

Federal Taxable Wages and Withholding Amount

Pretax deductions

Pretax deductions such as TRS, FICA Alternative, pretax insurance and annuity contributions will lower taxable wages.

Percentage Method Tables

Automated payroll systems use an IRS Percentage Method Table along with Form W-4 information and the taxable wage amount to calculate the amount to withhold from each check.

Form W-4

Information entered on Form W-4 will impact the amount of Federal Tax withheld from a check. Generally, claiming dependents and other credits in Step 3 will lower the amount withheld. Step 4 is optional and generally allows flexibility to decrease or increase the amount withheld. The Payroll Department cannot give tax or legal advice so unfortunately, we cannot provide specific guidance on how someone should complete Form W-4. Please refer to the IRS instructions to assist in form completion or seek guidance from a tax professional, if needed. Further, we encourage employees to utilize the Employee Access Center (EAC) to regularly monitor their checks and to use the “What If” Paycheck Calculator to view how a Form W-4 change will impact the withholding amount on your check.

How to monitor Federal Tax Withholding Amounts

Example: No Federal Tax withheld.

Statement of Earnings and Deductions

Earnings					Employee Deductions			Employer Co
Description	Hours	Rate	Current	Year to Date	Description	Current	Year to Date	Current
CERT SUB-W/ME					MEDICARE			
CERT SUB-W/ME					*FICA ALT			

Example: Federal Tax withheld.

Statement of Earnings and Deductions

Earnings					Employee Deductions		
Description	Hours	Rate	Current	Year to Date	Description	Current	Year to Date
BASE SAL-W/ME					MEDICARE		
					FED TAX	40.00	
					*TRS RET		
					TRS INS		

- If the amount of Federal Tax withheld is too low, review Form W-4 to determine what changes could increase the taxable withholding. Use of the “What If” Paycheck Calculator will assist with determining the change.
- A Form W-4 can be completed at any time. The form will be effective on the next available check.
- Review each check to monitor compensation, deduction and Federal Tax Withholding details.