	940	58	1,230	1,240	29	1,530	---	0
140	145	29	290	295	59	940	950	57	1,240	1,250	28			
145	150	30	295	300	60	950	960	56	1,250	1,260	27			

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	\$60	\$70	\$6	\$0	\$5	\$0	\$70	\$80	\$6	\$0	\$5	\$0
5	10	1	70	80	5	5	10	1	80	90	5	5	10	1
10	15	2	80	90	4	10	15	2	90	100	4	10	15	2
15	20	3	90	100	3	15	20	3	100	110	3	15	35	3
20	25	4	100	110	2	20	25	4	110	120	2			
25	30	5	110	120	1	25	30	5	120	130	1			
30	60	6	120	---	0	30	70	6	130	---	0			



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