

## Percentage method of withholding for 3.20 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	
<b>Total wages</b> (before any deductions)	
<b>LESS</b>	Allowance for Standard Deduction (15% of wages for payroll period with a minimum and maximum as set forth for the particular payroll period)
<b>LESS</b>	Value of exemptions (number of exemptions times the allowable amount for one exemption as shown for the applicable payroll period)
<b>Equals</b>	<b>TAXABLE INCOME</b>

**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](http://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		7.95%	
\$ 2,885	\$ 3,365	229.33	plus 8.20%	\$ 2,885
\$ 3,365	\$ 4,327	268.75	plus 8.45%	\$ 3,365
\$ 4,327	\$ 5,769	350.00	plus 8.70%	\$ 4,327
\$ 5,769	--	475.48	plus 8.95%	\$ 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		7.95%	
\$ 5,769	\$ 6,731	458.65	plus 8.20%	\$ 5,769
\$ 6,731	\$ 8,654	537.50	plus 8.45%	\$ 6,731
\$ 8,654	\$ 11,538	700.00	plus 8.70%	\$ 8,654
\$ 11,538	--	950.96	plus 8.95%	\$ 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		7.95%	
\$ 6,250	\$ 7,292	496.88	plus 8.20%	\$ 6,250
\$ 7,292	\$ 9,375	582.29	plus 8.45%	\$ 7,292
\$ 9,375	\$ 12,500	758.33	plus 8.70%	\$ 9,375
\$ 12,500	--	1,030.21	plus 8.95%	\$ 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		7.95%	
\$ 12,500	\$ 14,583	993.75	plus 8.20%	\$ 12,500
\$ 14,583	\$ 18,750	1,164.58	plus 8.45%	\$ 14,583
\$ 18,750	\$ 25,000	1,516.67	plus 8.70%	\$ 18,750
\$ 25,000	--	2,060.42	plus 8.95%	\$ 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		7.95%	
\$ 1,923	\$ 2,404	152.88	plus 8.20%	\$ 1,923
\$ 2,404	\$ 2,885	192.31	plus 8.45%	\$ 2,404
\$ 2,885	\$ 4,808	232.93	plus 8.70%	\$ 2,885
\$ 4,808	--	400.24	plus 8.95%	\$ 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		7.95%	
\$ 3,846	\$ 4,808	305.77	plus 8.20%	\$ 3,846
\$ 4,808	\$ 5,769	384.62	plus 8.45%	\$ 4,808
\$ 5,769	\$ 9,615	465.87	plus 8.70%	\$ 5,769
\$ 9,615	--	800.48	plus 8.95%	\$ 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		7.95%	
\$ 4,167	\$ 5,208	331.25	plus 8.20%	\$ 4,167
\$ 5,208	\$ 6,250	416.67	plus 8.45%	\$ 5,208
\$ 6,250	\$ 10,417	504.69	plus 8.70%	\$ 6,250
\$ 10,417	--	867.19	plus 8.95%	\$ 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		7.95%	
\$ 8,333	\$ 10,417	662.50	plus 8.20%	\$8,333
\$ 10,417	\$ 12,500	833.33	plus 8.45%	\$10,417
\$ 12,500	\$ 20,833	1,009.38	plus 8.70%	\$12,500
\$ 20,833	--	1,734.38	plus 8.95%	\$20,833

## Percentage method of withholding for 3.20 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	
<b>Total wages</b> (before any deductions)	
<b>LESS</b>	Allowance for Standard Deduction (15% of wages for payroll period with a minimum and maximum as set forth for the particular payroll period)
<b>LESS</b>	Value of exemptions (number of exemptions times the allowable amount for one exemption as shown for the applicable payroll period)
<b>Equals</b>	<b>TAXABLE INCOME</b>

**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](http://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		
Over	But not over			of excess over
\$ 0	\$ 37,500		7.95%	
\$ 37,500	\$ 43,750	2,981.25	plus 8.20%	\$ 37,500
\$ 43,750	\$ 56,250	3,493.75	plus 8.45%	\$ 43,750
\$ 56,250	\$ 75,000	4,550.00	plus 8.70%	\$ 56,250
\$ 75,000	--	6,181.25	plus 8.95%	\$ 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			of excess over
\$ 0	\$ 412		7.95%	
\$ 412	\$ 481	32.76	plus 8.20%	\$ 412
\$ 481	\$ 618	38.39	plus 8.45%	\$ 481
\$ 618	\$ 824	50.00	plus 8.70%	\$ 618
\$ 824	--	67.93	plus 8.95%	\$ 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			of excess over
\$ 0	\$ 150,000		7.95%	
\$ 150,000	\$ 175,000	11,925.00	plus 8.20%	\$ 150,000
\$ 175,000	\$ 225,000	13,975.00	plus 8.45%	\$ 175,000
\$ 225,000	\$ 300,000	18,200.00	plus 8.70%	\$ 225,000
\$ 300,000	--	24,725.00	plus 8.95%	\$ 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			of excess over
\$ 0	\$ 25,000		7.95%	
\$ 25,000	\$ 31,250	1,987.50	plus 8.20%	\$ 25,000
\$ 31,250	\$ 37,500	2,500.00	plus 8.45%	\$ 31,250
\$ 37,500	\$ 62,500	3,028.13	plus 8.70%	\$ 37,500
\$ 62,500	--	5,203.13	plus 8.95%	\$ 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			of excess over
\$ 0	\$ 275		7.95%	
\$ 275	\$ 343	21.84	plus 8.20%	\$ 275
\$ 343	\$ 412	27.47	plus 8.45%	\$ 343
\$ 412	\$ 687	33.28	plus 8.70%	\$ 412
\$ 687	--	57.18	plus 8.95%	\$ 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			of excess over
\$ 0	\$ 100,000		7.95%	
\$ 100,000	\$ 125,000	7,950.00	plus 8.20%	\$ 100,000
\$ 125,000	\$ 150,000	10,000.00	plus 8.45%	\$ 125,000
\$ 150,000	\$ 250,000	12,112.50	plus 8.70%	\$ 150,000
\$ 250,000	--	20,812.50	plus 8.95%	\$ 250,000

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

**8.95%**