




Peter Franchot
Comptroller

Dhiren V. Shah
Director
Central Payroll Bureau

TO: All State Agencies

FROM: Dhiren V. Shah, Director
Central Payroll Bureau 

DATE: January 10, 2021

SUBJECT: 2021 FEDERAL INCOME TAX WITHHOLDING INFORMATION

The Percentage Method of Withholding is addressed in this memo which includes extractions from the 2021 Federal Income Tax Withholding Tables (found in the IRS Publication 15-T).

Please Note:

- Advance payment of earned income credit (EIC) through payroll payments expired on December 31, 2010. Individuals eligible for EIC in 2020 can still claim the credit when they file their 2020 federal income tax return. Additionally, any employee who expects to be eligible for the EIC and will have income tax withheld from wages in 2021 may reduce their withholding in order to receive the benefit of a portion of the credit throughout the year.
- In calendar year 2020, the IRS eliminated withholding allowances, but employee may report the amount of credit in Step 3. Step 3 of Form W-4 provides instructions for determining the amount of the child tax credit and the credit for other dependents that you may claim when you file your tax return. You may also include **other tax credits** in this step.
- Individual tax calculations and estimates can be readily determined by using the Central Payroll Bureau, Net Pay Calculator located with the following link:

<https://www.marylandtaxes.gov/statepayroll/online-services.php>

Click on "Net Pay Calculator"

- Other related documents located from our home page:

Click on "Payroll Officers / then click on Current Memos"

2020 Earned Income Credit (EIC)

2021 Maryland State and Local Income Tax Withholding Information

Attached are Federal Income Tax Withholding tables for Percentage method, 2021 Employer's Withholding Worksheet with 3 examples of withholding calculations using Percentage method.

2021 Federal Income Tax Withholding Information
Tax tables for Percentage Method of Withholding
With Forms W-4 From 2020 or Later

BIWEEKLY Payroll Period

STANDARD Withholding Rate Schedules (Use these if the box in Step 2 of Form W-4 is NOT checked)					Form W-4, Step 2, Checkbox, Withholding Rate Schedules (Use these if the box in Step 2 of Form W-4 IS checked)				
If the Adjusted Wage Amount (line 1h) is:		The tentative amount to withhold is:	Plus this percentage—	of the amount that the Adjusted Wage exceeds—	If the Adjusted Wage Amount (line 1h) is:		The tentative amount to withhold is:	Plus this percentage—	of the amount that the Adjusted Wage exceeds—
At least—	But less than—				At least—	But less than—			
A	B	C	D	E	A	B	C	D	E
Married Filing Jointly					Married Filing Jointly				
\$0	\$965	\$0.00	0%	\$0	\$0	\$483	\$0.00	0%	\$0
\$965	\$1,731	\$0.00	10%	\$965	\$483	\$865	\$0.00	10%	\$483
\$1,731	\$4,083	\$76.60	12%	\$1,731	\$865	\$2,041	\$38.20	12%	\$865
\$4,083	\$7,610	\$358.84	22%	\$4,083	\$2,041	\$3,805	\$179.32	22%	\$2,041
\$7,610	\$13,652	\$1,134.78	24%	\$7,610	\$3,805	\$6,826	\$567.40	24%	\$3,805
\$13,652	\$17,075	\$2,584.86	32%	\$13,652	\$6,826	\$8,538	\$1,292.44	32%	\$6,826
\$17,075	\$25,131	\$3,680.22	35%	\$17,075	\$8,538	\$12,565	\$1,840.28	35%	\$8,538
\$25,131		\$6,499.82	37%	\$25,131	\$12,565		\$3,249.73	37%	\$12,565
Single or Married Filing Separately					Single or Married Filing Separately				
\$0	\$483	\$0.00	0%	\$0	\$0	\$241	\$0.00	0%	\$0
\$483	\$865	\$0.00	10%	\$483	\$241	\$433	\$0.00	10%	\$241
\$865	\$2,041	\$38.20	12%	\$865	\$433	\$1,021	\$19.20	12%	\$433
\$2,041	\$3,805	\$179.32	22%	\$2,041	\$1,021	\$1,902	\$89.76	22%	\$1,021
\$3,805	\$6,826	\$567.40	24%	\$3,805	\$1,902	\$3,413	\$283.58	24%	\$1,902
\$6,826	\$8,538	\$1,292.44	32%	\$6,826	\$3,413	\$4,269	\$646.22	32%	\$3,413
\$8,538	\$20,621	\$1,840.28	35%	\$8,538	\$4,269	\$10,311	\$920.14	35%	\$4,269
\$20,621		\$6,069.33	37%	\$20,621	\$10,311		\$3,034.84	37%	\$10,311
Head of Household					Head of Household				
\$0	\$723	\$0.00	0%	\$0	\$0	\$362	\$0.00	0%	\$0
\$723	\$1,269	\$0.00	10%	\$723	\$362	\$635	\$0.00	10%	\$362
\$1,269	\$2,808	\$54.60	12%	\$1,269	\$635	\$1,404	\$27.30	12%	\$635
\$2,808	\$4,044	\$239.28	22%	\$2,808	\$1,404	\$2,022	\$119.58	22%	\$1,404
\$4,044	\$7,065	\$511.20	24%	\$4,044	\$2,022	\$3,533	\$255.54	24%	\$2,022
\$7,065	\$8,777	\$1,236.24	32%	\$7,065	\$3,533	\$4,388	\$618.18	32%	\$3,533
\$8,777	\$20,862	\$1,784.08	35%	\$8,777	\$4,388	\$10,431	\$891.78	35%	\$4,388
\$20,862		\$6,013.83	37%	\$20,862	\$10,431		\$3,006.83	37%	\$10,431

NOTE:

- *Use of these tables to compute estimated tax withholdings will result in amounts that differ from the precise amounts computed by the Statewide Payroll System.*

2021 Federal Income Tax Withholding Information
Tax tables for Percentage Method of Withholding
With Forms W-4 From 2020 or Later

MONTHLY Payroll Period

STANDARD Withholding Rate Schedules (Use these if the box in Step 2 of Form W-4 is NOT checked)					Form W-4, Step 2, Checkbox, Withholding Rate Schedules (Use these if the box in Step 2 of Form W-4 IS checked)				
If the Adjusted Wage Amount (line 1h) is:		The tentative amount to withhold is:	Plus this percentage	of the amount that the Adjusted Wage exceeds—	If the Adjusted Wage Amount (line 1h) is:		The tentative amount to withhold is:	Plus this percentage	of the amount that the Adjusted Wage exceeds—
At least—	But less than—				At least—	But less than—			
A	B	C	D	E	A	B	C	D	E
Married Filing Jointly					Married Filing Jointly				
\$0	\$2,092	\$0.00	0%	\$0	\$0	\$1,046	\$0.00	0%	\$0
\$2,092	\$3,750	\$0.00	10%	\$2,092	\$1,046	\$1,875	\$0.00	10%	\$1,046
\$3,750	\$8,846	\$165.80	12%	\$3,750	\$1,875	\$4,423	\$82.90	12%	\$1,875
\$8,846	\$16,488	\$777.32	22%	\$8,846	\$4,423	\$8,244	\$388.66	22%	\$4,423
\$16,488	\$29,579	\$2,458.56	24%	\$16,488	\$8,244	\$14,790	\$1,229.28	24%	\$8,244
\$29,579	\$36,996	\$5,600.40	32%	\$29,579	\$14,790	\$18,498	\$2,800.32	32%	\$14,790
\$36,996	\$54,450	\$7,973.84	35%	\$36,996	\$18,498	\$27,225	\$3,986.88	35%	\$18,498
\$54,450		\$14,082.74	37%	\$54,450	\$27,225		\$7,041.33	37%	\$27,225
Single or Married Filing Separately					Single or Married Filing Separately				
\$0	\$1,046	\$0.00	0%	\$0	\$0	\$523	\$0.00	0%	\$0
\$1,046	\$1,875	\$0.00	10%	\$1,046	\$523	\$938	\$0.00	10%	\$523
\$1,875	\$4,423	\$82.90	12%	\$1,875	\$938	\$2,211	\$41.50	12%	\$938
\$4,423	\$8,244	\$388.66	22%	\$4,423	\$2,211	\$4,122	\$194.26	22%	\$2,211
\$8,244	\$14,790	\$1,229.28	24%	\$8,244	\$4,122	\$7,395	\$614.68	24%	\$4,122
\$14,790	\$18,498	\$2,800.32	32%	\$14,790	\$7,395	\$9,249	\$1,400.20	32%	\$7,395
\$18,498	\$44,679	\$3,986.88	35%	\$18,498	\$9,249	\$22,340	\$1,993.48	35%	\$9,249
\$44,679		\$13,150.23	37%	\$44,679	\$22,340		\$6,575.33	37%	\$22,340
Head of Household					Head of Household				
\$0	\$1,567	\$0.00	0%	\$0	\$0	\$783	\$0.00	0%	\$0
\$1,567	\$2,750	\$0.00	10%	\$1,567	\$783	\$1,375	\$0.00	10%	\$783
\$2,750	\$6,083	\$118.30	12%	\$2,750	\$1,375	\$3,042	\$59.20	12%	\$1,375
\$6,083	\$8,763	\$518.26	22%	\$6,083	\$3,042	\$4,381	\$259.24	22%	\$3,042
\$8,763	\$15,308	\$1,107.86	24%	\$8,763	\$4,381	\$7,654	\$553.82	24%	\$4,381
\$15,308	\$19,017	\$2,678.66	32%	\$15,308	\$7,654	\$9,508	\$1,339.34	32%	\$7,654
\$19,017	\$45,200	\$3,865.54	35%	\$19,017	\$9,508	\$22,600	\$1,932.62	35%	\$9,508
\$45,200		\$13,029.59	37%	\$45,200	\$22,600		\$6,514.82	37%	\$22,600

NOTE:

- Use of these tables to compute estimated tax withholdings will result in amounts that differ slightly from the precise amounts computed by the Statewide Payroll System.

**2021 Employer's Withholding Worksheet for Percentage Method Tables
with Forms W-4 from 2020 or Later**

Table 1	Monthly	Biweekly		
	12	26		
Step 1.	Adjust the employee's wage amount			
1a	Enter the employee's total taxable wages this payroll period *		1a	\$ _____
1b	Enter the number of pay periods you have per year (Table 1)		1b	_____
1c	Enter the amount from Step 4(a) of the employee's Form W-4		1c	\$ _____
1d	Divide line 1c by the number on line 1b		1d	\$ _____
1e	Add lines 1a and 1d		1e	\$ _____
1f	Enter the amount from Step 4(b) of the employee's Form W-4		1f	\$ _____
1g	Divide line 1f by the number on line 1b		1g	\$ _____
1h	Subtract line 1g from line 1e. If zero or less, enter -0-. This is the Adjusted Wage Amount		1h	\$ _____
Step 2.	Figure the Tentative Withholding Amount			
	based on your pay frequency, the employee's Adjusted Wage Amount, filing status (Step 1(c) of Form W-4), and whether the box in Step 2 of Form W-4 is checked.			
2a	Find the row in the <i>STANDARD Withholding Rate Schedules</i> (if the box in Step 2 of Form W-4 is NOT checked) or the <i>Form W-4, Step 2, Checkbox, Withholding Rate Schedules</i> (if it HAS been checked) of the Percentage Method tables in this section in which the amount on line 1h is at least the amount in column A but less than the amount in column B, then enter here the amount from column A of that row		2a	\$ _____
2b	Enter the amount from column C of that row		2b	\$ _____
2c	Enter the percentage from column D of that row		2c	% _____
2d	Subtract line 2a from line 1h		2d	\$ _____
2e	Multiply the amount on line 2d by the percentage on line 2c		2e	\$ _____
2f	Add lines 2b and 2e. This is the Tentative Withholding Amount		2f	\$ _____
Step 3.	Account for tax credits			
3a	Enter the amount from Step 3 of the employee's Form W-4		3a	\$ _____
3b	Divide the amount on line 3a by the number of pay periods on line 1b		3b	\$ _____
3c	Subtract line 3b from line 2f. If zero or less, enter -0-		3c	\$ _____
Step 4.	Figure the final amount to withhold			
4a	Enter the additional amount to withhold from Step 4(c) of the employee's Form W-4		4a	\$ _____
4b	Add lines 3c and 4a. This is the amount to withhold from the employee's wages this pay period		4b	\$ _____

***Biweekly or Monthly Gross pay less tax sheltered and/or pre-tax deductions.**

Employee's Withholding Certificate

2021

Department of the Treasury
Internal Revenue Service

FOR MARYLAND STATE GOVERNMENT EMPLOYEES ONLY

Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay.

Give Form W-4 to your employer.

Your withholding is subject to review by the IRS.

Step 1 – Personal Information (Please complete form in black ink.)

Payroll System (check one) <input checked="" type="checkbox"/> RG <input type="checkbox"/> CT <input type="checkbox"/> UM	Agency Number 24.01.01	Name of Employing Agency COMPTROLLER OF MARYLAND	
(a) Employee Name JANE DOE		(b) Social Security Number 111-22-3333	
Home Address (number and street or rural route) (apartment number, if any) 111 MAIN STREET		Does the name match the name on your Social Security card? If not, to ensure you get credit for your earnings, contact SSA at 800-772-1213 or go to www.ssa.gov	
City ANNAPOLIS	State MD	Zip Code 21401	County of Residence (required) AA
(c) <input type="checkbox"/> Single or Married filing separately <input checked="" type="checkbox"/> Married filing jointly (or Qualifying widow(er)) <input type="checkbox"/> Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)			

Complete Steps 2–4 ONLY if they apply to you; otherwise, skip to Step 5. See page 2 for more information on each step, who can claim exemption from withholding, when to use the online estimator, and privacy.

Step 2: Multiple Jobs or Spouse Works

Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs.

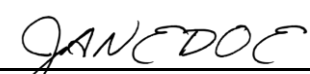
Do **only one** of the following.

- (a) Use the estimator at www.irs.gov/W4App for most accurate withholding for this step (and Steps 3–4); **or**
- (b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; **or**
- (c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld

TIP: To be accurate, submit a 2021 Form W-4 for all other jobs. If you (or your spouse) have self-employment income, including as an independent contractor, use the estimator.

Complete Steps 3–4(b) on Form W-4 for only ONE of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3–4(b) on the Form W-4 for the highest paying job.)

Step 3:	If your income will be \$200,000 or less (\$400,000 or less if married filing jointly):		
Claim Dependents	Multiply the number of qualifying children under age 17 by \$2,000 <input type="checkbox"/> \$ _____		
	Multiply the number of other dependents by \$500 <input type="checkbox"/> \$ <u>1,000.00</u>		
	Add the amounts above and enter the total here	3	\$ 1,000.00
Step 4 (optional): Other Adjustments	(a) Other income (not from jobs). If you want tax withheld for other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, dividends, and retirement income	4(a)	\$ 3,000.00
	(b) Deductions. If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here.	4(b)	\$ 2,000.00
	(c) Extra withholding. Enter any additional tax you want withheld each pay period.	4(c)	\$ 50.00

Step 5:	Under penalties of perjury, I declare that this certificate, to the best of my knowledge and belief, is true, correct, and complete.		
Sign Here			01/01/2021
	Employee's signature (This form is not valid unless you sign it.)		Date
Employers Only	Employer's name and address Central Payroll Bureau P.O. Box 2396 Annapolis, MD 21404		Employer identification number (EIN)
	First date of employment		

Examples of Withholding Calculations using the Percentage Method.

Scenario 1. Biweekly employee claimed Married filing jointly with ✓ in STEP 2 checkbox.

Employee is **Married** filing jointly biweekly pay \$2103.83 (annually \$54,700.00), **STEP 2** was checked (*find the Percentage Method Table the Form W-4, Step 2, Checkbox*), **STEP 3** entered amount **\$1000.00 credit**, **STEP 4a** other income **\$3000.00**, **STEP 4 (b)** entered amount **\$2000.00** deductions and **STEP 4(c)** entered additional tax withholding for each PPE **\$50.00**

Table 1	Monthly	Biweekly		
	12	26		
Step 1. Adjust the employee's wage amount				
1a	Enter the employee's total taxable wages this payroll period *		1a	\$ 2103.83
1b	Enter the number of pay periods you have per year (Table 1)		1b	26
1c	Enter the amount from Step 4(a) of the employee's Form W-4		1c	\$ 3,000.00
1d	Divide line 1c by the number on line 1b		1d	\$ 115.38
1e	Add lines 1a and 1d		1e	\$ 2,219.21
1f	Enter the amount from Step 4(b) of the employee's Form W-4		1f	\$ 2,000.00
1g	Divide line 1f by the number on line 1b		1g	\$ 76.92
1h	Subtract line 1g from line 1e. If zero or less, enter -0-. This is the Adjusted Wage Amount		1h	\$ 2142.29
Step 2. Figure the Tentative Withholding Amount				
based on your pay frequency, the employee's Adjusted Wage Amount, filing status (Step 1(c) of Form W-4), and whether the box in Step 2 of Form W-4 is checked.				
2a	Find the row in the <i>STANDARD Withholding Rate Schedules</i> (if the box in Step 2 of Form W-4 is NOT checked) or the <i>Form W-4, Step 2, Checkbox, Withholding Rate Schedules</i> (if it HAS been checked) of the Percentage Method tables in this section in which the amount on line 1h is at least the amount in column A but less than the amount in column B, then enter here the amount from column A of that row		2a	\$ 2,041.00
2b	Enter the amount from column C of that row		2b	\$ 179.32
2c	Enter the percentage from column D of that row		2c	% 22.00
2d	Subtract line 2a from line 1h		2d	\$ 101.29
2e	Multiply the amount on line 2d by the percentage on line 2c		2e	\$ 22.28
2f	Add lines 2b and 2e. This is the Tentative Withholding Amount		2f	\$ 201.60
Step 3. Account for tax credits				
3a	Enter the amount from Step 3 of the employee's Form W-4		3a	\$ 1,000.00
3b	Divide the amount on line 3a by the number of pay periods on line 1b		3b	\$ 38.46
3c	Subtract line 3b from line 2f. If zero or less, enter -0-		3c	\$ 163.14
Step 4. Figure the final amount to withhold				
4a	Enter the additional amount to withhold from Step 4(c) of the employee's Form W-4		4a	\$ 50.00
4b	Add lines 3c and 4a. This is the amount to withhold from the employee's wages this pay period		4b	\$ 213.14

***Biweekly or Monthly Gross pay less tax sheltered and/or pre-tax deductions.**

Employee's Withholding Certificate

Department of the Treasury
Internal Revenue Service

FOR MARYLAND STATE GOVERNMENT EMPLOYEES ONLY

Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay.

Give Form W-4 to your employer.

Your withholding is subject to review by the IRS.

Step 1 – Personal Information (Please complete form in black ink.)

Payroll System (check one) <input checked="" type="checkbox"/> RG <input type="checkbox"/> CT <input type="checkbox"/> UM		Agency Number 24.01.01	Name of Employing Agency COMPTROLLER OF MARYLAND	
(a) Employee Name JANE DOE		(b) Social Security Number 111-22-3333		
Home Address (number and street or rural route) (apartment number, if any) 111 MAIN STREET			Does the name match the name on your Social Security card? If not, to ensure you get credit for your earnings, contact SSA at 800-772-1213 or go to www.ssa.gov	
City ANNAPOLIS	State MD	Zip Code 21401	County of Residence (required) AA	
(c) <input type="checkbox"/> Single or Married filing separately <input checked="" type="checkbox"/> Married filing jointly (or Qualifying widow(er)) <input type="checkbox"/> Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)				

Complete Steps 2–4 ONLY if they apply to you; otherwise, skip to Step 5. See page 2 for more information on each step, who can claim exemption from withholding, when to use the online estimator, and privacy.

Step 2: Multiple Jobs or Spouse Works

Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs.

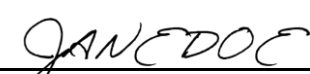
Do **only one** of the following.

- (a) Use the estimator at www.irs.gov/W4App for most accurate withholding for this step (and Steps 3–4); **or**
- (b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; **or**
- (c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld

TIP: To be accurate, submit a 2021 Form W-4 for all other jobs. If you (or your spouse) have self-employment income, including as an independent contractor, use the estimator.

Complete Steps 3–4(b) on Form W-4 for only ONE of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3–4(b) on the Form W-4 for the highest paying job.)

Step 3:	If your income will be \$200,000 or less (\$400,000 or less if married filing jointly):		
Claim Dependents	Multiply the number of qualifying children under age 17 by \$2,000 <input type="checkbox"/> \$ _____		
	Multiply the number of other dependents by \$500 <input type="checkbox"/> \$ <u>1,000.00</u>		
	Add the amounts above and enter the total here	3	\$ 1,000.00
Step 4 (optional): Other Adjustments	(a) Other income (not from jobs). If you want tax withheld for other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, dividends, and retirement income	4(a)	\$ 3,000.00
	(b) Deductions. If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here.	4(b)	\$ 2,000.00
	(c) Extra withholding. Enter any additional tax you want withheld each pay period .	4(c)	\$ 50.00

Step 5:	Under penalties of perjury, I declare that this certificate, to the best of my knowledge and belief, is true, correct, and complete.		
Sign Here			01/01/2021
	Employee's signature (This form is not valid unless you sign it.)		Date
Employers Only	Employer's name and address Central Payroll Bureau P.O. Box 2396 Annapolis, MD 21404	First date of employment	Employer identification number (EIN)

Scenario 2. Biweekly employee claimed Married filing jointly with NO ✓ in STEP 2 checkbox.

Employee is **Married** filing jointly biweekly pay \$2103.83 (annually \$54,700.00), **STEP 2** was **NOT** checked (*find the Percentage Method Table the STANDARD Withholding Rate Schedules, Step 2 NOT checked*), **STEP 3** entered amount **\$1000.00 credit**, **STEP 4a** other income **\$3000.00**, **STEP 4 (b)** entered amount **\$2000.00** deductions and **STEP 4(c)** entered additional tax withholding for each PPE **\$50.00**

Table 1	Monthly	Biweekly		
	12	26		
Step 1. Adjust the employee's wage amount				
1a	Enter the employee's total taxable wages this payroll period *		1a	\$ 2103.83
1b	Enter the number of pay periods you have per year (Table 1)		1b	26
1c	Enter the amount from Step 4(a) of the employee's Form W-4		1c	\$ 3,000.00
1d	Divide line 1c by the number on line 1b		1d	\$ 115.38
1e	Add lines 1a and 1d		1e	\$ 2,219.21
1f	Enter the amount from Step 4(b) of the employee's Form W-4		1f	\$ 2,000.00
1g	Divide line 1f by the number on line 1b		1g	\$ 76.92
1h	Subtract line 1g from line 1e. If zero or less, enter -0-. This is the Adjusted Wage Amount		1h	\$ 2,142.29
Step 2. Figure the Tentative Withholding Amount				
based on your pay frequency, the employee's Adjusted Wage Amount, filing status (Step 1(c) of Form W-4), and whether the box in Step 2 of Form W-4 is checked.				
2a	Find the row in the <i>STANDARD Withholding Rate Schedules</i> (if the box in Step 2 of Form W-4 is NOT checked) or the <i>Form W-4, Step 2, Checkbox, Withholding Rate Schedules</i> (if it HAS been checked) of the Percentage Method tables in this section in which the amount on line 1h is at least the amount in column A but less than the amount in column B, then enter here the amount from column A of that row		2a	\$ 1,731.00
2b	Enter the amount from column C of that row		2b	\$ 76.60
2c	Enter the percentage from column D of that row		2c	% 12.00
2d	Subtract line 2a from line 1h		2d	\$ 411.29
2e	Multiply the amount on line 2d by the percentage on line 2c		2e	\$ 49.35
2f	Add lines 2b and 2e. This is the Tentative Withholding Amount		2f	\$ 125.95
Step 3. Account for tax credits				
3a	Enter the amount from Step 3 of the employee's Form W-4		3a	\$ 1,000.00
3b	Divide the amount on line 3a by the number of pay periods on line 1b		3b	\$ 38.46
3c	Subtract line 3b from line 2f. If zero or less, enter -0-		3c	\$ 87.49
Step 4. Figure the final amount to withhold				
4a	Enter the additional amount to withhold from Step 4(c) of the employee's Form W-4		4a	\$ 50.00
4b	Add lines 3c and 4a. This is the amount to withhold from the employee's wages this pay period		4b	\$ 137.49

***Biweekly or Monthly Gross pay less tax sheltered and/or pre-tax deductions.**

Employee's Withholding Certificate

Department of the Treasury
Internal Revenue Service

FOR MARYLAND STATE GOVERNMENT EMPLOYEES ONLY

Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay.

Give Form W-4 to your employer.

Your withholding is subject to review by the IRS.

Step 1 – Personal Information (Please complete form in black ink.)

Payroll System (check one) <input checked="" type="checkbox"/> RG <input type="checkbox"/> CT <input type="checkbox"/> UM	Agency Number 24.01.01	Name of Employing Agency COMPTROLLER OF MARYLAND	
(a) Employee Name JOHN DOE		(b) Social Security Number 123-22-3333	
Home Address (number and street or rural route) (apartment number, if any) 123 MAIN STREET		Does the name match the name on your Social Security card? If not, to ensure you get credit for your earnings, contact SSA at 800-772-1213 or go to www.ssa.gov	
City ANNAPOLIS	State MD	Zip Code 21401	County of Residence (required) AA
(c) <input checked="" type="checkbox"/> Single or Married filing separately <input type="checkbox"/> Married filing jointly (or Qualifying widow(er)) <input type="checkbox"/> Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)			

Complete Steps 2–4 ONLY if they apply to you; otherwise, skip to Step 5. See page 2 for more information on each step, who can claim exemption from withholding, when to use the online estimator, and privacy.

Step 2: Multiple Jobs or Spouse Works

Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs.

Do **only one** of the following.

- (a) Use the estimator at www.irs.gov/W4App for most accurate withholding for this step (and Steps 3–4); **or**
- (b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; **or**
- (c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld

TIP: To be accurate, submit a 2021 Form W-4 for all other jobs. If you (or your spouse) have self-employment income, including as an independent contractor, use the estimator.

Complete Steps 3–4(b) on Form W-4 for only ONE of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3–4(b) on the Form W-4 for the highest paying job.)

Step 3:	If your income will be \$200,000 or less (\$400,000 or less if married filing jointly):		
Claim Dependents	Multiply the number of qualifying children under age 17 by \$2,000 <input checked="" type="checkbox"/> \$ 2,000.00		
	Multiply the number of other dependents by \$500 <input type="checkbox"/> \$ _____		
	Add the amounts above and enter the total here	3	\$ 2,000.00
Step 4 (optional): Other Adjustments	(a) Other income (not from jobs). If you want tax withheld for other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, dividends, and retirement income	4(a)	\$ 1,000.00
	(b) Deductions. If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here.	4(b)	\$ 3,000.00
	(c) Extra withholding. Enter any additional tax you want withheld each pay period.	4(c)	\$ 20.00

Step 5: Sign Here	Under penalties of perjury, I declare that this certificate, to the best of my knowledge and belief, is true, correct, and complete.		
			01/01/2021
	Employee's signature (This form is not valid unless you sign it.)		Date
Employers Only	Employer's name and address Central Payroll Bureau P.O. Box 2396 Annapolis, MD 21404	First date of employment	Employer identification number (EIN)

Scenario 3. Monthly employee claimed Single with NO ✓ in STEP 2 checkbox.

Employee is **Single** monthly pay 4,166.66 (annually \$50,000), **STEP 2** was **NOT** checked (*find the Percentage Method Table the STANDARD Withholding Rate Schedules, Step 2 NOT checked*), **STEP 3** entered amount **\$2000.00 credit**, **STEP 4a** other income **\$1000.00**, **STEP 4 (b)** entered amount **\$3000.00** deductions and **STEP 4(c)** entered additional tax withholding for each PPE **\$20.00**. **Employee has \$60.00 pretax deduction.**

Table 1	Monthly	Biweekly		
	12	26		
Step 1. Adjust the employee's wage amount				
1a	Enter the employee's total taxable wages this payroll period * . . . 4166.66-60.00= 4,106.66 . . .		1a	\$ 4,106.66
1b	Enter the number of pay periods you have per year (Table 1)		1b	12
1c	Enter the amount from Step 4(a) of the employee's Form W-4		1c	\$ 1,000.00
1d	Divide line 1c by the number on line 1b		1d	\$ 83.33
1e	Add lines 1a and 1d		1e	\$ 4,189.99
1f	Enter the amount from Step 4(b) of the employee's Form W-4		1f	\$ 3,000.00
1g	Divide line 1f by the number on line 1b		1g	\$ 250.00
1h	Subtract line 1g from line 1e. If zero or less, enter -0-. This is the Adjusted Wage Amount		1h	\$ 3939.99
Step 2. Figure the Tentative Withholding Amount				
based on your pay frequency, the employee's Adjusted Wage Amount, filing status (Step 1(c) of Form W-4), and whether the box in Step 2 of Form W-4 is checked.				
2a	Find the row in the <i>STANDARD Withholding Rate Schedules</i> (if the box in Step 2 of Form W-4 is NOT checked) or the <i>Form W-4, Step 2, Checkbox, Withholding Rate Schedules</i> (if it HAS been checked) of the Percentage Method tables in this section in which the amount on line 1h is at least the amount in column A but less than the amount in column B, then enter here the amount from column A of that row		2a	\$ 1875.00
2b	Enter the amount from column C of that row		2b	\$ 82.90
2c	Enter the percentage from column D of that row		2c	% 12.00
2d	Subtract line 2a from line 1h		2d	\$ 2064.99
2e	Multiply the amount on line 2d by the percentage on line 2c		2e	\$ 247.80
2f	Add lines 2b and 2e. This is the Tentative Withholding Amount		2f	\$ 330.70
Step 3. Account for tax credits				
3a	Enter the amount from Step 3 of the employee's Form W-4		3a	\$ 2,000.00
3b	Divide the amount on line 3a by the number of pay periods on line 1b		3b	\$ 166.66
3c	Subtract line 3b from line 2f. If zero or less, enter -0-		3c	\$ 164.04
Step 4. Figure the final amount to withhold				
4a	Enter the additional amount to withhold from Step 4(c) of the employee's Form W-4		4a	\$ 20.00
4b	Add lines 3c and 4a. This is the amount to withhold from the employee's wages this pay period		4b	\$ 184.04

* Biweekly or Monthly Gross pay less tax sheltered and/or pre-tax deductions.