

To: All State Agencies, Boards, Commissions and Universities
From: Steven L. Valasek, Director of State Accounting
Date: December 8, 2000
Subject: Federal Withholding Tax Tables – 2001
Earned Income Credit Tables – 2001
State Exemption Allowances – 2001
Number: 1-00

Attached are new withholding tax tables which will become effective with the December 16-31, 2000 payroll period. These tables will remain in effect until you are further notified.

To use the attached federal tables, you must first determine the taxable earnings for the employee, calculated as follows:

- (1) Multiply the number of exemptions by the amount of one exemption for the applicable type payroll period. The amount of one withholding exemption is:

Semi-monthly	\$120.83
Monthly	\$241.67
Bi-weekly	\$111.54

- (2) Subtract from gross pay, the following:
 - (a) Exemptions as determined in (1) above
 - (b) Deferred Compensation
 - (c) Tax Sheltered Annuity
 - (d) Non-taxable Benefits
 - (e) Flexible Spending
 - (f) Any other Non-taxable Income
 - (g) Deducted Retirement
 - (h) Tax Deferral Retirement Service Purchases
- (3) Add any other compensation subject to withholding.

(4) Determine the amount to be withheld from the appropriate percentage withholding table (page 3).

(5) Example:

(a)	Gross pay, semi monthly	\$2,000.00
(b)	Less exemptions (married with 5 exemptions) $\$120.83 \times 5 =$	- 604.15
(c)	Less: deductions described in 2(b) through (h) page 1	- 75.16
(d)	Plus: Other Compensation subject to withholding	+ <u>30.00</u>
(e)	Taxable Gross	\$1,350.69
(f)	Tax on \$1,350.69 from semi-monthly married table on page 3.	

$$\begin{array}{r} \$1,350.69 \\ - 269.00 \\ \hline \$1,081.69 \times 15\% = \$ 162.25 \end{array}$$

As page 4 shows the State exemption allowances have not changed for calendar year 2001.

Page 5 shows the 2001 tables for calculating the Advance Payment of Earned Income Credit.

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

If you have any questions regarding this bulletin or the attached tax tables, 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 Reference Library.

Tables for Percentage Method of Withholding (For Wages Paid in 2001)

TABLE 2—BIWEEKLY Payroll Period

(a) SINGLE person (including head of household)—				(b) MARRIED person—			
If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:		If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$102		\$0		Not over \$248		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$102	—\$1,104	15%	—\$102	\$248	—\$1,919	15%	—\$248
\$1,104	—\$2,392	\$150.30 plus 28%	—\$1,104	\$1,919	—\$4,046	\$250.65 plus 28%	—\$1,919
\$2,392	—\$5,323	\$510.94 plus 31%	—\$2,392	\$4,046	—\$6,585	\$846.21 plus 31%	—\$4,046
\$5,323	—\$11,500	\$1,419.55 plus 36%	—\$5,323	\$6,585	—\$11,617	\$1,633.30 plus 36%	—\$6,585
\$11,500		\$3,643.27 plus 39.6%	—\$11,500	\$11,617		\$3,444.82 plus 39.6%	—\$11,617

TABLE 3—SEMIMONTHLY Payroll Period

(a) SINGLE person (including head of household)—				(b) MARRIED person—			
If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:		If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$110		\$0		Not over \$269		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$110	—\$1,196	15%	—\$110	\$269	—\$2,079	15%	—\$269
\$1,196	—\$2,592	\$162.90 plus 28%	—\$1,196	\$2,079	—\$4,383	\$271.50 plus 28%	—\$2,079
\$2,592	—\$5,767	\$553.78 plus 31%	—\$2,592	\$4,383	—\$7,133	\$916.62 plus 31%	—\$4,383
\$5,767	—\$12,458	\$1,539.03 plus 36%	—\$5,767	\$7,133	—\$12,585	\$1,769.12 plus 36%	—\$7,133
\$12,458		\$3,946.79 plus 39.6%	—\$12,458	\$12,585		\$3,737.84 plus 39.6%	—\$12,585

TABLE 4—MONTHLY Payroll Period

(a) SINGLE person (including head of household)—				(b) MARRIED person—			
If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:		If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$221		\$0		Not over \$538		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$221	—\$2,392	15%	—\$221	\$538	—\$4,158	15%	—\$538
\$2,392	—\$5,183	\$325.65 plus 28%	—\$2,392	\$4,158	—\$8,767	\$543.00 plus 28%	—\$4,158
\$5,183	—\$11,533	\$1,107.13 plus 31%	—\$5,183	\$8,767	—\$14,267	\$1,833.52 plus 31%	—\$8,767
\$11,533	—\$24,917	\$3,075.63 plus 36%	—\$11,533	\$14,267	—\$25,171	\$3,538.52 plus 36%	—\$14,267
\$24,917		\$7,893.87 plus 39.6%	—\$24,917	\$25,171		\$7,463.96 plus 39.6%	—\$25,171

STATE OF ILLINOIS

Percentage Method Allowance Tables

Allowances per exemption for year 2001

<i>Payroll Period</i>	<i>Exempt Amount</i>
<i>Bi-weekly</i>	<i>\$ 76.92</i>
<i>Semi-monthly</i>	<i>\$ 83.33</i>
<i>Monthly</i>	<i>\$166.67</i>

Tables for Percentage Method of Advance EIC Payments

(For Wages Paid in 2001)

Table 2. BIWEEKLY Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—	
\$0	\$274	20.40% of wages
\$274	\$503	\$56
\$503		\$56 less 9.588% of wages in excess of \$503

(b) MARRIED With Both Spouses Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—	
\$0	\$137	20.40% of wages
\$137	\$251	\$28
\$251		\$28 less 9.588% of wages in excess of \$251

Table 3. SEMIMONTHLY Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—	
\$0	\$297	20.40% of wages
\$297	\$545	\$61
\$545		\$61 less 9.588% of wages in excess of \$545

(b) MARRIED With Both Spouses Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—	
\$0	\$148	20.40% of wages
\$148	\$272	\$30
\$272		\$30 less 9.588% of wages in excess of \$272

Table 4. MONTHLY Payroll Period

(a) SINGLE or MARRIED Without Spouse Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—	
\$0	\$595	20.40% of wages
\$595	\$1,090	\$121
\$1,090		\$121 less 9.588% of wages in excess of \$1,090

(b) MARRIED With Both Spouses Filing Certificate

If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—	
\$0	\$297	20.40% of wages
\$297	\$545	\$61
\$545		\$61 less 9.588% of wages in excess of \$545