



# PAYROLL BULLETIN

To: All State Agencies, Boards, Commissions and Universities  
From: Steven L. Valasek, Director of State Accounting  
Date: December 12, 2002  
Subject: Federal Withholding Tax Tables – 2003  
Number: 7-02

Attached are new withholding tax tables which will become effective with the December 16-31, 2002 payroll period. These tables will remain in effect until you are further notified.

To use the attached federal 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	\$127.08
Monthly	\$254.17
Bi-weekly	\$117.31

- (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) $\$127.08 \times 5 =$	- 635.40
(c)	Less: deductions described in 2(b) through (h) page 1	- 75.16
(d)	Plus: Other Compensation subject	<u>+ 30.00</u>
(e)	Taxable Gross	\$1,319.44
(f)	Tax on \$1,319.44 from semi-monthly married table on page 3.	

$$\begin{array}{r} \$1,319.44 \\ - 769.00 \\ \hline \$550.44 \times 15\% + 50.00 = \$ 132.57 \end{array}$$

Page 4 shows the 2003 tables for calculating the Advance Payment of Earned Income Credit.

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

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 Resource Library.

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

2003 FEDERAL WITHHOLDING TABLES

**Tables for Percentage Method of Withholding**  
(For Wages Paid in 2003)

**TABLE 1- 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		
<b>Over—</b>	<b>But not over—</b>		<b>of excess over—</b>
\$102	—\$329 . . . . .	10%	—\$102
\$329	—\$1,158 . . . . .	\$22.70 plus 15%	—\$329
\$1,158	—\$2,535 . . . . .	\$147.05 plus 27%	—\$1,158
\$2,535	—\$5,585 . . . . .	\$518.84 plus 30%	—\$2,535
\$5,585	—\$12,063 . . . . .	\$1,433.84 plus 35%	—\$5,585
\$12,063	. . . . .	\$3,701.14 plus 38.6%	—\$12,063

**(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		
<b>Over—</b>	<b>But not over—</b>		<b>of excess over—</b>
\$248	—\$710 . . . . .	10%	—\$248
\$710	—\$2,013 . . . . .	\$46.20 plus 15%	—\$710
\$2,013	—\$4,300 . . . . .	\$241.65 plus 27%	—\$2,013
\$4,300	—\$6,908 . . . . .	\$859.14 plus 30%	—\$4,300
\$6,908	—\$12,187 . . . . .	\$1,641.54 plus 35%	—\$6,908
\$12,187	. . . . .	\$3,489.19 plus 38.6%	—\$12,187

**TABLE 2- 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		
<b>Over—</b>	<b>But not over—</b>		<b>of excess over—</b>
\$110	—\$356 . . . . .	10%	—\$110
\$356	—\$1,254 . . . . .	\$24.60 plus 15%	—\$356
\$1,254	—\$2,747 . . . . .	\$159.30 plus 27%	—\$1,254
\$2,747	—\$6,050 . . . . .	\$562.41 plus 30%	—\$2,747
\$6,050	—\$13,069 . . . . .	\$1,553.31 plus 35%	—\$6,050
\$13,069	. . . . .	\$4,009.96 plus 38.6%	—\$13,069

**(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		
<b>Over—</b>	<b>But not over—</b>		<b>of excess over—</b>
\$269	—\$769 . . . . .	10%	—\$269
\$769	—\$2,181 . . . . .	\$50.00 plus 15%	—\$769
\$2,181	—\$4,658 . . . . .	\$261.80 plus 27%	—\$2,181
\$4,658	—\$7,483 . . . . .	\$930.59 plus 30%	—\$4,658
\$7,483	—\$13,202 . . . . .	\$1,778.09 plus 35%	—\$7,483
\$13,202	. . . . .	\$3,779.74 plus 38.6%	—\$13,202

**TABLE 3- 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		
<b>Over—</b>	<b>But not over—</b>		<b>of excess over—</b>
\$221	—\$713 . . . . .	10%	—\$221
\$713	—\$2,508 . . . . .	\$49.20 plus 15%	—\$713
\$2,508	—\$5,493 . . . . .	\$318.45 plus 27%	—\$2,508
\$5,493	—\$12,100 . . . . .	\$1,124.40 plus 30%	—\$5,493
\$12,100	—\$26,138 . . . . .	\$3,106.50 plus 35%	—\$12,100
\$26,138	. . . . .	\$8,019.80 plus 38.6%	—\$26,138

**(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		
<b>Over—</b>	<b>But not over—</b>		<b>of excess over—</b>
\$538	—\$1,538 . . . . .	10%	—\$538
\$1,538	—\$4,363 . . . . .	\$100.00 plus 15%	—\$1,538
\$4,363	—\$9,317 . . . . .	\$523.75 plus 27%	—\$4,363
\$9,317	—\$14,967 . . . . .	\$1,861.33 plus 30%	—\$9,317
\$14,967	—\$26,404 . . . . .	\$3,556.33 plus 35%	—\$14,967
\$26,404	. . . . .	\$7,559.28 plus 38.6%	—\$26,404

## 2003 FEDERAL WITHHOLDING TABLES

**Tables for Percentage Method of Advance EIC Payments**  
(For Wages Paid in 2003)

**TABLE 1- BIWEEKLY Payroll Period**

<b>(a) SINGLE or HEAD OF HOUSEHOLD</b>			<b>(b) MARRIED Without Spouse Filing Certificate</b>			<b>(c) MARRIED With Both Spouses Filing Certificate</b>		
If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—		Over—	But not over—		Over—	But not over—	
\$0	\$288 . . . . .	20.40% of wages	\$0	\$288 . . . . .	20.40% of wages	\$0	\$144 . . . . .	20.40% of wages
\$288	\$528 . . . . .	\$59	\$288	\$566 . . . . .	\$59	\$144	\$283 . . . . .	\$29
\$528	.....	\$59 less 9.588% of wages in excess of \$528	\$566	.....	\$59 less 9.588% of wages in excess of \$566	\$283	.....	\$29 less 9.588% of wages in excess of \$283

**TABLE 2- SEMIMONTHLY Payroll Period**

<b>(a) SINGLE or HEAD OF HOUSEHOLD</b>			<b>(b) MARRIED Without Spouse Filing Certificate</b>			<b>(c) MARRIED With Both Spouses Filing Certificate</b>		
If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—		Over—	But not over—		Over—	But not over—	
\$0	\$312 . . . . .	20.40% of wages	\$0	\$312 . . . . .	20.40% of wages	\$0	\$156 . . . . .	20.40% of wages
\$312	\$572 . . . . .	\$64	\$312	\$613 . . . . .	\$64	\$156	\$306 . . . . .	\$32
\$572	.....	\$64 less 9.588% of wages in excess of \$572	\$613	.....	\$64 less 9.588% of wages in excess of \$613	\$306	.....	\$32 less 9.588% of wages in excess of \$306

**TABLE 3- MONTHLY Payroll Period**

<b>(a) SINGLE or HEAD OF HOUSEHOLD</b>			<b>(b) MARRIED Without Spouse Filing Certificate</b>			<b>(c) MARRIED With Both Spouses Filing Certificate</b>		
If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—		Over—	But not over—		Over—	But not over—	
\$0	\$624 . . . . .	20.40% of wages	\$0	\$624 . . . . .	20.40% of wages	\$0	\$312 . . . . .	20.40% of wages
\$624	\$1,144 . . . . .	\$127	\$624	\$1,227 . . . . .	\$127	\$312	\$613 . . . . .	\$64
\$1,144	.....	\$127 less 9.588% of wages in excess of \$1,144	\$1,227	.....	\$127 less 9.588% of wages in excess of \$1,227	\$613	.....	\$64 less 9.588% of wages in excess of \$613