



State of Illinois
COMPTROLLER

Loleta A. Didrickson

PAYROLL BULLETIN

To: All State Agencies , Boards, Commissions and Universities
From: Steve L. Valasek, Director of State Accounting
Date: December 22, 1997
Subject: Federal Withholding Tax Tables - 1998
Earned Income Credit Tables - 1998
Number: 4-97

Attached are new withholding tax tables which will become effective with the December 16-31, 1997 payroll period. These tables will remain in effect until you are further notified.

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 type payroll period. The amount of one withholding exemption is:

Semi-monthly	\$110.42
Monthly	\$220.83
Bi-weekly	\$101.92

- (2) Subtract from gross pay, the following:

- (a) Exemptions as determined in (1) above
- (b) Deferred Compensation
- (c) Tax Sheltered Annuity
- (d) Non-taxable Benefits
- (e) Flexible Spending
- (f) Any other Non-taxable Income
- (g) Deducted Retirement
- (h) Tax Deferral Retirement Service Purchases

- (3) Add any other compensation subject to withholding.



- (4) Determine the amount to be withheld from the appropriate percentage withholding table (page 3).
- (5) Example:
- | | | |
|-----|---|-----------------------------|
| (a) | Gross pay, semi monthly | \$2,000.00 |
| (b) | Less exemptions (married with 5 exemptions) $\$110.42 \times 5 =$ | - 552.10 |
| (c) | Less: deductions described in 2(b) through (h) page 1 | - 75.16 |
| (d) | Plus: Other Compensation subject to withholding | + 30.00 |
| (e) | Taxable Gross | \$1,402.74 |
| (f) | Tax on \$1,402.74 from semi-monthly married table on page 3. | |
| | | \$1,402.74 |
| | | - 269.00 |
| | | <hr/> |
| | | \$1,133.74 x 15% = \$170.06 |

Page 4 shows the 1998 tables for calculating the Advance Payment of Earned Income Credit.

Agencies may reproduce this bulletin as needed for internal distribution purposes.

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

1998 FEDERAL WITHHOLDING TABLES

Tables for Percentage Method of Withholding
(For Wages Paid in 1998)

TABLE 2—BIWEEKLY Payroll Period

(a) SINGLE person (including head of household)—

If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$102		\$0	
Over—	But not over—	of excess over—	
\$102	—\$1,035	15%	—\$102
\$1,035	—\$2,210	\$139.95 plus 28%	—\$1,035
\$2,210	—\$4,987	\$468.95 plus 31%	—\$2,210
\$4,987	—\$10,769	\$1,329.82 plus 36%	—\$4,987
\$10,769	. . . . .	\$3,411.34 plus 39.6%	—\$10,769

(b) MARRIED person—

If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$248		\$0	
Over—	But not over—	of excess over—	
\$248	—\$1,798	15%	—\$248
\$1,798	—\$3,710	\$232.50 plus 28%	—\$1,798
\$3,710	—\$8,167	\$767.86 plus 31%	—\$3,710
\$8,167	—\$10,879	\$1,529.53 plus 36%	—\$8,167
\$10,879	. . . . .	\$3,225.85 plus 39.6%	—\$10,879

TABLE 3—SEMIMONTHLY Payroll Period

(a) SINGLE person (including head of household)—

If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$110		\$0	
Over—	But not over—	of excess over—	
\$110	—\$1,121	15%	—\$110
\$1,121	—\$2,394	\$151.65 plus 28%	—\$1,121
\$2,394	—\$5,402	\$508.09 plus 31%	—\$2,394
\$5,402	—\$11,667	\$1,440.57 plus 36%	—\$5,402
\$11,667	. . . . .	\$3,695.97 plus 39.6%	—\$11,667

(b) MARRIED person—

If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$269		\$0	
Over—	But not over—	of excess over—	
\$269	—\$1,948	15%	—\$269
\$1,948	—\$4,019	\$251.85 plus 28%	—\$1,948
\$4,019	—\$8,681	\$831.73 plus 31%	—\$4,019
\$8,681	—\$11,785	\$1,656.95 plus 36%	—\$8,681
\$11,785	. . . . .	\$3,494.39 plus 39.6%	—\$11,785

TABLE 4—MONTHLY Payroll Period

(a) SINGLE person (including head of household)—

If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$221		\$0	
Over—	But not over—	of excess over—	
\$221	—\$2,242	15%	—\$221
\$2,242	—\$4,788	\$303.15 plus 28%	—\$2,242
\$4,788	—\$10,804	\$1,016.03 plus 31%	—\$4,788
\$10,804	—\$23,333	\$2,880.99 plus 36%	—\$10,804
\$23,333	. . . . .	\$7,391.43 plus 39.6%	—\$23,333

(b) MARRIED person—

If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$538		\$0	
Over—	But not over—	of excess over—	
\$538	—\$3,896	15%	—\$538
\$3,896	—\$8,038	\$503.70 plus 28%	—\$3,896
\$8,038	—\$13,363	\$1,663.46 plus 31%	—\$8,038
\$13,363	—\$23,571	\$3,314.21 plus 36%	—\$13,363
\$23,571	. . . . .	\$6,989.09 plus 39.6%	—\$23,571

Tables for Percentage Method of Advance EIC Payments
(For Wages Paid in 1998)

Table 2. BIWEEKLY Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—	
\$0	\$256 . . .	20.40% of wages
\$256	\$471 . . .	\$52
\$471	. . . . .	\$52 less 9.588% of wages in excess of \$471

(b) MARRIED With Both Spouses Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—	
\$0	\$128 . . .	20.40% of wages
\$128	\$235 . . .	\$26
\$235	. . . . .	\$26 less 9.588% of wages in excess of \$235

Table 3. SEMIMONTHLY Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—	
\$0	\$278 . . .	20.40% of wages
\$278	\$510 . . .	\$57
\$510	. . . . .	\$57 less 9.588% of wages in excess of \$510

(b) MARRIED With Both Spouses Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—	
\$0	\$139 . . .	20.40% of wages
\$139	\$255 . . .	\$28
\$255	. . . . .	\$28 less 9.588% of wages in excess of \$255

Table 4. MONTHLY Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—	
\$0	\$556 . . .	20.40% of wages
\$556	\$1,021 . . .	\$113
\$1,021	. . . . .	\$113 less 9.588% of wages in excess of \$1,021

(b) MARRIED With Both Spouses Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—	
\$0	\$278 . . .	20.40% of wages
\$278	\$510 . . .	\$57
\$510	. . . . .	\$57 less 9.588% of wages in excess of \$510