

Percentage method of withholding for 2.80 PERCENT LOCAL INCOME TAX

Payroll period	Amount of one exemption	15% allowance for Standard Deduction*	
		MIN	MAX
Weekly	\$ 61.54	\$ 29.00	\$ 43.27
Bi-weekly	\$ 123.08	\$ 58.05	\$ 86.54
Semi-monthly	\$ 133.33	\$ 62.50	\$ 93.75
Monthly	\$ 266.67	\$ 125.00	\$ 187.50
Quarterly	\$ 800.00	\$ 375.00	\$ 562.50
Annually	\$ 3,200.00	\$ 1,500.00	\$ 2,250.00
Daily	\$ 8.77	\$ 4.15	\$ 6.16

* The standard Deduction is 15% of the gross income with a minimum of \$1,500 and a maximum of \$2,250.

FORMULA	
Total wages (before any deductions)	
LESS	Allowance for Standard Deduction (15% of wages for payroll period with a minimum and maximum as set forth for the particular payroll period)
LESS	Value of exemptions (number of exemptions times the allowable amount for one exemption as shown for the applicable payroll period)
Equals	TAXABLE INCOME

Note: The number of exemptions to be used in this formula is determined from the Form MW507 (Maryland Employee Exemption Certificate) filed by your employee. Form MW507 is available on our Web site at www.marylandtaxes.gov.

(a) Married Filing Joint or Head of Household

Withholding - Weekly payroll period DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$96.00

IF THE taxable income is		The amount to be withheld shall be		of excess over
Over	But not over			
\$ 0	\$ 2,885		7.55%	
\$ 2,885	\$ 3,365	217.79 plus 7.80%		\$ 2,885
\$ 3,365	\$ 4,327	255.29 plus 8.05%		\$ 3,365
\$ 4,327	\$ 5,769	332.69 plus 8.30%		\$ 4,327
\$ 5,769	--	452.40 plus 8.55%		\$ 5,769

Withholding - Bi-Weekly payroll period DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$192.00

IF THE taxable income is		The amount to be withheld shall be		of excess over
Over	But not over			
\$ 0	\$ 5,769		7.55%	
\$ 5,769	\$ 6,731	435.58 plus 7.80%		\$ 5,769
\$ 6,731	\$ 8,654	510.58 plus 8.05%		\$ 6,731
\$ 8,654	\$ 11,538	665.38 plus 8.30%		\$ 8,654
\$ 11,538	--	904.81 plus 8.55%		\$ 11,538

Withholding - Semi-Monthly payroll period DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$208.00

IF THE taxable income is		The amount to be withheld shall be		of excess over
Over	But not over			
\$ 0	\$ 6,250		7.55%	
\$ 6,250	\$ 7,292	471.88 plus 7.80%		\$ 6,250
\$ 7,292	\$ 9,375	553.13 plus 8.05%		\$ 7,292
\$ 9,375	\$ 12,500	720.83 plus 8.30%		\$ 9,375
\$ 12,500	--	980.21 plus 8.55%		\$ 12,500

Withholding - Monthly payroll period DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$417.00

IF THE taxable income is		The amount to be withheld shall be		of excess over
Over	But not over			
\$ 0	\$ 12,500		7.55%	
\$ 12,500	\$ 14,583	943.75 plus 7.80%		\$ 12,500
\$ 14,583	\$ 18,750	1,106.25 plus 8.05%		\$ 14,583
\$ 18,750	\$ 25,000	1,441.67 plus 8.30%		\$ 18,750
\$ 25,000	--	1,960.42 plus 8.55%		\$ 25,000

(b) Single including Married Filing Separately or Dependent

Withholding - Weekly payroll period DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$96.00

IF THE taxable income is		The amount to be withheld shall be		of excess over
Over	But not over			
\$ 0	\$ 1,923		7.55%	
\$ 1,923	\$ 2,404	145.19 plus 7.80%		\$ 1,923
\$ 2,404	\$ 2,885	182.69 plus 8.05%		\$ 2,404
\$ 2,885	\$ 4,808	221.39 plus 8.30%		\$ 2,885
\$ 4,808	--	381.01 plus 8.55%		\$ 4,808

Withholding - Bi-Weekly payroll period DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$192.00

IF THE taxable income is		The amount to be withheld shall be		of excess over
Over	But not over			
\$ 0	\$ 3,846		7.55%	
\$ 3,846	\$ 4,808	290.38 plus 7.80%		\$ 3,846
\$ 4,808	\$ 5,769	365.38 plus 8.05%		\$ 4,808
\$ 5,769	\$ 9,615	442.79 plus 8.30%		\$ 5,769
\$ 9,615	--	762.02 plus 8.55%		\$ 9,615

Withholding - Semi-Monthly payroll period DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$208.00

IF THE taxable income is		The amount to be withheld shall be		of excess over
Over	But not over			
\$ 0	\$ 4,167		7.55%	
\$ 4,167	\$ 5,208	314.58 plus 7.80%		\$ 4,167
\$ 5,208	\$ 6,250	395.83 plus 8.05%		\$ 5,208
\$ 6,250	\$ 10,417	479.69 plus 8.30%		\$ 6,250
\$ 10,417	--	825.52 plus 8.55%		\$ 10,417

Withholding - Monthly payroll period DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$417.00

IF THE taxable income is		The amount to be withheld shall be		of excess over
Over	But not over			
\$ 0	\$ 8,333		7.55%	
\$ 8,333	\$ 10,417	629.17 plus 7.80%		\$ 8,333
\$ 10,417	\$ 12,500	791.67 plus 8.05%		\$ 10,417
\$ 12,500	\$ 20,833	959.38 plus 8.30%		\$ 12,500
\$ 20,833	--	1,651.04 plus 8.55%		\$ 20,833

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Monthly	\$ 266.67	\$ 125.00	\$ 187.50
Quarterly	\$ 800.00	\$ 375.00	\$ 562.50
Annually	\$ 3,200.00	\$ 1,500.00	\$ 2,250.00
Daily	\$ 8.77	\$ 4.15	\$ 6.16

* The standard Deduction is 15% of the gross income with a minimum of \$1,500 and a maximum of \$2,250.

FORMULA	
Total wages (before any deductions)	
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(a) Married Filing Joint or Head of Household

Withholding - Quarterly payroll period				
DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$1,250.00				
IF THE taxable income is		The amount to be withheld shall be		
Over	But not over		plus	of excess over
\$ 0	\$ 37,500		7.55%	
\$ 37,500	\$ 43,750	2,831.25	plus 7.80%	\$ 37,500
\$ 43,750	\$ 56,250	3,318.75	plus 8.05%	\$ 43,750
\$ 56,250	\$ 75,000	4,325.00	plus 8.30%	\$ 56,250
\$ 75,000	--	5,881.25	plus 8.55%	\$ 75,000

Withholding - Daily payroll period				
DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$13.70				
IF THE taxable income is		The amount to be withheld shall be		
Over	But not over		plus	of excess over
\$ 0	\$ 412		7.55%	
\$ 412	\$ 481	31.11	plus 7.80%	\$ 412
\$ 481	\$ 618	36.47	plus 8.05%	\$ 481
\$ 618	\$ 824	47.53	plus 8.30%	\$ 618
\$ 824	--	64.63	plus 8.55%	\$ 824

Withholding - Annual payroll period				
DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$5,000.00				
IF THE taxable income is		The amount to be withheld shall be		
Over	But not over		plus	of excess over
\$ 0	\$ 150,000		7.55%	
\$ 150,000	\$ 175,000	11,325.00	plus 7.80%	\$ 150,000
\$ 175,000	\$ 225,000	13,275.00	plus 8.05%	\$ 175,000
\$ 225,000	\$ 300,000	17,300.00	plus 8.30%	\$ 225,000
\$ 300,000	--	23,525.00	plus 8.55%	\$ 300,000

(b) Single including Married Filing Separately or Dependent

Withholding - Quarterly payroll period				
DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$1,250.00				
IF THE taxable income is		The amount to be withheld shall be		
Over	But not over		plus	of excess over
\$ 0	\$ 25,000		7.55%	
\$ 25,000	\$ 31,250	1,887.50	plus 7.80%	\$ 25,000
\$ 31,250	\$ 37,500	2,375.00	plus 8.05%	\$ 31,250
\$ 37,500	\$ 62,500	2,878.13	plus 8.30%	\$ 37,500
\$ 62,500	--	4,953.13	plus 8.55%	\$ 62,500

Withholding - Daily payroll period				
DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$13.70				
IF THE taxable income is		The amount to be withheld shall be		
Over	But not over		plus	of excess over
\$ 0	\$ 275		7.55%	
\$ 275	\$ 343	20.74	plus 7.80%	\$ 275
\$ 343	\$ 412	26.10	plus 8.05%	\$ 343
\$ 412	\$ 687	31.63	plus 8.30%	\$ 412
\$ 687	--	54.43	plus 8.55%	\$ 687

Withholding - Annual payroll period				
DO NOT WITHHOLD ON GROSS WAGES LESS THAN \$5,000.00				
IF THE taxable income is		The amount to be withheld shall be		
Over	But not over		plus	of excess over
\$ 0	\$ 100,000		7.55%	
\$ 100,000	\$ 125,000	7,550.00	plus 7.80%	\$ 100,000
\$ 125,000	\$ 150,000	9,500.00	plus 8.05%	\$ 125,000
\$ 150,000	\$ 250,000	11,512.50	plus 8.30%	\$ 150,000
\$ 250,000	--	19,812.50	plus 8.55%	\$ 250,000

Lump Sum Distribution of Annual Bonus The amount to be withheld shall be

8.55%