

Peter Franchot

Comptroller

Dhiren V. Shah
Director
Central Payroll Bureau

TO:

All State Agencies

FROM:

Dhiren V. Shah, Director

Central Payroll Bureau

DATE:

January 10, 2021

SUBJECT:

2021 FEDERAL INCOME TAX WITHHOLDING INFORMATION

The Percentage Method of Withholding is addressed in this memo which includes extractions from the 2021 Federal Income Tax Withholding Tables (found in the IRS Publication 15-T).

#### Please Note:

- Advance payment of earned income credit (EIC) through payroll payments expired on December 31, 2010. Individuals eligible for EIC in 2020 can still claim the credit when they file their 2020 federal income tax return. Additionally, any employee who expects to be eligible for the EIC and will have income tax withheld from wages in 2021 may reduce their withholding in order to receive the benefit of a portion of the credit throughout the year.
- In calendar year 2020, the IRS eliminated withholding allowances, but employee may report the amount of credit in Step 3. Step 3 of Form W-4-provides instructions for determining the amount of the child tax credit and the credit for other dependents that you may claim when you file your tax return. You may also include other tax credits in this step.
- Individual tax calculations and estimates can be readily determined by using the Central Payroll Bureau, Net Pay Calculator located with the following link:

https://www.marylandtaxes.gov/statepayroll/online-services.php Click on "Net Pay Calculator"

Other related documents located from our home page:

Click on "Payroll Officers / then click on Current Memos"

2020 Earned Income Credit (EIC)
2021 Maryland State and Local Income Tax Withholding Information

Attached are Federal Income Tax Withholding tables for Percentage method, 2021 Employer's Withholding Worksheet with 3 examples of withholding calculations using Percentage method.

## 2021 Federal Income Tax Withholding Information Tax tables for Percentage Method of Withholding With Forms W-4 From 2020 or Later

				BIWEE	(LY Payroll Peri	od				
		Withholding Ra		necked)			eckbox, Withhox in Step 2 of Fo			
If the Adjusted Amount (line 1h	•	The		of the amount that	If the Adjusted Wage Amount (line 1h) is:		The	e		
At least—	But less than—	tentative amount to withhold is:	Plus this percentage—	the Adjusted Wage exceeds—	At least—	But less than—	tentative amount to withhold is:	Plus this percentage—	the Adjusted Wage exceeds—	
Α	В	С	D	E	Α	В	С	D	E	
Married Filing Jointly						Mar	ried Filing Jo	intly		
\$0	\$965	\$0.00	0%	\$0	\$0	\$483	\$0.00	0%	\$0	
\$965	\$1,731	\$0.00	10%	\$965	\$483	\$865	\$0.00	10%	\$483	
\$1,731	\$4,083	\$76.60	12%	\$1,731	\$865	\$2,041	\$38.20	12%	\$865	
\$4,083	\$7,610	\$358.84	22%	\$4,083	\$2,041	\$3,805	\$179.32	22%	\$2,041	
\$7,610	\$13,652	\$1,134.78	24%	\$7,610	\$3,805	\$6,826	\$567.40	24%	\$3,805	
\$13,652	\$17,075	\$2,584.86	32%	\$13,652	\$6,826	\$8,538	\$1,292.44	32%	\$6,826	
\$17,075	\$25,131	\$3,680.22	35%	\$17,075	\$8,538	\$12,565	\$1,840.28	35%	\$8,538	
\$25,131		\$6,499.82	37%	\$25,131	\$12,565		\$3,249.73	37%	\$12,565	
	Single or N	Married Filing	Separately			Single or I	Married Filing	Separately		
\$0	\$483	\$0.00	0%	\$0	\$0	\$241	\$0.00	0%	\$0	
\$483	\$865	\$0.00	10%	\$483	\$241	\$433	\$0.00	10%	\$241	
\$865	\$2,041	\$38.20	12%	\$865	\$433	\$1,021	\$19.20	12%	\$433	
\$2,041	\$3,805	\$179.32	22%	\$2,041	\$1,021	\$1,902	\$89.76	22%	\$1,021	
\$3,805	\$6,826	\$567.40	24%	\$3,805	\$1,902	\$3,413	\$283.58	24%	\$1,902	
\$6,826	\$8,538	\$1,292.44	32%	\$6,826	\$3,413	\$4,269	\$646.22	32%	\$3,413	
\$8,538	\$20,621	\$1,840.28	35%	\$8,538	\$4,269	\$10,311	\$920.14	35%	\$4,269	
\$20,621		\$6,069.33	37%	\$20,621	\$10,311		\$3,034.84	37%	\$10,311	
	He	ad of Househ	old			Не	ad of Househ	old		
\$0	\$723	\$0.00	0%	\$0	\$0	\$362	\$0.00	0%	\$0	
\$723	\$1,269	\$0.00	10%	\$723	\$362	\$635	\$0.00	10%	\$362	
\$1,269	\$2,808	\$54.60	12%	\$1,269	\$635	\$1,404	\$27.30	12%	\$635	
\$2,808	\$4,044	\$239.28	22%	\$2,808	\$1,404	\$2,022	\$119.58	22%	\$1,404	
\$4,044	\$7,065	\$511.20	24%	\$4,044	\$2,022	\$3,533	\$255.54	24%	\$2,022	

#### NOTE:

\$7,065

\$8,777

\$20,862

\$8,777 \$1,236.24

\$20,862 \$1,784.08

\$6,013.83

32%

35%

37%

• Use of these tables to compute estimated tax withholdings will result in amounts that differ from the precise amounts computed by the Statewide Payroll System.

\$3,533

\$4,388

\$10,431

\$4,388

\$10,431

\$618.18

\$891.78

\$3,006.83

32%

35%

37%

\$3,533

\$4,388

\$10,431

\$7,065

\$8,777

\$20,862

## 2021 Federal Income Tax Withholding Information Tax tables for Percentage Method of Withholding With Forms W-4 From 2020 or Later

MON	ITHI	v	Payroll	Period
IVIOIS	11 1111	- 1	ravioli	renou

	•	eckbox, Withho k in Step 2 of Fo			ecked)		<b>lithholding Ra</b> t Step 2 of Form			
of the amount that		The	n) is:	If the Adjusted Amount (line 1h	of the amount that		The	) is:	If the Adjusted \Amount (line 1h	
the Adjusted Wage exceeds—					the Adjusted Wage exceeds—	Plus this percentage—	tentative amount to withhold is:	But less	At least—	
Е	D	С	В	Α	Е	D	С	В	Α	
	Filing Jointly Married Filing Jointly						ied Filing Joi	Marr		
\$	0%	\$0.00	\$1,046	\$0	\$0	0%	\$0.00	\$2,092	\$0	
\$1,04	10%	\$0.00	\$1,875	\$1,046	\$2,092	10%	\$0.00	\$3,750	\$2,092	
\$1,87	12%	\$82.90	\$4,423	\$1,875	\$3,750	12%	\$165.80	\$8,846	\$3,750	
\$4,42	22%	\$388.66	\$8,244	\$4,423	\$8,846	22%	\$777.32	\$16,488	\$8,846	
\$8,24	24%	\$1,229.28	\$14,790	\$8,244	\$16,488	24%	\$2,458.56	\$29,579	\$16,488	
\$14,79	32%	\$2,800.32	\$18,498	\$14,790	\$29,579	32%	\$5,600.40	\$36,996	\$29,579	
\$18,49	35%	\$3,986.88	\$27,225	\$18,498	\$36,996	35%	\$7,973.84	\$54,450	\$36,996	
\$27,22	37%	\$7,041.33		\$27,225	\$54,450	37%	\$14,082.74		\$54,450	
	Separately	Single or Married Filing Separately Single or Married Filing								
\$	0%	\$0.00	\$523	\$0	\$0	0%	\$0.00	\$1,046	\$0	
\$52	10%	\$0.00	\$938	\$523	\$1,046	10%	\$0.00	\$1,875	\$1,046	
\$93	12%	\$41.50	\$2,211	\$938	\$1,875	12%	\$82.90	\$4,423	\$1,875	
\$2,21	22%	\$194.26	\$4,122	\$2,211	\$4,423	22%	\$388.66	\$8,244	\$4,423	
\$4,12	24%	\$614.68	\$7,395	\$4,122	\$8,244	24%	\$1,229.28	\$14,790	\$8,244	
\$7,39	32%	\$1,400.20	\$9,249	\$7,395	\$14,790	32%	\$2,800.32	\$18,498	\$14,790	
\$9,24	35%	\$1,993.48	\$22,340	\$9,249	\$18,498	35%	\$3,986.88	\$44,679	\$18,498	
\$22,34	37%	\$6,575.33		\$22,340	\$44,679	37%	\$13,150.23		\$44,679	
	old	ad of Househ	Hea			old	d of Househo	Hea		
\$	0%	\$0.00	\$783	\$0	\$0	0%	\$0.00	\$1,567	\$0	
\$78	10%	\$0.00	\$1,375	\$783	\$1,567	10%	\$0.00	\$2,750	\$1,567	
\$1,37	12%	\$59.20	\$3,042	\$1,375	\$2,750	12%	\$118.30	\$6,083	\$2,750	
\$3,04	22%	\$259.24	\$4,381	\$3,042	\$6,083	22%	\$518.26	\$8,763	\$6,083	
\$4,38	24%	\$553.82	\$7,654	\$4,381	\$8,763	24%	\$1,107.86	\$15,308	\$8,763	
\$7,65	32%	\$1,339.34	\$9,508	\$7,654	\$15,308	32%	\$2,678.66	\$19,017	\$15,308	
\$9,50	35%	\$1,932.62	\$22,600	\$9,508	\$19,017	35%	\$3,865.54	\$45,200	\$19,017	
\$22,60	37%	\$6,514.82		\$22,600	\$45,200	37%	\$13,029.59		\$45,200	

#### NOTE:

• Use of these tables to compute estimated tax withholdings will result in amounts that differ slightly from the precise amounts computed by the Statewide Payroll System.

# 2021 Employer's Withholding Worksheet for Percentage Method Tables with Forms W-4 from 2020 or Later

Table 1	Monthly 12	Biweekly 26		
<b>Step 1.</b> 1a	Adjust the employee's Enter the employee's total tax	wage amount able wages this payroll period *	1a	\$
1b	Enter the number of pay period	ds you have per year (Table 1)	1b	
1c	Enter the amount from Step 4	(a) of the employee's Form W-4	1c	\$
1d	Divide line 1c by the number of	on line 1b	1d	\$
1e	Add lines 1a and 1d		1e	\$
1f	Enter the amount from Step 4	(b) of the employee's Form W-4	1f	\$
1g	Divide line 1f by the number o	n line 1b	1g	\$
<sup>1h</sup> Step 2.	Subtract line 1g from line 1e. I Figure the Tentative W	f zero or less, enter -0 This is the <b>Adjusted Wage Amount</b>	1h	\$
based on your of Form W-4 is 2a	pay frequency, the employee's checked. Find the row in the STANDAR W-4 is NOT checked) or the F it HAS been checked) of the P on line 1h is at least the amou enter here the amount from co	Adjusted Wage Amount, filing status (Step 1(c) of Form W-4), and Withholding Rate Schedules (if the box in Step 2 of Form Form W-4, Step 2, Checkbox, Withholding Rate Schedules (if the schedules in this section in which the amount on the introdumn A but less than the amount in column B, then solumn A of that row	and whe 2a 2b	ther the box in Step 2 \$
2c	Enter the percentage from col	umn D of that row	2c	%
2d	Subtract line 2a from line 1h .		2d	\$
2e	Multiply the amount on line 2d	by the percentage on line 2c	2e	\$
2f	Add lines 2b and 2e. This is the	e Tentative Withholding Amount	2f	\$
<b>Step 3.</b> 3a	Account for tax credits Enter the amount from Step 3	of the employee's Form W-4	3a	\$
3b	Divide the amount on line 3a b	by the number of pay periods on line 1b	3b	\$
3c	Subtract line 3b from line 2f. If	zero or less, enter -0-	3c	\$
<b>Step 4.</b> 4a	Figure the final amoun Enter the additional amount to	t to withhold withhold from Step 4(c) of the employee's Form W-4	4a	\$
4b		he amount to withhold from the employee's wages this	4b	\$

<sup>\*</sup>Biweekly or Monthly Gross pay less tax sheltered and/or pre-tax deductions.



# Employee's Withholding Certificate FOR MARYLAND STATE GOVERNMENT EMPLOYEES ONLY

Department of the Internal Revenue S	Freasury	rm W-4 so that your e	mployer can wi Give Form W-4	thhold the correct feder to your employer. bject to review by the l	ral income tax from yo	ur pay.		
Step 1 - Pers	onal Information	Please complete for	m in black ink.	.)				
Payroll System (o	,	Agency Number 24.01.01		e of Employing Agency MPTROLLER OF	MARYLAND			
	ee Name		<b>'</b>	(b) Social Security Nur 111-22-3333	mber			
Home Address (r	number and street or ru TREET	ral route) (apartment	number, if any)		Does the name ma Security card? If no your earnings, conta to www.ssa.gov	ot, to e act SSA	nsur at 8	e you get credit for 300-772-1213 or go
City ANNAPOLIS	3	State MD	Zip C 214		County of Residence	e (requ	ired)	)
Married fi		widow(er)) ou're unmarried and pay		e costs of keeping up a hom  Step 5. See page 2				
withholding dependence of the control one of the co	ds on income earned from the following.  The the estimator at www.  The the Multiple Jobs Work  The are only two jobs to	irs.gov/W4App for mosheet on page 3 and enotal, you may check the	ost accurate with nter the result in S is box. Do the s	ed filing jointly and your so wholding for this step (and Step 4(c) below for roughl ame on Form W-4 for the	d Steps 3–4); <b>or</b> y accurate withholding; e other job. This option	<b>or</b> is accu	rate	for jobs with
contractor, use the Complete Steps	e estimator. 3–4(b) on Form W-4 form bette Steps 3–4(b) on	or only ONE of these the Form W-4 for the	<b>jobs.</b> Leave the highest paying	spouse) have self-emploses steps blank for the o job.)	ther jobs. (Your withho			
Claim	•		•	age 17 by \$2,000				
Dependents		umber of other depen		<u></u>	1,000.00	3	\$	1,000.00
Step 4 (optional): Other Adjustments	this year that		g, enter the amo	x withheld for other incolount of other income here		4(a)	\$	3,000.00
Adjustinonis	want to redu		se the Deductio	ther than the standard ons Worksheet on page 3		4(b)	\$	2,000.00
	(c) Extra withho	olding. Enter any add	itional tax you w	vant withheld each <b>pay p</b>	period.	4(c)	\$	50.00
Step 5:	Under penalties of pe	erjury, I declare that th	is certificate, to	the best of my knowledg	ge and belief, is true, co	orrect, a	and	complete.
Sign Here	JANC	DOC				01/0	1/2	021
	Employee's sign	ature (This form is no	t valid unless yo	ou sign it.)		Date		
Employers Only		Employer's name Central Payro P.O. Boo	oll Bureau c 2396		First date of employment			identification (EIN)

#### Examples of Withholding Calculations using the Percentage Method.

#### Scenario 1. Biweekly employee claimed Married filing jointly with ✓ in STEP 2 checkbox.

Employee is **Married** filing jointly biweekly pay \$2103.83 (annually \$54,700.00), **STEP 2** was checked (find the Percentage Method Table the Form W-4, Step 2, Checkbox), **STEP 3** entered amount \$1000.00 credit, **STEP 4a** other income \$3000.00, **STEP 4** (b) entered amount \$2000.00 deductions and **STEP 4**(c) entered additional tax withholding for each PPE \$50.00

Table 1	Monthly Biweekly 12 26				
Step 1.	Adjust the employee's wage amount				
1a	Enter the employee's total taxable wages this payroll peri	od *	1a	\$	2103.83
1b	Enter the number of pay periods you have per year (Table	e 1)	1b		26
1c	Enter the amount from Step 4(a) of the employee's Form	W-4	1c	\$	3,000.00
1d	Divide line 1c by the number on line 1b		1d	\$	115.38
1e	Add lines 1a and 1d		1e	\$	2,219.21
1f	Enter the amount from Step 4(b) of the employee's Form	W-4	1f	\$_	2,000.00
1g	Divide line 1f by the number on line 1b		1g	\$	76.92
<sup>1h</sup> Step 2.	Subtract line 1g from line 1e. If zero or less, enter -0 The Figure the Tentative Withholding Amount	is is the Adjusted Wage Amount	1h	\$	2142.29
based on your of Form W-4 is 2a	r pay frequency, the employee's Adjusted Wage Amount, files checked.  Find the row in the STANDARD Withholding Rate Schedward is NOT checked) or the Form W-4, Step 2, Checkbo it HAS been checked) of the Percentage Method tables in on line 1h is at least the amount in column A but less that enter here the amount from column A of that row	ules (if the box in Step 2 of Form x, Withholding Rate Schedules (if a this section in which the amount in the amount in column B, then	and whe		he box in Step 2 2,041.00
2b	Enter the amount from column C of that row		2b	\$	179.32
2c	Enter the percentage from column D of that row		2c	%	22.00
2d	Subtract line 2a from line 1h		2d	\$	101.29
2e	Multiply the amount on line 2d by the percentage on line	2c	2e	\$	22.28
2f	Add lines 2b and 2e. This is the <b>Tentative Withholding</b> A	Amount	2f	\$	201.60
<b>Step 3.</b> 3a	Account for tax credits Enter the amount from Step 3 of the employee's Form W-	-4	3a	\$	1,000.00
3b	Divide the amount on line 3a by the number of pay period	ds on line 1b	3b	\$	38.46
3c	Subtract line 3b from line 2f. If zero or less, enter -0		3c	\$	163.14
<b>Step 4.</b> 4a	Figure the final amount to withhold Enter the additional amount to withhold from Step 4(c) of	the employee's Form W-4	4a	\$	50.00
4b	Add lines 3c and 4a. This is the amount to withhold from pay period		4b	\$	213.14

<sup>\*</sup>Biweekly or Monthly Gross pay less tax sheltered and/or pre-tax deductions.



# **Employee's Withholding Certificate**

2021

FOR MARYLAND STATE GOVERNMENT EMPLOYEES ONLY

Internal Revenue Se	reasury Complete Fo		orm W-4	ithhold the correct feder to your employer. bject to review by the l		ur pay.			
Step 1 – Perso	onal Information (	Please complete form in b	olack ink	.)					
Payroll System (cl	,	Agency Number 24.01.01		e of Employing Agency MPTROLLER OF	MARYLAND				
(a) Employe JANE				(b) Social Security Nur 111-22-3333	mber				
		ral route) (apartment number	r, if any)	1 == 0000	Does the name ma	tch the	nar	ne on your Soc	ial
111 MAIN S	TREET	, , <b>.</b>	• • • • • • • • • • • • • • • • • • • •		Security card? If no your earnings, conta to www.ssa.gov				
City ANNAPOLIS	}	State MD	Zip C 214		County of Residence	e (requ	red)		
Married fill		widow(er)) ou're unmarried and pay more the		· · · · · · · · · · · · · · · · · ·				•	
		g, when to use the online				011 00		stop, who	
Complete this step	le Jobs or Spous if you (1) hold more th ds on income earned fr	an one job at a time, or (2) a	are marrie	ed filing jointly and your s	spouse also works. The	e correc	xt am	nount of	
Do <b>only one</b> of the	following.								
(a) Use	the estimator at www.	irs.gov/W4App for most accu	urate with	nholding for this step (an	d Steps 3-4); <b>or</b>				
<b>(b)</b> Use	the Multiple Jobs Work	sheet on page 3 and enter the	resultin	Step 4(c) below for roughl	y accurate withholding;	or			
		otal, you may check this box.						· —	
similar pay; oth	nerwise, more tax than i	necessary may be withheld						<u>•</u>	Ш
<b>TIP:</b> To be accurate contractor, use the		W-4 for all other jobs. If you	ı (or your	spouse) have self-emple	oyment income, includi	ng as a	an ind	dependent	
		or only ONE of these jobs. It the Form W-4 for the highes			ther jobs. (Your withho	lding w	ill be	e most	
Step 3:	If your income wi	II be \$200,000 or less (\$400	,000 or le	ess if married filing jointly	y):				•
Claim Dependents	Multiply the n	number of qualifying childre	n under a	age 17 by \$2,000	\$				
	Multiply the no	umber of other dependents	by \$500.	[	\$ 1,000.00			4 000 00	
	Add the amounts	above and enter the total he	ere			3	\$	1,000.00	_
Step 4 (optional): Other	this year that	me (not from jobs). If you won't have withholding, ented dends, and retirement income.	er the amo	ount of other income here		4(a)	\$	3,000.00	
Adjustments						-(-)	Ψ	-,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	-
•	want to reduce	<b>s.</b> If you expect to claim ded ce your withholding, use the	Deduction			4(b)	\$	2,000.00	_
		olding. Enter any additional t		ant withheld each pay p	period.	4(c)	\$	50.00	_
Step 5:	Under penalties of pe	erjury, I declare that this certi	ificate, to	the best of my knowledg	ge and belief, is true, co	orrect,	and o	complete.	
Sign Here	GANC	DOC				01/01	1/20	)21	
	Employee's sign	ature (This form is not valid	unless yo	ou sign it.)	Ι	Date			
Employers Only		Employer's name and a Central Payroll Bur P.O. Box 2396	eau		First date of employment			identification (EIN)	
	I	Annanolie MD 214	0.4						

## Scenario 2. Biweekly employee claimed Married filing jointly with NO ✓ in STEP 2 checkbox.

Employee is **Married** filing jointly biweekly pay \$2103.83 (annually \$54,700.00), **STEP 2** was **NOT** checked (*find the Percentage Method Table the STANDARD Withholding Rate Schedules, Step 2 NOT checked)*, **STEP 3** entered amount \$1000.00 credit, **STEP 4a** other income \$3000.00, **STEP 4** (b) entered amount \$2000.00 deductions and **STEP 4**(c) entered additional tax withholding for each PPE \$50.00

Table 1	Monthly 12	Biweekly 26			
<b>Step 1.</b> 1a	Adjust the employee's Enter the employee's total taxe	wage amount able wages this payroll period *	1a _	\$	2103.83
1b	Enter the number of pay period	ds you have per year (Table 1)	1b		26
1c	Enter the amount from Step 4(	(a) of the employee's Form W-4	1c	\$	3,000.00
1d	Divide line 1c by the number of	on line 1b	1d	\$	115.38
1e	Add lines 1a and 1d		1e	\$	2,219.21
1f	Enter the amount from Step 4(	(b) of the employee's Form W-4	1f	\$_	2,000.00
1g	Divide line 1f by the number of	n line 1b	1g	\$	76.92
<sup>1h</sup> Step 2.	Subtract line 1g from line 1e. If Figure the Tentative W	f zero or less, enter -0 This is the Adjusted Wage Amount	1h	\$	2,142.29
	pay frequency, the employee's checked. Find the row in the STANDAR W-4 is NOT checked) or the F it HAS been checked) of the P on line 1h is at least the amou	Adjusted Wage Amount, filing status (Step 1(c) of Form W-4), and D Withholding Rate Schedules (if the box in Step 2 of Form Form W-4, Step 2, Checkbox, Withholding Rate Schedules (if ercentage Method tables in this section in which the amount not in column A but less than the amount in column B, then solumn A of that row	and whe		1,731.00
2b		C of that row	2b	\$	76.60
2c	Enter the percentage from colu	umn D of that row	2c	%	12.00
2d	Subtract line 2a from line 1h .		2d	\$	411.29
2e	Multiply the amount on line 2d	by the percentage on line 2c	2e	\$	49.35
2f	Add lines 2b and 2e. This is th	e Tentative Withholding Amount	2f	\$	125.95
<b>Step 3.</b> 3a	Account for tax credits Enter the amount from Step 3	of the employee's Form W-4	3a	\$	1,000.00
3b	Divide the amount on line 3a b	by the number of pay periods on line 1b	3b	\$	38.46
3c	Subtract line 3b from line 2f. If	zero or less, enter -0	3c	\$	87.49
<b>Step 4.</b> 4a	Figure the final amount to	t to withhold withhold from Step 4(c) of the employee's Form W-4	4a	\$	50.00
4b		ne amount to withhold from the employee's wages this	4b	\$	137.49

<sup>\*</sup>Biweekly or Monthly Gross pay less tax sheltered and/or pre-tax deductions.



# **Employee's Withholding Certificate**

2021

FOR MARYLAND STATE GOVERNMENT EMPLOYEES ONLY

Internal Revenue Se	' FULOMNIETE FO	▶ (	Give Form W-4	thhold the correct feder to your employer. Dject to review by the l		ur pay.		
Step 1 – Perso	onal Information (							
Payroll System (c	<u> </u>	Agency Number		of Employing Agency				
☑ RG	CT UM	24.01.01	CON	IPTROLLER OF	MARYLAND			
(a) Employe	ee Name	•	•	(b) Social Security Nur	nber			
JOHN	DOE			123-22-3333				
Home Address (n	umber and street or ru	ral route) (apartment r	number, if any)		Does the name ma			
123 MAIN S	TREET				Security card? If n your earnings, conta to www.ssa.gov			
City		State	Zip C	ode	County of Residence	e (requi	red)	
ANNAPOLIS		MD	214	01	AA			
(c)   Single or l	Married filing separately							
☐ Married fil	ling jointly (or Qualifying	widow(er))						
☐ Head of he	ousehold (Check only if y	ou're unmarried and pay	more than half the	costs of keeping up a hom	e for yourself and a quali	fying ind	ividua	al.)
can claim exemp  Step 2: Multipl Complete this step	etion from withholding	g, when to use the of e Works an one job at a time, of	online estimato	Step 5. See page 2 or, and privacy.  d filing jointly and your s				
Do <b>only one</b> of the		on an or those jobs.						
•	J	ira aay ///// Ann far ma	at accurate with	halding far this aton (an	d Ctopo 2 4). er			
• •				holding for this step (and	. ,			
		· -		Step 4(c) below for roughl	_			
				ame on Form W-4 for the				
contractor, use the Complete Steps 3	estimator. 3–4(b) on Form W-4 fo	or only ONE of these	jobs. Leave tho	spouse) have self-emplose steps blank for the o				
Step 3:	nplete Steps 3–4(b) on  If your income wi			ss if married filing jointly	·):	<u> </u>	<u> </u>	
Claim	•	, ,	,	age 17 by \$2,000	, — 0.000.00			
Dependents	Multiply the n	umber of other depend	dents by \$500	[	\$			
	Add the amounts	above and enter the	total here			3	\$	2,000.00
Step 4 (optional): Other	this year that		g, enter the amo	withheld for other incolunt of other income here		4(a)	\$	1,000.00
Adjustments	want to redu		se the Deduction	her than the standard ns Worksheet on page 3		4(b)	\$	3,000.00
	(c) Extra withho	olding. Enter any addi	tional tax you wa	ant withheld each <b>pay p</b>	eriod.	4(c)	\$	20.00
Cto F	Hadaa 82 d		la a antigo de de	the beautiful to the state of t	or and the Post of			
Step 5:	Under penalties of pe	erjury, i declare that th	is cerτificate, to f	the best of my knowledg	ge and belief, is true, c	orrect, a	and c	complete.
Sign Here	90H/	V DOC				01/0	1/20	021
	Employee's sign	ature (This form is no	t valid unless yo	u sign it.)	I	Date		
Employers Only		Employer's name Central Payro P.O. Box	oll Bureau 2396		First date of employment	Emplo		identification (EIN)

## Scenario 3. Monthly employee claimed Single with NO ✓ in STEP 2 checkbox.

Employee is **Single** monthly pay 4,166.66 (annually \$50,000), **STEP 2** was **NOT** checked (<u>find the Percentage Method Table the STANDARD Withholding Rate Schedules, Step 2 NOT checked</u>), **STEP 3** entered amount \$2000.00 credit, **STEP 4a** other income \$1000.00, **STEP 4** (b) entered amount \$3000.00 deductions and **STEP 4**(c) entered additional tax withholding for each PPE \$20.00. Employee has \$60.00 pretax deduction.

Table 1	Monthly 12	Biweekly 26			
Step 1.	Adjust the employee's	<u> </u>			
1a	• •	able wages this payroll period * 4166.66-60.00= 4,106.66	1a	\$	4,106.66
1b	Enter the number of pay period	ds you have per year (Table 1)	1b		12
1c	Enter the amount from Step 4(	a) of the employee's Form W-4	1c	\$	1,000.00
1d	Divide line 1c by the number o	n line 1b	1d	\$	83.33
1e	Add lines 1a and 1d		1e	\$	4,189.99
1f	Enter the amount from Step 4(	b) of the employee's Form W-4	1f	\$	3,000.00
1g	Divide line 1f by the number or	n line 1b	1g	\$	250.00
<sup>1h</sup> Step 2.	Subtract line 1g from line 1e. If Figure the Tentative Wi	f zero or less, enter -0 This is the Adjusted Wage Amount ithholding Amount	1h	\$	3939.99
based on your of Form W-4 is		Adjusted Wage Amount, filing status (Step 1(c) of Form W-4), a	and whe	ether th	e box in Step 2
2a	Find the row in the STANDAR	D Withholding Rate Schedules (if the box in Step 2 of Form	2a	\$	1875.00
	it HAS been checked) of the P on line 1h is at least the amount	orm W-4, Step 2, Checkbox, Withholding Rate Schedules (if ercentage Method tables in this section in which the amount nt in column A but less than the amount in column B, then slumn A of that row			
2b		C of that row	2b	\$	82.90
2c	Enter the percentage from colu	umn D of that row	2c	%	12.00
2d	Subtract line 2a from line 1h		2d	\$	2064.99
2e	Multiply the amount on line 2d	by the percentage on line 2c	2e	\$	247.80
2f	Add lines 2b and 2e. This is th	e Tentative Withholding Amount	2f	\$	330.70
Step 3.	Account for tax credits				
3a	Enter the amount from Step 3	of the employee's Form W-4	3a	\$	2,000.00
3b	Divide the amount on line 3a b	by the number of pay periods on line 1b	3b	\$	166.66
3c	Subtract line 3b from line 2f. If	zero or less, enter -0	3c	\$	164.04
<b>Step 4.</b> 4a	Figure the final amount to	t to withhold withhold from Step 4(c) of the employee's Form W-4	4a	\$ <u></u>	20.00
4b		ne amount to withhold from the employee's wages this	4b	\$	184.04

<sup>\*</sup> Biweekly or Monthly Gross pay less tax sheltered and/or pre-tax deductions.