

Percentage Method of Withholding

Subtract from gross semi-monthly salary \$168.80 for each exemption claimed on the W-4 form (you can review your election on Employee Access). Additionally, for federal withholding subtract the following **employee deductions**:

- (1) Pre-tax benefits (identified by ** on check history)
- (2) Teacher Retirement System
- (3) Tax Sheltered Annuities (403b, 457, identified by * on check history)/Deferred Compensation

Use the amount determined after gross wages, less exemptions (168.80 x number claimed) and eligible deductions (1-3 above) to compute your withholding tax. An example is illustrated below the tax table.

Percentage Method Tables for Income Tax Withholding (FOR WAGES PAID IN 2017)

TABLE 3—SEMIMONTHLY Payroll Period

(a) SINGLE person (including head of household)— If the amount of wages (after subtracting withholding allowances) is:				(b) MARRIED person— If the amount of wages (after subtracting withholding allowances) is:			
The amount of income tax to withhold is:		The amount of income tax to withhold is:		The amount of income tax to withhold is:		The amount of income tax to withhold is:	
Not over \$96 \$0		Not over \$360 \$0		Not over \$360 \$0		Not over \$360 \$0	
Over—	But not over—	of excess over—	Over—	But not over—	of excess over—	Over—	But not over—
\$96	—\$484 . .	\$0.00 plus 10%	\$360	—\$1,138 . .	\$0.00 plus 10%	\$360	—\$1,138 . .
\$484	—\$1,677 . .	\$38.80 plus 15%	\$1,138	—\$3,523 . .	\$77.80 plus 15%	\$1,138	—\$3,523 . .
\$1,677	—\$3,925 . .	\$217.75 plus 25%	\$3,523	—\$6,740 . .	\$435.55 plus 25%	\$3,523	—\$6,740 . .
\$3,925	—\$8,081 . .	\$779.75 plus 28%	\$6,740	—\$10,083 . .	\$1,239.80 plus 28%	\$6,740	—\$10,083 . .
\$8,081	—\$17,458 . .	\$1,943.43 plus 33%	\$10,083	—\$17,723 . .	\$2,175.84 plus 33%	\$10,083	—\$17,723 . .
\$17,458	—\$17,529 . .	\$5,037.84 plus 35%	\$17,723	—\$19,973 . .	\$4,697.04 plus 35%	\$17,723	—\$19,973 . .
\$17,529	\$5,062.69 plus 39.6%	\$17,529	\$5,484.54 plus 39.6%	\$19,973

Percentage Method 2017 Amount for One Withholding Allowance. Semimonthly..... \$168.80

Example. A single employee is paid \$1000 semi-monthly.				Example. A married employee is paid \$1000 semi-monthly.			
The employee has in effect a Form W-4 claiming 0 withholding allowances. Using the percentage method, figure income tax as follows:				The employee has in effect a Form W-4 claiming 1 withholding allowances. Using the percentage method, figure income tax as follows:			
1. Total wage payment	1000.00			1. Total wage payment	1000.00		
2. One allowance	168.80			2. One allowance	168.80		
3. Allowances from form W-4	0.00			3. Allowances from form W	1.00		
4. Multiply line 2. times line 3.	0.00			4. Multiply line 2. times line 3.	168.80		
5. Pretax deductions, if any	77.00 (TRS)			5. Pretax deductions, if any	141.00 (TRS, benefits)		
6. Amount subject to withholding.	923.00			6. Amount subject to withholding.	690.20		
7. Tax to be withheld on line 6.	104.65			7. Tax to be withheld on line 6.	33.02		
Calculation				Calculation			
	923.00				690.20		
	(484.00) from Table 3				(360.00) from Table 3		
	439.00 amount over	484.00			330.20 amount over	360.00	
Withholding				Withholding			
	65.85	439.00	0.15		33.02	330.20	0.10
	38.80	additional amount from Table 3			-	additional amount from Table 3	
	104.65	amount to withhold (see line 7.)			33.02	amount to withhold (see line 7.)	