



STATE OF ILLINOIS
COMPTROLLER
SUSANA A. MENDOZA

PAYROLL BULLETIN

To: All State Agencies, Boards and Commissions
From: Marvin Becker, Assistant Comptroller – Operations
Date: January 16, 2018
Subject: Supplemental Wages Withholding Rate
Number: 2-18

The IRS has changed the withholding rate for supplemental wages. The flat withholding rate has decreased from 25% to 22%. The new supplemental rate is effective for payrolls received after January 31, 2018.

Further instruction regarding supplemental wages can be found in Notice 1036 – Early Release Copies of the 2018 Percentage Method Tables for Income Tax Withholding at <https://www.irs.gov/pub/irs-pdf/n1036.pdf>.

Agencies may access this and other Payroll, SAMS and Accounting Bulletins on the Comptroller's website at www.illinoiscomptroller.gov/agencies. If you have any questions regarding this bulletin, please contact our payroll office at (217) 782-4758.