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Title: I, Payroll/Personnel Manual

Chapter: 28, Section 2, Tax Formulas (TAXES)

Bulletin: TAXES 12–26, Idaho State Income Tax Withholding

Date: May 17, 2012

To: Subscribers of Tax Bulletins

Beginning with wages paid for Pay Period 12, 2012, the National Finance Center (NFC) will make the following changes to the state of Idaho income tax withholdings:

- The exemption allowance will increase from \$3,700 to \$3,800.
- The Single and Married withholding tables will change.

No action on the part of the employee or the personnel office is necessary.

To view the updated tax formula, go to NFC's Home Page (www.nfc.usda.gov) and click the **Publications** link at the top of the page. At the Publications page right-hand menu, click **Tax Formulas** and select the appropriate state from the map provided. Changes to the tax formula are identified by "▶◀".

For questions about NFC processing, contact the Payroll/Personnel Call Center (Option 3, then Option 1) at **1-800-981-3026** or the *EmpowHR* Help Desk at **1-888-367-6955**

RANDY L. SPEED, Director
Government Employees Services Division

Idaho State Income Tax Information

State Abbreviation:	ID
State Tax Withholding State Code:	16
Basis For Withholding:	State or Federal Exemptions
Acceptable Exemption Form:	W-4
Acceptable Exemption Data:	S, M/ Number of Exemptions
TSP Deferred:	Yes
Special Coding:	None
Additional Information:	If a state income tax certificate has not been processed or if a valid state exemption code is not present, the Federal exemptions will be used in the computation of state taxes.

Withholding Formula ►(Effective Pay Period 12, 2012)◄

1. Subtract the nontaxable biweekly Thrift Savings Plan contribution from the gross biweekly wages.
2. Subtract the nontaxable biweekly Federal Health Benefits Plan payment(s) (includes dental and vision insurance program, and flexible spending account – health care and dependent care deductions) from the amount computed in Step 1.
3. Add the taxable biweekly fringe benefits (taxable life insurance, etc.) to the amount computed in step 2 to obtain the adjusted gross biweekly wages.
4. Multiply the adjusted gross biweekly wages by 26 to obtain the annual wages.
5. Determine the exemption allowance by applying the following guideline and subtract this amount from the result of step 4.

$$\text{Exemption Allowance} = \text{►\$3,800◄} \times \text{Number of Exemptions}$$

6. Apply the taxable income computed in step 5 to the following table to determine the annual Idaho tax withholding.

Tax Withholding Table Single

If the Amount of Taxable Income Is:		The Amount of Idaho Tax Withholding Should Be:		
Over:	But Not Over:			Of Excess Over:
\$ 0	\$ ►2,150	\$ 0.00	plus 0.0%	\$ 0
2,150	3,530	0.00	plus 1.6%	2,150
3,530	4,910	22.00	plus 3.6%	3,530
4,910	6,290	72.00	plus 4.1%	4,910
6,290	7,670	129.00	plus 5.1%	6,290
7,670	9,050	199.00	plus 6.1%	7,670
9,050	12,500	283.00	plus 7.1%	9,050
12,500	and over	528.00	plus 7.4%	12,500◄

7. If the employee is MARRIED, apply the following tax rates to annual taxable wages to determine the annual tax amount:

If the Amount of Taxable Income Is:		Married				The Amount of Idaho Tax Withholding Should Be:	
Over:	But Not Over:				Of Excess Over:		
\$ 0	\$ ▶8,100	\$ 0.00	plus	0.0%	\$ 0		
8,100	10,860	0.00	plus	1.6%	8,100		
10,860	13,620	44.00	plus	3.6%	10,860		
13,620	16,380	143.00	plus	4.1%	13,620		
16,380	19,140	256.00	plus	5.1%	16,380		
19,140	21,900	397.00	plus	6.1%	19,140		
21,900	28,800	565.00	plus	7.1%	21,900		
28,800	and over	1,055.00	plus	7.4%	28,800◀		

8. Divide the annual Idaho tax withholding by 26 and round to the nearest dollar to obtain the biweekly Idaho tax withholding.