



**GEORGE W. LINDBERGH**  
COMPTROLLER  
STATE OF ILLINOIS

April 16, 1975

PAYROLL BULLETIN  
(3-75)

201 STATE HOUSE  
SPRINGFIELD, ILLINOIS 62706  
217/782-6000

TO: All State Agencies, Departments, Boards,  
Commissions and Universities

SUBJECT: Withholding Tax Tables

Attached are new Withholding Tax Tables which will become effective with the May 1-15 pay period.

The Tax Reduction Act of 1975 requires that there be a reduction of income tax withheld from employee's wages during the 1975 tax year. These new tables cover the last eight months of 1975 and are pro-rated to adjust for overwithholding during the first four months of 1975.

Individuals starting employment after May 1, 1975 should be notified that, based on the enclosed tables, their federal taxes may be underwithheld if they were unemployed during the first four months of 1975. In such cases, the employee may choose to have a specified percentage withheld or indicate an additional withholding amount on their federal W-4 form.

Please do not destroy the Withholding Tax Tables which this Office supplied with Payroll Bulletin 2-72 dated January 6, 1972. Effective January 1, 1976, the Withholding Tax Tables accompanying Payroll Bulletin 2-72 will again be applicable according to information received from the Internal Revenue Service.

To use the attached tables you must first determine the taxable earnings for the employee, calculated as follows:

- (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 and round off the result to the nearest dollar.

- (3) Determine the amount to be withheld from the applicable withholding tax table.

Example:

(a) Gross pay semi-monthly	187.50
Exemptions (Married with 2 exemptions) $31.30 \times 2$	<u>62.60</u>
(b) Taxable earnings $187.50 -$ $62.60$ , rounded off to the nearest dollar.	125.00
(c) Tax on 125.00 from "semi- monthly married" table.	3.57

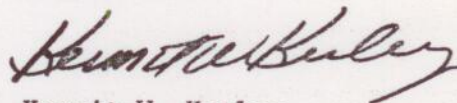
The Federal Withholding Tax will be computed on the pre-lists furnished by this Office for the May 1-15 pay period.

Tape agencies should calculate federal taxes on payrolls submitted for the May 1-15 pay period from the attached tax table.

If you have any questions concerning this matter, contact me or Charlotte McCormick at (217) 782-4758.

Very truly yours,

George W. Lindberg  
Comptroller



By: Kermit W. Kerley  
Payroll Supervisor

KWK:cs

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