

Percentage method of withholding for 3.05 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		7.80%	
\$ 2,885	\$ 3,365	225.00 plus 8.05%		\$ 2,885
\$ 3,365	\$ 4,327	263.70 plus 8.30%		\$ 3,365
\$ 4,327	\$ 5,769	343.51 plus 8.55%		\$ 4,327
\$ 5,769	--	466.83 plus 8.80%		\$ 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		7.80%	
\$ 5,769	\$ 6,731	450.00 plus 8.05%		\$ 5,769
\$ 6,731	\$ 8,654	527.40 plus 8.30%		\$ 6,731
\$ 8,654	\$ 11,538	687.02 plus 8.55%		\$ 8,654
\$ 11,538	--	933.65 plus 8.80%		\$ 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		7.80%	
\$ 6,250	\$ 7,292	487.50 plus 8.05%		\$ 6,250
\$ 7,292	\$ 9,375	571.35 plus 8.30%		\$ 7,292
\$ 9,375	\$ 12,500	744.27 plus 8.55%		\$ 9,375
\$ 12,500	--	1,011.46 plus 8.80%		\$ 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		7.80%	
\$ 12,500	\$ 14,583	975.00 plus 8.05%		\$ 12,500
\$ 14,583	\$ 18,750	1,142.71 plus 8.30%		\$ 14,583
\$ 18,750	\$ 25,000	1,488.54 plus 8.55%		\$ 18,750
\$ 25,000	--	2,022.92 plus 8.80%		\$ 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		7.80%	
\$ 1,923	\$ 2,404	150.00 plus 8.05%		\$ 1,923
\$ 2,404	\$ 2,885	188.70 plus 8.30%		\$ 2,404
\$ 2,885	\$ 4,808	228.61 plus 8.55%		\$ 2,885
\$ 4,808	--	393.03 plus 8.80%		\$ 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		7.80%	
\$ 3,846	\$ 4,808	300.00 plus 8.05%		\$ 3,846
\$ 4,808	\$ 5,769	377.40 plus 8.30%		\$ 4,808
\$ 5,769	\$ 9,615	457.21 plus 8.55%		\$ 5,769
\$ 9,615	--	786.06 plus 8.80%		\$ 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		7.80%	
\$ 4,167	\$ 5,208	325.00 plus 8.05%		\$ 4,167
\$ 5,208	\$ 6,250	408.85 plus 8.30%		\$ 5,208
\$ 6,250	\$ 10,417	495.31 plus 8.55%		\$ 6,250
\$ 10,417	--	851.56 plus 8.80%		\$ 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		7.80%	
\$ 8,333	\$ 10,417	650.00 plus 8.05%		\$ 8,333
\$ 10,417	\$ 12,500	817.71 plus 8.30%		\$ 10,417
\$ 12,500	\$ 20,833	990.63 plus 8.55%		\$ 12,500
\$ 20,833	--	1,703.13 plus 8.80%		\$ 20,833

Percentage method of withholding for 3.05 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 - 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		of excess over
Over	But not over			
\$ 0	\$ 37,500		7.80%	
\$ 37,500	\$ 43,750	2,925.00 plus	8.05%	\$ 37,500
\$ 43,750	\$ 56,250	3,428.13 plus	8.30%	\$ 43,750
\$ 56,250	\$ 75,000	4,465.63 plus	8.55%	\$ 56,250
\$ 75,000	--	6,068.75 plus	8.80%	\$ 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		of excess over
Over	But not over			
\$ 0	\$ 412		7.80%	
\$ 412	\$ 481	32.14 plus	8.05%	\$ 412
\$ 481	\$ 618	37.67 plus	8.30%	\$ 481
\$ 618	\$ 824	49.07 plus	8.55%	\$ 618
\$ 824	--	66.69 plus	8.80%	\$ 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		of excess over
Over	But not over			
\$ 0	\$ 150,000		7.80%	
\$ 150,000	\$ 175,000	11,700.00 plus	8.05%	\$ 150,000
\$ 175,000	\$ 225,000	13,712.50 plus	8.30%	\$ 175,000
\$ 225,000	\$ 300,000	17,862.50 plus	8.55%	\$ 225,000
\$ 300,000	--	24,275.00 plus	8.80%	\$ 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		of excess over
Over	But not over			
\$ 0	\$ 25,000		7.80%	
\$ 25,000	\$ 31,250	1,950.00 plus	8.05%	\$ 25,000
\$ 31,250	\$ 37,500	2,453.13 plus	8.30%	\$ 31,250
\$ 37,500	\$ 62,500	2,971.88 plus	8.55%	\$ 37,500
\$ 62,500	--	5,109.38 plus	8.80%	\$ 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		of excess over
Over	But not over			
\$ 0	\$ 275		7.80%	
\$ 275	\$ 343	21.43 plus	8.05%	\$ 275
\$ 343	\$ 412	26.96 plus	8.30%	\$ 343
\$ 412	\$ 687	32.66 plus	8.55%	\$ 412
\$ 687	--	56.15 plus	8.80%	\$ 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		of excess over
Over	But not over			
\$ 0	\$ 100,000		7.80%	
\$ 100,000	\$ 125,000	7,800.00 plus	8.05%	\$ 100,000
\$ 125,000	\$ 150,000	9,812.50 plus	8.30%	\$ 125,000
\$ 150,000	\$ 250,000	11,887.50 plus	8.55%	\$ 150,000
\$ 250,000	--	20,437.50 plus	8.80%	\$ 250,000

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

8.80%