

Withholding Tables for 2018

Cross References

- Notice 1036, Rev. January 2018

The IRS recently released the withholding tables for tax year 2018 based upon the new individual tax rates under the Tax Cuts and Jobs Act. Employers should implement the 2018 withholding tables as soon as possible, but not later than February 15, 2018. Continue to use the 2017 withholding tables until these new tables are implemented.

2018 Percentage Method Tables for Income Tax Withholding

The wage amounts shown in the Percentage Method Tables for Income Tax Withholding are net wages after the deduction for total withholding allowances as shown on the employee's W-4. Use the following worksheet to determine the federal tax to be withheld from wages:

Worksheet

- 1) Enter total wage payment..... 1) _____
- 2) Multiply the number of withholding allowances from the W-4 by one of the following:
 Weekly pay period..... \$ 79.80
 Biweekly pay period..... \$159.60
 Semimonthly pay period..... \$172.90
 And enter the result here 2) _____
- 3) Subtract line 2 from line 1 3) _____
- 4) Using the amount from line 3, use the following tables to determine the tax to be withheld..... 4) _____

Example

Debbie files as Head of Household and claims three allowances on her W-4 for 2018. She is paid every other week. Assume her gross earnings are \$3,600 for this pay period. Using the worksheet above and the percentage method tables below, her federal withholding is calculated as follows:

- 1) Total wage payment 1) 3,600.00
- 2) $\$159.60 \times 3 =$ 2) 478.80
- 3) $\$3,600.00 - \$478.80 =$ 3) 3,121.20
- 4) $\$3,121.20 \times 22\% - 187.48 =$ 4) 499.18

Debbie has \$499.18 federal withholding on her gross pay of \$3,600.

Table 1 – Weekly Payroll Period

Single person, including HOH:										
<i>Amount from line 3 of worksheet:</i>				<i>Enter tax on line 4:</i>						
\$	0	to	71	x	0.0%	minus	\$	0.00	=	Tax
	72	to	254	x	10.0%	minus		7.10	=	Tax
	255	to	815	x	12.0%	minus		12.18	=	Tax
	816	to	1,658	x	22.0%	minus		93.68	=	Tax
	1,659	to	3,100	x	24.0%	minus		126.84	=	Tax
	3,101	to	3,917	x	32.0%	minus		374.84	=	Tax
	3,918	to	9,687	x	35.0%	minus		492.35	=	Tax
	9,688	and over		x	37.0%	minus		686.09	=	Tax

Married:										
<i>Amount from line 3 of worksheet:</i>				<i>Enter tax on line 4:</i>						
\$	0	to	222	x	0.0%	minus	\$	0.00	=	Tax
	223	to	588	x	10.0%	minus		22.20	=	Tax
	589	to	1,711	x	12.0%	minus		33.96	=	Tax
	1,712	to	3,395	x	22.0%	minus		205.06	=	Tax
	3,396	to	6,280	x	24.0%	minus		272.96	=	Tax
	6,281	to	7,914	x	32.0%	minus		775.36	=	Tax
	7,915	to	11,761	x	35.0%	minus		1,012.78	=	Tax
	11,762	and over		x	37.0%	minus		1,248.00	=	Tax

Table 2 – Biweekly Payroll Period

Single person, including HOH:										
<i>Amount from line 3 of worksheet:</i>				<i>Enter tax on line 4:</i>						
\$	0	to	142	x	0.0%	minus	\$	0.00	=	Tax
	143	to	509	x	10.0%	minus		14.20	=	Tax
	510	to	1,631	x	12.0%	minus		24.38	=	Tax
	1,632	to	3,315	x	22.0%	minus		187.48	=	Tax
	3,316	to	6,200	x	24.0%	minus		253.78	=	Tax
	6,201	to	7,835	x	32.0%	minus		749.78	=	Tax
	7,836	to	19,373	x	35.0%	minus		984.83	=	Tax
	19,374	and over		x	37.0%	minus		1,372.29	=	Tax

Married:										
<i>Amount from line 3 of worksheet:</i>				<i>Enter tax on line 4:</i>						
\$	0	to	444	x	0.0%	minus	\$	0.00	=	Tax
	445	to	1,177	x	10.0%	minus		44.40	=	Tax
	1,178	to	3,421	x	12.0%	minus		67.94	=	Tax
	3,422	to	6,790	x	22.0%	minus		410.04	=	Tax
	6,791	to	12,560	x	24.0%	minus		545.84	=	Tax
	12,561	to	15,829	x	32.0%	minus		1,550.64	=	Tax
	15,830	to	23,521	x	35.0%	minus		2,025.51	=	Tax
	23,522	and over		x	37.0%	minus		2,495.93	=	Tax

Table 3 – Semimonthly Payroll Period

Single person, including HOH:										
<i>Amount from line 3 of worksheet:</i>				<i>Enter tax on line 4:</i>						
\$	0	to	154	x	0.0%	minus	\$	0.00	=	Tax
	155	to	551	x	10.0%	minus		15.40	=	Tax
	552	to	1,767	x	12.0%	minus		26.42	=	Tax
	1,768	to	3,592	x	22.0%	minus		203.12	=	Tax
	3,593	to	6,717	x	24.0%	minus		274.96	=	Tax
	6,718	to	8,488	x	32.0%	minus		812.32	=	Tax
	8,489	to	20,988	x	35.0%	minus		1,066.96	=	Tax
	20,989	and over		x	37.0%	minus		1,486.72	=	Tax

Married:										
<i>Amount from line 3 of worksheet:</i>				<i>Enter tax on line 4:</i>						
\$	0	to	481	x	0.0%	minus	\$	0.00	=	Tax
	482	to	1,275	x	10.0%	minus		48.10	=	Tax
	1,276	to	3,706	x	12.0%	minus		73.60	=	Tax
	3,707	to	7,356	x	22.0%	minus		444.20	=	Tax
	7,357	to	13,606	x	24.0%	minus		591.32	=	Tax
	13,607	to	17,148	x	32.0%	minus		1,679.80	=	Tax
	17,149	to	25,481	x	35.0%	minus		2,194.24	=	Tax
	25,482	and over		x	37.0%	minus		2,703.86	=	Tax