



PAYROLL BULLETIN

To: All State Agencies, Boards, Commissions and Universities
From: Steve L. Valasek, Director State Accounting
Date: July 31, 2001
Subject: Supplemental Withholding Rate
Number: 3-01

Federal Government has changed the withholding rate for supplemental wages. Department of the Treasury, Internal Revenue Service's Publication 15 for information regarding what is considered supplemental wages.

Effective for wages paid after August 6, 2001 (or as soon as possible thereafter), the supplemental wage flat withholding rate is decreased to 27.5%.

Agencies may reproduce this bulletin as needed for internal distribution purposes.

If you have any questions regarding this bulletin, please contact our payroll office at (217) 782-4758. Agencies may access this and other Payroll, SAMS and Accounting Bulletins on the Comptroller's Website at www.ioc.state.il.us under R reference Library.