

INTERNATIONAL FEDERAL INCOME TAX WITHHOLDING

Effective January 1, 2007

To determine the tax:

- 1 From the monthly or biweekly adjusted gross wage, add the "grossing up", subtract the allowance amount shown in the ALLOWANCE TABLE for the number of allowances being claimed.
- 2 Calculate the withholding tax on this amount from the FEDERAL TAX WITHHOLDING TABLE.

"GROSSING UP"		
BIWEEKLY	MONTHLY	
\$102	\$221.00	
ALLOWANCE TABLE		
Number of Withholding		Allowance Amount
Allowances	Biweekly	Monthly
0	\$0.00	\$0.00
1	\$130.77	\$283.33

FEDERAL TAX WITHHOLDING TABLE						
BIWEEKLY Payroll Period						
(a) SINGLE person If amount of wages (after subtracting with- holding allowances) is			The amount of income tax to withhold is:			
Not over	\$102.00				\$0.00	
Over	But not over					% of excess over
\$102.00	\$389.00				10%	\$102.00
\$389.00	\$1,289.00	\$28.70	Plus	15%		\$389.00
\$1,289.00	\$2,964.00	\$163.70	Plus	25%		\$1,289.00
\$2,964.00	\$6,262.00	\$582.45	Plus	28%		\$2,964.00
\$6,262.00	\$13,525.00	\$1,505.89	Plus	33%		\$6,262.00
\$13,525.00		\$3,902.68	Plus	35.0%		\$13,525.00
MONTHLY Payroll Period						
(a) SINGLE person If amount of wages (after subtracting with- holding allowances) is			The amount of income tax to withhold is:			
NOT over	\$221.00				\$0.00	
Over	But not over					% of excess over
\$221.00	\$843.00				10%	\$221.00
\$843.00	\$2,793.00	\$62.20	Plus	15%		\$843.00
\$2,793.00	\$6,423.00	\$354.70	Plus	25%		\$2,793.00
\$6,423.00	\$13,567.00	\$1,262.20	Plus	28%		\$6,423.00
\$13,567.00	\$29,304.00	\$3,262.52	Plus	33%		\$13,567.00
\$29,304.00		\$8,455.73	Plus	35.0%		\$29,304.00

EXAMPLE:

An employee with a biweekly adjusted gross wage of \$200.00 claims one allowance.

Adjusted gross wage.....	\$200.00
Add "grossing up"	\$102.00
Less allowance amount from ALLOWANCE TABLE.....	(\$130.77)
Federal tax that should be withheld from	\$171.23
FEDERAL TAX WITHHOLDING TABLE.....	(\$102.00)
Taxable wage.....	\$69.23
	x 10%
TOTAL TAX WITHHELD FROM PAY	\$6.92