



Office of the State Comptroller
PAYROLL BULLETIN

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| Subject | Changes in City of New York Withholding Taxes | Bulletin No. |
| | | P-666 |
| | | Date |
| | | September 18, 1990 |

The City of New York Resident withholding taxes will change effective in Institution checks dated October 4, 1990 and Administration checks dated October 10, 1990.

The changes include:

1. The City of New York Resident deduction allowance has been consolidated to agree with the New York State and City of Yonkers deduction allowance table.
2. The tax charts for City of New York Residents has been changed for both married and single taxpayers.

The tax charts for New York State, City of Yonkers Resident and Non-Resident and City of New York Non-Resident have not changed.

Copies of pages from the revised Tax Booklet are attached.

Questions concerning this Bulletin should be directed to the Planning Office at (518) 474-1330.

NEW YORK STATE, CITY OF NEW YORK and CITY OF YONKERS

SPECIAL TABLES FOR DEDUCTION AND EXEMPTION ALLOWANCES

Applicable to Method II
 for New York State, see pages 25 - 28
 for City of New York, see pages 50 - 51
 for the City of Yonkers, see pages 70 - 71

TABLE A Deduction Allowance Table

| NEW YORK STATE, CITY OF NEW YORK AND CITY OF YONKERS | | | | | | |
|--|---------|----------|-------------|----------|---------|-------------|
| Payroll Period | | | | | | |
| | Weekly | Biweekly | Semimonthly | Monthly | Daily | Annual |
| Single | \$96.15 | \$192.30 | \$208.35 | \$416.70 | \$19.25 | \$ 5,000.00 |
| Married | 105.75 | 211.50 | 229.15 | 458.30 | 21.15 | 5,500.00 |

TABLE B Exemption Allowance Table

Based on a full year exemption of \$1,000.00

| <u>Payroll Period</u> | <u>Amount of one exemption</u> |
|------------------------|--------------------------------|
| Weekly | \$ 19.25 |
| Biweekly | 38.50 |
| Semimonthly | 41.65 |
| Monthly | 83.30 |
| Quarterly | 250.00 |
| Semiannual | 500.00 |
| Annual | 1,000.00 |
| Daily or miscellaneous | 3.85 |

TABLE C Adjustment For Difference Between Federal and State Exemption Allowances

For employers who elected to use the federal exemption amounts in computing wages after exemptions, the following adjustments correct for the difference between the federal exemption of \$2,000 and the New York State or New York City exemption of \$1,000 according to the particular payroll period.

Multiply the amount below for 1 exemption by the number of exemptions claimed. The product is to be added to the wages after exemptions computed with the federal exemption, to correct for the lower New York State or New York City exemption allowances.

| <u>Payroll Period</u> | <u>Adjustment for each federal exemption</u> |
|------------------------|--|
| Weekly | \$ 19.25 |
| Biweekly | 38.50 |
| Semimonthly | 41.85 |
| Monthly | 83.30 |
| Quarterly | 250.00 |
| Semiannual | 500.00 |
| Annual | 1,000.00 |
| Daily or miscellaneous | 3.85 |

Multiply the amount to the left (for 1 exemption) by the number of exemptions. Add the product to the federally computed wages after exemptions.

CITY OF NY — RESIDENT TAX SINGLE

Method II

This method is based upon applying a given percentage to the portion of the wages (after deductions and exemptions) which falls within a wage bracket and adding to this product the given accumulated tax for all lower tax brackets. After subtracting the amount of deductions (from Table A) and the amount of exemptions (from Table B) on page 24 one of the following tables is used, depending on the applicable payroll period.

TABLE II A - WEEKLY PAYROLL

| Line No. | If wages are (after deductions and exemptions) | | The AMOUNT to be WITHHELD is the SUM of: | | | | |
|----------|--|---------------|--|------|--------------|-------------|--|
| | At Least | But less than | This Amount (tax-lower brackets) | PLUS | This Percent | OF | Excess of Wages (after deductions and exemptions) over this amount |
| | Col. 1 | Col. 2 | Col. 3 | | Col. 4 | | Col. 5 |
| 1 | \$ 0 | \$154 | \$.00 | PLUS | 2.00% | EXCESS OVER | \$ 0 |
| 2 | 154 | 167 | 3.08 | " | 2.80% | " " | 154 |
| 3 | 167 | 288 | 3.48 | " | 3.30% | " " | 167 |
| 4 | 288 | 481 | 7.48 | " | 3.95% | " " | 288 |
| 5 | 481 | 1,154 | 15.06 | " | 4.15% | " " | 481 |
| 6 | 1,154 | AND UP | 43.00 | " | 4.25% | " " | 1,154 |

TABLE II B - BIWEEKLY PAYROLL

| Line No. | If wages are (after deductions and exemptions) | | The AMOUNT to be WITHHELD is the SUM of: | | | | |
|----------|--|---------------|--|------|--------------|-------------|--|
| | At Least | But less than | This Amount (tax-lower brackets) | PLUS | This Percent | OF | Excess of Wages (after deductions and exemptions) over this amount |
| | Col. 1 | Col. 2 | Col. 3 | | Col. 4 | | Col. 5 |
| 1 | \$ 0 | \$308 | \$.00 | PLUS | 2.00% | EXCESS OVER | \$ 0 |
| 2 | 308 | 334 | 6.15 | " | 2.80% | " " | 308 |
| 3 | 334 | 577 | 6.92 | " | 3.30% | " " | 334 |
| 4 | 577 | 962 | 14.92 | " | 3.95% | " " | 577 |
| 5 | 962 | 2,308 | 30.12 | " | 4.15% | " " | 962 |
| 6 | 2,308 | AND UP | 88.00 | " | 4.25% | " " | 2,308 |

TABLE II C - SEMIMONTHLY PAYROLL

| Line No. | If wages are (after deductions and exemptions) | | The AMOUNT to be WITHHELD is the SUM of: | | | | |
|----------|--|---------------|--|------|--------------|-------------|--|
| | At Least | But less than | This Amount (tax-lower brackets) | PLUS | This Percent | OF | Excess of Wages (after deductions and exemptions) over this amount |
| | Col. 1 | Col. 2 | Col. 3 | | Col. 4 | | Col. 5 |
| 1 | \$ 0 | \$333 | \$.00 | PLUS | 2.00% | EXCESS OVER | \$ 0 |
| 2 | 333 | 362 | 6.67 | " | 2.80% | " " | 333 |
| 3 | 362 | 625 | 7.50 | " | 3.30% | " " | 362 |
| 4 | 625 | 1,042 | 16.17 | " | 3.95% | " " | 625 |
| 5 | 1,042 | 2,500 | 32.83 | " | 4.15% | " " | 1,042 |
| 6 | 2,500 | AND UP | 83.17 | " | 4.25% | " " | 2,500 |

TABLE II D - MONTHLY PAYROLL

| Line No. | If wages are (after deductions and exemptions) | | The AMOUNT to be WITHHELD is the SUM of: | | | | |
|----------|--|---------------|--|------|--------------|-------------|--|
| | At Least | But less than | This Amount (tax-lower brackets) | PLUS | This Percent | OF | Excess of Wages (after deductions and exemptions) over this amount |
| | Col. 1 | Col. 2 | Col. 3 | | Col. 4 | | Col. 5 |
| 1 | \$ 0 | \$667 | \$.00 | PLUS | 2.00% | EXCESS OVER | \$ 0 |
| 2 | 667 | 725 | 13.33 | " | 2.80% | " " | 667 |
| 3 | 725 | 1,250 | 15.00 | " | 3.30% | " " | 725 |
| 4 | 1,250 | 2,083 | 32.33 | " | 3.95% | " " | 1,250 |
| 5 | 2,083 | 5,000 | 65.25 | " | 4.15% | " " | 2,083 |
| 6 | 5,000 | AND UP | 188.33 | " | 4.25% | " " | 5,000 |

EXACT CALCULATION METHOD

TABLE II E - DAILY PAYROLL

| Line No. | If wages are (after deductions and exemptions) | | The AMOUNT to be WITHHELD is the SUM of: | | | | |
|----------|--|---------------|--|------|--------------|-------------|--|
| | At Least | But less than | This Amount (tax-lower brackets) | PLUS | This Percent | OF | Excess of Wages (after deductions and exemptions) over this amount |
| | Col. 1 | Col. 2 | Col. 3 | | Col. 4 | | Col. 5 |
| 1 | \$.00 | \$31.00 | \$.00 | PLUS | 2.00% | EXCESS OVER | \$.00 |
| 2 | 31.00 | 33.50 | .62 | " | 2.80% | " " | 31.00 |
| 3 | 33.50 | 57.50 | .69 | " | 3.30% | " " | 33.50 |
| 4 | 57.50 | 98.00 | 1.48 | " | 3.95% | " " | 57.50 |
| 5 | 98.00 | 231.00 | 3.00 | " | 4.15% | " " | 98.00 |
| 6 | 231.00 | AND UP | 8.60 | " | 4.25% | " " | 231.00 |

ANNUAL TAX RATE SCHEDULE

| Line No. | If annual wages are (after deductions and exemptions) | | The ANNUALIZED TAX is the SUM of: | | | | |
|----------|---|---------------|-----------------------------------|------|--------------|-------------|--|
| | At Least | But less than | This Amount (tax-lower brackets) | PLUS | This Percent | OF | Excess of Wages (after deductions and exemptions) over this amount |
| | Col. 1 | Col. 2 | Col. 3 | | Col. 4 | | Col. 5 |
| 1 | \$ 0 | \$8,000 | \$.00 | PLUS | 2.00% | EXCESS OVER | \$ 0 |
| 2 | 8,000 | 8,700 | 180.00 | " | 2.80% | " " | 8,000 |
| 3 | 8,700 | 15,000 | 180.00 | " | 3.30% | " " | 8,700 |
| 4 | 15,000 | 25,000 | 388.00 | " | 3.95% | " " | 15,000 |
| 5 | 25,000 | 60,000 | 783.00 | " | 4.15% | " " | 25,000 |
| 6 | 60,000 | AND UP | 2,236.00 | " | 4.25% | " " | 60,000 |

- The steps in computing the amount of tax to be withheld are as follows:
- Step (1) Determine the amount of deduction allowance (from Table A, on page 24).
 - (2) Multiply the amount of one exemption (from Table B, on page 24) by the number of exemptions claimed.
 - (3) Add the amount of deductions obtained in Step (1) to the amount of exemptions obtained in Step (2).
 - (4) Subtract the amount of deductions and exemptions obtained in Step (3) from the employee's gross wages.
 - (5) Using the proper table in the Table II series (depending on the particular payroll period), find the applicable line on which the wages after deductions and exemptions in Step (4) are listed in columns 1 and 2.
 - (6) Subtract the amount in column 5 of this line from the amount of wages after deductions and exemptions in Step (4).
 - (7) Multiply the remainder obtained in Step (6) by the percentage in column 4 of this line.
 - (8) Add the product in Step (7) to the amount in column 3 of the applicable line. This is the City of New York tax to be withheld for the particular payroll period.

EXAMPLE 1: (weekly payroll)

Weekly gross pay of \$500, single with 3 exemptions claimed:

- (1) Deduction allowance (from Table A, page 24) = \$86.15
- (2) \$19.25 (from Table B, page 24) x 3 = \$57.75
- (3) \$86.15 + \$57.75 = \$153.90
- (4) \$500 - \$153.90 = \$346.10
- (5) Line 4 of Table II A is applicable (\$346.10 is between \$288 and \$481)
- (6) \$346.10 - \$288 = \$58.10
- (7) \$58.10 x 3.95% (.0395) = \$2.29
- (8) \$2.29 + \$74.6 = \$87.75 (City of New York tax to be withheld)

EXAMPLE 2: (semimonthly payroll)

Semimonthly gross pay of \$750, single with 1 exemption claimed:

- (1) Deduction allowance (from Table A, page 24) = \$208.33
- (2) \$41.65 (from Table B, page 24) x 1 = \$41.65
- (3) \$208.33 + \$41.65 = \$250.00
- (4) \$750 - \$250 = \$500
- (5) Line 3 of Table II C is applicable (\$500 is between \$362 and \$625)
- (6) \$500 - \$362 = \$138
- (7) \$138 x 3.30% (.0330) = \$4.55
- (8) \$4.55 + \$75.0 = \$81.05 (City of New York tax to be withheld)

CITY OF NY — RESIDENT TAX MARRIED

Method II

This method is based upon applying a given percentage to the portion of the wages (after deductions and exemptions) which falls within a wage bracket and adding to this product the given accumulated tax for all lower tax brackets. After subtracting the amount of deductions (from Table A) and the amount of exemptions (from Table B) on page 24 one of the following tables is used, depending on the applicable payroll period.

TABLE II A - WEEKLY PAYROLL

| Line No. | If wages are (after deductions and exemptions) | | The AMOUNT to be WITHHELD is the SUM of: | | | | |
|----------|--|---------------|--|------|--------------|-------------|--|
| | At Least | But less than | This Amount (tax-lower brackets) | PLUS | This Percent | OF | Excess of Wages (after deductions and exemptions) over this amount |
| | Col. 1 | Col. 2 | Col. 3 | | Col. 4 | | Col. 5 |
| 1 | \$ 0 | \$154 | \$.00 | PLUS | 2.00% | EXCESS OVER | \$ 0 |
| 2 | 154 | 187 | 3.08 | " | 2.80% | " " | 154 |
| 3 | 187 | 288 | 3.48 | " | 3.30% | " " | 187 |
| 4 | 288 | 481 | 7.48 | " | 3.95% | " " | 288 |
| 5 | 481 | 1,154 | 15.08 | " | 4.15% | " " | 481 |
| 6 | 1,154 | AND UP | 43.00 | " | 4.25% | " " | 1,154 |

TABLE II B - BIWEEKLY PAYROLL

| | | | | | | | |
|---|-------|--------|--------|------|-------|-------------|-------|
| 1 | \$ 0 | \$308 | \$.00 | PLUS | 2.00% | EXCESS OVER | \$ 0 |
| 2 | 308 | 334 | 8.18 | " | 2.80% | " " | 308 |
| 3 | 334 | 577 | 8.92 | " | 3.30% | " " | 334 |
| 4 | 577 | 962 | 14.92 | " | 3.95% | " " | 577 |
| 5 | 962 | 2,308 | 30.12 | " | 4.15% | " " | 962 |
| 6 | 2,308 | AND UP | 88.00 | " | 4.25% | " " | 2,308 |

TABLE II C - SEMIMONTHLY PAYROLL

| | | | | | | | |
|---|-------|--------|--------|------|-------|-------------|-------|
| 1 | \$ 0 | \$333 | \$.00 | PLUS | 2.00% | EXCESS OVER | \$ 0 |
| 2 | 333 | 362 | 8.67 | " | 2.80% | " " | 333 |
| 3 | 362 | 625 | 7.50 | " | 3.30% | " " | 362 |
| 4 | 625 | 1,042 | 16.17 | " | 3.95% | " " | 625 |
| 5 | 1,042 | 2,500 | 32.83 | " | 4.15% | " " | 1,042 |
| 6 | 2,500 | AND UP | 83.17 | " | 4.25% | " " | 2,500 |

TABLE II D - MONTHLY PAYROLL

| | | | | | | | |
|---|-------|--------|--------|------|-------|-------------|-------|
| 1 | \$ 0 | \$667 | \$.00 | PLUS | 2.00% | EXCESS OVER | \$ 0 |
| 2 | 667 | 725 | 13.33 | " | 2.80% | " " | 667 |
| 3 | 725 | 1,250 | 15.00 | " | 3.30% | " " | 725 |
| 4 | 1,250 | 2,083 | 32.33 | " | 3.95% | " " | 1,250 |
| 5 | 2,083 | 5,000 | 85.25 | " | 4.15% | " " | 2,083 |
| 6 | 5,000 | AND UP | 188.33 | " | 4.25% | " " | 5,000 |

EXACT CALCULATION METHOD

TABLE II E - DAILY PAYROLL

| Line No. | If wages are (after deductions and exemptions) | | The AMOUNT to be WITHHELD is the SUM of: | | | | |
|----------|--|---------------|--|------|--------------|-------------|--|
| | At Least | But less than | This Amount (tax-lower brackets) | PLUS | This Percent | OF | Excess of Wages (after deductions and exemptions) over this amount |
| | Col. 1 | Col. 2 | Col. 3 | | Col. 4 | | Col. 5 |
| 1 | \$.00 | \$31.00 | \$.00 | PLUS | 2.00% | EXCESS OVER | \$.00 |
| 2 | 31.00 | 33.50 | .62 | " | 2.80% | " " | 31.00 |
| 3 | 33.50 | 57.50 | .69 | " | 3.30% | " " | 33.50 |
| 4 | 57.50 | 96.00 | 1.48 | " | 3.95% | " " | 57.50 |
| 5 | 96.00 | 231.00 | 3.00 | " | 4.15% | " " | 96.00 |
| 6 | 231.00 | AND UP | 8.80 | " | 4.25% | " " | 231.00 |

ANNUAL TAX RATE SCHEDULE

| Line No. | If annual wages are (after deductions and exemptions) | | The ANNUALIZED TAX is the SUM of: | | | | |
|----------|---|---------------|-----------------------------------|------|--------------|-------------|--|
| | At Least | But less than | This Amount (tax-lower brackets) | PLUS | This Percent | OF | Excess of Wages (after deductions and exemptions) over this amount |
| | Col. 1 | Col. 2 | Col. 3 | | Col. 4 | | Col. 5 |
| 1 | \$ 0 | \$8,000 | \$.00 | PLUS | 2.00% | EXCESS OVER | \$ 0 |
| 2 | 8,000 | 8,700 | 180.00 | " | 2.80% | " " | 8,000 |
| 3 | 8,700 | 15,000 | 180.00 | " | 3.30% | " " | 8,700 |
| 4 | 15,000 | 25,000 | 388.00 | " | 3.95% | " " | 15,000 |
| 5 | 25,000 | 60,000 | 783.00 | " | 4.15% | " " | 25,000 |
| 6 | 60,000 | AND UP | 2,238.00 | " | 4.25% | " " | 60,000 |

The steps in computing the amount of tax to be withheld are as follows:

- Step (1) Determine the amount of deduction allowance (from Table A, on page 24).
- (2) Multiply the amount of one exemption (from Table B, on page 24) by the number of exemptions claimed.
- (3) Add the amount of deductions obtained in Step (1) to the amount of exemptions obtained in Step (2).
- (4) Subtract the amount of deductions and exemptions obtained in Step (3) from the employee's gross wages.
- (5) Using the proper table in the Table II series (depending on the particular payroll period), find the applicable line on which the wages after deductions and exemptions in Step (4) are located in columns 1 and 2.
- (6) Subtract the amount in column 5 of this line from the amount of wages after deductions and exemptions in Step (4).
- (7) Multiply the remainder obtained in Step (6) by the percentage in column 4 of this line.
- (8) Add the product in Step (7) to the amount in column 3 of the applicable line. This is the City of New York tax to be withheld for the particular payroll period.

EXAMPLE 1: (weekly payroll)

Weekly gross pay of \$800, with 3 exemptions claimed:

- (1) Deduction allowance (from Table A, page 24) = \$105.75
- (2) \$19.25 (from Table B, page 24) x 3 = \$57.75
- (3) \$105.75 + \$57.75 = \$163.50
- (4) \$800 - \$163.50 = \$636.50
- (5) Line 5 of Table II A is applicable (\$636.50 is between \$481 and \$1,154)
- (6) \$636.50 - \$481 = \$155.50
- (7) \$155.50 x 4.15% (.0415) = \$6.45
- (8) \$6.45 + \$163.50 = \$211.51 (City of New York tax to be withheld)

EXAMPLE 2: (monthly payroll)

Monthly gross pay of \$4,000, with 1 exemption claimed:

- (1) Deduction allowance (from Table A, page 24) = \$458.30
- (2) \$41.85 (from Table B, page 24) x 1 = \$41.85
- (3) \$458.30 + \$41.85 = \$499.95
- (4) \$4,000 - \$499.95 = \$3,500.05
- (5) Line 6 of Table II D is applicable (\$3,500.05 is between \$2,083 and \$5,000)
- (6) \$3,500.05 - \$2,083 = \$1,417.05
- (7) \$1,417.05 x 4.15% (.0415) = \$58.81
- (8) \$58.81 + \$499.95 = \$1,244.06 (City of New York tax to be withheld)