



PAYROLL BULLETIN

To: All State Agencies, Boards, Commissions and Universities
From: Steven L. Valasek, Director of State Accounting
Date: June 13, 2003
Subject: Supplemental Wages Withholding Rate
Number: 3-03

The Federal Government has changed the withholding rate for supplemental wages. The flat withholding rate has been decreased from 27% to 25%. The new supplemental rate is effective for payrolls received after June 26, 2003.

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.

Agencies may access this and other Payroll, SAMS and Accounting Bulletins on the Comptroller's Website at www.ioc.state.il.us under Resource Library.

If you have any questions regarding this bulletin, please contact our payroll office at (217) 782-4758.