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# Circular E, Employer's Tax Guide

(Including 2000 Wage  
Withholding and  
Advance Earned Income  
Credit Payment Tables)



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## Changes To Note

**New electronic deposit requirement.** Beginning January 1, 2000, the following changes have been made to the electronic deposit requirement:

- The threshold that determines whether you must use the Electronic Federal Tax Payment System

(EFTPS) has been increased from \$50,000 to \$200,000.

- **All Federal tax deposits** (such as deposits for employment tax, excise tax, and corporate income tax) made during a calendar year are combined to determine whether you exceeded the \$200,000 threshold. If the total of your Federal tax deposits made in 1998 exceeded \$200,000, you must use EFTPS beginning January 1, 2000.
- Participation in EFTPS is voluntary if your deposits do not exceed the new \$200,000 threshold, even if you were required to electronically deposit under the previous \$50,000 threshold. However, businesses that exceed the new \$200,000 threshold must continue to use EFTPS in all later years.
- The waiver of the penalty for failure to use EFTPS, scheduled to expire on July 1, 1999, has been extended to January 1, 2000, for taxpayers whose total Federal tax deposits in 1998 did not exceed the new \$200,000 threshold. However, taxpayers will remain liable for penalties if a deposit is not made in the required manner.

For more information on EFTPS, see section 11.

**Extended due date for electronic filers.** The due date for filing Copy A of electronically filed 1999 Forms W-2 with the Social Security Administration, or Copy A of electronically filed Forms 1098, 1099, 8027, and W-2G with the Internal Revenue Service, is March 31, 2000. The extended due date does not apply to magnetic media filing.

**Additional withholding on nonresident aliens.** For wages paid on or after January 1, 2000, the amount of additional income tax withholding required for nonresident aliens has been changed. See **Withholding on nonresident aliens** on page 13 for details.

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## 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 booklet 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.

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## Calendar

The following is a list of important dates. Also see **Pub. 509**, Tax Calendars for 2000.

**Note:** *If any date shown below falls on a Saturday, Sunday, or legal holiday, use the next business day. For any due date, you will meet the "file" or "furnish" requirement if the form is properly addressed and mailed First-Class or sent by an IRS designated private*

*delivery service on or before the due date. See **Private Delivery Services** on page 5 for more information on IRS designated private delivery services.*

## By January 31

**Furnish Forms 1099 and W-2.** Furnish each employee a completed **Form W-2**, Wage and Tax Statement. Furnish each recipient a completed Form 1099 (e.g., **Form 1099-R**, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., and **Form 1099-MISC**, Miscellaneous Income).

**File Form 940 or 940-EZ.** File **Form 940** or **Form 940-EZ**, Employer's Annual Federal Unemployment (FUTA) Tax Return. However, if you deposited all the FUTA tax when due, you may file Form 940 or 940-EZ by February 10.

**File Form 945.** File **Form 945**, Annual Return of Withheld Federal Income Tax, to report any nonpayroll income tax withheld in 1999. See **Nonpayroll Income Tax Withholding** on page 4 for more information.

## By February 15

**Request 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 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.)

## 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 Internal Revenue Service. (See section 6.) For electronically filed returns, see **By March 31** below.

## By March 31

**File electronic Forms 1099 and W-2.** File Copy A of electronic (not magnetic media) Forms 1099 with the IRS and W-2 with the Social Security Administration.

## By April 30, July 31, October 31, and January 31

**Deposit FUTA taxes.** Deposit Federal unemployment (FUTA) tax due if it is more than \$100.

**File Form 941.** File **Form 941**, Employer's Quarterly Federal Tax Return, 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 \$1,000. If you deposited all taxes when due, you have 10 additional 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.

## On December 31

**Form W-5 expires.** **Form W-5**, Earned Income Credit Advance Payment Certificate, expires. Eligible employees who want to receive advance payments of the earned income credit next year must give you a new Form W-5.

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## Important Reminders

### Employment Tax Rates and Wage Bases for 2000

- 1) Social Security Tax:
  - a) Tax Rate—6.2% each for employers and employees
  - b) Wage Base—\$76,200
- 2) Medicare Tax:
  - a) Tax Rate—1.45% each for employers and employees
  - b) All wages subject to Medicare tax
- 3) Federal Unemployment (FUTA) Tax:
  - a) Tax Rate—6.2% before state credits (employers only)
  - b) Wage Base—\$7,000

## 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 Immigration and Naturalization Service (INS) **Form I-9**, Employment Eligibility Verification. You can get the form from INS offices. Contact the INS at 1-800-375-5283 for further information.

**Income tax withholding.** Ask each new employee to complete the 2000 Form W-4.

**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

**Income tax withholding.** Withhold 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 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. See section 9 and **Pub. 15-A**, Employer's Supplemental Tax Guide. Pub. 15-A includes information on withholding on pensions and annuities.

## Information Returns

You may have 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 (e.g., independent contractors) for services performed for your trade or business. For details about filing Forms 1099 and for information about required magnetic media filing, see the separate **2000 General Instructions for Forms 1099, 1098, 5498, and W-2G**. Do not use Forms 1099 to report wages and other compensation you paid to employees; report these on Form W-2. See the separate **Instructions for Forms W-2 and W-3** for details about filing Form W-2 and for information about required magnetic media filing. If you file 250 or more Forms W-2 or 1099, you must file them on magnetic media or electronically.

**Information reporting call site.** The IRS operates a centralized call 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 304-263-8700.

**Employer Responsibilities:** The following list provides a brief summary of your basic responsibilities. Because the individual circumstances for each employer can vary greatly, their 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 . . . . .	3	<input type="checkbox"/> Deposit FUTA tax in an authorized financial institution if undeposited amount is over \$100 . . . . .	26
<input type="checkbox"/> Record employees' names and SSNs from social security cards. . . . .	3	<input type="checkbox"/> File Form 941 (pay tax with return if not required to deposit) . . . . .	21
<input type="checkbox"/> Ask employees for 2000 Form W-4 . . . . .	13		
<b>Each Payday:</b>		<b>Annually (See Calendar for due dates):</b>	
<input type="checkbox"/> Withhold Federal income tax based on each employee's Form W-4 . . . . .	32	<input type="checkbox"/> Remind employees to submit a new Form W-4 if they need to change their withholding. . . . .	13
<input type="checkbox"/> Withhold employee's share of social security and Medicare taxes . . . . .	15	<input type="checkbox"/> Ask for a new Form W-4 from employees claiming exemption from income tax withholding . . . . .	13
<input type="checkbox"/> Include advance earned income credit in paycheck if employee requested it on Form W-5 . . . . .	15	<input type="checkbox"/> Reconcile Forms 941 with Forms W-2 and W-3 . . . . .	23
<input type="checkbox"/> Deposit:		<input type="checkbox"/> Furnish each employee a Form W-2 . . . . .	2
• Withheld income tax, plus		<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, plus		<input type="checkbox"/> Furnish each recipient a Form 1099 (e.g., Forms 1099-R and 1099-MISC). . . . .	2
• Withheld and employer Medicare taxes, less		<input type="checkbox"/> File Forms 1099 and the transmittal Form 1096 . . . . .	2
• Any advance earned income credit . . . . .	17	<input type="checkbox"/> File Form 940 or 940-EZ . . . . .	26
<b>Note:</b> Due date of deposit depends on your deposit schedule (monthly or semiweekly).		<input type="checkbox"/> File Form 945 for any nonpayroll income tax withholding . . . . .	3

## Nonpayroll Income Tax Withholding

Nonpayroll 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 1999 is due January 31, 2000. Separate deposits are required for payroll (Form 941) and nonpayroll (Form 945) withholding. Nonpayroll items include:

- Pensions, annuities, and IRAs.
- Military retirement.
- Gambling winnings.
- Indian gaming profits.
- Voluntary withholding on certain government payments.
- Backup withholding.

All income tax withholding reported on Forms 1099 or W-2G must be reported on Form 945. All income tax withholding reported on Form W-2 must be reported on Form 941, 943, or Schedule H (Form 1040).

**Note:** Because distributions to participants from nonqualified pension plans and some other deferred compensation plans are treated as wages and are reported on Form W-2, income tax withheld must be reported on Form 941, not Form 945. However, because 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.

For details on depositing and reporting nonpayroll income tax withholding, see the separate **Instructions for Form 945**.

**Backup withholding.** You generally must withhold 31% 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 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.

**Note:** 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, long-term care benefits, or real estate transactions.

You can use **Form W-9**, Request for Taxpayer Identification Number and Certification, to request payees to furnish a TIN and to certify that the number furnished is correct. You can also use Form W-9 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** includes a list of types of payees who are exempt from backup withholding. For more

information, see **Pub. 1679**, A Guide to Backup Withholding.

## Recordkeeping

Keep all records of employment taxes for at least 4 years. These should be available for IRS review. Records should include:

- Your employer identification number.
- Amounts and dates of all wage, annuity, and pension payments.
- Amounts of tips reported.
- 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 Form W-2 that were returned to you as undeliverable.
- Dates of employment.
- 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-4S, and W-4V).
- Dates and amounts of tax deposits you made and acknowledgment numbers for deposits made by EFTPS.
- Copies of returns filed, including 941TeleFile Tax Records and confirmation numbers.
- Records of fringe benefits provided, including substantiation.

## Change of Address

To notify the IRS of a new business mailing address or business location, file **Form 8822**, Change of Address.

## Private Delivery Services

You can use certain private delivery services designated by the IRS to mail tax returns and payments. If you mail by the due date using any of these services, you are considered to have filed on time. The most recent list of designated private delivery services was published in August 1999. The list includes only the following:

- Airborne Express (Airborne): Overnight Air Express Service, Next Afternoon Service, Second Day Service.
- DHL Worldwide Express (DHL): DHL "Same Day" Service, DHL USA Overnight.
- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2 Day.

- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M.

The private delivery service can tell you how to get written proof of the mailing date.

## Telephone Help

**Tax questions.** You can call the IRS with your tax questions. Check your telephone book for the local number or call 1-800-829-1040.

**Help for people with disabilities.** Telephone help is available using TTY/TDD equipment. You may call 1-800-829-4059 with your tax question or to order forms and publications. You may also use this number for assistance with unresolved tax problem resolution.

**Recorded tax information (TeleTax).** The 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 you make. Touch-tone service is available 24 hours a day, 7 days a week. TeleTax topics are also available using a personal computer (connect to **www.irs.gov**).

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, listen to topic 123.

## TeleTax Topics

Topic No.	Subject
751	Social security and Medicare withholding rates
752	Form W-2—Where, when, and how to file
753	Form W-4—Employee's Withholding Allowance Certificate
754	Form W-5—Advance earned income credit
755	Employer identification number (EIN)—How to apply
756	Employment taxes for household employees
757	Form 941—Deposit requirements
758	Form 941—Employer's Quarterly Federal Tax Return
759	Form 940/940-EZ—Deposit requirements
760	Form 940/940-EZ—Employer's Annual Federal Unemployment Tax Return
761	Tips—Withholding and reporting
762	Independent contractor vs. employee

## Unresolved Tax Problems

Most problems can be resolved with one contact either by calling, writing, or visiting an IRS office. But if you have tried unsuccessfully to resolve a problem with the IRS, you should contact the Taxpayer Advocate's office. You will be assigned a personal advocate who is in the best position to try to resolve your problem.

Contact the Taxpayer Advocate if you:

- Are suffering or are about to suffer a significant hardship.
- Are facing an immediate threat of adverse action.
- Will incur significant costs if relief is not granted (including fees for professional representation).
- Will suffer irreparable injury or long-term adverse impact if relief is not granted.
- Have experienced a delay of more than 30 calendar days to resolve a tax problem or inquiry.
- Have not received a response or resolution to the problem by the date promised.

You may contact a Taxpayer Advocate by calling a new toll-free assistance number, **1-877-777-4778**. Persons who have access to TTY/TTD equipment may call 1-800-829-4059 and ask for the Taxpayer Advocate. If you prefer, you may write to the Taxpayer Advocate at the IRS office that last contacted you.

While Taxpayer Advocates cannot change the tax law or make a technical tax decision, they can clear up problems that resulted from previous contacts and ensure that your case is given a complete and impartial review. Taxpayer Advocates are working to put service first. For more information about the Taxpayer Advocate, see **Pub. 1546**, The Taxpayer Advocate Service of the IRS.

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## General Information

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 you must give your employees, those your employees must give you, and those you must send to the IRS and SSA. This guide also has tax tables you need to figure the taxes to withhold for each employee for 2000.

Additional employment tax information is available in **Pub. 15-A**, Employer's Supplemental Tax Guide. Pub. 15-A includes specialized information supplementing the basic employment tax information provided in this publication.

Most employers must withhold (except FUTA), deposit, report, and pay the following employment taxes—

- Income tax.
- Social security and Medicare taxes.
- 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 (I TFM 3-4000)** for more information.

**State and local government employers.** Employee wages are generally subject to Federal income tax withholding, but not Federal unemployment (FUTA) tax. In addition, wages, with certain exceptions, are subject to social security and Medicare taxes. See section 15 for more information on the exceptions.

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.

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## 1. Employer Identification Number (EIN)

If you are required to report employment taxes or give tax statements to employees or annuitants, you need an EIN.

The EIN is a nine-digit number the IRS issues. The digits are arranged as follows: 00-0000000. It is used to identify the tax accounts of employers and certain others that have no employees. **Use your EIN on all the items you send to the IRS and SSA.** For more information, get **Pub. 1635**, Understanding Your EIN.

If you have not asked for an EIN, request one on **Form SS-4**, Application for Employer Identification Number. Form SS-4 has information on how to apply for an EIN by mail or by telephone.

You should have only one EIN. If you have more than one and are not sure which one to use, please check with the Internal Revenue Service office where you file your return. Give the numbers 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, do not use that employer's EIN. If you do not have your own EIN by the time a return is due, write "Applied for" and the date you applied in the space shown for the number.

See **Depositing without an EIN** on page 21 if you must make a deposit and you do not have an EIN.

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## 2. Who Are Employees?

Generally, employees are defined either under common law or under special statutes for certain situations.

**Employee status under common law.** Generally, a worker who performs services for you is your employee if you can 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. Get **Pub. 15-A**, Employer's Supplemental Tax Guide, 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. 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.

- 1) An agent (or commission) driver who delivers food, beverages (other than milk), laundry, or dry cleaning for someone else.
- 2) A full-time life insurance salesperson.
- 3) 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.
- 4) 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.

Get Pub. 15-A for details on statutory employees.

**Statutory nonemployees.** Direct sellers and qualified real estate agents are by law considered nonemployees. They are instead treated as self-employed for all Federal tax purposes, including income and employment taxes. See Pub. 15-A for details.

**Treating employees as nonemployees.** You will be liable for social security and Medicare taxes and withheld income tax if you do not deduct and withhold them because you treat an employee as a nonemployee. See Internal Revenue Code section 3509 for details.

**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 information returns (Form 1099-MISC) 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 Employee Work Status for Purposes of Federal Employment Taxes and Income Tax Withholding.

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## 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 services 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** below. 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, 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 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:

- 1) A corporation, even if it is controlled by the child's parent or the individual's spouse,
- 2) A partnership, even if the child's parent is a partner, unless each partner is a parent of the child,
- 3) A partnership, even if the individual's spouse is a partner, or
- 4) An estate, even if it is the estate of a deceased parent.

**Parent employed by child.** The wages 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 wages paid to a parent for services not in a trade or business, but they do apply to domestic services if:

- 1) The parent cares for a child who lives with a son or daughter and who 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

- 2) The son or daughter is a widow or widower, divorced, or married to a person who, because of a physical or mental condition, cannot care for the child during such period.

Wages paid to a parent employed by his or her child are not subject to FUTA tax, regardless of the type of services provided.

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## 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 is required to 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.

Any employee without a social security card can get one by completing **Form SS-5**, Application for a Social Security Card. You can get this form at Social Security Administration (SSA) offices or by calling 1-800-772-1213. The employee must complete and sign Form SS-5; it cannot be filed by the employer. If your employee applied for an SSN but does not have it when you must file Form W-2, enter "Applied for" on the form. When the employee receives the SSN, file **Form W-2c**, Corrected Wage and Tax Statement, to show the employee's SSN.

**Note:** Record the name and number of each employee exactly 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 new card from the SSA. Continue to use the old name until the employee shows you the new social security card with the new name.

If your employee was given a new social security card to show his or her correct name and number after an adjustment to his or her alien residence status, correct your records and show the new information on Form W-2. If you filed Form W-2 for the same employee in prior years under the old name and SSN, file Form W-2c to correct the name and number. Use a separate Form W-2c to correct each prior year. Advise the employee to contact the local SSA office no earlier than 9 months after the Form W-2c is filed to ensure that the records were updated.

**IRS individual taxpayer identification numbers (ITINs) for aliens.** A resident or nonresident alien may request an ITIN for tax purposes if he or she does not have and is not eligible to get an SSN. Possession of an ITIN does not change an individual's employment or immigration status under U.S. law. Do not accept an ITIN in place of an SSN for employee identification.

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 Social Security Administration (SSA) offers employers and authorized reporting agents two methods for verifying employee SSNs. Both methods match employee names and SSNs.

- **Telephone verification.** To verify up to five names and numbers, call 1-800-772-6270. To verify up to 50 names and numbers, contact your local social security office.
- **Large volume verification.** The **Enumeration Verification Service (EVS)** may be used to verify more than 50 employee names and SSNs. Preregistration is required for EVS and the information must be submitted on magnetic media. For more information, call the SSA Verification Hotline at 410-965-7140 or visit SSA's Internet Web Site for Employers at [www.ssa.gov/employer](http://www.ssa.gov/employer).

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## 5. Wages and Other Compensation

Wages subject to Federal employment taxes include all pay you give 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. Also, compensation paid to a former employee for services performed while still employed is wages subject to employment taxes. 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. **Pub. 15-A**, Employer's Supplemental Tax Guide, provides additional information on wages and other compensation, including:

- Awards
- Educational assistance
- Outplacement services
- Dependent care assistance
- Adoption assistance
- Withholding for idle time
- Back pay
- Supplemental unemployment benefits
- Below-market loans
- Group-term life insurance
- Leave sharing
- Cafeteria plans
- Deferred compensation
- Employee stock options
- Employee stock options
- Retirement plans

**Employee business expense reimbursements.** A reimbursement or allowance arrangement is a system by which you substantiate and pay the advances, reimbursements, and charges for your employees' business expenses. How you report a reimbursement or allowance amount depends on whether it is 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 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 the advance within 30 days of the time they incur the expense, adequately account for the expenses within 60 days after the expenses were paid or incurred, and they return any amounts in excess of expenses within 120 days after the expense was 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 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:

- 1) Your employee is not required to or does not substantiate timely those expenses to you with receipts or other documentation or
- 2) 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.

**Per diem or other fixed allowance.** You may reimburse your employees by travel days, or miles, or some other fixed allowance. In these cases, your employee is considered to have accounted to you if the payments do not exceed rates established by the Federal Government. The 1999 standard mileage rate for auto expenses was 32.5 cents per mile through March 31, 1999, and 31 cents per mile beginning April 1. The rate for all of 2000 is 32.5 cents per mile. See **Pub. 553**, Highlights of 1999 Tax Changes, for the 2000 standard mileage rate. The government per diem rates for meals and lodging in the continental United States are listed in **Pub. 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 in box 13 of Form W-2, using code L.

For more information, see chapter 16 in **Pub. 535**, Business Expenses.

**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 they are provided is subject to 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. However, 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) 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, get **Pub. 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 you provide at the place of work so 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 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 for all employees and is not subject to income tax withholding or employment taxes.

For more information, see chapter 2 in Pub. 535.

**Health insurance plans.** If you pay the cost of an accident or health insurance plan for your employees, which may include an employee's spouse and dependents, your payments are not wages and are not subject to social security, Medicare, and FUTA taxes, or income tax withholding. Generally, this exclusion applies to qualified long-term care insurance contracts. However, the cost 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).

**Medical savings accounts.** Your contributions to an employee's medical savings account (MSA) are not subject to social security, Medicare, or FUTA taxes, or 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 they will be excludable, your contributions are subject to these taxes. Employee contributions to their MSA through a payroll deduction plan must be included in wages and are subject to social security, Medicare, and FUTA taxes, and income tax withholding.

**Medical care reimbursements.** 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.

**Fringe benefits.** You generally must include fringe benefits in an employee's gross income (but see **Non-taxable fringe benefits** below). The benefits are subject to income tax withholding and employment taxes. Fringe benefits include cars you provide, flights on aircraft 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 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 the law excludes. There are other special rules you and your employees may use to value certain fringe benefits. See Pub. 535 for more information.

**Nontaxable fringe benefits.** Some fringe benefits are not taxable if certain conditions are met. See chapter 4 of Pub. 535 for details. Examples are:

- 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 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) 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 you provide at eating places 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 page 9 for details.
- 7) The use of on-premises athletic facilities if substantially all the use is by employees, their spouses, and their dependent children.
- 8) Qualified tuition reduction, which an educational organization provides its employees for education. For more information, see **Pub. 520**, Scholarships and Fellowships.

However, do not exclude the following fringe benefits from the income of highly compensated employees unless the benefit is available to 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 Pub. 535.

**When fringe benefits are treated as paid.** You may choose to treat certain noncash fringe benefits as paid by the pay period, or by the quarter, or on any other basis you choose as long as you treat the benefits as paid at least as often as once a year. You do not have to make a formal choice of payment dates or notify the IRS of the dates 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 Pub.15-A 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. Prior to 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 28% supplemental wage rate.

You may choose not to withhold income tax on the value of an employee's personal use of a vehicle you provide. You must, however, withhold social security and Medicare taxes on the use of the vehicle. Get Pub. 15-A 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 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 the 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 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 you pay, under a plan you take part in, 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 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 the employee last worked for the employer. The payments are also subject to income tax. See Pub. 15-A for more information.

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## 6. Tips

Tips 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 the tips are received. The report should include tips you paid over to the employee for charge custom-

ers and tips 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 the report covers.
- The total tips.

Both Forms 4070 and **4070-A**, Employee's Daily Record of Tips, are included in **Pub. 1244**, Employee's Daily Record of Tips and Report to Employer; available from the IRS.

You must collect income tax, employee social security tax, and employee Medicare tax on the employee's tips. You can collect these taxes from the employee's wages or from other funds he or she makes available. (See **Tips treated as supplemental wages** in section 7 for further information.) Stop collecting the employee social security tax when his or her wages and tips for tax year 2000 reach \$76,200; 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 to report withholding 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 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.

Show these tips and any uncollected social security and Medicare taxes on Form W-2 and on lines 6c, 6d, 7a, and 7b of Form 941. Report an adjustment on line 9 of Form 941 for the uncollected social security and Medicare taxes. Enter the amount of uncollected social security and Medicare taxes in box 13 of Form W-2 with code A. (See section 13 and the **Instructions for Forms W-2 and W-3**.)

If an employee reports to you in writing \$20 or more of tips in a month, the tips are subject to FUTA tax.

**Note:** *You are permitted to establish a system for electronic tip reporting by employees. See Proposed Regulations section 31.6053-1.*

**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 are 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 if 250 or more forms are filed, see the separate **Instructions for Form 8027**.

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## 7. Supplemental Wages

Supplemental wages are compensation paid in addition to the 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 and retroactive pay increases for current employees, 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 payments depends on whether the supplemental payment is identified as a separate payment from regular wages.

**Supplemental wages combined with regular wages.** If you pay supplemental wages with regular wages but do not specify the amount of each, withhold 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 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 28% (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 were a single payment. Subtract the tax already withheld from the regular wages. Withhold the remaining tax from the supplemental wages.
- 2) If you **did not withhold** income tax from the employee's regular wages, use method **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 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 2000, he is paid \$1,000. Using the wage bracket tables, you withhold

\$85 from this amount. In February 2000, he receives salary of \$1,000 plus a commission of \$2,000, which you include in regular wages. You figure the withholding based on the total of \$3,000. The correct withholding from the tables is \$445.

**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, 2000, pay is \$2,000. Using the wage bracket tables, you withhold \$235. On May 14, 2000, she receives a bonus of \$2,000. Electing to use supplemental payment method **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 \$725 using the wage bracket tables.
- 3) Subtract the amount withheld from wages on the most recent pay date from the combined withholding amount ( $\$725 - \$235 = \$490$ ).
- 4) Withhold \$490 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 28% of \$2,000, or \$560, from Sharon's bonus payment.

**Tips treated as supplemental wages.** Withhold income tax on tips from wages or from other funds the employee makes available. If an employee receives regular wages and reports tips, figure income tax 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 **a** or **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.

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## 8. Payroll Period

The 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.

When you do not have a 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 (e.g., commissions paid on completion of a sale), count back the number of days from the payment period to the latest of:

- 1) The last wage payment made during the same calendar year,
- 2) The date employment began, if during the same calendar year, or
- 3) January 1 of the same year.

When you pay an employee for a period of less than 1 week, and the employee signs a statement under penalties of perjury 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.

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## 9. Withholding From Employees' Wages

### Income Tax Withholding

To know how much income tax to withhold from employees' wages, you should have a **Form W-4**, Employee's Withholding Allowance Certificate, on file for each employee. 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 tax as if he or she is single, with no withholding allowances.

You may establish a system to electronically receive Form W-4 from your employees. See Regulation 31.3402(f)(5)-1 for more information.

A Form W-4 remains in effect until the employee gives you a new one. 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 you received the replacement Form W-4. For exceptions, see **Exemption from income tax withholding, Sending certain Forms W-4 to the IRS, and Invalid Forms W-4** below.

The amount of 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, the 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 other sources of taxable income that are not subject to adequate withholding.

**Note:** A Form W-4 that makes a change for the next calendar year will not take effect in the current calendar year.

Get **Pub. 505**, Tax Withholding and Estimated Tax, for detailed instructions for completing Form W-4. Along with Form W-4, you may wish to order Pub. 505 and **Pub. 919**, How Do I Adjust My Withholding?

When you receive a new Form W-4, do not adjust withholding for pay periods before the effective date of the new form. Also, 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 income tax withholding.** Generally, an employee may claim exemption from 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.

A Form W-4 claiming exemption from withholding is valid for only one calendar year. To continue to be exempt from withholding in the next year, an employee must file 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.

**Withholding on nonresident aliens.** In general, if you pay wages to nonresident aliens, you must withhold income tax (unless excepted by regulations), social security, and Medicare taxes as you would for a U.S. citizen. You must also give a Form W-2 to the nonresident alien and file it with the SSA. The wages are subject to FUTA tax as well. However, see **Pub. 515**, Withholding of Tax on Nonresident Aliens and Foreign Corporations, and **Pub. 519**, U.S. Tax Guide for Aliens, for exceptions to these general rules.

**Form W-4.** To avoid underwithholding of income tax, you should require nonresident aliens when completing Form W-4 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, Japan, or Korea, he or she may claim more than one allowance).
- Request an additional income tax withholding amount, depending on the payroll period, as follows:

<u>Payroll Period</u>	<u>Additional Withholding</u>
Weekly	\$7.60
Biweekly	15.30
Semimonthly	16.60
Monthly	33.10
Quarterly	99.40
Semiannually	198.80
Annually	397.50
Daily or Miscellaneous (each day of the payroll period)	1.50

**Note:** *Nonresident alien students from India are not subject to the additional income tax withholding requirement.*

**Nonwage withholding.** In some cases, an Internal Revenue Code section or a U.S. treaty provision will exempt payments to a nonresident alien from wages. These payments are not subject to regular income tax withholding. Form W-2 is not required in these cases. Instead, the payments are subject to withholding at a flat 30% or lower treaty rate, unless exempt from tax because of a Code or U.S. tax treaty provision.

Report these payments and any withheld tax on **Form 1042-S**, Foreign Person's U.S. Source Income Subject to Withholding. Form 1042-S is sent to the IRS with **Form 1042**, Annual Withholding Tax Return for U.S. Source Income of Foreign Persons. You may have to make deposits of the withheld income tax, using **Form 8109**, Federal Tax Deposit Coupon, or EFTPS (see page 20). See Pub. 515 and the **Instructions for Form 1042-S** for more information.

**Sending certain Forms W-4 to the IRS.** You must send to the IRS copies of certain Forms W-4 received during the quarter from employees still employed by you at the end of the quarter. Send copies when the employee claims (1) more than 10 withholding allowances or (2) exemption from withholding and his or her wages would normally be more than \$200 per week. You are not required to send any other Forms W-4 unless the IRS notifies you in writing to do so.

Send in Forms W-4 that meet either of the above conditions each quarter with Form 941. Complete boxes 8 and 10 on any Forms W-4 you send in. You may use box 9 to identify the office responsible for processing the employee's payroll information. Also send copies of any written statements from employees in support of the claims made on Forms W-4. Send these statements even if the Forms W-4 are not in effect at the end of the quarter. You can send them to the IRS more often if you like. If you do so, include a cover letter giving your name, address, EIN, and the number of forms included. In certain cases, the IRS may notify you in writing that you must submit specified Forms W-4 more frequently to your district director separate from your Form 941.

If your Forms 941 are filed on magnetic media, this Form W-4 information also should be filed with the IRS on magnetic media. (See **Filing Form W-4 on mag-**

**netic media** below.) If you file Form 941 electronically or by TeleFile, send your paper Forms W-4 to the IRS with a cover letter. Magnetic media filers of Form 941 also may send paper Forms W-4 to the IRS with a cover letter if they are unable to file them on magnetic media.

Base withholding on the Forms W-4 that you send in unless the IRS notifies you in writing to do otherwise. If the IRS notifies you about a particular employee, base withholding on the number of withholding allowances shown in the IRS notice. The employee will get a similar notice directly from the IRS. If the employee later gives you a new Form W-4, follow it only if (1) exempt status is not claimed or (2) the number of withholding allowances is equal to or fewer than the number in the IRS notice. Otherwise, disregard it and do not submit it to the IRS. Continue to follow the IRS notice.

If the employee prepares a new Form W-4 explaining any difference with the IRS notice, he or she may either submit it to the IRS or to you. If submitted to you, send the Form W-4 and explanation to the IRS office shown in the notice. Continue to withhold based on the notice until the IRS tells you to follow the new Form W-4.

**Filing Form W-4 on magnetic media.** Form W-4 information may be filed with the IRS on magnetic media. If you wish to file on magnetic media, you must submit **Form 4419**, Application for Filing Information Returns Magnetically/Electronically, to request authorization. See **Pub. 1245**, Specifications for Filing Form W-4, Employee's Withholding Allowance Certificate, Magnetically or Electronically. To get more information about magnetic media filing, call the IRS Martinsburg Computing Center at 304-263-8700.

**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 files a false Form W-4 may be subject to a \$500 penalty.

When you get an invalid Form W-4, do not use it to figure withholding. Tell the employee it is invalid and ask for another one. If the employee does not give you a valid one, withhold taxes as if the employee were 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 or 668-W(c)), you must withhold amounts as described in the instructions for these forms. **Pub. 1494**, Table for Figuring Amount Exempt From Levy on Wages, Salary, and Other Income (Forms 668-W and 668-W(c)), shows 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.

Social security and Medicare taxes are levied on both you and your employees (unless you or your employees are not subject to these taxes; see section 15). You, as an employer, must withhold and deposit the employee's part of the taxes, and you must pay a matching amount. 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.**

These taxes have different tax rates and only 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 1999 wage base limit was \$72,600. For 2000, the wage base limit is \$76,200.

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 the other employer paid to your employees when you figure the annual wage base limit for social security. See Regulations section 31.3121(a)(1)-1(b) for more information. Also see Rev. Proc. 96-60, 1996-2 C.B. 399, for the procedures used in filing returns in a predecessor-successor situation.

**Example:** Early in 1999, you bought all 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 you paid Mr. Brown are subject to social security taxes on the first \$70,600 (\$72,600 less \$2,000). Medicare tax is due on all wages you pay him during the calendar year.

**International social security agreements.** The United States has social security agreements with many countries that eliminate dual taxation and coverage under both countries' systems. 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 SSA at [www.ssa.gov/international](http://www.ssa.gov/international), or see **Pub. 15-A**, Employer's Supplemental Tax Guide.

## **Part-Time Workers**

For income tax withholding and social security, Medicare, and Federal unemployment (FUTA) tax purposes, there are no differences between 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 Pub. 15-A.

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## **10. Advance Earned Income Credit (EIC) Payment**

An employee who is eligible for the earned income credit (EIC) and has 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**, Earned Income Credit Advance Payment Certificate, using either the paper form or using 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 Form W-5 from your employees. See Announcement 99-3, 99 IRB-3 IRB 15 for information on electronic requirements for Form W-5.

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 2000, the advance payment can be as much as \$1,412. The tables that begin on page 56 reflect that limit.

**Form W-5.** Form W-5 states 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 has a qualifying child.
- Whether he or she is married.
- 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 cir-

cumstances. 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 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 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 district director if you have reason to believe it has any 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 pay period.
- Whether the employee is married or single.
- Whether a married employee's spouse has a Form W-5 in effect with an employer.

**Note:** *If during the year you have paid an employee total wages of at least \$27,413, you must stop making advance EIC payments to that employee for the rest of the year.*

Figure the amount of advance EIC to include in the employee's pay by using the tables that begin on page 56. There are separate tables for employees whose spouses have a Form W-5 in effect. See page 33 for instructions on using the advance EIC payment tables. The amount of advance EIC paid to an employee during 2000 cannot exceed \$1,412.

**Paying the advance EIC to employees.** An advance EIC payment is not wages and 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 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 you made to employees on the advance EIC line of your Form 941. Subtract this amount from your total taxes (see the separate **Instructions for Form 941**). Reduce the amounts reported on line 17 of Form 941 or on appropriate lines of **Schedule B (Form 941)**, Employer's Record of Federal Tax Liability, by any advance EIC paid to 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 considered deposited on the day you pay wages (including the advance EIC payment) to your employees. The advance EIC payment reduces, in this order, the amount of income tax withholding, withheld employee social security and Medicare taxes, and 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 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 you paid wages, and you subtract this amount from your employment taxes for the payroll period. The \$100 is treated as if you paid the IRS the \$90 total income tax withholding and \$10 of the employee social security and Medicare taxes. You remain liable only for \$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) Elect to 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—

- 1) Reduce each employee's payment by 10% (to \$9 each) so the advance EIC payments equal your total employment tax (\$90) or
- 2) Pay each employee \$10, and treat the excess \$10 as an advance payment of employment taxes. Attach a statement to Form 941 showing the excess advance EIC payments and the pay period(s) to which the excess applies.

**U.S. territories.** 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.

## Required Notice to Employees

You must notify employees who have no 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**, Employee's Withholding Allowance Certificate, about the EIC, you are encouraged to notify any employees whose wages for 1999 were less than \$30,580 that they may be eligible to claim the credit for 1999. This is because eligible employees may get a refund of the amount of EIC that is more than the tax they owe. For example, an employee who had no tax withheld in 1999 and owes no tax, but is eligible for a \$790 EIC, can file a 1999 tax return to get a \$790 refund.

You will meet this notification requirement if you issue the IRS Form W-2 with the EIC notice on the back of Copy B, or a substitute Form W-2 with the same statement. You may 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 Form W-2 is given on time but does not have the required statement, you must notify the employee within 1 week of the date the substitute 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 Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 7, 2000.

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## 11. Depositing Taxes

In general, you must deposit income tax withheld and both the employer and employee social security and Medicare taxes (minus any advance EIC payments) by mailing or delivering a check, money order, or cash to an authorized financial institution or Federal Reserve bank. However, some taxpayers are required to deposit by electronic funds transfer. See **How To Deposit** on page 20 for information on electronic deposit requirements for 2000.

**Payment with return.** You may make a payment with Form 941 instead of depositing if:

- You accumulate less than a \$1,000 tax liability (reduced by any advance earned income credit) during the quarter (line 13 of Form 941). However, if you are unsure that you will accumulate less than \$1,000, deposit under the appropriate rules so that you will not be subject to failure to deposit penalties, or
- You are a monthly schedule depositor (defined below) and make a payment in accordance with the **Accuracy of Deposits Rule** discussed on page 19. This payment may be \$1,000 or more. **Caution:** *Only monthly schedule depositors are allowed to make this payment with the return.*

**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 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 \$1,000 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.

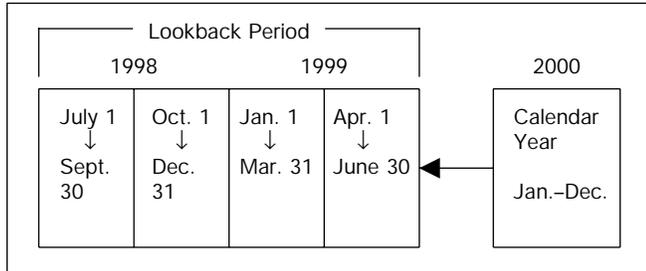
## When To Deposit

There are two deposit schedules—**monthly** or **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 (e.g., when you have a payday). Prior to the beginning of each calendar year, you must determine which of the two deposit schedules you are required to use. The deposit schedule you must use is based on the total tax liability you reported on Form 941 during a four-quarter **lookback period** discussed below. Your deposit schedule is **not** determined by how often you pay your employees or make deposits (see **Application of Monthly and Semiweekly Schedules** on page 19).

These rules do not apply to Federal unemployment (FUTA) tax. See section 14 for information on depositing FUTA tax.

**Lookback period.** Your deposit schedule for a calendar year is determined from the total taxes (not reduced by any advance EIC payments) reported on your Forms 941 (line 11) in a four-quarter lookback period. The lookback period begins July 1 and ends June 30 as shown in the 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 2000**



**Adjustments and the lookback rule.** Determine your tax liability for the four quarters in the lookback period based on the tax liability as **originally** reported on 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 to correct errors on prior Forms 941, include these adjustments as part of your tax liability for the current quarter. 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 four quarters in the lookback period ending June 30, 1999. The employer discovered during January 2000 that the tax during one of the lookback period quarters was understated by \$10,000 and corrected this error with an adjustment on the 2000 first quarter return. This employer is a monthly schedule depositor for 2000 because the lookback period tax liabilities are based on the amounts originally reported, and they were less than \$50,000. The \$10,000 adjustment is part of the 2000 first quarter tax liability.

**Monthly Deposit Schedule**

You are a monthly schedule depositor for a calendar year if the total taxes on Form 941 (line 11) for the four quarters in your lookback period were \$50,000 or less. Under the monthly deposit schedule, deposit Form 941 taxes on payments made during a month by the 15th day of the following month.

Monthly schedule depositors should **not** file Form 941 on a monthly basis. 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.** During the first calendar year of your business, your tax liability for each quarter in the lookback period is considered to be zero. Therefore, you are a monthly schedule depositor for the first calendar year of your business (but see the **\$100,000 Next-Day Deposit Rule** on page 19).

**Semiweekly Deposit Schedule**

You are a semiweekly schedule depositor for a calendar year if the total taxes on Form 941 (line 11) during your lookback period were more than \$50,000. Under

the semiweekly deposit schedule, deposit Form 941 taxes on payments made on Wednesday, Thursday, and/or Friday by the following Wednesday. Deposit amounts accumulated on payments made on Saturday, Sunday, Monday, and/or Tuesday by the following Friday.

**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

**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.

**Semiweekly deposit period spanning two quarters.**

If a quarter ends on a day other than Tuesday or Friday, taxes accumulated on the days during the quarter just ending are subject to one deposit obligation, and taxes accumulated on the days covered by the new quarter are subject to a separate deposit obligation. For example, if one quarter ends on Thursday, taxes accumulated on Wednesday and Thursday are subject to one deposit obligation and taxes accumulated on Friday are subject to a separate obligation. Separate deposits are required because two different quarters are affected.

**Summary of Steps To Determine Your Deposit Schedule**

1. Identify your lookback period (see Table 1).
2. Add the total taxes (line 11 of 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:

1999 Lookback Period		2000 Lookback Period	
3rd Quarter 1997	– \$12,000	3rd Quarter 1998	– \$12,000
4th Quarter 1997	– \$12,000	4th Quarter 1998	– \$12,000
1st Quarter 1998	– \$12,000	1st Quarter 1999	– \$12,000
2nd Quarter 1998	– <u>\$12,000</u>	2nd Quarter 1999	– <u>\$15,000</u>
	\$48,000		\$51,000

Rose Co. is a monthly schedule depositor for 1999 because its tax liability for the four quarters in its lookback period (third quarter 1997 through second quarter 1998) was not more than \$50,000. However, for 2000, Rose Co. is a semiweekly schedule depositor because the total taxes exceeded \$50,000 for the four quarters in its lookback period (third quarter 1998 through second quarter 1999).

## 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 one 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 you must follow when an employment tax liability arises. The deposit rules are based on the dates wages are paid; **not** on when tax liabilities are accrued.

**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 May 31, 2000 (Wednesday) payday must be deposited by June 7, 2000 (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 a tax liability (reduced by any advance EIC payments) of \$100,000 or more 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 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.

In addition, 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 during a month, 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, 2000. On April 15, it paid wages for the first time and accumulated a tax liability of \$40,000. On April 22, 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 22, it became a semiweekly schedule depositor on April 23. It will be a semiweekly schedule depositor for the remainder of 2000 and for 2001. Elm Inc. is required to deposit the \$100,000 by April 23, 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:

- 1) Any deposit shortfall does not exceed the greater of \$100 or 2% of the amount of taxes otherwise required to be deposited and

- 2) 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 the Form 941 for the quarter in which the shortfall occurred. You may pay the shortfall with Form 941 even if the amount is \$1,000 or more.
- 2) **Semiweekly schedule depositor.** Deposit by the earlier of:
  - a) The first Wednesday or Friday that falls on or after the 15th of the month following the month in which the shortfall occurred or
  - b) The due date of Form 941 (for the quarter of the tax liability).

For example, if a semiweekly schedule depositor has a deposit shortfall during May 2000, the shortfall makeup date is June 16, 2000 (Friday). However, if the shortfall occurred on the required July 5 (Wednesday) deposit due date for a June 28 (Wednesday) pay date, the return due date for the June 28 pay date (July 31) would come before the August 16 (Wednesday) shortfall makeup date. In this case, the shortfall must be deposited by July 31.

## **How To Deposit**

The two methods of depositing employment taxes, including Form 945 taxes, are discussed below. See page 17 for exceptions explaining when taxes may be paid with the tax return instead of deposited.

**Electronic deposit requirement.** You must make electronic deposits of all depository tax liabilities that occur after 1999 if the total of *all* your Federal tax deposits (such as deposits for employment tax, excise tax, and corporate income tax) in 1998 were more than \$200,000. If you are already depositing electronically but your deposits did not exceed \$200,000, you may continue to do so or you may deposit with coupons, discussed below.

The **Electronic Federal Tax Payment System (EFTPS)** must be used to make electronic deposits. If you are required to make deposits by electronic funds transfer and fail to do so, you may be subject to a 10% penalty.

Taxpayers who are not required to make electronic deposits may voluntarily participate in EFTPS. To enroll in EFTPS, call 1-800-555-4477 or 1-800-945-8400. For general information about EFTPS, call 1-800-829-1040.

**Depositing on time.** For deposits made by EFTPS to be on time, you must initiate the transaction at least one business day before the date the deposit is due.

**Making deposits with FTD coupons.** If you are not making deposits by EFTPS, use **Form 8109**, Federal Tax Deposit Coupon, to make the deposits at an authorized financial institution or Federal Reserve bank.

For new employers, the IRS will send you a Federal Tax Deposit (FTD) coupon book 5 to 6 weeks after you

receive an employer identification number (EIN). (Apply for an EIN on Form SS-4.) The IRS will keep track of the number of FTD coupons you use and **automatically** will send you additional coupons when you need them. If you do not receive your resupply of FTD coupons, call 1-800-829-1040. 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 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 the 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** on page 21 for details.

**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 or to the Federal Reserve bank or branch (FRB) serving your area. An authorized depository is a financial institution (e.g., a commercial bank) that is authorized to accept Federal tax deposits. Follow the instructions in the FTD coupon book. Make the check or money order payable to the depository or FRB where you make your deposit. To help ensure proper crediting of your account, include your EIN, the type of tax (e.g., Form 941), and 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.

**Note:** *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.*

**Federal Reserve banks (FRBs).** If you want to make a deposit at an FRB, make the deposit with the FRB serving your area. Deposits may be subject to the failure to deposit penalty if the payment is not considered an immediate credit item on the day it is received by the FRB. A personal check, including one drawn on a business account, is not an immediate credit item. To avoid a penalty, deposits made by personal checks drawn on other financial institutions must be made in advance of the deposit due date to allow time for check clearance.

**Depositing on time.** The IRS determines if deposits are on time by the date they are received by an authorized depository or FRB. To be considered timely, the funds must be available to the depository or FRB on the deposit due date before the institution's daily cutoff deadline. Contact your local depository or FRB for information concerning check clearance and cutoff schedules. However, a deposit received by the authorized depository or FRB after the due date will be considered timely if the taxpayer establishes that it was mailed in the United States at least 2 days before the due date.

**Note:** *If you are required to deposit any taxes more than once a month, any deposit of \$20,000 or more must be made by its due date to be timely.*

**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 or FRB. 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 an explanation with the deposit. **Do not** use **Form 8109-B**, Federal Tax Deposit Coupon, in this situation.

**Depositing without Form 8109.** If you do not have the 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 calling 1-800-829-1040. Be sure to have your EIN ready when you call. You will not be able to obtain this form 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 check, bank receipt, or money order is your receipt.

**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 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

Penalties may apply if you do not make required deposits on time, 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. For amounts not properly or timely deposited, the penalty rates are:

- 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** above and **Payment with return** earlier for exceptions).
- 10% - Amounts subject to electronic deposit requirements but not deposited using the Electronic Federal Tax Payment System (EFTPS).
- 15% - Amounts still unpaid more than 10 days after the date of the first notice the IRS sent asking for the tax due or the day on which you receive notice and demand for immediate payment, whichever is earlier.

**Order in which deposits are applied.** Generally, tax deposits are applied first to any past due undeposited amount within the same return period, with the oldest liability satisfied first. However, you may designate the period to which a deposit applies if you receive a penalty notice. You must respond within 90 days of the date of the notice. Follow the instructions on the notice you receive. For more information, see Revenue Procedure 99-10.

**Example:** Cedar Inc. is required to make a deposit of \$1,000 on March 15 and \$1,500 on April 15. It does not make the deposit on March 15. On April 15, Cedar Inc. deposits \$1,700 assuming that it has paid its April deposit in full and applied \$200 to the late March deposit. However, because deposits are applied first to past due underdeposits in due date order, \$1,000 of the April 15 deposit is applied to the late March deposit. The remaining \$700 is applied to the April 15 deposit. Therefore, in addition to an underdeposit of \$1,000 for March 15, Cedar Inc. has an underdeposit for April 15 of \$800. Penalties will be applied to both underdeposits as explained above. However, Cedar may contact the IRS within 90 days of the date of the notice to request that the deposits be applied differently.

**Trust fund recovery penalty.** If 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 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 district director requiring you to deposit taxes in 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.

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## 12. Filing 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. However, the following exceptions apply:

- 1) **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, mark the Seasonal employer box above line 1 on Form 941. The IRS will mail two Forms 941 to the seasonal filer once a year after March 1. The preprinted label will not include the date the quarter ended. You must enter the date the quarter ended when you file the return. Generally, the IRS will not inquire about unfiled returns if at least one taxable return is filed each year. However, you must mark the Seasonal employer box on every Form 941 you file. Otherwise, the IRS will expect a return to be filed for each quarter.
- 2) **Household employers reporting social security and Medicare taxes and/or withheld income tax.** If you are a sole proprietor and file Form 941 for business employees, you may include taxes for household employees on your Form 941. Otherwise, report social security and Medicare taxes and income tax withholding for household employees on **Schedule H (Form 1040)**, Household Employment Taxes. See **Pub. 926**, Household Employer's Tax Guide, for more information.
- 3) **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 the employees are not subject to U.S. income tax withholding, use Form 941-SS. Employers in Puerto Rico use Form 941-PR.

- 4) **Agricultural employers reporting social security, Medicare, and withheld income taxes.** Report these on **Form 943**, Employer's Annual Tax Return for Agricultural Employees.

**941TeleFile.** You may be able to file Form 941 by phone. If you receive TeleFile materials with your Form 941 package, check page TEL-1 of the 941TeleFile Instructions to see if you qualify for this method of filing. If you have questions related to filing Form 941 using TeleFile, call the **941TeleFile call site** at 901-546-2690. This phone number is for 941TeleFile information only and is not the number used to file the return.

**Electronic and magnetic tape filing of Form 941.** Reporting agents filing Forms 941 for groups of taxpayers can file them electronically or on magnetic tape. See the reporting agent discussion in section 8 of **Pub. 15-A**, Employer's Supplemental Tax Guide, for more information.

**Penalties.** For each whole or part month a return is not filed when required (disregarding any extensions of the filing deadline), there is a penalty of 5% of the unpaid tax due with that return. The maximum penalty is 25%. Also, for each whole or part month the tax is paid late (disregarding any extensions of the payment deadline), a penalty of 0.5% of the amount of tax generally applies. The maximum for this penalty is also 25%. The penalties will not be charged if you have a reasonable cause for failing to file or pay.

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.** Employers with multiple locations or divisions must file only one Form 941 per quarter. Filing more than one return may result in processing delays and may require correspondence between you and the IRS.

**Hints on filing.** Do not report more than one calendar quarter on a return.

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 they are exactly as they appeared on earlier returns. See the **Instructions for Form 941** for information on preparing the form.

**Final return.** If you go out of business, you must file a final return for the last quarter in which wages are paid. If you continue to pay wages or other compensation for quarters following termination of your business, you must file returns for those quarters. See the Instructions for Form 941 for details on how to file a final return.

**Note:** *If you are required to file a final Form 941, you are also required to furnish Form W-2 to your employees by the due date of the final Form 941. 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 Form 941.*

See the **Instructions for Forms W-2 and W-3** for more information.

**Filing late Forms 941 for prior years.** If you are filing an original return for a quarter in a prior year and you are using the current year form, you will have to modify Form 941.

**Caution:** The instructions on the form may be inappropriate for the year for which you are reporting taxes because of changes in the law, regulations, or procedures. The revision date (found under the form number at the top of the form) will tell you the year for which the form was developed. Contact the IRS if you have any questions.

**Note:** A form for a particular year generally can be used without modification for any quarter within that year. For example, a form with any 2000 revision date (e.g., January or October 2000) generally can be used without modification for any quarter of 2000.

In all cases, however, be sure to correctly fill out the "Date quarter ended" section at the top of the form. If you are modifying a form with preprinted information, change the date (the date is shown with the month and year the quarter ends; for example, JUN00 would be for the quarter ending June 30, 2000). Cross out any inapplicable tax rate(s) shown on the form and write in the rate from Table 3 below. You can get tax rates and wage base limits for years not shown in the table from the IRS.

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
1999-Social Security	\$72,600	12.4%
1999-Medicare	All Wages	2.9%
1998-Social Security	\$68,400	12.4%
1998-Medicare	All Wages	2.9%
1997-Social Security	\$65,400	12.4%
1997-Medicare	All Wages	2.9%

**Reconciling Forms W-2, W-3, and 941.** When there are discrepancies between Forms 941 filed with the IRS and Forms W-2 and W-3 filed with the SSA, we 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 941.
- 2) Report both social security and Medicare wages and taxes separately on Forms W-2, W-3, and 941.
- 3) Report social security taxes on Form W-2 in the box for social security tax withheld, not as social security wages.
- 4) Report Medicare taxes on Form W-2 in the box for Medicare tax withheld, 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.
- 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 quarterly Form 941 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."

To reduce the discrepancies between amounts reported on Forms W-2, W-3, and 941—

- 1) Be sure the amounts on Form W-3 are the total amounts from Forms W-2.
- 2) Reconcile Form W-3 with your four quarterly Forms 941 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 adjustments only for the current year (i.e., if the Form 941 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, including current-year adjustments, should be approximately twice the amounts shown on Form W-3. This is because Form 941 includes both the employer and employee shares of social security and Medicare taxes.
  - d) Advance earned income credit.

Do not report on Form 941 backup withholding or income tax withholding on nonpayroll payments such as pensions, annuities, and gambling winnings. Nonpayroll withholding must be reported on Form 945 (see the separate **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.

Amounts reported on Forms W-2, W-3, and 941 may not match for valid reasons. If they do not match, you should determine that the reasons are valid. Keep your reconciliation so you will have a record of why amounts did not match in case there are inquiries from the IRS or the SSA.

## 13. Reporting Adjustments on Form 941

There are two types of adjustments: current period adjustments and prior period adjustments to correct errors. See the instructions for Forms 941 and 941c for more information on how to report these adjustments.

## Current Period Adjustments

In certain cases, amounts reported as social security and Medicare taxes on lines 6b, 6d, and 7b of Form 941 must be adjusted to arrive at your correct tax liability (e.g., excluding amounts withheld by a third-party payer or amounts you were not required to withhold). Current period adjustments are reported on line 9 of Form 941 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. Report the entire amount of these tips on lines 6c (social security tips) and 7a (Medicare wages and tips). Include as an adjustment in the "Other" space on line 9 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 6b and 7b (social security and Medicare taxes), and back out the amount of the employee share of these taxes as an adjustment in the "Other" space on line 9. See Pub. 15-A for more information on group-term life insurance.

**Note:** For the above adjustments, provide a brief supporting statement explaining the nature and amount of the adjustments (see the example of reporting current period adjustments below). Do not use Form 941c as the supporting statement for current period adjustments.

**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 6b and 7b of Form 941. Deduct on line 9 the social security and Medicare taxes withheld on sick pay by a third-party payer. Also enter the sick pay tax adjustment in the "Sick Pay" adjustment entry space. No additional statement for this adjustment is required. See section 7 of Pub. 15-A for more information.

**Fractions of cents adjustment.** If there is a small difference between net taxes (line 13) and total deposits (line 14), 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 from each employee's wages. If you pay your taxes with Form 941 instead of making deposits because your total taxes for the quarter are less than \$1,000, 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 6a and 6c) by 6.2% (.062).
- Medicare tax (reported on line 7a) 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. If the actual amount withheld is less, report a negative adjustment in parentheses in the entry space for "Fractions of cents." If the actual amount is more, report a positive adjustment. No supporting statement is required for this adjustment.

**Example of reporting current period adjustments.** Cedar Inc. was entitled to the following current period adjustments:

- **Third-party sick pay.** Cedar included taxes of \$2,000 for sick pay on lines 6b and 7b for social security and Medicare taxes. However, the third-party payer 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).
- **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 6b, 6d, and 7b (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. It must report a positive \$1.44 fractions-of-cents adjustment.

### Current Period Adjustment Example

7	Taxable Medicare wages and tips	7a	\$		x	2.9% (.029) =	7b		
8	Total social security and Medicare taxes (add lines 6b, 6d, and 7b). Check here if wages are not subject to social security and/or Medicare tax						8		
9	Adjustment of social security and Medicare taxes (see instructions for required explanation) Sick Pay \$ (1000.00) ± Fractions of Cents \$ 1.44 ± Other \$ (200.00) =						9	(1198	56)
10	Adjusted total of social security and Medicare taxes (line 8 as adjusted by line 9—see instructions).						10		
11	Total taxes (add lines 5 and 10)						11		

- **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 6b and 7b of Form 941. It is entitled to a negative \$200 adjustment.

Cedar Inc. reported these adjustments on line 9 of Form 941 as shown in the **Current Period Adjustment Example** on page 24. A brief supporting statement was filed with Form 941 explaining the life insurance adjustment.

## Prior Period Adjustments

Generally, you can correct errors on prior quarter Forms 941 by making an adjustment on the Form 941 for the quarter during which the error was discovered. For example, if you made an error in reporting social security tax on your second quarter 1999 Form 941 and discovered the error during January 2000, correct the error by making an adjustment on your first quarter 2000 Form 941.

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

You are required to provide background information and certifications supporting prior quarter adjustments. File with Form 941 a **Form 941c**, Supporting Statement To Correct Information, or attach a statement that shows:

- What the error was.
- Quarter in which the error was made.
- The amount of the error for each quarter.
- Date on which you found the error.
- That you repaid the employee tax or received from each affected employee a written consent to this refund or credit, if the entry corrects an overcollection.
- 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 or the equivalent supporting statement separately.** The IRS will not be able to process your adjustments on Form 941 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 4 of Form 941 for the quarter during which you discovered the error.

**Note:** 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 the 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 is not the amount you actually withheld. For example, if the total income tax actually withheld was incorrectly reported on Form 941 due to a mathematical or transposition error, this would be an administrative error. The administrative error adjustment corrects the amount reported on Form 941 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 9 of Form 941 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.

**Reporting prior quarter adjustments on the record of Federal tax liability.** Adjustments to correct errors in prior quarters must be taken into account on either Form 941, line 17, Monthly Summary of Federal Tax Liability, or on **Schedule B (Form 941)**, Employer's Record of Federal Tax Liability.

If the adjustment corrects an **underreported liability** in a prior quarter, 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 9, 2000, that it overreported social security tax on a prior quarter return by \$5,000. Its total tax liabilities for the first quarter of 2000 were: January—\$4,500, February—\$4,500, and March—\$4,500. Elm Co. completed line 17 of Form 941 as shown in the **Prior Period Adjustment Example** on page 26.

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 17, column (a). 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 17, column (b).

**Note:** Do not make any changes to the record of Federal tax liability for current quarter 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 quarter adjustments make the amounts reported on lines 6b, 6d, and 7b of Form 941 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 Adjustment Example

- **All filers:** If line 13 is less than \$1,000, you need not complete line 17 or Schedule B (Form 941).
- **Semiweekly schedule depositors:** Complete Schedule B (Form 941) and check here . . . . .
- **Monthly schedule depositors:** Complete line 17, columns (a) through (d) and check here . . . . .

17 Monthly Summary of Federal Tax Liability Do not complete if you were a semiweekly schedule depositor.			
(a) First month liability	(b) Second month liability	(c) Third month liability	(d) Total liability for quarter
-0-	4000.00	4500.00	8500.00

**Sign Here** Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Print Your Name and Title ▶

Signature ▶ Date ▶

For Privacy Act and Paperwork Reduction Act Notice, see page 4 of separate instructions. Cat. No. 17001Z Form **941** (Rev. 1-99)

**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 separate **Instructions for Form 843**.

**Collecting underwithheld taxes from employees.** If you withheld no income, social security, or Medicare taxes or less than the right 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 up to 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 right amount of income, social security, or Medicare taxes from wages paid, give the employee the excess. Any excess income tax withholding must be reimbursed to the employee prior to the end of the calendar year. Keep in your records the employee's written receipt showing the date and amount of the repayment. If you do not have a receipt, you must report and pay each excess amount when you file Form 941 for the quarter 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.

### 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 for the quarter during which the repayment was made to recover the social security and Medicare taxes. Instead of making an adjustment on Form 941, 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.

***Note:** 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 tax agencies, including addresses and phone numbers, is available in **Pub. 926**, Household Employer's Tax Guide. Only the employer pays FUTA tax; it is not deducted from the employee's wages. For more information, see the **Instructions for Form 940**.

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 you pay to employees in that category during the current calendar year.

1) General test.

You are subject to FUTA tax on the wages you pay employees who are not farmworkers or household workers if in the current or preceding calendar year:

- a) You paid wages of \$1,500 or more in any calendar quarter in 1999 or 2000 or
- b) You had one or more employees for at least some part of a day in any 20 or more different weeks in 1999 or 20 or more different weeks in 2000.

2) Household employees test.

You are subject to FUTA tax only if you paid total cash wages of \$1,000 or more (for all household employees) in any calendar quarter in 1999 or 2000. A household worker 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 you pay to farmworkers if:

- a) You paid cash wages of \$20,000 or more to farmworkers during any calendar quarter in 1999 or 2000 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 1999 or 20 or more different weeks in 2000.

**Computing FUTA tax.** For 1999 and 2000, the FUTA tax rate is 6.2%. The tax applies to the first \$7,000 you pay 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 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 .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 wages paid during the quarter by .008 (.8%). Stop depositing FUTA tax on an employee's wages when he or she reaches \$7,000 in wages for the calendar year. If any part of the wages subject to FUTA are exempt from state unemployment tax, you may have to deposit more than the tax using

the .008 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 \$100 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 2000 is over \$100 (including any FUTA tax carried forward from an earlier quarter), you must deposit the tax by electronic funds transfer (EFTPS) or in an authorized financial institution using **Form 8109**, Federal Tax Deposit Coupon. See section 11 for information on these two deposit methods.

**Note:** *You are not required to deposit FUTA taxes for household employees unless you report their wages on Form 941 or 943. See Pub. 926, Household Employer's Tax Guide, for more information.*

**When to deposit.** Deposit the FUTA tax by the last day of the first month after the quarter ends.

If your liability for the fourth quarter (plus any undeposited amount from any earlier quarter) is over \$100, deposit the entire amount by the due date of Form 940 or Form 940-EZ (January 31). If it is \$100 or less, you can either make a deposit or pay the tax with your Form 940 or 940-EZ 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** or **940-EZ**, Employer's Annual Federal Unemployment (FUTA) Tax Return, to report this tax. The IRS will mail a pre-addressed Form 940 or 940-EZ to you if you filed a return the year before. If you do not receive Form 940 or 940-EZ, you can get the form by calling 1-800-TAX-FORM (1-800-829-3676).

**Form 940-EZ requirements.** You may be able to use Form 940-EZ instead of Form 940 if (1) you paid unemployment taxes ("contributions") to only one state, (2) you paid state unemployment taxes by the due date of Form 940 or 940-EZ, and (3) all wages that were taxable for FUTA tax purposes were also taxable for your state's unemployment tax. For example, if you paid wages to corporate officers (these wages are subject to FUTA tax) in a state that exempts these wages from its unemployment taxes, you cannot use Form 940-EZ.

**Household employees.** If you did not report employment taxes for household employees on Form 941 or 943, report FUTA tax for these employees on **Schedule H (Form 1040)**, Household Employment Taxes. See Pub. 926 for more information.

## 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
<b>Aliens, nonresident.</b>	See page 12 and <b>Pub. 515</b> , Withholding of Tax on Nonresident Aliens and Foreign Corporations, and <b>Pub. 519</b> , U.S. Tax Guide for Aliens.		
<b>Aliens, resident:</b> 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.
<b>Cafeteria plan benefits under section 125.</b>	If employee chooses cash, subject to all employment taxes. If employee chooses another benefit, the treatment is the same as if the benefit were provided outside the plan. (See <b>Pub. 15-A</b> for more information.)		
<b>Deceased worker:</b> 1. Wages paid to beneficiary or estate in same calendar year as worker's death. (See <b>Instructions for Form W-2</b> for details.)  2. Wages paid to beneficiary or estate after calendar year of worker's death.	Exempt  Exempt	Taxable  Exempt	Taxable  Exempt
<b>Dependent care assistance programs</b> (limited to \$5,000; \$2,500 if married filing separately).	Exempt to the extent it is reasonable to believe that amounts are excludable from gross income under section 129.		
<b>Disabled worker's wages</b> 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
<b>Employee business expense reimbursement:</b> a. Accountable plan. 1. Amounts not exceeding specified government rate for per diem or standard mileage. 2. Amounts in excess of specified government rate for per diem or standard mileage. b. Nonaccountable plan. (See page 8 for details.)	Exempt  Withhold  Withhold	Exempt  Taxable  Taxable	Exempt  Taxable  Taxable
<b>Family employees:</b> 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
<b>Fishing and related activities.</b>	See <b>Pub. 595</b> , Tax Highlights for Commercial Fishermen.		
<b>Foreign governments and international organizations.</b>	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
<b>Foreign service by U.S. citizens:</b> 1. As U.S. government employee. 2. For foreign affiliates of American employers and other private employers.	Withhold  Exempt if at time of payment (1) it is reasonable to believe employee is entitled to exclusion from income under section 911 or (2) the employer is required by law of the foreign country to withhold income tax on such payment.	Same as within U.S.  Exempt unless (1) an American employer by agreement covers U.S. citizens employed by its foreign affiliates or (2) U.S. citizen works for American employer.	Exempt  Exempt unless (1) on American vessel or aircraft and work is performed under contract made in U.S. or worker is employed on vessel when it touches U.S. port or (2) U.S. citizen works for American employer (except in a contiguous country with which the U.S. has an agreement for unemployment compensation) or in the U.S. Virgin Islands.
<b>Homeworkers</b> (industrial, cottage industry): 1. Common law employees. 2. Statutory employees. (See page 6 for details.)	Withhold  Exempt	Taxable  Taxable if paid \$100 or more in cash in a year.	Taxable  Exempt
<b>Hospital employees:</b> 1. Interns 2. Patients	Withhold  Withhold	Taxable  Taxable (Exempt for state or local government hospitals.)	Exempt  Exempt
<b>Household employees:</b> 1. Domestic service in private homes. (Farmers see 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 \$1,200 or more in cash in 2000. 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 (for <b>all</b> household employees) in any quarter in the current or preceding calendar year.  Taxable if employer paid total cash wages of \$1,000 or more (for <b>all</b> household employees) in any quarter in the current or preceding calendar year.
<b>Insurance for employees:</b> 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 <b>Pub. 15-A</b> for more 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
<b>Insurance agents or solicitors:</b> 1. Full-time life insurance salesperson.  2. Other salesperson of life, casualty, etc., insurance.	Withhold only if employee under common law. (See page 6.)  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.

Special Classes of Employment and Special Types of Payments	Treatment Under Employment Taxes		
	Income Tax Withholding	Social Security and Medicare	Federal Unemployment
<b>Interest on loans with below-market interest rates</b> (foregone interest and deemed original issue discount). (See <b>Pub. 15-A</b> for more information.)	Exempt (but deemed payments of compensation-related loans must be shown on Form W-2).	Exempt, unless loans are compensation related.	Exempt, unless loans are compensation related.
<b>Leave-sharing plans:</b> Amounts paid to an employee under a leave-sharing plan.	Withhold	Taxable	Taxable
<b>Newspaper carriers and vendors:</b> Newspaper carriers under age 18; newspaper and magazine vendors buying at fixed prices and retaining receipts from sales to customers. See Pub 15-A for information on statutory nonemployee status.	Exempt (withhold if both employer and employee voluntarily agree).	Exempt	Exempt
<b>Noncash payments:</b> 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.	Exempt Taxable	Exempt Taxable
<b>Nonprofit organizations.</b>	See <b>Pub. 15-A</b> .		
<b>Partners:</b> Payments to members of general partnership.	Exempt	Exempt	Exempt
<b>Railroads:</b> Payments subject to the Railroad Retirement Act	Withhold	Exempt	Exempt
<b>Religious exemptions.</b>	See <b>Pub. 15-A</b> .		
<b>Retirement and pension plans:</b> 1. Employer contributions to a qualified plan. 2. Elective employee contributions and deferrals to a plan containing a qualified cash or deferred compensation arrangement (e.g., 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 <b>Pub. 15-A</b> 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 Pub. 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
<b>Salespersons:</b> 1. Common law employees. 2. Statutory employees.  3. Statutory nonemployees (qualified real estate agents and direct sellers). (See page 7 for details.)	Withhold Exempt  Exempt	Taxable Taxable  Exempt	Taxable Taxable, except for full-time life insurance sales agents. Exempt
<b>Scholarships and fellowship grants:</b> (includible in income under section 117(c)).	Withhold	Taxability depends on the nature of the employment and the status of the organization. See <b>Students</b> on page 31.	

Special Classes of Employment and Special Types of Payments	Treatment Under Employment Taxes		
	Income Tax Withholding	Social Security and Medicare	Federal Unemployment
<b>Severance or dismissal pay.</b>	Withhold	Taxable	Taxable
<b>Service not in the course of the employer's trade or business,</b> 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 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.
<b>Sick pay.</b> (See <b>Pub. 15-A</b> for more information.)	Withhold	Exempt after end of 6 calendar months after the calendar month employee last worked for employer.	
<b>State governments and political subdivisions, employees of:</b>			
1. Fees of public official.	Exempt	Taxable if certain transportation services or if covered by a section 218 (Social Security Act) agreement.	Exempt
2. Salaries and wages.	Withhold	Taxable (1) for services performed by employees who are not members of retirement systems of employers and (2) (for Medicare tax only) for employees not otherwise covered by a section 218 agreement and hired after 3/31/86.	Exempt
3. Election workers.	Exempt	Taxable if paid \$1,100 or more in 2000 (any amount if section 218 Social Security Agreement); file Form W-2 for \$600 or more.	Exempt
<b>Students, scholars, trainees, teachers, etc.:</b>			
1. Student enrolled and regularly attending classes, performing services for:			
a. Private school, college, or university	Withhold	Exempt	Exempt
b. Auxillary nonprofit organization operated for and controlled by school, college, or university.	Withhold	Exempt unless services are covered by a section 218 (Social Security Act) agreement	Exempt
c. Public school, college, or university	Withhold	Exempt unless services are covered by a section 218 (Social Security Act) agreement	Exempt
2. Full-time student performing service for academic credit, combining instruction with work experience as an integral part of the program.	Withhold	Taxable	Exempt unless program was established for or on behalf of an employer or group of employers.
3. Student nurse performing part-time services for nominal earnings at hospital as incidental part of training.	Withhold	Exempt	Exempt
4. Student employed by organized camps.	Withhold	Taxable	Exempt
5. Student, scholar, trainee, teacher, etc., as nonimmigrant alien under section 101(a)(15)(F), (J), (M), or (Q) of Immigration and Nationality Act (i.e., aliens holding F-1, J-1, M-1, or Q-1 visas).	Withhold unless excepted by regulations.	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.	
<b>Supplemental unemployment compensation plan benefits.</b>	Withhold	Exempt	Exempt
<b>Tips:</b>			
1. If \$20 or more in a month.	Withhold	Taxable	Taxable for all tips reported in writing to employer.
2. If less than \$20 in a month. (See section 6 for more information.)	Exempt	Exempt	Exempt
<b>Worker's compensation.</b>	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 information you get from your employees on **Form W-4**, Employee's Withholding Allowance Certificate. See section 9 for more information on Form W-4.

### Wage Bracket Method

Under the wage bracket method, find the proper table (on pages 36–55) 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 tax to withhold. If your employee is claiming more than 10 withholding allowances, see below.

**Note:** 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 before using the percentage method tables (pages 34–35).

**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.

To adapt the tables to more than 10 allowances:

- 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—2000 Amount for One Withholding Allowance** below.)
- 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 36 through 55 to figure how much income tax to withhold, you can use a percentage computation based

on Table 5 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 the employee claims.
- 2) Subtract that amount from the employee's wages.
- 3) Determine the amount to withhold from the appropriate table on pages 34 and 35.

**Table 5. Percentage Method—2000 Amount for One Withholding Allowance**

Payroll Period	One Withholding Allowance
Weekly . . . . .	\$ 53.85
Biweekly . . . . .	107.69
Semimonthly . . . . .	116.67
Monthly . . . . .	233.33
Quarterly . . . . .	700.00
Semiannually . . . . .	1,400.00
Annually . . . . .	2,800.00
Daily or miscellaneous (each day of the payroll period) . . . . .	10.77

**Example:** An unmarried employee is paid \$500 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 . . . . .	\$500.00
2. One allowance . . . . .	\$53.85
3. Allowances claimed on Form W-4	<u>2</u>
4. Multiply line 2 by line 3 . . . . .	<u>\$107.70</u>
5. Amount subject to withholding (subtract line 4 from line 1) . . . . .	\$392.30
6. Tax to be withheld on \$392.30 from Table 1—single person, page 34 . . . . .	<u>\$ 51.20</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 \$11,200 (the value of four withholding allowances for 2000) for a balance of \$40,800. Using the table for the annual payroll period on page 35, \$5152.50 is withheld. Divide the annual tax by 52. The weekly tax is \$99.09.

## Alternative Methods of Income Tax Withholding

Rather than the Percentage or Wage Bracket Methods described on page 32, you can use an alternative method to withhold income tax. **Pub. 15-A**, Employer's Supplemental Tax Guide, describes these alternative methods and contains:

- 1) Formula tables for percentage method withholding (for automated payroll systems).
- 2) Wage bracket percentage method tables (for automated payroll systems).
- 3) Combined income, social security, and Medicare tax withholding tables.

Some alternative methods explained in Pub. 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 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 10 of Pub. 15-A. See section 10 in this booklet for an explanation of the advance payment of the EIC.

The number of withholding allowances 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 58 through 61, figure the advance EIC payment as follows.

Find the employee's gross wages before any de-

ductions using the appropriate table. There are different tables for **(a)** single or married employees without the spouse filing a certificate and **(b)** married employees 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 56 and 57.

Find the employee's gross wages before any deductions in the appropriate table on pages 56 and 57. There are different tables for **(a)** single or married employees without the spouse filing a certificate and **(b)** married employees 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 36–55) have been rounded to whole-dollar amounts.

When employers use the percentage method (pages 34–35) 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 58–61) have also been rounded to whole-dollar amounts. If you use the percentage method for advance EIC payments (pages 56–57), the payments may be rounded to the nearest dollar.

The wage bracket tables for advance EIC payments (pages 58–61) have also been rounded to whole-dollar amounts. If you use the percentage method for advance EIC payments (pages 56–57), the payments may be rounded to the nearest dollar.

**Tables for Percentage Method of Withholding**  
(For Wages Paid in 2000)

**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 \$124 . . . . .		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$51	—\$536 . . . . .	15%	—\$51	\$124	—\$931 . . . . .	15%	—\$124
\$536	—\$1,152 . . . . .	\$72.75 plus 28%	—\$536	\$931	—\$1,942 . . . . .	\$121.05 plus 28%	—\$931
\$1,152	—\$2,581 . . . . .	\$245.23 plus 31%	—\$1,152	\$1,942	—\$3,192 . . . . .	\$404.13 plus 31%	—\$1,942
\$2,581	—\$5,576 . . . . .	\$688.22 plus 36%	—\$2,581	\$3,192	—\$5,633 . . . . .	\$791.63 plus 36%	—\$3,192
\$5,576	. . . . .	\$1,766.42 plus 39.6%	—\$5,576	\$5,633	. . . . .	\$1,670.39 plus 39.6%	—\$5,633

**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 \$248 . . . . .		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$102	—\$1,071 . . . . .	15%	—\$102	\$248	—\$1,862 . . . . .	15%	—\$248
\$1,071	—\$2,304 . . . . .	\$145.35 plus 28%	—\$1,071	\$1,862	—\$3,885 . . . . .	\$242.10 plus 28%	—\$1,862
\$2,304	—\$5,162 . . . . .	\$490.59 plus 31%	—\$2,304	\$3,885	—\$6,385 . . . . .	\$808.54 plus 31%	—\$3,885
\$5,162	—\$11,152 . . . . .	\$1,376.57 plus 36%	—\$5,162	\$6,385	—\$11,265 . . . . .	\$1,583.54 plus 36%	—\$6,385
\$11,152	. . . . .	\$3,532.97 plus 39.6%	—\$11,152	\$11,265	. . . . .	\$3,340.34 plus 39.6%	—\$11,265

**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 \$269 . . . . .		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$110	—\$1,160 . . . . .	15%	—\$110	\$269	—\$2,017 . . . . .	15%	—\$269
\$1,160	—\$2,496 . . . . .	\$157.50 plus 28%	—\$1,160	\$2,017	—\$4,208 . . . . .	\$262.20 plus 28%	—\$2,017
\$2,496	—\$5,592 . . . . .	\$531.58 plus 31%	—\$2,496	\$4,208	—\$6,917 . . . . .	\$875.68 plus 31%	—\$4,208
\$5,592	—\$12,081 . . . . .	\$1,491.34 plus 36%	—\$5,592	\$6,917	—\$12,204 . . . . .	\$1,715.47 plus 36%	—\$6,917
\$12,081	. . . . .	\$3,827.38 plus 39.6%	—\$12,081	\$12,204	. . . . .	\$3,618.79 plus 39.6%	—\$12,204

**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 \$538 . . . . .		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$221	—\$2,321 . . . . .	15%	—\$221	\$538	—\$4,033 . . . . .	15%	—\$538
\$2,321	—\$4,992 . . . . .	\$315.00 plus 28%	—\$2,321	\$4,033	—\$8,417 . . . . .	\$524.25 plus 28%	—\$4,033
\$4,992	—\$11,183 . . . . .	\$1,062.88 plus 31%	—\$4,992	\$8,417	—\$13,833 . . . . .	\$1,751.77 plus 31%	—\$8,417
\$11,183	—\$24,163 . . . . .	\$2,982.09 plus 36%	—\$11,183	\$13,833	—\$24,408 . . . . .	\$3,430.73 plus 36%	—\$13,833
\$24,163	. . . . .	\$7,654.89 plus 39.6%	—\$24,163	\$24,408	. . . . .	\$7,237.73 plus 39.6%	—\$24,408

**Tables for Percentage Method of Withholding (Continued)**  
(For Wages Paid in 2000)

**TABLE 5—QUARTERLY Payroll Period**

<b>(a) SINGLE person</b> (including head of household)—				<b>(b) MARRIED person</b> —			
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 \$1,613 . . . . .		\$0	
<b>Over—</b>	<b>But not over—</b>	<b>of excess over—</b>		<b>Over—</b>	<b>But not over—</b>	<b>of excess over—</b>	
\$663	—\$6,963	15%	—\$663	\$1,613	—\$12,100	15%	—\$1,613
\$6,963	—\$14,975	\$945.00 plus 28%	—\$6,963	\$12,100	—\$25,250	\$1,573.05 plus 28%	—\$12,100
\$14,975	—\$33,550	\$3,188.36 plus 31%	—\$14,975	\$25,250	—\$41,500	\$5,255.05 plus 31%	—\$25,250
\$33,550	—\$72,488	\$8,946.61 plus 36%	—\$33,550	\$41,500	—\$73,225	\$10,292.55 plus 36%	—\$41,500
\$72,488		\$22,964.29 plus 39.6%	—\$72,488	\$73,225		\$21,713.55 plus 39.6%	—\$73,225

**TABLE 6—SEMIANNUAL Payroll Period**

<b>(a) SINGLE person</b> (including head of household)—				<b>(b) MARRIED person</b> —			
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 \$3,225 . . . . .		\$0	
<b>Over—</b>	<b>But not over—</b>	<b>of excess over—</b>		<b>Over—</b>	<b>But not over—</b>	<b>of excess over—</b>	
\$1,325	—\$13,925	15%	—\$1,325	\$3,225	—\$24,200	15%	—\$3,225
\$13,925	—\$29,950	\$1,890.00 plus 28%	—\$13,925	\$24,200	—\$50,500	\$3,146.25 plus 28%	—\$24,200
\$29,950	—\$67,100	\$6,377.00 plus 31%	—\$29,950	\$50,500	—\$83,000	\$10,510.25 plus 31%	—\$50,500
\$67,100	—\$144,975	\$17,893.50 plus 36%	—\$67,100	\$83,000	—\$146,450	\$20,585.25 plus 36%	—\$83,000
\$144,975		\$45,928.50 plus 39.6%	—\$144,975	\$146,450		\$43,427.25 plus 39.6%	—\$146,450

**TABLE 7—ANNUAL Payroll Period**

<b>(a) SINGLE person</b> (including head of household)—				<b>(b) MARRIED person</b> —			
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 \$6,450 . . . . .		\$0	
<b>Over—</b>	<b>But not over—</b>	<b>of excess over—</b>		<b>Over—</b>	<b>But not over—</b>	<b>of excess over—</b>	
\$2,650	—\$27,850	15%	—\$2,650	\$6,450	—\$48,400	15%	—\$6,450
\$27,850	—\$59,900	\$3,780.00 plus 28%	—\$27,850	\$48,400	—\$101,000	\$6,292.50 plus 28%	—\$48,400
\$59,900	—\$134,200	\$12,754.00 plus 31%	—\$59,900	\$101,000	—\$166,000	\$21,020.50 plus 31%	—\$101,000
\$134,200	—\$289,950	\$35,787.00 plus 36%	—\$134,200	\$166,000	—\$292,900	\$41,170.50 plus 36%	—\$166,000
\$289,950		\$91,857.00 plus 39.6%	—\$289,950	\$292,900		\$86,854.50 plus 39.6%	—\$292,900

**TABLE 8—DAILY or MISCELLANEOUS Payroll Period**

<b>(a) SINGLE person</b> (including head of household)—				<b>(b) MARRIED person</b> —			
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 \$24.80 . . . . .		\$0	
<b>Over—</b>	<b>But not over—</b>	<b>of excess over—</b>		<b>Over—</b>	<b>But not over—</b>	<b>of excess over—</b>	
\$10.20	—\$107.10	15%	—\$10.20	\$24.80	—\$186.20	15%	—\$24.80
\$107.10	—\$230.40	\$14.54 plus 28%	—\$107.10	\$186.20	—\$388.50	\$24.21 plus 28%	—\$186.20
\$230.40	—\$516.20	\$49.06 plus 31%	—\$230.40	\$388.50	—\$638.50	\$80.85 plus 31%	—\$388.50
\$516.20	—\$1,115.20	\$137.66 plus 36%	—\$516.20	\$638.50	—\$1,126.50	\$158.35 plus 36%	—\$638.50
\$1,115.20		\$353.30 plus 39.6%	—\$1,115.20	\$1,126.50		\$334.03 plus 39.6%	—\$1,126.50

**SINGLE Persons—WEEKLY Payroll Period**  
**(For Wages Paid in 2000)**

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	2	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	3	0	0	0	0	0	0	0	0	0	0
75	80	4	0	0	0	0	0	0	0	0	0	0
80	85	5	0	0	0	0	0	0	0	0	0	0
85	90	5	0	0	0	0	0	0	0	0	0	0
90	95	6	0	0	0	0	0	0	0	0	0	0
95	100	7	0	0	0	0	0	0	0	0	0	0
100	105	8	0	0	0	0	0	0	0	0	0	0
105	110	8	0	0	0	0	0	0	0	0	0	0
110	115	9	1	0	0	0	0	0	0	0	0	0
115	120	10	2	0	0	0	0	0	0	0	0	0
120	125	11	3	0	0	0	0	0	0	0	0	0
125	130	11	3	0	0	0	0	0	0	0	0	0
130	135	12	4	0	0	0	0	0	0	0	0	0
135	140	13	5	0	0	0	0	0	0	0	0	0
140	145	14	6	0	0	0	0	0	0	0	0	0
145	150	14	6	0	0	0	0	0	0	0	0	0
150	155	15	7	0	0	0	0	0	0	0	0	0
155	160	16	8	0	0	0	0	0	0	0	0	0
160	165	17	9	1	0	0	0	0	0	0	0	0
165	170	17	9	1	0	0	0	0	0	0	0	0
170	175	18	10	2	0	0	0	0	0	0	0	0
175	180	19	11	3	0	0	0	0	0	0	0	0
180	185	20	12	4	0	0	0	0	0	0	0	0
185	190	20	12	4	0	0	0	0	0	0	0	0
190	195	21	13	5	0	0	0	0	0	0	0	0
195	200	22	14	6	0	0	0	0	0	0	0	0
200	210	23	15	7	0	0	0	0	0	0	0	0
210	220	25	17	8	0	0	0	0	0	0	0	0
220	230	26	18	10	2	0	0	0	0	0	0	0
230	240	28	20	11	3	0	0	0	0	0	0	0
240	250	29	21	13	5	0	0	0	0	0	0	0
250	260	31	23	14	6	0	0	0	0	0	0	0
260	270	32	24	16	8	0	0	0	0	0	0	0
270	280	34	26	17	9	1	0	0	0	0	0	0
280	290	35	27	19	11	3	0	0	0	0	0	0
290	300	37	29	20	12	4	0	0	0	0	0	0
300	310	38	30	22	14	6	0	0	0	0	0	0
310	320	40	32	23	15	7	0	0	0	0	0	0
320	330	41	33	25	17	9	1	0	0	0	0	0
330	340	43	35	26	18	10	2	0	0	0	0	0
340	350	44	36	28	20	12	4	0	0	0	0	0
350	360	46	38	29	21	13	5	0	0	0	0	0
360	370	47	39	31	23	15	7	0	0	0	0	0
370	380	49	41	32	24	16	8	0	0	0	0	0
380	390	50	42	34	26	18	10	2	0	0	0	0
390	400	52	44	35	27	19	11	3	0	0	0	0
400	410	53	45	37	29	21	13	5	0	0	0	0
410	420	55	47	38	30	22	14	6	0	0	0	0
420	430	56	48	40	32	24	16	8	0	0	0	0
430	440	58	50	41	33	25	17	9	1	0	0	0
440	450	59	51	43	35	27	19	11	3	0	0	0
450	460	61	53	44	36	28	20	12	4	0	0	0
460	470	62	54	46	38	30	22	14	6	0	0	0
470	480	64	56	47	39	31	23	15	7	0	0	0
480	490	65	57	49	41	33	25	17	9	0	0	0
490	500	67	59	50	42	34	26	18	10	2	0	0
500	510	68	60	52	44	36	28	20	12	3	0	0
510	520	70	62	53	45	37	29	21	13	5	0	0
520	530	71	63	55	47	39	31	23	15	6	0	0
530	540	73	65	56	48	40	32	24	16	8	0	0
540	550	75	66	58	50	42	34	26	18	9	1	0
550	560	78	68	59	51	43	35	27	19	11	3	0
560	570	81	69	61	53	45	37	29	21	12	4	0
570	580	84	71	62	54	46	38	30	22	14	6	0
580	590	87	72	64	56	48	40	32	24	15	7	0
590	600	89	74	65	57	49	41	33	25	17	9	1

**SINGLE Persons—WEEKLY Payroll Period**  
(For Wages Paid in 2000)

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	92	77	67	59	51	43	35	27	18	10	2
610	620	95	80	68	60	52	44	36	28	20	12	4
620	630	98	83	70	62	54	46	38	30	21	13	5
630	640	101	85	71	63	55	47	39	31	23	15	7
640	650	103	88	73	65	57	49	41	33	24	16	8
650	660	106	91	76	66	58	50	42	34	26	18	10
660	670	109	94	79	68	60	52	44	36	27	19	11
670	680	112	97	82	69	61	53	45	37	29	21	13
680	690	115	99	84	71	63	55	47	39	30	22	14
690	700	117	102	87	72	64	56	48	40	32	24	16
700	710	120	105	90	75	66	58	50	42	33	25	17
710	720	123	108	93	78	67	59	51	43	35	27	19
720	730	126	111	96	81	69	61	53	45	36	28	20
730	740	129	113	98	83	70	62	54	46	38	30	22
740	750	131	116	101	86	72	64	56	48	39	31	23
750	760	134	119	104	89	74	65	57	49	41	33	25
760	770	137	122	107	92	77	67	59	51	42	34	26
770	780	140	125	110	95	79	68	60	52	44	36	28
780	790	143	127	112	97	82	70	62	54	45	37	29
790	800	145	130	115	100	85	71	63	55	47	39	31
800	810	148	133	118	103	88	73	65	57	48	40	32
810	820	151	136	121	106	91	76	66	58	50	42	34
820	830	154	139	124	109	93	78	68	60	51	43	35
830	840	157	141	126	111	96	81	69	61	53	45	37
840	850	159	144	129	114	99	84	71	63	54	46	38
850	860	162	147	132	117	102	87	72	64	56	48	40
860	870	165	150	135	120	105	90	74	66	57	49	41
870	880	168	153	138	123	107	92	77	67	59	51	43
880	890	171	155	140	125	110	95	80	69	60	52	44
890	900	173	158	143	128	113	98	83	70	62	54	46
900	910	176	161	146	131	116	101	86	72	63	55	47
910	920	179	164	149	134	119	104	88	73	65	57	49
920	930	182	167	152	137	121	106	91	76	66	58	50
930	940	185	169	154	139	124	109	94	79	68	60	52
940	950	187	172	157	142	127	112	97	82	69	61	53
950	960	190	175	160	145	130	115	100	85	71	63	55
960	970	193	178	163	148	133	118	102	87	72	64	56
970	980	196	181	166	151	135	120	105	90	75	66	58
980	990	199	183	168	153	138	123	108	93	78	67	59
990	1,000	201	186	171	156	141	126	111	96	81	69	61
1,000	1,010	204	189	174	159	144	129	114	99	84	70	62
1,010	1,020	207	192	177	162	147	132	116	101	86	72	64
1,020	1,030	210	195	180	165	149	134	119	104	89	74	65
1,030	1,040	213	197	182	167	152	137	122	107	92	77	67
1,040	1,050	215	200	185	170	155	140	125	110	95	80	68
1,050	1,060	218	203	188	173	158	143	128	113	98	82	70
1,060	1,070	221	206	191	176	161	146	130	115	100	85	71
1,070	1,080	224	209	194	179	163	148	133	118	103	88	73
1,080	1,090	227	211	196	181	166	151	136	121	106	91	76
1,090	1,100	229	214	199	184	169	154	139	124	109	94	79
1,100	1,110	232	217	202	187	172	157	142	127	112	96	81
1,110	1,120	235	220	205	190	175	160	144	129	114	99	84
1,120	1,130	238	223	208	193	177	162	147	132	117	102	87
1,130	1,140	241	225	210	195	180	165	150	135	120	105	90
1,140	1,150	243	228	213	198	183	168	153	138	123	108	93
1,150	1,160	246	231	216	201	186	171	156	141	126	110	95
1,160	1,170	249	234	219	204	189	174	158	143	128	113	98
1,170	1,180	252	237	222	207	191	176	161	146	131	116	101
1,180	1,190	256	239	224	209	194	179	164	149	134	119	104
1,190	1,200	259	242	227	212	197	182	167	152	137	122	107
1,200	1,210	262	245	230	215	200	185	170	155	140	124	109
1,210	1,220	265	248	233	218	203	188	172	157	142	127	112
1,220	1,230	268	251	236	221	205	190	175	160	145	130	115
1,230	1,240	271	254	238	223	208	193	178	163	148	133	118
1,240	1,250	274	257	241	226	211	196	181	166	151	136	121

\$1,250 and over

Use Table 1(a) for a **SINGLE** person on page 34. Also see the instructions on page 32.

**MARRIED Persons—WEEKLY Payroll Period**  
**(For Wages Paid in 2000)**

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	1	0	0	0	0	0	0	0	0	0	0
130	135	1	0	0	0	0	0	0	0	0	0	0
135	140	2	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	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	9	1	0	0	0	0	0	0	0	0	0
185	190	10	1	0	0	0	0	0	0	0	0	0
190	195	10	2	0	0	0	0	0	0	0	0	0
195	200	11	3	0	0	0	0	0	0	0	0	0
200	210	12	4	0	0	0	0	0	0	0	0	0
210	220	14	6	0	0	0	0	0	0	0	0	0
220	230	15	7	0	0	0	0	0	0	0	0	0
230	240	17	9	0	0	0	0	0	0	0	0	0
240	250	18	10	2	0	0	0	0	0	0	0	0
250	260	20	12	3	0	0	0	0	0	0	0	0
260	270	21	13	5	0	0	0	0	0	0	0	0
270	280	23	15	6	0	0	0	0	0	0	0	0
280	290	24	16	8	0	0	0	0	0	0	0	0
290	300	26	18	9	1	0	0	0	0	0	0	0
300	310	27	19	11	3	0	0	0	0	0	0	0
310	320	29	21	12	4	0	0	0	0	0	0	0
320	330	30	22	14	6	0	0	0	0	0	0	0
330	340	32	24	15	7	0	0	0	0	0	0	0
340	350	33	25	17	9	1	0	0	0	0	0	0
350	360	35	27	18	10	2	0	0	0	0	0	0
360	370	36	28	20	12	4	0	0	0	0	0	0
370	380	38	30	21	13	5	0	0	0	0	0	0
380	390	39	31	23	15	7	0	0	0	0	0	0
390	400	41	33	24	16	8	0	0	0	0	0	0
400	410	42	34	26	18	10	2	0	0	0	0	0
410	420	44	36	27	19	11	3	0	0	0	0	0
420	430	45	37	29	21	13	5	0	0	0	0	0
430	440	47	39	30	22	14	6	0	0	0	0	0
440	450	48	40	32	24	16	8	0	0	0	0	0
450	460	50	42	33	25	17	9	1	0	0	0	0
460	470	51	43	35	27	19	11	3	0	0	0	0
470	480	53	45	36	28	20	12	4	0	0	0	0
480	490	54	46	38	30	22	14	6	0	0	0	0
490	500	56	48	39	31	23	15	7	0	0	0	0
500	510	57	49	41	33	25	17	9	1	0	0	0
510	520	59	51	42	34	26	18	10	2	0	0	0
520	530	60	52	44	36	28	20	12	4	0	0	0
530	540	62	54	45	37	29	21	13	5	0	0	0
540	550	63	55	47	39	31	23	15	7	0	0	0
550	560	65	57	48	40	32	24	16	8	0	0	0
560	570	66	58	50	42	34	26	18	10	2	0	0
570	580	68	60	51	43	35	27	19	11	3	0	0
580	590	69	61	53	45	37	29	21	13	5	0	0
590	600	71	63	54	46	38	30	22	14	6	0	0
600	610	72	64	56	48	40	32	24	16	8	0	0
610	620	74	66	57	49	41	33	25	17	9	1	0
620	630	75	67	59	51	43	35	27	19	11	2	0
630	640	77	69	60	52	44	36	28	20	12	4	0
640	650	78	70	62	54	46	38	30	22	14	5	0
650	660	80	72	63	55	47	39	31	23	15	7	0
660	670	81	73	65	57	49	41	33	25	17	8	0
670	680	83	75	66	58	50	42	34	26	18	10	2
680	690	84	76	68	60	52	44	36	28	20	11	3
690	700	86	78	69	61	53	45	37	29	21	13	5
700	710	87	79	71	63	55	47	39	31	23	14	6
710	720	89	81	72	64	56	48	40	32	24	16	8
720	730	90	82	74	66	58	50	42	34	26	17	9
730	740	92	84	75	67	59	51	43	35	27	19	11

## MARRIED Persons—WEEKLY Payroll Period (For Wages Paid in 2000)

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	93	85	77	69	61	53	45	37	29	20	12
750	760	95	87	78	70	62	54	46	38	30	22	14
760	770	96	88	80	72	64	56	48	40	32	23	15
770	780	98	90	81	73	65	57	49	41	33	25	17
780	790	99	91	83	75	67	59	51	43	35	26	18
790	800	101	93	84	76	68	60	52	44	36	28	20
800	810	102	94	86	78	70	62	54	46	38	29	21
810	820	104	96	87	79	71	63	55	47	39	31	23
820	830	105	97	89	81	73	65	57	49	41	32	24
830	840	107	99	90	82	74	66	58	50	42	34	26
840	850	108	100	92	84	76	68	60	52	44	35	27
850	860	110	102	93	85	77	69	61	53	45	37	29
860	870	111	103	95	87	79	71	63	55	47	38	30
870	880	113	105	96	88	80	72	64	56	48	40	32
880	890	114	106	98	90	82	74	66	58	50	41	33
890	900	116	108	99	91	83	75	67	59	51	43	35
900	910	117	109	101	93	85	77	69	61	53	44	36
910	920	119	111	102	94	86	78	70	62	54	46	38
920	930	120	112	104	96	88	80	72	64	56	47	39
930	940	122	114	105	97	89	81	73	65	57	49	41
940	950	125	115	107	99	91	83	75	67	59	50	42
950	960	128	117	108	100	92	84	76	68	60	52	44
960	970	131	118	110	102	94	86	78	70	62	53	45
970	980	133	120	111	103	95	87	79	71	63	55	47
980	990	136	121	113	105	97	89	81	73	65	56	48
990	1,000	139	124	114	106	98	90	82	74	66	58	50
1,000	1,010	142	127	116	108	100	92	84	76	68	59	51
1,010	1,020	145	130	117	109	101	93	85	77	69	61	53
1,020	1,030	147	132	119	111	103	95	87	79	71	62	54
1,030	1,040	150	135	120	112	104	96	88	80	72	64	56
1,040	1,050	153	138	123	114	106	98	90	82	74	65	57
1,050	1,060	156	141	126	115	107	99	91	83	75	67	59
1,060	1,070	159	144	128	117	109	101	93	85	77	68	60
1,070	1,080	161	146	131	118	110	102	94	86	78	70	62
1,080	1,090	164	149	134	120	112	104	96	88	80	71	63
1,090	1,100	167	152	137	122	113	105	97	89	81	73	65
1,100	1,110	170	155	140	125	115	107	99	91	83	74	66
1,110	1,120	173	158	142	127	116	108	100	92	84	76	68
1,120	1,130	175	160	145	130	118	110	102	94	86	77	69
1,130	1,140	178	163	148	133	119	111	103	95	87	79	71
1,140	1,150	181	166	151	136	121	113	105	97	89	80	72
1,150	1,160	184	169	154	139	123	114	106	98	90	82	74
1,160	1,170	187	172	156	141	126	116	108	100	92	83	75
1,170	1,180	189	174	159	144	129	117	109	101	93	85	77
1,180	1,190	192	177	162	147	132	119	111	103	95	86	78
1,190	1,200	195	180	165	150	135	120	112	104	96	88	80
1,200	1,210	198	183	168	153	137	122	114	106	98	89	81
1,210	1,220	201	186	170	155	140	125	115	107	99	91	83
1,220	1,230	203	188	173	158	143	128	117	109	101	92	84
1,230	1,240	206	191	176	161	146	131	118	110	102	94	86
1,240	1,250	209	194	179	164	149	134	120	112	104	95	87
1,250	1,260	212	197	182	167	151	136	121	113	105	97	89
1,260	1,270	215	200	184	169	154	139	124	115	107	98	90
1,270	1,280	217	202	187	172	157	142	127	116	108	100	92
1,280	1,290	220	205	190	175	160	145	130	118	110	101	93
1,290	1,300	223	208	193	178	163	148	133	119	111	103	95
1,300	1,310	226	211	196	181	165	150	135	121	113	104	96
1,310	1,320	229	214	198	183	168	153	138	123	114	106	98
1,320	1,330	231	216	201	186	171	156	141	126	116	107	99
1,330	1,340	234	219	204	189	174	159	144	129	117	109	101
1,340	1,350	237	222	207	192	177	162	147	131	119	110	102
1,350	1,360	240	225	210	195	179	164	149	134	120	112	104
1,360	1,370	243	228	212	197	182	167	152	137	122	113	105
1,370	1,380	245	230	215	200	185	170	155	140	125	115	107
1,380	1,390	248	233	218	203	188	173	158	143	128	116	108

\$1,390 and over

Use Table 1(b) for a MARRIED person on page 34. Also see the instructions on page 32.

**SINGLE Persons—BIWEEKLY Payroll Period**  
**(For Wages Paid in 2000)**

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	2	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	3	0	0	0	0	0	0	0	0	0	0
125	130	4	0	0	0	0	0	0	0	0	0	0
130	135	5	0	0	0	0	0	0	0	0	0	0
135	140	5	0	0	0	0	0	0	0	0	0	0
140	145	6	0	0	0	0	0	0	0	0	0	0
145	150	7	0	0	0	0	0	0	0	0	0	0
150	155	8	0	0	0	0	0	0	0	0	0	0
155	160	8	0	0	0	0	0	0	0	0	0	0
160	165	9	0	0	0	0	0	0	0	0	0	0
165	170	10	0	0	0	0	0	0	0	0	0	0
170	175	11	0	0	0	0	0	0	0	0	0	0
175	180	11	0	0	0	0	0	0	0	0	0	0
180	185	12	0	0	0	0	0	0	0	0	0	0
185	190	13	0	0	0	0	0	0	0	0	0	0
190	195	14	0	0	0	0	0	0	0	0	0	0
195	200	14	0	0	0	0	0	0	0	0	0	0
200	205	15	0	0	0	0	0	0	0	0	0	0
205	210	16	0	0	0	0	0	0	0	0	0	0
210	215	17	0	0	0	0	0	0	0	0	0	0
215	220	17	1	0	0	0	0	0	0	0	0	0
220	225	18	2	0	0	0	0	0	0	0	0	0
225	230	19	3	0	0	0	0	0	0	0	0	0
230	235	20	3	0	0	0	0	0	0	0	0	0
235	240	20	4	0	0	0	0	0	0	0	0	0
240	245	21	5	0	0	0	0	0	0	0	0	0
245	250	22	6	0	0	0	0	0	0	0	0	0
250	260	23	7	0	0	0	0	0	0	0	0	0
260	270	24	8	0	0	0	0	0	0	0	0	0
270	280	26	10	0	0	0	0	0	0	0	0	0
280	290	27	11	0	0	0	0	0	0	0	0	0
290	300	29	13	0	0	0	0	0	0	0	0	0
300	310	30	14	0	0	0	0	0	0	0	0	0
310	320	32	16	0	0	0	0	0	0	0	0	0
320	330	33	17	1	0	0	0	0	0	0	0	0
330	340	35	19	3	0	0	0	0	0	0	0	0
340	350	36	20	4	0	0	0	0	0	0	0	0
350	360	38	22	6	0	0	0	0	0	0	0	0
360	370	39	23	7	0	0	0	0	0	0	0	0
370	380	41	25	9	0	0	0	0	0	0	0	0
380	390	42	26	10	0	0	0	0	0	0	0	0
390	400	44	28	12	0	0	0	0	0	0	0	0
400	410	45	29	13	0	0	0	0	0	0	0	0
410	420	47	31	15	0	0	0	0	0	0	0	0
420	430	48	32	16	0	0	0	0	0	0	0	0
430	440	50	34	18	2	0	0	0	0	0	0	0
440	450	51	35	19	3	0	0	0	0	0	0	0
450	460	53	37	21	5	0	0	0	0	0	0	0
460	470	54	38	22	6	0	0	0	0	0	0	0
470	480	56	40	24	8	0	0	0	0	0	0	0
480	490	57	41	25	9	0	0	0	0	0	0	0
490	500	59	43	27	11	0	0	0	0	0	0	0
500	520	61	45	29	13	0	0	0	0	0	0	0
520	540	64	48	32	16	0	0	0	0	0	0	0
540	560	67	51	35	19	3	0	0	0	0	0	0
560	580	70	54	38	22	6	0	0	0	0	0	0
580	600	73	57	41	25	9	0	0	0	0	0	0
600	620	76	60	44	28	12	0	0	0	0	0	0
620	640	79	63	47	31	15	0	0	0	0	0	0
640	660	82	66	50	34	18	1	0	0	0	0	0
660	680	85	69	53	37	21	4	0	0	0	0	0
680	700	88	72	56	40	24	7	0	0	0	0	0
700	720	91	75	59	43	27	10	0	0	0	0	0
720	740	94	78	62	46	30	13	0	0	0	0	0
740	760	97	81	65	49	33	16	0	0	0	0	0
760	780	100	84	68	52	36	19	3	0	0	0	0
780	800	103	87	71	55	39	22	6	0	0	0	0

**SINGLE Persons—BIWEEKLY Payroll Period**  
(For Wages Paid in 2000)

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	106	90	74	58	42	25	9	0	0	0	0
820	840	109	93	77	61	45	28	12	0	0	0	0
840	860	112	96	80	64	48	31	15	0	0	0	0
860	880	115	99	83	67	51	34	18	2	0	0	0
880	900	118	102	86	70	54	37	21	5	0	0	0
900	920	121	105	89	73	57	40	24	8	0	0	0
920	940	124	108	92	76	60	43	27	11	0	0	0
940	960	127	111	95	79	63	46	30	14	0	0	0
960	980	130	114	98	82	66	49	33	17	1	0	0
980	1,000	133	117	101	85	69	52	36	20	4	0	0
1,000	1,020	136	120	104	88	72	55	39	23	7	0	0
1,020	1,040	139	123	107	91	75	58	42	26	10	0	0
1,040	1,060	142	126	110	94	78	61	45	29	13	0	0
1,060	1,080	145	129	113	97	81	64	48	32	16	0	0
1,080	1,100	151	132	116	100	84	67	51	35	19	3	0
1,100	1,120	156	135	119	103	87	70	54	38	22	6	0
1,120	1,140	162	138	122	106	90	73	57	41	25	9	0
1,140	1,160	167	141	125	109	93	76	60	44	28	12	0
1,160	1,180	173	144	128	112	96	79	63	47	31	15	0
1,180	1,200	179	149	131	115	99	82	66	50	34	18	2
1,200	1,220	184	154	134	118	102	85	69	53	37	21	5
1,220	1,240	190	160	137	121	105	88	72	56	40	24	8
1,240	1,260	195	165	140	124	108	91	75	59	43	27	11
1,260	1,280	201	171	143	127	111	94	78	62	46	30	14
1,280	1,300	207	177	146	130	114	97	81	65	49	33	17
1,300	1,320	212	182	152	133	117	100	84	68	52	36	20
1,320	1,340	218	188	158	136	120	103	87	71	55	39	23
1,340	1,360	223	193	163	139	123	106	90	74	58	42	26
1,360	1,380	229	199	169	142	126	109	93	77	61	45	29
1,380	1,400	235	205	174	145	129	112	96	80	64	48	32
1,400	1,420	240	210	180	150	132	115	99	83	67	51	35
1,420	1,440	246	216	186	155	135	118	102	86	70	54	38
1,440	1,460	251	221	191	161	138	121	105	89	73	57	41
1,460	1,480	257	227	197	167	141	124	108	92	76	60	44
1,480	1,500	263	233	202	172	144	127	111	95	79	63	47
1,500	1,520	268	238	208	178	148	130	114	98	82	66	50
1,520	1,540	274	244	214	183	153	133	117	101	85	69	53
1,540	1,560	279	249	219	189	159	136	120	104	88	72	56
1,560	1,580	285	255	225	195	164	139	123	107	91	75	59
1,580	1,600	291	261	230	200	170	142	126	110	94	78	62
1,600	1,620	296	266	236	206	176	145	129	113	97	81	65
1,620	1,640	302	272	242	211	181	151	132	116	100	84	68
1,640	1,660	307	277	247	217	187	157	135	119	103	87	71
1,660	1,680	313	283	253	223	192	162	138	122	106	90	74
1,680	1,700	319	289	258	228	198	168	141	125	109	93	77
1,700	1,720	324	294	264	234	204	173	144	128	112	96	80
1,720	1,740	330	300	270	239	209	179	149	131	115	99	83
1,740	1,760	335	305	275	245	215	185	155	134	118	102	86
1,760	1,780	341	311	281	251	220	190	160	137	121	105	89
1,780	1,800	347	317	286	256	226	196	166	140	124	108	92
1,800	1,820	352	322	292	262	232	201	171	143	127	111	95
1,820	1,840	358	328	298	267	237	207	177	147	130	114	98
1,840	1,860	363	333	303	273	243	213	183	152	133	117	101
1,860	1,880	369	339	309	279	248	218	188	158	136	120	104
1,880	1,900	375	345	314	284	254	224	194	164	139	123	107
1,900	1,920	380	350	320	290	260	229	199	169	142	126	110
1,920	1,940	386	356	326	295	265	235	205	175	145	129	113
1,940	1,960	391	361	331	301	271	241	211	180	150	132	116
1,960	1,980	397	367	337	307	276	246	216	186	156	135	119
1,980	2,000	403	373	342	312	282	252	222	192	161	138	122
2,000	2,020	408	378	348	318	288	257	227	197	167	141	125
2,020	2,040	414	384	354	323	293	263	233	203	173	144	128
2,040	2,060	419	389	359	329	299	269	239	208	178	148	131
2,060	2,080	425	395	365	335	304	274	244	214	184	154	134
2,080	2,100	431	401	370	340	310	280	250	220	189	159	137

\$2,100 and over

Use Table 2(a) for a **SINGLE person** on page 34. Also see the instructions on page 32.

**MARRIED Persons—BIWEEKLY Payroll Period**  
**(For Wages Paid in 2000)**

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	1	0	0	0	0	0	0	0	0	0	0
260	270	3	0	0	0	0	0	0	0	0	0	0
270	280	4	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	310	9	0	0	0	0	0	0	0	0	0	0
310	320	10	0	0	0	0	0	0	0	0	0	0
320	330	12	0	0	0	0	0	0	0	0	0	0
330	340	13	0	0	0	0	0	0	0	0	0	0
340	350	15	0	0	0	0	0	0	0	0	0	0
350	360	16	0	0	0	0	0	0	0	0	0	0
360	370	18	1	0	0	0	0	0	0	0	0	0
370	380	19	3	0	0	0	0	0	0	0	0	0
380	390	21	4	0	0	0	0	0	0	0	0	0
390	400	22	6	0	0	0	0	0	0	0	0	0
400	410	24	7	0	0	0	0	0	0	0	0	0
410	420	25	9	0	0	0	0	0	0	0	0	0
420	430	27	10	0	0	0	0	0	0	0	0	0
430	440	28	12	0	0	0	0	0	0	0	0	0
440	450	30	13	0	0	0	0	0	0	0	0	0
450	460	31	15	0	0	0	0	0	0	0	0	0
460	470	33	16	0	0	0	0	0	0	0	0	0
470	480	34	18	2	0	0	0	0	0	0	0	0
480	490	36	19	3	0	0	0	0	0	0	0	0
490	500	37	21	5	0	0	0	0	0	0	0	0
500	520	39	23	7	0	0	0	0	0	0	0	0
520	540	42	26	10	0	0	0	0	0	0	0	0
540	560	45	29	13	0	0	0	0	0	0	0	0
560	580	48	32	16	0	0	0	0	0	0	0	0
580	600	51	35	19	3	0	0	0	0	0	0	0
600	620	54	38	22	6	0	0	0	0	0	0	0
620	640	57	41	25	9	0	0	0	0	0	0	0
640	660	60	44	28	12	0	0	0	0	0	0	0
660	680	63	47	31	15	0	0	0	0	0	0	0
680	700	66	50	34	18	2	0	0	0	0	0	0
700	720	69	53	37	21	5	0	0	0	0	0	0
720	740	72	56	40	24	8	0	0	0	0	0	0
740	760	75	59	43	27	11	0	0	0	0	0	0
760	780	78	62	46	30	14	0	0	0	0	0	0
780	800	81	65	49	33	17	1	0	0	0	0	0
800	820	84	68	52	36	20	4	0	0	0	0	0
820	840	87	71	55	39	23	7	0	0	0	0	0
840	860	90	74	58	42	26	10	0	0	0	0	0
860	880	93	77	61	45	29	13	0	0	0	0	0
880	900	96	80	64	48	32	16	0	0	0	0	0
900	920	99	83	67	51	35	19	2	0	0	0	0
920	940	102	86	70	54	38	22	5	0	0	0	0
940	960	105	89	73	57	41	25	8	0	0	0	0
960	980	108	92	76	60	44	28	11	0	0	0	0
980	1,000	111	95	79	63	47	31	14	0	0	0	0
1,000	1,020	114	98	82	66	50	34	17	1	0	0	0
1,020	1,040	117	101	85	69	53	37	20	4	0	0	0
1,040	1,060	120	104	88	72	56	40	23	7	0	0	0
1,060	1,080	123	107	91	75	59	43	26	10	0	0	0
1,080	1,100	126	110	94	78	62	46	29	13	0	0	0
1,100	1,120	129	113	97	81	65	49	32	16	0	0	0
1,120	1,140	132	116	100	84	68	52	35	19	3	0	0
1,140	1,160	135	119	103	87	71	55	38	22	6	0	0
1,160	1,180	138	122	106	90	74	58	41	25	9	0	0
1,180	1,200	141	125	109	93	77	61	44	28	12	0	0
1,200	1,220	144	128	112	96	80	64	47	31	15	0	0
1,220	1,240	147	131	115	99	83	67	50	34	18	2	0
1,240	1,260	150	134	118	102	86	70	53	37	21	5	0
1,260	1,280	153	137	121	105	89	73	56	40	24	8	0
1,280	1,300	156	140	124	108	92	76	59	43	27	11	0
1,300	1,320	159	143	127	111	95	79	62	46	30	14	0
1,320	1,340	162	146	130	114	98	82	65	49	33	17	1
1,340	1,360	165	149	133	117	101	85	68	52	36	20	4
1,360	1,380	168	152	136	120	104	88	71	55	39	23	7

**MARRIED Persons—BIWEEKLY Payroll Period**  
(For Wages Paid in 2000)

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	171	155	139	123	107	91	74	58	42	26	10
1,400	1,420	174	158	142	126	110	94	77	61	45	29	13
1,420	1,440	177	161	145	129	113	97	80	64	48	32	16
1,440	1,460	180	164	148	132	116	100	83	67	51	35	19
1,460	1,480	183	167	151	135	119	103	86	70	54	38	22
1,480	1,500	186	170	154	138	122	106	89	73	57	41	25
1,500	1,520	189	173	157	141	125	109	92	76	60	44	28
1,520	1,540	192	176	160	144	128	112	95	79	63	47	31
1,540	1,560	195	179	163	147	131	115	98	82	66	50	34
1,560	1,580	198	182	166	150	134	118	101	85	69	53	37
1,580	1,600	201	185	169	153	137	121	104	88	72	56	40
1,600	1,620	204	188	172	156	140	124	107	91	75	59	43
1,620	1,640	207	191	175	159	143	127	110	94	78	62	46
1,640	1,660	210	194	178	162	146	130	113	97	81	65	49
1,660	1,680	213	197	181	165	149	133	116	100	84	68	52
1,680	1,700	216	200	184	168	152	136	119	103	87	71	55
1,700	1,720	219	203	187	171	155	139	122	106	90	74	58
1,720	1,740	222	206	190	174	158	142	125	109	93	77	61
1,740	1,760	225	209	193	177	161	145	128	112	96	80	64
1,760	1,780	228	212	196	180	164	148	131	115	99	83	67
1,780	1,800	231	215	199	183	167	151	134	118	102	86	70
1,800	1,820	234	218	202	186	170	154	137	121	105	89	73
1,820	1,840	237	221	205	189	173	157	140	124	108	92	76
1,840	1,860	240	224	208	192	176	160	143	127	111	95	79
1,860	1,880	244	227	211	195	179	163	146	130	114	98	82
1,880	1,900	250	230	214	198	182	166	149	133	117	101	85
1,900	1,920	256	233	217	201	185	169	152	136	120	104	88
1,920	1,940	261	236	220	204	188	172	155	139	123	107	91
1,940	1,960	267	239	223	207	191	175	158	142	126	110	94
1,960	1,980	272	242	226	210	194	178	161	145	129	113	97
1,980	2,000	278	248	229	213	197	181	164	148	132	116	100
2,000	2,020	284	253	232	216	200	184	167	151	135	119	103
2,020	2,040	289	259	235	219	203	187	170	154	138	122	106
2,040	2,060	295	265	238	222	206	190	173	157	141	125	109
2,060	2,080	300	270	241	225	209	193	176	160	144	128	112
2,080	2,100	306	276	246	228	212	196	179	163	147	131	115
2,100	2,120	312	281	251	231	215	199	182	166	150	134	118
2,120	2,140	317	287	257	234	218	202	185	169	153	137	121
2,140	2,160	323	293	262	237	221	205	188	172	156	140	124
2,160	2,180	328	298	268	240	224	208	191	175	159	143	127
2,180	2,200	334	304	274	244	227	211	194	178	162	146	130
2,200	2,220	340	309	279	249	230	214	197	181	165	149	133
2,220	2,240	345	315	285	255	233	217	200	184	168	152	136
2,240	2,260	351	321	290	260	236	220	203	187	171	155	139
2,260	2,280	356	326	296	266	239	223	206	190	174	158	142
2,280	2,300	362	332	302	272	242	226	209	193	177	161	145
2,300	2,320	368	337	307	277	247	229	212	196	180	164	148
2,320	2,340	373	343	313	283	253	232	215	199	183	167	151
2,340	2,360	379	349	318	288	258	235	218	202	186	170	154
2,360	2,380	384	354	324	294	264	238	221	205	189	173	157
2,380	2,400	390	360	330	300	269	241	224	208	192	176	160
2,400	2,420	396	365	335	305	275	245	227	211	195	179	163
2,420	2,440	401	371	341	311	281	250	230	214	198	182	166
2,440	2,460	407	377	346	316	286	256	233	217	201	185	169
2,460	2,480	412	382	352	322	292	262	236	220	204	188	172
2,480	2,500	418	388	358	328	297	267	239	223	207	191	175
2,500	2,520	424	393	363	333	303	273	243	226	210	194	178
2,520	2,540	429	399	369	339	309	278	248	229	213	197	181
2,540	2,560	435	405	374	344	314	284	254	232	216	200	184
2,560	2,580	440	410	380	350	320	290	259	235	219	203	187
2,580	2,600	446	416	386	356	325	295	265	238	222	206	190
2,600	2,620	452	421	391	361	331	301	271	241	225	209	193
2,620	2,640	457	427	397	367	337	306	276	246	228	212	196
2,640	2,660	463	433	402	372	342	312	282	252	231	215	199
2,660	2,680	468	438	408	378	348	318	287	257	234	218	202

\$2,680 and over

Use Table 2(b) for a **MARRIED** person on page 34. Also see the instructions on page 32.

**SINGLE Persons—SEMIMONTHLY Payroll Period**  
**(For Wages Paid in 2000)**

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	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	5	0	0	0	0	0	0	0	0	0	0
145	150	6	0	0	0	0	0	0	0	0	0	0
150	155	6	0	0	0	0	0	0	0	0	0	0
155	160	7	0	0	0	0	0	0	0	0	0	0
160	165	8	0	0	0	0	0	0	0	0	0	0
165	170	9	0	0	0	0	0	0	0	0	0	0
170	175	9	0	0	0	0	0	0	0	0	0	0
175	180	10	0	0	0	0	0	0	0	0	0	0
180	185	11	0	0	0	0	0	0	0	0	0	0
185	190	12	0	0	0	0	0	0	0	0	0	0
190	195	12	0	0	0	0	0	0	0	0	0	0
195	200	13	0	0	0	0	0	0	0	0	0	0
200	205	14	0	0	0	0	0	0	0	0	0	0
205	210	15	0	0	0	0	0	0	0	0	0	0
210	215	15	0	0	0	0	0	0	0	0	0	0
215	220	16	0	0	0	0	0	0	0	0	0	0
220	225	17	0	0	0	0	0	0	0	0	0	0
225	230	18	0	0	0	0	0	0	0	0	0	0
230	235	18	1	0	0	0	0	0	0	0	0	0
235	240	19	2	0	0	0	0	0	0	0	0	0
240	245	20	2	0	0	0	0	0	0	0	0	0
245	250	21	3	0	0	0	0	0	0	0	0	0
250	260	22	4	0	0	0	0	0	0	0	0	0
260	270	23	6	0	0	0	0	0	0	0	0	0
270	280	25	7	0	0	0	0	0	0	0	0	0
280	290	26	9	0	0	0	0	0	0	0	0	0
290	300	28	10	0	0	0	0	0	0	0	0	0
300	310	29	12	0	0	0	0	0	0	0	0	0
310	320	31	13	0	0	0	0	0	0	0	0	0
320	330	32	15	0	0	0	0	0	0	0	0	0
330	340	34	16	0	0	0	0	0	0	0	0	0
340	350	35	18	0	0	0	0	0	0	0	0	0
350	360	37	19	2	0	0	0	0	0	0	0	0
360	370	38	21	3	0	0	0	0	0	0	0	0
370	380	40	22	5	0	0	0	0	0	0	0	0
380	390	41	24	6	0	0	0	0	0	0	0	0
390	400	43	25	8	0	0	0	0	0	0	0	0
400	410	44	27	9	0	0	0	0	0	0	0	0
410	420	46	28	11	0	0	0	0	0	0	0	0
420	430	47	30	12	0	0	0	0	0	0	0	0
430	440	49	31	14	0	0	0	0	0	0	0	0
440	450	50	33	15	0	0	0	0	0	0	0	0
450	460	52	34	17	0	0	0	0	0	0	0	0
460	470	53	36	18	1	0	0	0	0	0	0	0
470	480	55	37	20	2	0	0	0	0	0	0	0
480	490	56	39	21	4	0	0	0	0	0	0	0
490	500	58	40	23	5	0	0	0	0	0	0	0
500	520	60	42	25	7	0	0	0	0	0	0	0
520	540	63	45	28	10	0	0	0	0	0	0	0
540	560	66	48	31	13	0	0	0	0	0	0	0
560	580	69	51	34	16	0	0	0	0	0	0	0
580	600	72	54	37	19	2	0	0	0	0	0	0
600	620	75	57	40	22	5	0	0	0	0	0	0
620	640	78	60	43	25	8	0	0	0	0	0	0
640	660	81	63	46	28	11	0	0	0	0	0	0
660	680	84	66	49	31	14	0	0	0	0	0	0
680	700	87	69	52	34	17	0	0	0	0	0	0
700	720	90	72	55	37	20	2	0	0	0	0	0
720	740	93	75	58	40	23	5	0	0	0	0	0
740	760	96	78	61	43	26	8	0	0	0	0	0
760	780	99	81	64	46	29	11	0	0	0	0	0
780	800	102	84	67	49	32	14	0	0	0	0	0
800	820	105	87	70	52	35	17	0	0	0	0	0
820	840	108	90	73	55	38	20	3	0	0	0	0

## SINGLE Persons—SEMIMONTHLY Payroll Period (For Wages Paid in 2000)

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	111	93	76	58	41	23	6	0	0	0	0
860	880	114	96	79	61	44	26	9	0	0	0	0
880	900	117	99	82	64	47	29	12	0	0	0	0
900	920	120	102	85	67	50	32	15	0	0	0	0
920	940	123	105	88	70	53	35	18	0	0	0	0
940	960	126	108	91	73	56	38	21	3	0	0	0
960	980	129	111	94	76	59	41	24	6	0	0	0
980	1,000	132	114	97	79	62	44	27	9	0	0	0
1,000	1,020	135	117	100	82	65	47	30	12	0	0	0
1,020	1,040	138	120	103	85	68	50	33	15	0	0	0
1,040	1,060	141	123	106	88	71	53	36	18	1	0	0
1,060	1,080	144	126	109	91	74	56	39	21	4	0	0
1,080	1,100	147	129	112	94	77	59	42	24	7	0	0
1,100	1,120	150	132	115	97	80	62	45	27	10	0	0
1,120	1,140	153	135	118	100	83	65	48	30	13	0	0
1,140	1,160	156	138	121	103	86	68	51	33	16	0	0
1,160	1,180	160	141	124	106	89	71	54	36	19	1	0
1,180	1,200	166	144	127	109	92	74	57	39	22	4	0
1,200	1,220	171	147	130	112	95	77	60	42	25	7	0
1,220	1,240	177	150	133	115	98	80	63	45	28	10	0
1,240	1,260	183	153	136	118	101	83	66	48	31	13	0
1,260	1,280	188	156	139	121	104	86	69	51	34	16	0
1,280	1,300	194	161	142	124	107	89	72	54	37	19	2
1,300	1,320	199	167	145	127	110	92	75	57	40	22	5
1,320	1,340	205	172	148	130	113	95	78	60	43	25	8
1,340	1,360	211	178	151	133	116	98	81	63	46	28	11
1,360	1,380	216	184	154	136	119	101	84	66	49	31	14
1,380	1,400	222	189	157	139	122	104	87	69	52	34	17
1,400	1,420	227	195	162	142	125	107	90	72	55	37	20
1,420	1,440	233	200	168	145	128	110	93	75	58	40	23
1,440	1,460	239	206	173	148	131	113	96	78	61	43	26
1,460	1,480	244	212	179	151	134	116	99	81	64	46	29
1,480	1,500	250	217	184	154	137	119	102	84	67	49	32
1,500	1,520	255	223	190	157	140	122	105	87	70	52	35
1,520	1,540	261	228	196	163	143	125	108	90	73	55	38
1,540	1,560	267	234	201	169	146	128	111	93	76	58	41
1,560	1,580	272	240	207	174	149	131	114	96	79	61	44
1,580	1,600	278	245	212	180	152	134	117	99	82	64	47
1,600	1,620	283	251	218	185	155	137	120	102	85	67	50
1,620	1,640	289	256	224	191	158	140	123	105	88	70	53
1,640	1,660	295	262	229	197	164	143	126	108	91	73	56
1,660	1,680	300	268	235	202	170	146	129	111	94	76	59
1,680	1,700	306	273	240	208	175	149	132	114	97	79	62
1,700	1,720	311	279	246	213	181	152	135	117	100	82	65
1,720	1,740	317	284	252	219	186	155	138	120	103	85	68
1,740	1,760	323	290	257	225	192	159	141	123	106	88	71
1,760	1,780	328	296	263	230	198	165	144	126	109	91	74
1,780	1,800	334	301	268	236	203	170	147	129	112	94	77
1,800	1,820	339	307	274	241	209	176	150	132	115	97	80
1,820	1,840	345	312	280	247	214	182	153	135	118	100	83
1,840	1,860	351	318	285	253	220	187	156	138	121	103	86
1,860	1,880	356	324	291	258	226	193	160	141	124	106	89
1,880	1,900	362	329	296	264	231	198	166	144	127	109	92
1,900	1,920	367	335	302	269	237	204	171	147	130	112	95
1,920	1,940	373	340	308	275	242	210	177	150	133	115	98
1,940	1,960	379	346	313	281	248	215	183	153	136	118	101
1,960	1,980	384	352	319	286	254	221	188	156	139	121	104
1,980	2,000	390	357	324	292	259	226	194	161	142	124	107
2,000	2,020	395	363	330	297	265	232	199	167	145	127	110
2,020	2,040	401	368	336	303	270	238	205	172	148	130	113
2,040	2,060	407	374	341	309	276	243	211	178	151	133	116
2,060	2,080	412	380	347	314	282	249	216	184	154	136	119
2,080	2,100	418	385	352	320	287	254	222	189	157	139	122
2,100	2,120	423	391	358	325	293	260	227	195	162	142	125
2,120	2,140	429	396	364	331	298	266	233	200	168	145	128

\$2,140 and over

Use Table 3(a) for a **SINGLE person** on page 34. Also see the instructions on page 32.

**MARRIED Persons—SEMIMONTHLY Payroll Period**  
**(For Wages Paid in 2000)**

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	1	0	0	0	0	0	0	0	0	0	0
280	290	2	0	0	0	0	0	0	0	0	0	0
290	300	4	0	0	0	0	0	0	0	0	0	0
300	310	5	0	0	0	0	0	0	0	0	0	0
310	320	7	0	0	0	0	0	0	0	0	0	0
320	330	8	0	0	0	0	0	0	0	0	0	0
330	340	10	0	0	0	0	0	0	0	0	0	0
340	350	11	0	0	0	0	0	0	0	0	0	0
350	360	13	0	0	0	0	0	0	0	0	0	0
360	370	14	0	0	0	0	0	0	0	0	0	0
370	380	16	0	0	0	0	0	0	0	0	0	0
380	390	17	0	0	0	0	0	0	0	0	0	0
390	400	19	1	0	0	0	0	0	0	0	0	0
400	410	20	3	0	0	0	0	0	0	0	0	0
410	420	22	4	0	0	0	0	0	0	0	0	0
420	430	23	6	0	0	0	0	0	0	0	0	0
430	440	25	7	0	0	0	0	0	0	0	0	0
440	450	26	9	0	0	0	0	0	0	0	0	0
450	460	28	10	0	0	0	0	0	0	0	0	0
460	470	29	12	0	0	0	0	0	0	0	0	0
470	480	31	13	0	0	0	0	0	0	0	0	0
480	490	32	15	0	0	0	0	0	0	0	0	0
490	500	34	16	0	0	0	0	0	0	0	0	0
500	520	36	19	1	0	0	0	0	0	0	0	0
520	540	39	22	4	0	0	0	0	0	0	0	0
540	560	42	25	7	0	0	0	0	0	0	0	0
560	580	45	28	10	0	0	0	0	0	0	0	0
580	600	48	31	13	0	0	0	0	0	0	0	0
600	620	51	34	16	0	0	0	0	0	0	0	0
620	640	54	37	19	2	0	0	0	0	0	0	0
640	660	57	40	22	5	0	0	0	0	0	0	0
660	680	60	43	25	8	0	0	0	0	0	0	0
680	700	63	46	28	11	0	0	0	0	0	0	0
700	720	66	49	31	14	0	0	0	0	0	0	0
720	740	69	52	34	17	0	0	0	0	0	0	0
740	760	72	55	37	20	2	0	0	0	0	0	0
760	780	75	58	40	23	5	0	0	0	0	0	0
780	800	78	61	43	26	8	0	0	0	0	0	0
800	820	81	64	46	29	11	0	0	0	0	0	0
820	840	84	67	49	32	14	0	0	0	0	0	0
840	860	87	70	52	35	17	0	0	0	0	0	0
860	880	90	73	55	38	20	3	0	0	0	0	0
880	900	93	76	58	41	23	6	0	0	0	0	0
900	920	96	79	61	44	26	9	0	0	0	0	0
920	940	99	82	64	47	29	12	0	0	0	0	0
940	960	102	85	67	50	32	15	0	0	0	0	0
960	980	105	88	70	53	35	18	0	0	0	0	0
980	1,000	108	91	73	56	38	21	3	0	0	0	0
1,000	1,020	111	94	76	59	41	24	6	0	0	0	0
1,020	1,040	114	97	79	62	44	27	9	0	0	0	0
1,040	1,060	117	100	82	65	47	30	12	0	0	0	0
1,060	1,080	120	103	85	68	50	33	15	0	0	0	0
1,080	1,100	123	106	88	71	53	36	18	1	0	0	0
1,100	1,120	126	109	91	74	56	39	21	4	0	0	0
1,120	1,140	129	112	94	77	59	42	24	7	0	0	0
1,140	1,160	132	115	97	80	62	45	27	10	0	0	0
1,160	1,180	135	118	100	83	65	48	30	13	0	0	0
1,180	1,200	138	121	103	86	68	51	33	16	0	0	0
1,200	1,220	141	124	106	89	71	54	36	19	1	0	0
1,220	1,240	144	127	109	92	74	57	39	22	4	0	0
1,240	1,260	147	130	112	95	77	60	42	25	7	0	0
1,260	1,280	150	133	115	98	80	63	45	28	10	0	0
1,280	1,300	153	136	118	101	83	66	48	31	13	0	0
1,300	1,320	156	139	121	104	86	69	51	34	16	0	0
1,320	1,340	159	142	124	107	89	72	54	37	19	2	0
1,340	1,360	162	145	127	110	92	75	57	40	22	5	0
1,360	1,380	165	148	130	113	95	78	60	43	25	8	0
1,380	1,400	168	151	133	116	98	81	63	46	28	11	0
1,400	1,420	171	154	136	119	101	84	66	49	31	14	0

## MARRIED Persons—SEMIMONTHLY Payroll Period (For Wages Paid in 2000)

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	174	157	139	122	104	87	69	52	34	17	0
1,440	1,460	177	160	142	125	107	90	72	55	37	20	2
1,460	1,480	180	163	145	128	110	93	75	58	40	23	5
1,480	1,500	183	166	148	131	113	96	78	61	43	26	8
1,500	1,520	186	169	151	134	116	99	81	64	46	29	11
1,520	1,540	189	172	154	137	119	102	84	67	49	32	14
1,540	1,560	192	175	157	140	122	105	87	70	52	35	17
1,560	1,580	195	178	160	143	125	108	90	73	55	38	20
1,580	1,600	198	181	163	146	128	111	93	76	58	41	23
1,600	1,620	201	184	166	149	131	114	96	79	61	44	26
1,620	1,640	204	187	169	152	134	117	99	82	64	47	29
1,640	1,660	207	190	172	155	137	120	102	85	67	50	32
1,660	1,680	210	193	175	158	140	123	105	88	70	53	35
1,680	1,700	213	196	178	161	143	126	108	91	73	56	38
1,700	1,720	216	199	181	164	146	129	111	94	76	59	41
1,720	1,740	219	202	184	167	149	132	114	97	79	62	44
1,740	1,760	222	205	187	170	152	135	117	100	82	65	47
1,760	1,780	225	208	190	173	155	138	120	103	85	68	50
1,780	1,800	228	211	193	176	158	141	123	106	88	71	53
1,800	1,820	231	214	196	179	161	144	126	109	91	74	56
1,820	1,840	234	217	199	182	164	147	129	112	94	77	59
1,840	1,860	237	220	202	185	167	150	132	115	97	80	62
1,860	1,880	240	223	205	188	170	153	135	118	100	83	65
1,880	1,900	243	226	208	191	173	156	138	121	103	86	68
1,900	1,920	246	229	211	194	176	159	141	124	106	89	71
1,920	1,940	249	232	214	197	179	162	144	127	109	92	74
1,940	1,960	252	235	217	200	182	165	147	130	112	95	77
1,960	1,980	255	238	220	203	185	168	150	133	115	98	80
1,980	2,000	258	241	223	206	188	171	153	136	118	101	83
2,000	2,020	261	244	226	209	191	174	156	139	121	104	86
2,020	2,040	266	247	229	212	194	177	159	142	124	107	89
2,040	2,060	272	250	232	215	197	180	162	145	127	110	92
2,060	2,080	277	253	235	218	200	183	165	148	130	113	95
2,080	2,100	283	256	238	221	203	186	168	151	133	116	98
2,100	2,120	288	259	241	224	206	189	171	154	136	119	101
2,120	2,140	294	262	244	227	209	192	174	157	139	122	104
2,140	2,160	300	267	247	230	212	195	177	160	142	125	107
2,160	2,180	305	272	250	233	215	198	180	163	145	128	110
2,180	2,200	311	278	253	236	218	201	183	166	148	131	113
2,200	2,220	316	284	256	239	221	204	186	169	151	134	116
2,220	2,240	322	289	259	242	224	207	189	172	154	137	119
2,240	2,260	328	295	262	245	227	210	192	175	157	140	122
2,260	2,280	333	300	268	248	230	213	195	178	160	143	125
2,280	2,300	339	306	273	251	233	216	198	181	163	146	128
2,300	2,320	344	312	279	254	236	219	201	184	166	149	131
2,320	2,340	350	317	285	257	239	222	204	187	169	152	134
2,340	2,360	356	323	290	260	242	225	207	190	172	155	137
2,360	2,380	361	328	296	263	245	228	210	193	175	158	140
2,380	2,400	367	334	301	269	248	231	213	196	178	161	143
2,400	2,420	372	340	307	274	251	234	216	199	181	164	146
2,420	2,440	378	345	313	280	254	237	219	202	184	167	149
2,440	2,460	384	351	318	286	257	240	222	205	187	170	152
2,460	2,480	389	356	324	291	260	243	225	208	190	173	155
2,480	2,500	395	362	329	297	264	246	228	211	193	176	158
2,500	2,520	400	368	335	302	270	249	231	214	196	179	161
2,520	2,540	406	373	341	308	275	252	234	217	199	182	164
2,540	2,560	412	379	346	314	281	255	237	220	202	185	167
2,560	2,580	417	384	352	319	286	258	240	223	205	188	170
2,580	2,600	423	390	357	325	292	261	243	226	208	191	173
2,600	2,620	428	396	363	330	298	265	246	229	211	194	176
2,620	2,640	434	401	369	336	303	271	249	232	214	197	179
2,640	2,660	440	407	374	342	309	276	252	235	217	200	182
2,660	2,680	445	412	380	347	314	282	255	238	220	203	185
2,680	2,700	451	418	385	353	320	287	258	241	223	206	188
2,700	2,720	456	424	391	358	326	293	261	244	226	209	191

\$2,720 and over

Use Table 3(b) for a MARRIED person on page 34. Also see the instructions on page 32.

**SINGLE Persons—MONTHLY Payroll Period**  
**(For Wages Paid in 2000)**

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	1	0	0	0	0	0	0	0	0	0	0
230	240	2	0	0	0	0	0	0	0	0	0	0
240	250	4	0	0	0	0	0	0	0	0	0	0
250	260	5	0	0	0	0	0	0	0	0	0	0
260	270	7	0	0	0	0	0	0	0	0	0	0
270	280	8	0	0	0	0	0	0	0	0	0	0
280	290	10	0	0	0	0	0	0	0	0	0	0
290	300	11	0	0	0	0	0	0	0	0	0	0
300	320	13	0	0	0	0	0	0	0	0	0	0
320	340	16	0	0	0	0	0	0	0	0	0	0
340	360	19	0	0	0	0	0	0	0	0	0	0
360	380	22	0	0	0	0	0	0	0	0	0	0
380	400	25	0	0	0	0	0	0	0	0	0	0
400	420	28	0	0	0	0	0	0	0	0	0	0
420	440	31	0	0	0	0	0	0	0	0	0	0
440	460	34	0	0	0	0	0	0	0	0	0	0
460	480	37	2	0	0	0	0	0	0	0	0	0
480	500	40	5	0	0	0	0	0	0	0	0	0
500	520	43	8	0	0	0	0	0	0	0	0	0
520	540	46	11	0	0	0	0	0	0	0	0	0
540	560	49	14	0	0	0	0	0	0	0	0	0
560	580	52	17	0	0	0	0	0	0	0	0	0
580	600	55	20	0	0	0	0	0	0	0	0	0
600	640	60	25	0	0	0	0	0	0	0	0	0
640	680	66	31	0	0	0	0	0	0	0	0	0
680	720	72	37	2	0	0	0	0	0	0	0	0
720	760	78	43	8	0	0	0	0	0	0	0	0
760	800	84	49	14	0	0	0	0	0	0	0	0
800	840	90	55	20	0	0	0	0	0	0	0	0
840	880	96	61	26	0	0	0	0	0	0	0	0
880	920	102	67	32	0	0	0	0	0	0	0	0
920	960	108	73	38	3	0	0	0	0	0	0	0
960	1,000	114	79	44	9	0	0	0	0	0	0	0
1,000	1,040	120	85	50	15	0	0	0	0	0	0	0
1,040	1,080	126	91	56	21	0	0	0	0	0	0	0
1,080	1,120	132	97	62	27	0	0	0	0	0	0	0
1,120	1,160	138	103	68	33	0	0	0	0	0	0	0
1,160	1,200	144	109	74	39	4	0	0	0	0	0	0
1,200	1,240	150	115	80	45	10	0	0	0	0	0	0
1,240	1,280	156	121	86	51	16	0	0	0	0	0	0
1,280	1,320	162	127	92	57	22	0	0	0	0	0	0
1,320	1,360	168	133	98	63	28	0	0	0	0	0	0
1,360	1,400	174	139	104	69	34	0	0	0	0	0	0
1,400	1,440	180	145	110	75	40	5	0	0	0	0	0
1,440	1,480	186	151	116	81	46	11	0	0	0	0	0
1,480	1,520	192	157	122	87	52	17	0	0	0	0	0
1,520	1,560	198	163	128	93	58	23	0	0	0	0	0
1,560	1,600	204	169	134	99	64	29	0	0	0	0	0
1,600	1,640	210	175	140	105	70	35	0	0	0	0	0
1,640	1,680	216	181	146	111	76	41	6	0	0	0	0
1,680	1,720	222	187	152	117	82	47	12	0	0	0	0
1,720	1,760	228	193	158	123	88	53	18	0	0	0	0
1,760	1,800	234	199	164	129	94	59	24	0	0	0	0
1,800	1,840	240	205	170	135	100	65	30	0	0	0	0
1,840	1,880	246	211	176	141	106	71	36	1	0	0	0
1,880	1,920	252	217	182	147	112	77	42	7	0	0	0
1,920	1,960	258	223	188	153	118	83	48	13	0	0	0
1,960	2,000	264	229	194	159	124	89	54	19	0	0	0
2,000	2,040	270	235	200	165	130	95	60	25	0	0	0
2,040	2,080	276	241	206	171	136	101	66	31	0	0	0
2,080	2,120	282	247	212	177	142	107	72	37	2	0	0
2,120	2,160	288	253	218	183	148	113	78	43	8	0	0
2,160	2,200	294	259	224	189	154	119	84	49	14	0	0
2,200	2,240	300	265	230	195	160	125	90	55	20	0	0
2,240	2,280	306	271	236	201	166	131	96	61	26	0	0
2,280	2,320	312	277	242	207	172	137	102	67	32	0	0
2,320	2,360	320	283	248	213	178	143	108	73	38	3	0
2,360	2,400	332	289	254	219	184	149	114	79	44	9	0
2,400	2,440	343	295	260	225	190	155	120	85	50	15	0

**SINGLE Persons—MONTHLY Payroll Period**  
(For Wages Paid in 2000)

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	354	301	266	231	196	161	126	91	56	21	0
2,480	2,520	365	307	272	237	202	167	132	97	62	27	0
2,520	2,560	376	313	278	243	208	173	138	103	68	33	0
2,560	2,600	388	322	284	249	214	179	144	109	74	39	4
2,600	2,640	399	333	290	255	220	185	150	115	80	45	10
2,640	2,680	410	345	296	261	226	191	156	121	86	51	16
2,680	2,720	421	356	302	267	232	197	162	127	92	57	22
2,720	2,760	432	367	308	273	238	203	168	133	98	63	28
2,760	2,800	444	378	314	279	244	209	174	139	104	69	34
2,800	2,840	455	389	324	285	250	215	180	145	110	75	40
2,840	2,880	466	401	335	291	256	221	186	151	116	81	46
2,880	2,920	477	412	347	297	262	227	192	157	122	87	52
2,920	2,960	488	423	358	303	268	233	198	163	128	93	58
2,960	3,000	500	434	369	309	274	239	204	169	134	99	64
3,000	3,040	511	445	380	315	280	245	210	175	140	105	70
3,040	3,080	522	457	391	326	286	251	216	181	146	111	76
3,080	3,120	533	468	403	337	292	257	222	187	152	117	82
3,120	3,160	544	479	414	348	298	263	228	193	158	123	88
3,160	3,200	556	490	425	360	304	269	234	199	164	129	94
3,200	3,240	567	501	436	371	310	275	240	205	170	135	100
3,240	3,280	578	513	447	382	317	281	246	211	176	141	106
3,280	3,320	589	524	459	393	328	287	252	217	182	147	112
3,320	3,360	600	535	470	404	339	293	258	223	188	153	118
3,360	3,400	612	546	481	416	350	299	264	229	194	159	124
3,400	3,440	623	557	492	427	361	305	270	235	200	165	130
3,440	3,480	634	569	503	438	373	311	276	241	206	171	136
3,480	3,520	645	580	515	449	384	319	282	247	212	177	142
3,520	3,560	656	591	526	460	395	330	288	253	218	183	148
3,560	3,600	668	602	537	472	406	341	294	259	224	189	154
3,600	3,640	679	613	548	483	417	352	300	265	230	195	160
3,640	3,680	690	625	559	494	429	363	306	271	236	201	166
3,680	3,720	701	636	571	505	440	375	312	277	242	207	172
3,720	3,760	712	647	582	516	451	386	320	283	248	213	178
3,760	3,800	724	658	593	528	462	397	332	289	254	219	184
3,800	3,840	735	669	604	539	473	408	343	295	260	225	190
3,840	3,880	746	681	615	550	485	419	354	301	266	231	196
3,880	3,920	757	692	627	561	496	431	365	307	272	237	202
3,920	3,960	768	703	638	572	507	442	376	313	278	243	208
3,960	4,000	780	714	649	584	518	453	388	322	284	249	214
4,000	4,040	791	725	660	595	529	464	399	333	290	255	220
4,040	4,080	802	737	671	606	541	475	410	345	296	261	226
4,080	4,120	813	748	683	617	552	487	421	356	302	267	232
4,120	4,160	824	759	694	628	563	498	432	367	308	273	238
4,160	4,200	836	770	705	640	574	509	444	378	314	279	244
4,200	4,240	847	781	716	651	585	520	455	389	324	285	250
4,240	4,280	858	793	727	662	597	531	466	401	335	291	256
4,280	4,320	869	804	739	673	608	543	477	412	347	297	262
4,320	4,360	880	815	750	684	619	554	488	423	358	303	268
4,360	4,400	892	826	761	696	630	565	500	434	369	309	274
4,400	4,440	903	837	772	707	641	576	511	445	380	315	280
4,440	4,480	914	849	783	718	653	587	522	457	391	326	286
4,480	4,520	925	860	795	729	664	599	533	468	403	337	292
4,520	4,560	936	871	806	740	675	610	544	479	414	348	298
4,560	4,600	948	882	817	752	686	621	556	490	425	360	304
4,600	4,640	959	893	828	763	697	632	567	501	436	371	310
4,640	4,680	970	905	839	774	709	643	578	513	447	382	317
4,680	4,720	981	916	851	785	720	655	589	524	459	393	328
4,720	4,760	992	927	862	796	731	666	600	535	470	404	339
4,760	4,800	1,004	938	873	808	742	677	612	546	481	416	350
4,800	4,840	1,015	949	884	819	753	688	623	557	492	427	361
4,840	4,880	1,026	961	895	830	765	699	634	569	503	438	373
4,880	4,920	1,037	972	907	841	776	711	645	580	515	449	384
4,920	4,960	1,048	983	918	852	787	722	656	591	526	460	395
4,960	5,000	1,060	994	929	864	798	733	668	602	537	472	406
5,000	5,040	1,072	1,005	940	875	809	744	679	613	548	483	417

\$5,040 and over

Use Table 4(a) for a **SINGLE** person on page 34. Also see the instructions on page 32.

**MARRIED Persons—MONTHLY Payroll Period**  
**(For Wages Paid in 2000)**

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	2	0	0	0	0	0	0	0	0	0	0
560	580	5	0	0	0	0	0	0	0	0	0	0
580	600	8	0	0	0	0	0	0	0	0	0	0
600	640	12	0	0	0	0	0	0	0	0	0	0
640	680	18	0	0	0	0	0	0	0	0	0	0
680	720	24	0	0	0	0	0	0	0	0	0	0
720	760	30	0	0	0	0	0	0	0	0	0	0
760	800	36	1	0	0	0	0	0	0	0	0	0
800	840	42	7	0	0	0	0	0	0	0	0	0
840	880	48	13	0	0	0	0	0	0	0	0	0
880	920	54	19	0	0	0	0	0	0	0	0	0
920	960	60	25	0	0	0	0	0	0	0	0	0
960	1,000	66	31	0	0	0	0	0	0	0	0	0
1,000	1,040	72	37	2	0	0	0	0	0	0	0	0
1,040	1,080	78	43	8	0	0	0	0	0	0	0	0
1,080	1,120	84	49	14	0	0	0	0	0	0	0	0
1,120	1,160	90	55	20	0	0	0	0	0	0	0	0
1,160	1,200	96	61	26	0	0	0	0	0	0	0	0
1,200	1,240	102	67	32	0	0	0	0	0	0	0	0
1,240	1,280	108	73	38	3	0	0	0	0	0	0	0
1,280	1,320	114	79	44	9	0	0	0	0	0	0	0
1,320	1,360	120	85	50	15	0	0	0	0	0	0	0
1,360	1,400	126	91	56	21	0	0	0	0	0	0	0
1,400	1,440	132	97	62	27	0	0	0	0	0	0	0
1,440	1,480	138	103	68	33	0	0	0	0	0	0	0
1,480	1,520	144	109	74	39	4	0	0	0	0	0	0
1,520	1,560	150	115	80	45	10	0	0	0	0	0	0
1,560	1,600	156	121	86	51	16	0	0	0	0	0	0
1,600	1,640	162	127	92	57	22	0	0	0	0	0	0
1,640	1,680	168	133	98	63	28	0	0	0	0	0	0
1,680	1,720	174	139	104	69	34	0	0	0	0	0	0
1,720	1,760	180	145	110	75	40	5	0	0	0	0	0
1,760	1,800	186	151	116	81	46	11	0	0	0	0	0
1,800	1,840	192	157	122	87	52	17	0	0	0	0	0
1,840	1,880	198	163	128	93	58	23	0	0	0	0	0
1,880	1,920	204	169	134	99	64	29	0	0	0	0	0
1,920	1,960	210	175	140	105	70	35	0	0	0	0	0
1,960	2,000	216	181	146	111	76	41	6	0	0	0	0
2,000	2,040	222	187	152	117	82	47	12	0	0	0	0
2,040	2,080	228	193	158	123	88	53	18	0	0	0	0
2,080	2,120	234	199	164	129	94	59	24	0	0	0	0
2,120	2,160	240	205	170	135	100	65	30	0	0	0	0
2,160	2,200	246	211	176	141	106	71	36	1	0	0	0
2,200	2,240	252	217	182	147	112	77	42	7	0	0	0
2,240	2,280	258	223	188	153	118	83	48	13	0	0	0
2,280	2,320	264	229	194	159	124	89	54	19	0	0	0
2,320	2,360	270	235	200	165	130	95	60	25	0	0	0
2,360	2,400	276	241	206	171	136	101	66	31	0	0	0
2,400	2,440	282	247	212	177	142	107	72	37	2	0	0
2,440	2,480	288	253	218	183	148	113	78	43	8	0	0
2,480	2,520	294	259	224	189	154	119	84	49	14	0	0
2,520	2,560	300	265	230	195	160	125	90	55	20	0	0
2,560	2,600	306	271	236	201	166	131	96	61	26	0	0
2,600	2,640	312	277	242	207	172	137	102	67	32	0	0
2,640	2,680	318	283	248	213	178	143	108	73	38	3	0
2,680	2,720	324	289	254	219	184	149	114	79	44	9	0
2,720	2,760	330	295	260	225	190	155	120	85	50	15	0
2,760	2,800	336	301	266	231	196	161	126	91	56	21	0
2,800	2,840	342	307	272	237	202	167	132	97	62	27	0
2,840	2,880	348	313	278	243	208	173	138	103	68	33	0
2,880	2,920	354	319	284	249	214	179	144	109	74	39	4
2,920	2,960	360	325	290	255	220	185	150	115	80	45	10
2,960	3,000	366	331	296	261	226	191	156	121	86	51	16
3,000	3,040	372	337	302	267	232	197	162	127	92	57	22
3,040	3,080	378	343	308	273	238	203	168	133	98	63	28
3,080	3,120	384	349	314	279	244	209	174	139	104	69	34
3,120	3,160	390	355	320	285	250	215	180	145	110	75	40
3,160	3,200	396	361	326	291	256	221	186	151	116	81	46
3,200	3,240	402	367	332	297	262	227	192	157	122	87	52

## MARRIED Persons—MONTHLY Payroll Period (For Wages Paid in 2000)

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	408	373	338	303	268	233	198	163	128	93	58
3,280	3,320	414	379	344	309	274	239	204	169	134	99	64
3,320	3,360	420	385	350	315	280	245	210	175	140	105	70
3,360	3,400	426	391	356	321	286	251	216	181	146	111	76
3,400	3,440	432	397	362	327	292	257	222	187	152	117	82
3,440	3,480	438	403	368	333	298	263	228	193	158	123	88
3,480	3,520	444	409	374	339	304	269	234	199	164	129	94
3,520	3,560	450	415	380	345	310	275	240	205	170	135	100
3,560	3,600	456	421	386	351	316	281	246	211	176	141	106
3,600	3,640	462	427	392	357	322	287	252	217	182	147	112
3,640	3,680	468	433	398	363	328	293	258	223	188	153	118
3,680	3,720	474	439	404	369	334	299	264	229	194	159	124
3,720	3,760	480	445	410	375	340	305	270	235	200	165	130
3,760	3,800	486	451	416	381	346	311	276	241	206	171	136
3,800	3,840	492	457	422	387	352	317	282	247	212	177	142
3,840	3,880	498	463	428	393	358	323	288	253	218	183	148
3,880	3,920	504	469	434	399	364	329	294	259	224	189	154
3,920	3,960	510	475	440	405	370	335	300	265	230	195	160
3,960	4,000	516	481	446	411	376	341	306	271	236	201	166
4,000	4,040	522	487	452	417	382	347	312	277	242	207	172
4,040	4,080	532	493	458	423	388	353	318	283	248	213	178
4,080	4,120	543	499	464	429	394	359	324	289	254	219	184
4,120	4,160	554	505	470	435	400	365	330	295	260	225	190
4,160	4,200	565	511	476	441	406	371	336	301	266	231	196
4,200	4,240	577	517	482	447	412	377	342	307	272	237	202
4,240	4,280	588	523	488	453	418	383	348	313	278	243	208
4,280	4,320	599	534	494	459	424	389	354	319	284	249	214
4,320	4,360	610	545	500	465	430	395	360	325	290	255	220
4,360	4,400	621	556	506	471	436	401	366	331	296	261	226
4,400	4,440	633	567	512	477	442	407	372	337	302	267	232
4,440	4,480	644	579	518	483	448	413	378	343	308	273	238
4,480	4,520	655	590	524	489	454	419	384	349	314	279	244
4,520	4,560	666	601	536	495	460	425	390	355	320	285	250
4,560	4,600	677	612	547	501	466	431	396	361	326	291	256
4,600	4,640	689	623	558	507	472	437	402	367	332	297	262
4,640	4,680	700	635	569	513	478	443	408	373	338	303	268
4,680	4,720	711	646	580	519	484	449	414	379	344	309	274
4,720	4,760	722	657	592	526	490	455	420	385	350	315	280
4,760	4,800	733	668	603	537	496	461	426	391	356	321	286
4,800	4,840	745	679	614	549	502	467	432	397	362	327	292
4,840	4,880	756	691	625	560	508	473	438	403	368	333	298
4,880	4,920	767	702	636	571	514	479	444	409	374	339	304
4,920	4,960	778	713	648	582	520	485	450	415	380	345	310
4,960	5,000	789	724	659	593	528	491	456	421	386	351	316
5,000	5,040	801	735	670	605	539	497	462	427	392	357	322
5,040	5,080	812	747	681	616	551	503	468	433	398	363	328
5,080	5,120	823	758	692	627	562	509	474	439	404	369	334
5,120	5,160	834	769	704	638	573	515	480	445	410	375	340
5,160	5,200	845	780	715	649	584	521	486	451	416	381	346
5,200	5,240	857	791	726	661	595	530	492	457	422	387	352
5,240	5,280	868	803	737	672	607	541	498	463	428	393	358
5,280	5,320	879	814	748	683	618	552	504	469	434	399	364
5,320	5,360	890	825	760	694	629	564	510	475	440	405	370
5,360	5,400	901	836	771	705	640	575	516	481	446	411	376
5,400	5,440	913	847	782	717	651	586	522	487	452	417	382
5,440	5,480	924	859	793	728	663	597	532	493	458	423	388
5,480	5,520	935	870	804	739	674	608	543	499	464	429	394
5,520	5,560	946	881	816	750	685	620	554	505	470	435	400
5,560	5,600	957	892	827	761	696	631	565	511	476	441	406
5,600	5,640	969	903	838	773	707	642	577	517	482	447	412
5,640	5,680	980	915	849	784	719	653	588	523	488	453	418
5,680	5,720	991	926	860	795	730	664	599	534	494	459	424
5,720	5,760	1,002	937	872	806	741	676	610	545	500	465	430
5,760	5,800	1,013	948	883	817	752	687	621	556	506	471	436
5,800	5,840	1,025	959	894	829	763	698	633	567	512	477	442

\$5,840 and over

Use Table 4(b) for a MARRIED person on page 34. Also see the instructions on page 32.

**SINGLE Persons—DAILY OR MISCELLANEOUS Payroll Period**  
**(For Wages Paid in 2000)**

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	\$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	2	0	0	0	0	0	0	0	0	0	0
24	27	2	1	0	0	0	0	0	0	0	0	0
27	30	3	1	0	0	0	0	0	0	0	0	0
30	33	3	2	0	0	0	0	0	0	0	0	0
33	36	4	2	0	0	0	0	0	0	0	0	0
36	39	4	2	1	0	0	0	0	0	0	0	0
39	42	5	3	1	0	0	0	0	0	0	0	0
42	45	5	3	2	0	0	0	0	0	0	0	0
45	48	5	4	2	1	0	0	0	0	0	0	0
48	51	6	4	3	1	0	0	0	0	0	0	0
51	54	6	5	3	2	0	0	0	0	0	0	0
54	57	7	5	4	2	0	0	0	0	0	0	0
57	60	7	6	4	2	1	0	0	0	0	0	0
60	63	8	6	4	3	1	0	0	0	0	0	0
63	66	8	7	5	3	2	0	0	0	0	0	0
66	69	9	7	5	4	2	1	0	0	0	0	0
69	72	9	7	6	4	3	1	0	0	0	0	0
72	75	9	8	6	5	3	1	0	0	0	0	0
75	78	10	8	7	5	3	2	0	0	0	0	0
78	81	10	9	7	6	4	2	1	0	0	0	0
81	84	11	9	8	6	4	3	1	0	0	0	0
84	87	11	10	8	6	5	3	2	0	0	0	0
87	90	12	10	9	7	5	4	2	0	0	0	0
90	93	12	11	9	7	6	4	3	1	0	0	0
93	96	13	11	9	8	6	5	3	1	0	0	0
96	99	13	11	10	8	7	5	3	2	0	0	0
99	102	14	12	10	9	7	5	4	2	1	0	0
102	105	14	12	11	9	8	6	4	3	1	0	0
105	108	14	13	11	10	8	6	5	3	2	0	0
108	111	15	13	12	10	8	7	5	4	2	0	0
111	114	16	14	12	11	9	7	6	4	2	1	0
114	117	17	14	13	11	9	8	6	4	3	1	0
117	120	18	15	13	11	10	8	7	5	3	2	0
120	123	19	16	13	12	10	9	7	5	4	2	1
123	126	19	16	14	12	11	9	7	6	4	3	1
126	129	20	17	14	13	11	10	8	6	5	3	1
129	132	21	18	15	13	12	10	8	7	5	4	2
132	135	22	19	16	14	12	10	9	7	6	4	2
135	138	23	20	17	14	12	11	9	8	6	4	3
138	141	24	21	18	15	13	11	10	8	6	5	3
141	144	24	21	18	15	13	12	10	9	7	5	4
144	147	25	22	19	16	14	12	11	9	7	6	4
147	150	26	23	20	17	14	13	11	9	8	6	5
150	153	27	24	21	18	15	13	12	10	8	7	5
153	156	28	25	22	19	16	14	12	10	9	7	5
156	159	29	26	23	20	17	14	12	11	9	8	6
159	162	29	26	23	20	17	14	13	11	10	8	6
162	165	30	27	24	21	18	15	13	12	10	8	7
165	168	31	28	25	22	19	16	14	12	11	9	7
168	171	32	29	26	23	20	17	14	13	11	9	8
171	174	33	30	27	24	21	18	15	13	11	10	8
174	177	34	31	28	25	22	19	16	13	12	10	9
177	180	35	32	28	25	22	19	16	14	12	11	9
180	183	35	32	29	26	23	20	17	14	13	11	10
183	186	36	33	30	27	24	21	18	15	13	12	10
186	189	37	34	31	28	25	22	19	16	14	12	10
189	192	38	35	32	29	26	23	20	17	14	13	11
192	195	39	36	33	30	27	24	21	18	15	13	11
195	198	40	37	34	31	28	24	21	18	15	13	12
198	201	40	37	34	31	28	25	22	19	16	14	12
201	204	41	38	35	32	29	26	23	20	17	14	13
204	207	42	39	36	33	30	27	24	21	18	15	13
207	210	43	40	37	34	31	28	25	22	19	16	14
210	213	44	41	38	35	32	29	26	23	20	17	14
213	216	45	42	39	36	33	30	27	23	20	17	14
216	219	45	42	39	36	33	30	27	24	21	18	15
219	222	46	43	40	37	34	31	28	25	22	19	16

**SINGLE Persons—DAILY OR MISCELLANEOUS Payroll Period**  
(For Wages Paid in 2000)

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—										
\$222	\$225	47	44	41	38	35	32	29	26	23	20	17
225	228	48	45	42	39	36	33	30	27	24	21	18
228	231	49	46	43	40	37	34	31	28	25	22	19
231	234	50	47	44	41	38	35	32	29	26	23	19
234	237	51	47	44	41	38	35	32	29	26	23	20
237	240	52	48	45	42	39	36	33	30	27	24	21
240	243	52	49	46	43	40	37	34	31	28	25	22
243	246	53	50	47	44	41	38	35	32	29	26	23
246	249	54	51	48	45	42	39	36	33	30	27	24
249	252	55	52	49	46	43	40	37	34	31	28	25
252	255	56	53	50	46	43	40	37	34	31	28	25
255	258	57	54	50	47	44	41	38	35	32	29	26
258	261	58	55	51	48	45	42	39	36	33	30	27
261	264	59	56	52	49	46	43	40	37	34	31	28
264	267	60	57	53	50	47	44	41	38	35	32	29
267	270	61	58	54	51	48	45	42	39	36	33	30
270	273	62	58	55	52	49	45	42	39	36	33	30
273	276	63	59	56	53	49	46	43	40	37	34	31
276	279	64	60	57	54	50	47	44	41	38	35	32
279	282	65	61	58	55	51	48	45	42	39	36	33
282	285	66	62	59	56	52	49	46	43	40	37	34
285	288	66	63	60	56	53	50	47	44	41	38	35
288	291	67	64	61	57	54	51	48	44	41	38	35
291	294	68	65	62	58	55	52	48	45	42	39	36
294	297	69	66	63	59	56	53	49	46	43	40	37
297	300	70	67	63	60	57	53	50	47	44	41	38
300	303	71	68	64	61	58	54	51	48	45	42	39
303	306	72	69	65	62	59	55	52	49	46	43	40
306	309	73	70	66	63	60	56	53	50	47	44	40
309	312	74	71	67	64	61	57	54	51	47	44	41
312	315	75	71	68	65	61	58	55	51	48	45	42
315	318	76	72	69	66	62	59	56	52	49	46	43
318	321	77	73	70	67	63	60	57	53	50	47	44
321	324	78	74	71	68	64	61	58	54	51	48	45
324	327	79	75	72	69	65	62	59	55	52	49	46
327	330	79	76	73	69	66	63	59	56	53	49	46
330	333	80	77	74	70	67	64	60	57	54	50	47
333	336	81	78	75	71	68	65	61	58	55	51	48
336	339	82	79	76	72	69	66	62	59	56	52	49
339	341	83	80	76	73	70	66	63	60	56	53	50
341	343	84	80	77	74	70	67	64	60	57	54	50
343	345	84	81	78	74	71	68	64	61	58	54	51
345	347	85	82	78	75	72	68	65	62	58	55	52
347	349	86	82	79	75	72	69	65	62	59	55	52
349	351	86	83	79	76	73	69	66	63	59	56	53
351	353	87	83	80	77	73	70	67	63	60	57	53
353	355	87	84	81	77	74	71	67	64	61	57	54
355	357	88	85	81	78	75	71	68	65	61	58	55
357	359	89	85	82	79	75	72	69	65	62	59	55
359	361	89	86	83	79	76	73	69	66	63	59	56
361	363	90	87	83	80	77	73	70	66	63	60	56
363	365	90	87	84	80	77	74	70	67	64	60	57
365	367	91	88	84	81	78	74	71	68	64	61	58
367	369	92	88	85	82	78	75	72	68	65	62	58
369	371	92	89	86	82	79	76	72	69	66	62	59
371	373	93	90	86	83	80	76	73	70	66	63	60
373	375	94	90	87	84	80	77	74	70	67	64	60
375	377	94	91	88	84	81	78	74	71	67	64	61
377	379	95	91	88	85	81	78	75	71	68	65	61
379	381	95	92	89	85	82	79	75	72	69	65	62
381	383	96	93	89	86	83	79	76	73	69	66	63
383	385	97	93	90	87	83	80	77	73	70	67	63
385	387	97	94	91	87	84	81	77	74	71	67	64
387	389	98	95	91	88	85	81	78	75	71	68	65
389	391	99	95	92	89	85	82	79	75	72	68	65

\$391 and over

Use Table 8(a) for a **SINGLE** person on page 35. Also see the instructions on page 32.

**MARRIED Persons—DAILY OR MISCELLANEOUS Payroll Period**  
(For Wages Paid in 2000)

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	1	0	0	0	0	0	0	0	0	0	0
30	33	1	0	0	0	0	0	0	0	0	0	0
33	36	1	0	0	0	0	0	0	0	0	0	0
36	39	2	0	0	0	0	0	0	0	0	0	0
39	42	2	1	0	0	0	0	0	0	0	0	0
42	45	3	1	0	0	0	0	0	0	0	0	0
45	48	3	2	0	0	0	0	0	0	0	0	0
48	51	4	2	0	0	0	0	0	0	0	0	0
51	54	4	3	1	0	0	0	0	0	0	0	0
54	57	5	3	1	0	0	0	0	0	0	0	0
57	60	5	3	2	0	0	0	0	0	0	0	0
60	63	6	4	2	1	0	0	0	0	0	0	0
63	66	6	4	3	1	0	0	0	0	0	0	0
66	69	6	5	3	2	0	0	0	0	0	0	0
69	72	7	5	4	2	0	0	0	0	0	0	0
72	75	7	6	4	2	1	0	0	0	0	0	0
75	78	8	6	5	3	1	0	0	0	0	0	0
78	81	8	7	5	3	2	0	0	0	0	0	0
81	84	9	7	5	4	2	1	0	0	0	0	0
84	87	9	7	6	4	3	1	0	0	0	0	0
87	90	10	8	6	5	3	1	0	0	0	0	0
90	93	10	8	7	5	4	2	0	0	0	0	0
93	96	10	9	7	6	4	2	1	0	0	0	0
96	99	11	9	8	6	4	3	1	0	0	0	0
99	102	11	10	8	7	5	3	2	0	0	0	0
102	105	12	10	9	7	5	4	2	0	0	0	0
105	108	12	11	9	7	6	4	3	1	0	0	0
108	111	13	11	9	8	6	5	3	1	0	0	0
111	114	13	12	10	8	7	5	3	2	0	0	0
114	117	14	12	10	9	7	6	4	2	1	0	0
117	120	14	12	11	9	8	6	4	3	1	0	0
120	123	15	13	11	10	8	6	5	3	2	0	0
123	126	15	13	12	10	8	7	5	4	2	0	0
126	129	15	14	12	11	9	7	6	4	2	1	0
129	132	16	14	13	11	9	8	6	5	3	1	0
132	135	16	15	13	11	10	8	7	5	3	2	0
135	138	17	15	14	12	10	9	7	5	4	2	1
138	141	17	16	14	12	11	9	8	6	4	3	1
141	144	18	16	14	13	11	10	8	6	5	3	2
144	147	18	16	15	13	12	10	8	7	5	4	2
147	150	19	17	15	14	12	10	9	7	6	4	2
150	153	19	17	16	14	13	11	9	8	6	4	3
153	156	19	18	16	15	13	11	10	8	7	5	3
156	159	20	18	17	15	13	12	10	9	7	5	4
159	162	20	19	17	16	14	12	11	9	7	6	4
162	165	21	19	18	16	14	13	11	9	8	6	5
165	168	21	20	18	16	15	13	12	10	8	7	5
168	171	22	20	18	17	15	14	12	10	9	7	6
171	174	22	21	19	17	16	14	12	11	9	8	6
174	177	23	21	19	18	16	15	13	11	10	8	6
177	180	23	21	20	18	17	15	13	12	10	9	7
180	183	24	22	20	19	17	15	14	12	11	9	7
183	186	24	22	21	19	17	16	14	13	11	9	8
186	189	25	23	21	20	18	16	15	13	11	10	8
189	192	25	23	22	20	18	17	15	14	12	10	9
192	195	26	24	22	20	19	17	16	14	12	11	9
195	198	27	24	23	21	19	18	16	14	13	11	10
198	201	28	25	23	21	20	18	17	15	13	12	10
201	204	29	26	23	22	20	19	17	15	14	12	11
204	207	30	27	24	22	21	19	17	16	14	13	11
207	210	30	27	24	23	21	19	18	16	15	13	11
210	213	31	28	25	23	22	20	18	17	15	13	12
213	216	32	29	26	24	22	20	19	17	16	14	12
216	219	33	30	27	24	22	21	19	18	16	14	13
219	222	34	31	28	25	23	21	20	18	16	15	13
222	225	35	32	29	26	23	22	20	18	17	15	14
225	228	35	32	29	26	24	22	21	19	17	16	14
228	231	36	33	30	27	24	23	21	19	18	16	15
231	234	37	34	31	28	25	23	21	20	18	17	15

## MARRIED Persons—DAILY OR MISCELLANEOUS Payroll Period (For Wages Paid in 2000)

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	38	35	32	29	26	24	22	20	19	17	15
237	240	39	36	33	30	27	24	22	21	19	18	16
240	243	40	37	34	31	28	25	23	21	20	18	16
243	246	41	38	35	31	28	25	23	22	20	18	17
246	249	41	38	35	32	29	26	24	22	20	19	17
249	252	42	39	36	33	30	27	24	23	21	19	18
252	255	43	40	37	34	31	28	25	23	21	20	18
255	258	44	41	38	35	32	29	26	23	22	20	19
258	261	45	42	39	36	33	30	27	24	22	21	19
261	264	46	43	40	37	34	31	27	24	23	21	20
264	267	46	43	40	37	34	31	28	25	23	22	20
267	270	47	44	41	38	35	32	29	26	24	22	20
270	273	48	45	42	39	36	33	30	27	24	22	21
273	276	49	46	43	40	37	34	31	28	25	23	21
276	279	50	47	44	41	38	35	32	29	26	23	22
279	282	51	48	45	42	39	36	33	30	26	24	22
282	285	51	48	45	42	39	36	33	30	27	24	23
285	288	52	49	46	43	40	37	34	31	28	25	23
288	291	53	50	47	44	41	38	35	32	29	26	24
291	294	54	51	48	45	42	39	36	33	30	27	24
294	297	55	52	49	46	43	40	37	34	31	28	25
297	300	56	53	50	47	44	41	38	35	32	29	26
300	303	56	53	50	47	44	41	38	35	32	29	26
303	306	57	54	51	48	45	42	39	36	33	30	27
306	309	58	55	52	49	46	43	40	37	34	31	28
309	312	59	56	53	50	47	44	41	38	35	32	29
312	315	60	57	54	51	48	45	42	39	36	33	30
315	318	61	58	55	52	49	46	43	40	37	34	31
318	321	62	59	56	52	49	46	43	40	37	34	31
321	324	62	59	56	53	50	47	44	41	38	35	32
324	327	63	60	57	54	51	48	45	42	39	36	33
327	330	64	61	58	55	52	49	46	43	40	37	34
330	333	65	62	59	56	53	50	47	44	41	38	35
333	336	66	63	60	57	54	51	48	45	42	39	36
336	339	67	64	61	58	55	52	48	45	42	39	36
339	341	67	64	61	58	55	52	49	46	43	40	37
341	343	68	65	62	59	56	53	50	47	44	41	38
343	345	68	65	62	59	56	53	50	47	44	41	38
345	347	69	66	63	60	57	54	51	48	45	42	39
347	349	70	67	63	60	57	54	51	48	45	42	39
349	351	70	67	64	61	58	55	52	49	46	43	40
351	353	71	68	65	62	59	56	53	50	47	44	40
353	355	71	68	65	62	59	56	53	50	47	44	41
355	357	72	69	66	63	60	57	54	51	48	45	42
357	359	72	69	66	63	60	57	54	51	48	45	42
359	361	73	70	67	64	61	58	55	52	49	46	43
361	363	73	70	67	64	61	58	55	52	49	46	43
363	365	74	71	68	65	62	59	56	53	50	47	44
365	367	75	72	69	66	62	59	56	53	50	47	44
367	369	75	72	69	66	63	60	57	54	51	48	45
369	371	76	73	70	67	64	61	58	55	52	49	46
371	373	76	73	70	67	64	61	58	55	52	49	46
373	375	77	74	71	68	65	62	59	56	53	50	47
375	377	77	74	71	68	65	62	59	56	53	50	47
377	379	78	75	72	69	66	63	60	57	54	51	48
379	381	78	75	72	69	66	63	60	57	54	51	48
381	383	79	76	73	70	67	64	61	58	55	52	49
383	385	80	77	74	71	68	65	62	58	55	52	49
385	387	80	77	74	71	68	65	62	59	56	53	50
387	389	81	78	75	72	69	66	63	60	57	54	51
389	391	81	78	75	72	69	66	63	60	57	54	51
391	393	82	79	76	73	70	67	64	61	58	55	52
393	395	83	79	76	73	70	67	64	61	58	55	52
395	397	83	80	77	74	71	68	65	62	59	56	53
397	399	84	81	77	74	71	68	65	62	59	56	53

\$399 and over

Use Table 8(b) for a MARRIED person on page 35. Also see the instructions on page 32.

# Tables for Percentage Method of Advance EIC Payments

(For Wages Paid in 2000)

## Table 1. WEEKLY Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate			(b) 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:
Over—	But not over—		Over—	But not over—	
\$0	\$133 . . .	20.40% of wages	\$0	\$66 . . .	20.40% of wages
\$133	\$244 . . .	\$27	\$66	\$122 . . .	\$13
\$244	. . . . .	\$27 less 9.588% of wages in excess of \$244	\$122	. . . . .	\$13 less 9.588% of wages in excess of \$122

## Table 2. BIWEEKLY Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate			(b) 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:
Over—	But not over—		Over—	But not over—	
\$0	\$266 . . .	20.40% of wages	\$0	\$133 . . .	20.40% of wages
\$266	\$488 . . .	\$54	\$133	\$244 . . .	\$27
\$488	. . . . .	\$54 less 9.588% of wages in excess of \$488	\$244	. . . . .	\$27 less 9.588% of wages in excess of \$244

## Table 3. SEMIMONTHLY Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate			(b) 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:
Over—	But not over—		Over—	But not over—	
\$0	\$288 . . .	20.40% of wages	\$0	\$144 . . .	20.40% of wages
\$288	\$528 . . .	\$59	\$144	\$264 . . .	\$29
\$528	. . . . .	\$59 less 9.588% of wages in excess of \$528	\$264	. . . . .	\$29 less 9.588% of wages in excess of \$264

## Table 4. MONTHLY Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate			(b) 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:
Over—	But not over—		Over—	But not over—	
\$0	\$576 . . .	20.40% of wages	\$0	\$288 . . .	20.40% of wages
\$576	\$1,057 . . .	\$118	\$288	\$528 . . .	\$59
\$1,057	. . . . .	\$118 less 9.588% of wages in excess of \$1,057	\$528	. . . . .	\$59 less 9.588% of wages in excess of \$528

# Tables for Percentage Method of Advance EIC Payments (Continued)

(For Wages Paid in 2000)

## Table 5. QUARTERLY Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate			(b) 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:
Over—	But not over—		Over—	But not over—	
\$0	\$1,730 . . .	20.40% of wages	\$0	\$865 . . .	20.40% of wages
\$1,730	\$3,172 . . .	\$353	\$865	\$1,586 . . .	\$176
\$3,172	. . . . .	\$353 less 9.588% of wages in excess of \$3,172	\$1,586	. . . . .	\$176 less 9.588% of wages in excess of \$1,586

## Table 6. SEMIANNUAL Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate			(b) 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:
Over—	But not over—		Over—	But not over—	
\$0	\$3,460 . . .	20.40% of wages	\$0	\$1,730 . . .	20.40% of wages
\$3,460	\$6,345 . . .	\$706	\$1,730	\$3,172 . . .	\$353
\$6,345	. . . . .	\$706 less 9.588% of wages in excess of \$6,345	\$3,172	. . . . .	\$353 less 9.588% of wages in excess of \$3,172

## Table 7. ANNUAL Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate			(b) 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:
Over—	But not over—		Over—	But not over—	
\$0	\$6,920 . . .	20.40% of wages	\$0	\$3,460 . . .	20.40% of wages
\$6,920	\$12,690 . . .	\$1,412	\$3,460	\$6,345 . . .	\$706
\$12,690	. . . . .	\$1,412 less 9.588% of wages in excess of \$12,690	\$6,345	. . . . .	\$706 less 9.588% of wages in excess of \$6,345

## Table 8. DAILY or MISCELLANEOUS Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate			(b) 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:
Over—	But not over—		Over—	But not over—	
\$0	\$26 . . . . .	20.40% of wages	\$0	\$13 . . . . .	20.40% of wages
\$26	\$48 . . . . .	\$5	\$13	\$24 . . . . .	\$3
\$48	. . . . .	\$5 less 9.588% of wages in excess of \$48	\$24	. . . . .	\$3 less 9.588% of wages in excess of \$24

**Tables for Wage Bracket Method of Advance EIC Payments (For Wages Paid in 2000)**

**WEEKLY Payroll Period**

**SINGLE or MARRIED Without Spouse Filing Certificate**

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
\$0	\$5	\$0	\$75	\$80	\$15	\$270	\$280	\$24	\$420	\$430	\$9
5	10	1	80	85	16	280	290	23	430	440	8
10	15	2	85	90	17	290	300	22	440	450	7
15	20	3	90	95	18	300	310	21	450	460	6
20	25	4	95	100	19	310	320	20	460	470	5
25	30	5	100	105	20	320	330	19	470	480	5
30	35	6	105	110	21	330	340	18	480	490	4
35	40	7	110	115	22	340	350	17	490	500	3
40	45	8	115	120	23	350	360	16	500	510	2
45	50	9	120	125	24	360	370	15	510	520	1
50	55	10	125	130	26	370	380	14	520	- - -	0
55	60	11	130	240	27	380	390	13			
60	65	12	240	250	27	390	400	12			
65	70	13	250	260	26	400	410	11			
70	75	14	260	270	25	410	420	10			

**MARRIED With Both Spouses Filing Certificate**

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
\$0	\$5	\$0	\$35	\$40	\$7	\$120	\$130	\$13	\$190	\$200	\$6
5	10	1	40	45	8	130	140	12	200	210	5
10	15	2	45	50	9	140	150	11	210	220	4
15	20	3	50	55	10	150	160	10	220	230	3
20	25	4	55	60	11	160	170	9	230	240	2
25	30	5	60	65	12	170	180	8	240	250	1
30	35	6	65	120	13	180	190	7	250	- - -	0

**BIWEEKLY Payroll Period**

**SINGLE or MARRIED Without Spouse Filing Certificate**

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
\$0	\$5	\$0	\$140	\$145	\$29	\$505	\$515	\$52	\$785	\$795	\$25
5	10	1	145	150	30	515	525	51	795	805	24
10	15	2	150	155	31	525	535	50	805	815	23
15	20	3	155	160	32	535	545	49	815	825	22
20	25	4	160	165	33	545	555	48	825	835	21
25	30	5	165	170	34	555	565	47	835	845	20
30	35	6	170	175	35	565	575	46	845	855	19
35	40	7	175	180	36	575	585	45	855	865	18
40	45	8	180	185	37	585	595	44	865	875	17
45	50	9	185	190	38	595	605	43	875	885	16
50	55	10	190	195	39	605	615	42	885	895	15
55	60	11	195	200	40	615	625	41	895	905	14
60	65	12	200	205	41	625	635	40	905	915	13
65	70	13	205	210	42	635	645	39	915	925	12
70	75	14	210	215	43	645	655	38	925	935	11
75	80	15	215	220	44	655	665	37	935	945	10
80	85	16	220	225	45	665	675	36	945	955	10
85	90	17	225	230	46	675	685	35	955	965	9
90	95	18	230	235	47	685	695	34	965	975	8
95	100	19	235	240	48	695	705	34	975	985	7
100	105	20	240	245	49	705	715	33	985	995	6
105	110	21	245	250	50	715	725	32	995	1,005	5
110	115	22	250	255	51	725	735	31	1,005	1,015	4
115	120	23	255	260	52	735	745	30	1,015	1,025	3
120	125	24	260	265	53	745	755	29	1,025	1,035	2
125	130	26	265	485	54	755	765	28	1,035	1,045	1
130	135	27	485	495	54	765	775	27	1,045	- - -	0
135	140	28	495	505	53	775	785	26			

## BIWEEKLY Payroll Period

### MARRIED With Both Spouses Filing Certificate

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
\$0	\$5	\$0	\$70	\$75	\$14	\$250	\$260	\$26	\$390	\$400	\$12
5	10	1	75	80	15	260	270	25	400	410	11
10	15	2	80	85	16	270	280	24	410	420	10
15	20	3	85	90	17	280	290	23	420	430	9
20	25	4	90	95	18	290	300	22	430	440	8
25	30	5	95	100	19	300	310	21	440	450	7
30	35	6	100	105	20	310	320	20	450	460	6
35	40	7	105	110	21	320	330	19	460	470	5
40	45	8	110	115	22	330	340	18	470	480	5
45	50	9	115	120	23	340	350	17	480	490	4
50	55	10	120	125	24	350	360	16	490	500	3
55	60	11	125	130	26	360	370	15	500	510	2
60	65	12	130	240	27	370	380	14	510	520	1
65	70	13	240	250	27	380	390	13	520	- - -	0

## SEMIMONTHLY Payroll Period

### SINGLE or MARRIED Without Spouse Filing Certificate

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
\$0	\$5	\$0	\$150	\$155	\$31	\$545	\$555	\$56	\$845	\$855	\$28
5	10	1	155	160	32	555	565	55	855	865	27
10	15	2	160	165	33	565	575	54	865	875	26
15	20	3	165	170	34	575	585	53	875	885	25
20	25	4	170	175	35	585	595	52	885	895	24
25	30	5	175	180	36	595	605	52	895	905	23
30	35	6	180	185	37	605	615	51	905	915	22
35	40	7	185	190	38	615	625	50	915	925	21
40	45	8	190	195	39	625	635	49	925	935	20
45	50	9	195	200	40	635	645	48	935	945	19
50	55	10	200	205	41	645	655	47	945	955	18
55	60	11	205	210	42	655	665	46	955	965	17
60	65	12	210	215	43	665	675	45	965	975	16
65	70	13	215	220	44	675	685	44	975	985	15
70	75	14	220	225	45	685	695	43	985	995	14
75	80	15	225	230	46	695	705	42	995	1,005	13
80	85	16	230	235	47	705	715	41	1,005	1,015	12
85	90	17	235	240	48	715	725	40	1,015	1,025	11
90	95	18	240	245	49	725	735	39	1,025	1,035	10
95	100	19	245	250	50	735	745	38	1,035	1,045	9
100	105	20	250	255	51	745	755	37	1,045	1,055	8
105	110	21	255	260	52	755	765	36	1,055	1,065	7
110	115	22	260	265	53	765	775	35	1,065	1,075	6
115	120	23	265	270	54	775	785	34	1,075	1,085	6
120	125	24	270	275	55	785	795	33	1,085	1,095	5
125	130	26	275	280	56	795	805	32	1,095	1,105	4
130	135	27	280	285	57	805	815	31	1,105	1,115	3
135	140	28	285	525	58	815	825	30	1,115	1,125	2
140	145	29	525	535	58	825	835	29	1,125	1,135	1
145	150	30	535	545	57	835	845	29	1,135	- - -	0

### MARRIED With Both Spouses Filing Certificate

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
\$0	\$5	\$0	\$45	\$50	\$9	\$90	\$95	\$18	\$135	\$140	\$28
5	10	1	50	55	10	95	100	19	140	260	29
10	15	2	55	60	11	100	105	20	260	270	29
15	20	3	60	65	12	105	110	21	270	280	28
20	25	4	65	70	13	110	115	22	280	290	27
25	30	5	70	75	14	115	120	23	290	300	26
30	35	6	75	80	15	120	125	24	300	310	25
35	40	7	80	85	16	125	130	26	310	320	24
40	45	8	85	90	17	130	135	27	320	330	23

(continued on next page)

## SEMIMONTHLY Payroll Period

### MARRIED With Both Spouses Filing Certificate

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
\$330	\$340	\$22	\$390	\$400	\$16	\$450	\$460	\$11	\$510	\$520	\$5
340	350	21	400	410	15	460	470	10	520	530	4
350	360	20	410	420	14	470	480	9	530	540	3
360	370	19	420	430	14	480	490	8	540	550	2
370	380	18	430	440	13	490	500	7	550	560	1
380	390	17	440	450	12	500	510	6	560	- - -	0

## MONTHLY Payroll Period

### SINGLE or MARRIED Without Spouse Filing Certificate

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
\$0	\$5	\$0	\$250	\$255	\$51	\$500	\$505	\$102	\$1,395	\$1,405	\$84
5	10	1	255	260	52	505	510	103	1,405	1,415	83
10	15	2	260	265	53	510	515	104	1,415	1,425	82
15	20	3	265	270	54	515	520	105	1,425	1,435	81
20	25	4	270	275	55	520	525	106	1,435	1,445	81
25	30	5	275	280	56	525	530	107	1,445	1,455	80
30	35	6	280	285	57	530	535	108	1,455	1,465	79
35	40	7	285	290	58	535	540	109	1,465	1,475	78
40	45	8	290	295	59	540	545	110	1,475	1,485	77
45	50	9	295	300	60	545	550	111	1,485	1,495	76
50	55	10	300	305	61	550	555	112	1,495	1,505	75
55	60	11	305	310	62	555	560	113	1,505	1,515	74
60	65	12	310	315	63	560	565	114	1,515	1,525	73
65	70	13	315	320	64	565	570	115	1,525	1,535	72
70	75	14	320	325	65	570	575	116	1,535	1,545	71
75	80	15	325	330	66	575	1,055	117	1,545	1,555	70
80	85	16	330	335	67	1,055	1,065	117	1,555	1,565	69
85	90	17	335	340	68	1,065	1,075	116	1,565	1,575	68
90	95	18	340	345	69	1,075	1,085	115	1,575	1,585	67
95	100	19	345	350	70	1,085	1,095	114	1,585	1,595	66
100	105	20	350	355	71	1,095	1,105	113	1,595	1,605	65
105	110	21	355	360	72	1,105	1,115	112	1,605	1,615	64
110	115	22	360	365	73	1,115	1,125	111	1,615	1,625	63
115	120	23	365	370	74	1,125	1,135	110	1,625	1,635	62
120	125	24	370	375	75	1,135	1,145	109	1,635	1,645	61
125	130	26	375	380	77	1,145	1,155	108	1,645	1,655	60
130	135	27	380	385	78	1,155	1,165	107	1,655	1,665	59
135	140	28	385	390	79	1,165	1,175	106	1,665	1,675	58
140	145	29	390	395	80	1,175	1,185	105	1,675	1,685	58
145	150	30	395	400	81	1,185	1,195	104	1,685	1,695	57
150	155	31	400	405	82	1,195	1,205	104	1,695	1,705	56
155	160	32	405	410	83	1,205	1,215	103	1,705	1,715	55
160	165	33	410	415	84	1,215	1,225	102	1,715	1,725	54
165	170	34	415	420	85	1,225	1,235	101	1,725	1,735	53
170	175	35	420	425	86	1,235	1,245	100	1,735	1,745	52
175	180	36	425	430	87	1,245	1,255	99	1,745	1,755	51
180	185	37	430	435	88	1,255	1,265	98	1,755	1,765	50
185	190	38	435	440	89	1,265	1,275	97	1,765	1,775	49
190	195	39	440	445	90	1,275	1,285	96	1,775	1,785	48
195	200	40	445	450	91	1,285	1,295	95	1,785	1,795	47
200	205	41	450	455	92	1,295	1,305	94	1,795	1,805	46
205	210	42	455	460	93	1,305	1,315	93	1,805	1,815	45
210	215	43	460	465	94	1,315	1,325	92	1,815	1,825	44
215	220	44	465	470	95	1,325	1,335	91	1,825	1,835	43
220	225	45	470	475	96	1,335	1,345	90	1,835	1,845	42
225	230	46	475	480	97	1,345	1,355	89	1,845	1,855	41
230	235	47	480	485	98	1,355	1,365	88	1,855	1,865	40
235	240	48	485	490	99	1,365	1,375	87	1,865	1,875	39
240	245	49	490	495	100	1,375	1,385	86	1,875	1,885	38
245	250	50	495	500	101	1,385	1,395	85	1,885	1,895	37

(continued on next page)

## MONTHLY Payroll Period

### SINGLE or MARRIED Without Spouse Filing Certificate

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
\$1,895	\$1,905	\$36	\$1,995	\$2,005	\$27	\$2,095	\$2,105	\$17	\$2,195	\$2,205	\$8
1,905	1,915	35	2,005	2,015	26	2,105	2,115	16	2,205	2,215	7
1,915	1,925	34	2,015	2,025	25	2,115	2,125	15	2,215	2,225	6
1,925	1,935	34	2,025	2,035	24	2,125	2,135	14	2,225	2,235	5
1,935	1,945	33	2,035	2,045	23	2,135	2,145	13	2,235	2,245	4
1,945	1,955	32	2,045	2,055	22	2,145	2,155	12	2,245	2,255	3
1,955	1,965	31	2,055	2,065	21	2,155	2,165	11	2,255	2,265	2
1,965	1,975	30	2,065	2,075	20	2,165	2,175	11	2,265	2,275	1
1,975	1,985	29	2,075	2,085	19	2,175	2,185	10	2,275	- - -	0
1,985	1,995	28	2,085	2,095	18	2,185	2,195	9			

### MARRIED With Both Spouses Filing Certificate

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
\$0	\$5	\$0	\$150	\$155	\$31	\$545	\$555	\$56	\$845	\$855	\$28
5	10	1	155	160	32	555	565	55	855	865	27
10	15	2	160	165	33	565	575	54	865	875	26
15	20	3	165	170	34	575	585	53	875	885	25
20	25	4	170	175	35	585	595	52	885	895	24
25	30	5	175	180	36	595	605	52	895	905	23
30	35	6	180	185	37	605	615	51	905	915	22
35	40	7	185	190	38	615	625	50	915	925	21
40	45	8	190	195	39	625	635	49	925	935	20
45	50	9	195	200	40	635	645	48	935	945	19
50	55	10	200	205	41	645	655	47	945	955	18
55	60	11	205	210	42	655	665	46	955	965	17
60	65	12	210	215	43	665	675	45	965	975	16
65	70	13	215	220	44	675	685	44	975	985	15
70	75	14	220	225	45	685	695	43	985	995	14
75	80	15	225	230	46	695	705	42	995	1,005	13
80	85	16	230	235	47	705	715	41	1,005	1,015	12
85	90	17	235	240	48	715	725	40	1,015	1,025	11
90	95	18	240	245	49	725	735	39	1,025	1,035	10
95	100	19	245	250	50	735	745	38	1,035	1,045	9
100	105	20	250	255	51	745	755	37	1,045	1,055	8
105	110	21	255	260	52	755	765	36	1,055	1,065	7
110	115	22	260	265	53	765	775	35	1,065	1,075	6
115	120	23	265	270	54	775	785	34	1,075	1,085	6
120	125	24	270	275	55	785	795	33	1,085	1,095	5
125	130	26	275	280	56	795	805	32	1,095	1,105	4
130	135	27	280	285	57	805	815	31	1,105	1,115	3
135	140	28	285	295	58	815	825	30	1,115	1,125	2
140	145	29	295	305	59	825	835	29	1,125	1,135	1
145	150	30	305	315	60	835	845	29	1,135	- - -	0

## DAILY Payroll Period

### SINGLE or MARRIED Without Spouse Filing Certificate

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
\$0	\$5	\$0	\$15	\$20	\$3	\$45	\$55	\$5	\$75	\$85	\$2
5	10	1	20	25	4	55	65	4	85	95	1
10	15	2	25	45	5	65	75	3	95	- - -	0

### MARRIED With Both Spouses Filing Certificate

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
\$0	\$5	\$0	\$10	\$20	\$2	\$30	\$40	\$1	\$40	- - -	\$0
5	10	1	20	30	2						

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