



MICHAEL J. HOWLETT  
AUDITOR

State of Illinois  
Office of the Auditor of Public Accounts  
Springfield 62706

January 6, 1972

PAYROLL BULLETIN  
(2-72)

TO: ALL STATE AGENCIES AND DEPARTMENTS  
ATTENTION: PAYROLL CLERKS

SUBJECT: WITHHOLDING TAX TABLES

Attached are new Withholding Tax Tables applicable to your particular payrolls, effective January 16, 1972.

To use the tables you must first determine the taxable earnings for the employee. This is accomplished in the following steps:

- (1) Multiply the number of exemptions by the amount of one exemption for the applicable payroll period. The amount of one withholding exemption is:

Semi-monthly	31.30
Monthly	62.50
Bi-Weekly	28.80

- (2) Subtract this total from the gross wages paid and round off the result to the nearest dollar.
- (3) Determine amount to be withheld from the applicable withholding tax table.

The following is an example:

Gross pay semi-monthly	\$187.50
Exemptions (married with 2 exemptions) $\$31.30 \times 2$	62.60
	<u>\$124.90</u>

Taxable earnings \$187.50	
- \$62.60, rounded off to nearest dollar ----	\$125.00

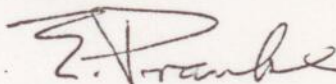
Tax on \$125.00 from semi- monthly married table ----	\$15.08
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Continue to use the Social Security Employee Tax Table reflecting the rate of 5.2%. The maximum wages will be \$9,000.00 instead of \$7,800.00 for 1972.

The Federal Withholding Tax will be computed on the pre-lists furnished by this office covering salaries PAID AFTER January 15, 1972. Pre-lists furnished prior to January 6, 1972 do not reflect the new tax. If they are to be paid after January 15th, it will be necessary for you to change your pre-list to show the new withholding, or if you wish a new pre-list it will be furnished on request.

Very truly yours,

Michael J. Howlett,  
Auditor of Public Accounts



BY: E. J. Pranke  
Chief Accountant

EJP:MT:je

Attachment

In the event that these tax tables need to be viewed, contact  
the Comptroller's Payroll Office.