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STATE OF NEW YORK  
OFFICE OF THE STATE COMPTROLLER

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***A MESSAGE FROM NEW YORK STATE COMPTROLLER THOMAS P. DINAPOLI***

In your paychecks dated March 18, 2009 (Administration) and March 26, 2009 (Institution), you may notice an increase in your net biweekly salary. This increase may be attributed to the new federal tax withholding rates that all employers are required to implement, in compliance with the Making Work Pay Tax Credit provision of the American Recovery and Reinvestment Act of 2009.

The new tax credit, available for tax years 2009 and 2010, is 6.2 percent of a taxpayer's earned income up to a maximum credit of \$800 for married couples filing joint returns and \$400 for other taxpayers. Since the credit is phased out for higher income taxpayers (i.e., a married couple filing a joint return whose modified adjusted gross income is between \$150,000 and \$190,000, and individual taxpayers whose modified adjusted gross income is between \$75,000 and \$95,000), high-income individuals, employees with multiple jobs or married couples with combined incomes should review their withholding allowances to ensure sufficient withholding of federal taxes.

The federal government requested that all employers implement the new tax withholding rates no later than April 1, 2009. My office implemented this change earlier to ensure that New York State employees received more take-home pay as soon as possible.