

**01/01/2011 FEDERAL TAX WITHHOLDING FORMULAS**

**ALLOWANCE AMOUNT = \$3,700.00**

Multiply monthly/biweekly gross by number of pay periods in the year. Subtract the withholding allowances from the annualized salary. Do not deduct the standard deduction from gross salary since it is included in the table below. Use the following table for calculating Federal tax withholding for 2011.

If the amount of wages (after subtracting allowances) is:		The amount of income tax shall be:	
Over	Not over	Of excess over	
0	2,100	0	0%
S	2,100	10,600	2,100 10%
I	10,600	36,600	10,600 850.00 plus 15%
N	36,600	85,700	36,600 4,750.00 plus 25%
G	85,700	176,500	85,700 17,025.00 plus 28%
L	176,500	381,250	176,500 42,449.00 plus 33%
E	381,250	9,999,999	381,250 110,016.50 plus 35%

  

If the amount of wages (after subtracting allowances) is:		The amount of income tax shall be:	
Over	Not over	Of excess over	
0	7,900	0	0%
M	7,900	24,900	7,900 10%
A	24,900	76,900	24,900 1,700.00 plus 15%
R	76,900	147,250	76,900 9,500.00 plus 25%
R	147,250	220,200	147,250 27,087.50 plus 28%
I	220,200	387,050	220,200 47,513.50 plus 33%
E	387,050	9,999,999	387,050 102,574.00 plus 35%

Supplemental Federal Tax rate is 25%.

**01/01/2011 NC TAX WITHHOLDING FORMULAS**

**ALLOWANCE AMOUNT:**

**2,500**

**or**

**\$2,000**

*Single* - If annual income less than \$60,000

If annual income greater than \$59,999

*Married* - If annual income less than \$50,000

If annual income greater than \$49,999

*Head* - If annual income less than \$80,000

If annual income greater than \$79,999

Multiply monthly/biweekly gross by number of pay periods in the year. Subtract the withholding allowances per the withholding information above from the annual salary. Use the following table for calculating the State withholding tax for 2010.

If the amount of wages (after subtracting allowances) is:		The amount of income tax shall be:	
Over	Not over	Of excess over	
\$ -	\$ 3,000	\$ -	0%
S	\$ 3,000	\$ 15,750	\$ 3,000 6%
I	\$ 15,750	\$ 63,000	\$ 15,750 \$ 765.00 plus 7%
N	\$ 63,000	\$ 9,999,999	\$ 63,000 \$ 4,072.50 plus 7.75%

  

If the amount of wages (after subtracting allowances) is:		The amount of income tax shall be:	
Over	Not over	Of excess over	
\$ -	\$ 3,000	\$ -	0%
M	\$ 3,000	\$ 13,625	\$ 3,000 6%
A	\$ 13,625	\$ 53,000	\$ 13,625 \$ 637.50 plus 7%
R	\$ 53,000	\$ 9,999,999	\$ 53,000 \$ 3,393.75 plus 7.75%

  

If the amount of wages (after subtracting allowances) is:		The amount of income tax shall be:	
Over	Not over	Of excess over	
\$ -	\$ 4,400	\$ -	0%
H	\$ 4,400	\$ 21,400	\$ 4,400 6%
E	\$ 21,400	\$ 84,400	\$ 21,400 \$ 1,020.00 plus 7%
A	\$ 84,400	\$ 9,999,999	\$ 84,400 \$ 5,430.00 plus 7.75%

Supplemental NC State Tax rate is 6%.