

Federal Income Tax Withholding Formula

Acceptable Exemption Form:	W-4
Basis for Withholding:	Federal Exemptions
Acceptable Exemption Data:	S, M/Number of Allowances
TSP Deferred:	Yes
Special Coding:	None
Additional Information:	Single or Head of Household will both elect Single (S) marital status on line 3 of Form W-4.

Withholding Formula ▶(Effective Pay Period 27, 2012)◀

1. Subtract the nontaxable biweekly Thrift Savings Plan contribution from the gross biweekly wages.
2. Subtract the nontaxable biweekly Federal Health Benefits Plan payment(s) (includes dental and vision insurance program and Flexible Spending Account – health care and dependent care deductions) from the amount computed in step 1.
3. Add the taxable biweekly fringe benefits (i.e., taxable life insurance) to the amount computed in step 2 to obtain the adjusted gross biweekly wages.
4. Multiply the adjusted gross biweekly wages by 26 to obtain the annual wages.
5. Determine the exemption allowance by applying the following guideline. Subtract this amount from the annual wages to obtain the taxable income.

Exemption Allowance = ▶\$3,900◀ x Number of Exemptions
6. Apply the taxable income computed in step 5 to the following table to determine the Federal income tax withholding.

Tax Withholding Table

Single or Head of Household

If the Amount of Taxable Income Is:		The Amount of Federal Income Tax Withholding Should Be:		
Not more than ▶\$2,200◀		\$0		
Over:	But Not Over:	Of Excess Over:		
▶\$2,200	11,125	0	plus	10.0% 2,200

Tax Withholding Table

Single or Head of Household

If the Amount of Taxable Income Is:		The Amount of Federal Income Tax Withholding Should Be:			
11,125	38,450	892.50	plus	15.0%	11,125
38,450	90,050	4,991.25	plus	25.0%	38,450
90,050	185,450	17,891.25	plus	28.0%	90,050
185,450	400,550	44,603.25	plus	33.0%	185,450
400,550	402,200	115,586.25	plus	35.0%	400,550
402,200	and over	116,163.75	plus	39.6%	402,200

Tax Withholding Table

Married

If the Amount of Taxable Income Is:		The Amount of Federal Income Tax Withholding Should Be:			
Not more than \$8,300		\$0			
Over:	But Not Over:	Of Excess Over:			
\$8,300	26,150	0	plus	10.0%	8,300
26,150	80,800	1,785.00	plus	15.0%	26,150
80,800	154,700	9,982.50	plus	25.0%	80,800
154,700	231,350	28,457.50	plus	28.0%	154,700
231,350	406,650	49,919.50	plus	33.0%	231,350
406,650	458,300	107,768.50	plus	35.0%	406,650
458,300	and over	125,846.00	plus	39.6%	458,300

7. Divide the annual Federal income tax withholding by 26 to obtain the biweekly Federal Income tax withholding.