

Percentage method of withholding for 3.10 PERCENT LOCAL INCOME TAX

Payroll period	Amount of one exemption	15% allowance for Standard Deduction*	
		MIN	MAX
Weekly	\$ 61.54	\$ 35.58	\$ 53.85
Bi-weekly	\$ 123.08	\$ 71.15	\$ 107.69
Semi-monthly	\$ 133.33	\$ 77.08	\$ 116.67
Monthly	\$ 266.67	\$ 154.17	\$ 233.33
Quarterly	\$ 800.00	\$ 463.00	\$ 700.00
Annually	\$ 3,200.00	\$ 1,850.00	\$ 2,800.00
Daily	\$ 8.77	\$ 5.07	\$ 7.67

* The standard Deduction is 15% of the gross income with a minimum of **\$1,850** and a maximum of **\$2,800**.

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		7.85%	
\$ 2,885	\$ 3,365	226.44	plus 8.10%	\$ 2,885
\$ 3,365	\$ 4,327	265.38	plus 8.35%	\$ 3,365
\$ 4,327	\$ 5,769	345.67	plus 8.60%	\$ 4,327
\$ 5,769	--	469.71	plus 8.85%	\$ 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		7.85%	
\$ 5,769	\$ 6,731	452.88	plus 8.10%	\$ 5,769
\$ 6,731	\$ 8,654	530.77	plus 8.35%	\$ 6,731
\$ 8,654	\$ 11,538	691.35	plus 8.60%	\$ 8,654
\$ 11,538	--	939.42	plus 8.85%	\$ 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		7.85%	
\$ 6,250	\$ 7,292	490.63	plus 8.10%	\$ 6,250
\$ 7,292	\$ 9,375	575.00	plus 8.35%	\$ 7,292
\$ 9,375	\$ 12,500	748.96	plus 8.60%	\$ 9,375
\$ 12,500	--	1,017.71	plus 8.85%	\$ 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		7.85%	
\$ 12,500	\$ 14,58	981.25	plus 8.10%	\$ 12,500
\$ 14,583	\$ 18,750	1,150.00	plus 8.35%	\$ 14,583
\$ 18,750	\$ 25,000	1,497.92	plus 8.60%	\$ 18,750
\$ 25,000	--	2,035.42	plus 8.85%	\$ 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		7.85%	
\$ 1,923	\$ 2,404	150.96	plus 8.10%	\$ 1,923
\$ 2,404	\$ 2,885	189.90	plus 8.35%	\$ 2,404
\$ 2,885	\$ 4,808	230.05	plus 8.60%	\$ 2,885
\$ 4,808	--	395.43	plus 8.85%	\$ 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		7.85%	
\$ 3,846	\$ 4,808	301.92	plus 8.10%	\$ 3,846
\$ 4,808	\$ 5,769	379.81	plus 8.35%	\$ 4,808
\$ 5,769	\$ 9,615	460.10	plus 8.60%	\$ 5,769
\$ 9,615	--	790.87	plus 8.85%	\$ 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		7.85%	
\$ 4,167	\$ 5,208	327.08	plus 8.10%	\$ 4,167
\$ 5,208	\$ 6,250	411.46	plus 8.35%	\$ 5,208
\$ 6,250	\$ 10,417	498.44	plus 8.60%	\$ 6,250
\$ 10,417	--	856.77	plus 8.85%	\$ 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		7.85%	
\$ 8,333	\$ 10,417	654.17	plus 8.10%	\$ 8,333
\$ 10,417	\$ 12,500	822.92	plus 8.35%	\$ 10,417
\$ 12,500	\$ 20,833	996.88	plus 8.60%	\$ 12,500
\$ 20,833	--	1,713.54	plus 8.85%	\$ 20,833

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Quarterly	\$ 800.00	\$ 463.00	\$ 700.00
Annually	\$ 3,200.00	\$ 1,850.00	\$ 2,800.00
Daily	\$ 8.77	\$ 5.07	\$ 7.67

* The standard Deduction is 15% of the gross income with a minimum of **\$1,850** and a maximum of **\$2,800**.

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		of excess over	
Over	But not over				
\$ 0	\$ 37,500		7.85%		
\$ 37,500	\$ 43,750	2,943.75	plus 8.10%	\$ 37,500	
\$ 43,750	\$ 56,250	3,450.00	plus 8.35%	\$ 43,750	
\$ 56,250	\$ 75,000	4,493.75	plus 8.60%	\$ 56,250	
\$ 75,000	--	6,106.25	plus 8.85%	\$ 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		7.85%		
\$ 412	\$ 481	32.35	plus 8.10%	\$ 412	
\$ 481	\$ 618	37.91	plus 8.35%	\$ 481	
\$ 618	\$ 824	49.38	plus 8.60%	\$ 618	
\$ 824	--	67.10	plus 8.85%	\$ 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		7.85%		
\$ 150,000	\$ 175,000	11,775.00	plus 8.10%	\$ 150,000	
\$ 175,000	\$ 225,000	13,800.00	plus 8.35%	\$ 175,000	
\$ 225,000	\$ 300,000	17,975.00	plus 8.60%	\$ 225,000	
\$ 300,000	--	24,425.00	plus 8.85%	\$ 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		7.85%		
\$ 25,000	\$ 31,250	1,962.50	plus 8.10%	\$ 25,000	
\$ 31,250	\$ 37,500	2,468.75	plus 8.35%	\$ 31,250	
\$ 37,500	\$ 62,500	2,990.63	plus 8.60%	\$ 37,500	
\$ 62,500	--	5,140.63	plus 8.85%	\$ 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		7.85%		
\$ 275	\$ 343	21.57	plus 8.10%	\$ 275	
\$ 343	\$ 412	27.13	plus 8.35%	\$ 343	
\$ 412	\$ 687	32.86	plus 8.60%	\$ 412	
\$ 687	--	56.49	plus 8.85%	\$ 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		7.85%		
\$ 100,000	\$ 125,000	7,850.00	plus 8.10%	\$ 100,000	
\$ 125,000	\$ 150,000	9,875.00	plus 8.35%	\$ 125,000	
\$ 150,000	\$ 250,000	11,962.50	plus 8.60%	\$ 150,000	
\$ 250,000	--	20,562.50	plus 8.85%	\$ 250,000	

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

8.85%