

Colorado State Income Tax Information

State Abbreviation:	CO
State Tax Withholding State Code:	08
Acceptable Exemption Form:	None
Basis for Withholding:	Federal Exemptions
Acceptable Exemption Data:	None
TSP Deferred:	Yes
Special Coding:	None
Additional Information:	A State tax certificate is not required since Federal exemptions are used in the computation of the State formula.

Withholding Formula ▶(Effective Pay Period 06, 2013)◀

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 (taxable life insurance, etc.) to the amount computed in step 2 to obtain the adjusted gross biweekly wages.
4. Multiply the adjusted gross biweekly wages times 26 to obtain the gross annual wages.
5. Determine the exemption allowance by applying the following guideline and subtract this amount from the gross annual wages to compute the taxable income.

$$\text{Exemption Allowance} = \text{▶\$3,900◀} \times \text{Number of Exemptions}$$

6. Apply the taxable income computed in step 5 to the following table to determine the annual Colorado tax withholding.

Tax Withholding Table

Single

If the Amount of Taxable Income Is:		The Amount of Colorado Tax Withholding Should Be:			
Over:	But Not Over:				Of Excess Over:
\$0	▶\$2,200	\$0	plus	0.00%	\$0
2,200	and over	0	plus	4.63%	2,200◀

Tax Withholding Table

Married

If the Amount of Taxable Income Is:		The Amount of Colorado Tax Withholding Should Be:			
Over:	But Not Over:				Of Excess Over:
\$0	▶\$8,300	\$0	plus	0.00%	\$0
8,300	and over	0	plus	4.63%	8,300◀

7. Divide the annual Colorado tax withholding by 26 and round to the nearest dollar to obtain the biweekly Colorado tax withholding.