

# PAYROLL BULLETIN

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To: All State Agencies, Boards, Commissions and Universities  
From: Steven L. Valasek, Director State Accounting  
Date: July 31, 2001  
Subject: Supplemental Withholding Rate  
Number: 3-01

The Federal Government has changed the withholding rate for supplemental wages. Effective for supplemental wages paid after August 6, 2001 (or as soon as possible thereafter), the flat withholding rate has been decreased to 27.5%.

Rules on supplemental wages can be found in the Department of the Treasury, Internal Revenue Service's Publication 15 – Circular E, Employer's Tax Guide.

If you have any questions regarding this bulletin, please contact our payroll office at (217) 782-4758. Agencies may access this and other Payroll, SAMS and Accounting Bulletins on the Comptroller's Website at [www.ioc.state.il.us](http://www.ioc.state.il.us) under Reference Library.