

## **Definitions**

**Hourly pay** – When an employee is paid an hourly rate for each hour that they work.

**Salary pay** - Typically a set amount of money make annually(for the year) regardless of how many hours worked.

**Dependent** – Someone you can claim on your taxes. Typically a child but can also be a relative. You can click on the following [link](#) to see who qualifies as a dependent.

**Gross Pay** – Amount of income made before taxes are taken out.

**Overtime** - When an hourly employee works over 40 hours for the week each hour worked over 40 hours the employee will receive 1.5 times his normal rate.

### **Types of pay schedules –**

**Weekly** – paid once a week.

**Bi-weekly** – paid every two weeks.

**Semi-monthly** – paid twice a month.

**Monthly** – paid once a month.

**Net Pay** – Total amount of income after taxes have been taken out. Gross pay minus taxes.

### **Types of taxes –**

**Withholding** – Also known as federal tax. Is the amount withheld by your employer and paid directly to the government. The amount is determined by a table created by the IRS.

For this assignment you will need to use the 2020 Wage Bracket Method Tables for Manual Payroll Systems that I have provided with this packet. We will assume everyone in this example and assignment will be using the Standard Deduction and will be looking at Column 3 for Married Filing Jointly and Column 7 for the Single people for the withholding tax as this is most common. We will not be looking into exemptions as well as this becomes a lot more difficult to calculate the withholding tax and should not apply to you in the very near future.

To first calculate the withholding tax we will need to calculate the gross pay of each individual as we did in the previous example and assignment. The numbers have not changed in this example or assignment so you can use the previous assignment for the Gross Pay. Then determine if the individual is paid weekly, bi-weekly, semi-monthly, or monthly. Look at the top of the page under the title and ensure you are using the correct table for the individual. Next use the Gross Pay amount and look at columns 1 and 2 of the table and look for the numbers for which your Gross Pay lies between. You will then look at the column that coordinates with the individual in the question (column 3 if married and column 7 if single) and that will be the amount for the withholding tax. It is not right on but very close to the amount the individual will be taxed.

Name: \_\_\_\_\_

## Calculating Withholding Tax Practice

**Instructions: Answer questions below. When submitting answers into google forms do not use a dollar sign or commas and be sure to round to the nearest hundredths place. Example: 2790.13**

- 1) Zach is single and has no dependents. He is currently working at Dairy Queen and is making \$9.50 an hour. He is currently getting paid weekly and this week he worked 31 hours. How much withholding tax will be held from Zack's paycheck?

The screenshot shows a PDF document titled "2020 Wage Bracket Method Tables for Manual Payroll Systems With Forms W-4 From WEEKLY Payroll Period". The document is displayed in Adobe Acrobat Reader DC. The table is a wage bracket method table for weekly payroll periods. It is organized into columns for filing status and withholding methods, and rows for wage brackets. The table is as follows:

If the Adjusted Wage Amount (line 1h) is		Married Filing Jointly		Head of Household		Single or Married
		Standard withholding	Form W-4, Step 2, Checkbox withholding	Standard withholding	Form W-4, Step 2, Checkbox withholding	Standard withholding
At least	But less than	The Tentative Withholding Amount is:				
\$0	\$120	\$0	\$0	\$0	\$0	\$0
\$120	\$130	\$0	\$0	\$0	\$0	\$0
\$130	\$140	\$0	\$0	\$0	\$0	\$0
\$140	\$150	\$0	\$0	\$0	\$0	\$0
\$150	\$160	\$0	\$0	\$0	\$0	\$0
\$160	\$170	\$0	\$0	\$0	\$0	\$0
\$170	\$180	\$0	\$0	\$0	\$0	\$0
\$180	\$190	\$0	\$0	\$0	\$1	\$0
\$190	\$200	\$0	\$0	\$0	\$2	\$0
\$200	\$210	\$0	\$0	\$0	\$3	\$0
\$210	\$220	\$0	\$0	\$0	\$4	\$0
\$220	\$230	\$0	\$0	\$0	\$5	\$0
\$230	\$240	\$0	\$0	\$0	\$6	\$0
\$240	\$250	\$0	\$1	\$0	\$7	\$1
\$250	\$260	\$0	\$2	\$0	\$8	\$2
\$260	\$270	\$0	\$3	\$0	\$9	\$3
\$270	\$280	\$0	\$4	\$0	\$10	\$4
\$280	\$290	\$0	\$5	\$0	\$11	\$5
\$290	\$300	\$0	\$6	\$0	\$12	\$6

We previously calculated Zach's Gross Pay to be \$294.50.

We have determined that Zach is paid weekly and that Zach is single from the content in the problem above. Looking at the weekly payroll period table we then locate the two numbers for which Zach's Gross Pay lies between in Column 1 and Column 2. In this case the gross pay lies between \$290 and \$300. Since Zach is single we then look to Column 7. We see that Zach's withholding tax is equal to \$6.

- 2) Maria is married but has no children. She just got a job working as a youth advisor and will be making \$9.75 an hour. She is being paid weekly. This week she worked 39 hours. How much withholding tax will be held from Maria's paycheck?

The screenshot shows a document titled "2020 Publication 15-T - Adobe Acrobat Reader DC" with a menu bar (File, Edit, View, Window, Help) and a toolbar. The main content is a table with the following columns: Gross Pay, Taxable Pay, and Withholding Tax. The table is organized into rows representing different gross pay brackets.

\$170	\$180	\$0	\$0	\$0	\$0	\$0
\$180	\$190	\$0	\$0	\$0	\$1	\$0
\$190	\$200	\$0	\$0	\$0	\$2	\$0
\$200	\$210	\$0	\$0	\$0	\$3	\$0
\$210	\$220	\$0	\$0	\$0	\$4	\$0
\$220	\$230	\$0	\$0	\$0	\$5	\$0
\$230	\$240	\$0	\$0	\$0	\$6	\$0
\$240	\$250	\$0	\$1	\$0	\$7	\$1
\$250	\$260	\$0	\$2	\$0	\$8	\$2
\$260	\$270	\$0	\$3	\$0	\$9	\$3
\$270	\$280	\$0	\$4	\$0	\$10	\$4
\$280	\$290	\$0	\$5	\$0	\$11	\$5
\$290	\$300	\$0	\$6	\$0	\$12	\$6
\$300	\$310	\$0	\$7	\$0	\$13	\$7
\$310	\$320	\$0	\$8	\$0	\$14	\$8
\$320	\$330	\$0	\$9	\$0	\$15	\$9
\$330	\$340	\$0	\$10	\$0	\$16	\$10
\$340	\$350	\$0	\$11	\$0	\$17	\$11
\$350	\$360	\$0	\$12	\$0	\$18	\$12
\$360	\$370	\$0	\$13	\$1	\$20	\$13
\$370	\$380	\$0	\$14	\$2	\$21	\$14
\$380	\$390	\$0	\$15	\$3	\$22	\$15
\$390	\$400	\$0	\$16	\$4	\$23	\$16
\$400	\$410	\$0	\$17	\$5	\$24	\$17
\$410	\$420	\$0	\$18	\$6	\$26	\$18
\$420	\$430	\$0	\$19	\$7	\$27	\$19
\$430	\$440	\$0	\$20	\$8	\$28	\$20
\$440	\$450	\$0	\$21	\$9	\$29	\$21
\$450	\$460	\$0	\$22	\$10	\$30	\$22

We previously calculated Maria's Gross Pay to be \$380.25.

We have determined that Maria is paid weekly and that Maria is married from the content in the problem above. Looking at the weekly payroll period table we then locate the two numbers for which Maria's Gross Pay lies between in Column 1 and Column 2. In this case the gross pay lies between \$380 and \$390. Since Maria is married we then look to Column 3. We see that Maria's withholding tax is equal to \$0.

- 3) Carlos is working construction and gets paid by the hour bi-weekly. He is currently receiving \$26 an hour. The first week of the pay period he worked a total of 28 hours and the second week he worked 36 hours. Carlos is married but he does not have any dependents. How much withholding tax will be held from Carlos' paycheck?

The screenshot shows a document titled "2020 Publication 15-T - Adobe Acrobat Reader DC" with a menu bar (File, Edit, View, Window, Help) and a toolbar. The main content is a table with 8 columns. The first two columns represent gross pay ranges, and the remaining six columns represent withholding tax amounts. The table is divided into sections by horizontal lines.

\$1,255	\$1,275	\$31	\$87	\$55	\$103	\$87
\$1,275	\$1,295	\$33	\$89	\$57	\$106	\$89
\$1,295	\$1,315	\$35	\$92	\$60	\$108	\$92
\$1,315	\$1,335	\$37	\$94	\$62	\$111	\$94
\$1,335	\$1,355	\$39	\$97	\$64	\$113	\$97
\$1,355	\$1,375	\$41	\$99	\$67	\$115	\$99
\$1,375	\$1,395	\$43	\$101	\$69	\$118	\$101
\$1,395	\$1,415	\$45	\$104	\$72	\$122	\$104
\$1,415	\$1,435	\$47	\$106	\$74	\$126	\$106
\$1,435	\$1,455	\$49	\$109	\$76	\$130	\$109
\$1,455	\$1,475	\$51	\$111	\$79	\$135	\$111
\$1,475	\$1,495	\$53	\$113	\$81	\$139	\$113
\$1,495	\$1,515	\$55	\$116	\$84	\$144	\$116
\$1,515	\$1,535	\$57	\$118	\$86	\$148	\$118
\$1,535	\$1,555	\$59	\$121	\$88	\$152	\$121
\$1,555	\$1,575	\$61	\$123	\$91	\$157	\$123
\$1,575	\$1,595	\$63	\$125	\$93	\$161	\$125
\$1,595	\$1,615	\$65	\$128	\$96	\$166	\$128
\$1,615	\$1,635	\$67	\$130	\$98	\$170	\$130
\$1,635	\$1,655	\$69	\$133	\$100	\$174	\$133
\$1,655	\$1,675	\$71	\$135	\$103	\$179	\$135
\$1,675	\$1,695	\$73	\$137	\$105	\$183	\$137
\$1,695	\$1,715	\$75	\$140	\$108	\$188	\$140
\$1,715	\$1,735	\$77	\$142	\$110	\$192	\$142
\$1,735	\$1,755	\$80	\$145	\$112	\$196	\$145
\$1,755	\$1,775	\$82	\$147	\$115	\$201	\$147
\$1,775	\$1,795	\$85	\$149	\$117	\$205	\$149
\$1,795	\$1,815	\$87	\$152	\$120	\$210	\$152
\$1,815	\$1,835	\$89	\$154	\$122	\$214	\$154
\$1,835	\$1,855	\$92	\$157	\$124	\$218	\$157

We previously calculated Carlos' Gross Pay to be \$1664.00.

We have determined that Carlos is paid bi-weekly and that Carlos is married from the content in the problem above. Looking at the biweekly payroll period table we then locate the two numbers for which Carlos' Gross Pay lies between in Column 1 and Column 2. In this case the gross pay lies between \$1,655 and \$1,675. Since Carlos is married we then look to Column 3. We see that Carlos' withholding tax is equal to \$71.

- 4) Ashley is currently working at the local supermarket in town. She is not married and does not have any dependents. She gets paid bi-weekly and will receive \$11.50 an hour. Last week she worked 40 hours and this week she worked 27 hours. How much withholding tax will be held from Ashley's paycheck?

\$550	\$565	\$0	\$8	\$0	\$20	\$8
\$565	\$580	\$0	\$10	\$0	\$21	\$10
\$580	\$595	\$0	\$11	\$0	\$23	\$11
\$595	\$610	\$0	\$13	\$0	\$24	\$13
\$610	\$625	\$0	\$14	\$0	\$26	\$14
\$625	\$640	\$0	\$16	\$0	\$27	\$16
\$640	\$655	\$0	\$17	\$0	\$29	\$17
\$655	\$670	\$0	\$19	\$0	\$31	\$19
\$670	\$685	\$0	\$20	\$0	\$33	\$20
\$685	\$700	\$0	\$22	\$0	\$35	\$22
\$700	\$715	\$0	\$23	\$0	\$36	\$23
\$715	\$730	\$0	\$25	\$1	\$38	\$25
\$730	\$745	\$0	\$26	\$2	\$40	\$26
\$745	\$760	\$0	\$28	\$4	\$42	\$28
\$760	\$775	\$0	\$29	\$5	\$44	\$29
\$775	\$790	\$0	\$31	\$7	\$45	\$31
\$790	\$805	\$0	\$32	\$8	\$47	\$32
\$805	\$820	\$0	\$34	\$10	\$49	\$34
\$820	\$835	\$0	\$35	\$11	\$51	\$35
\$835	\$850	\$0	\$37	\$13	\$53	\$37
\$850	\$865	\$0	\$38	\$14	\$54	\$38
\$865	\$880	\$0	\$40	\$16	\$56	\$40
\$880	\$895	\$0	\$42	\$17	\$58	\$42
\$895	\$910	\$0	\$43	\$19	\$60	\$43
\$910	\$925	\$0	\$45	\$20	\$62	\$45
\$925	\$940	\$0	\$47	\$22	\$63	\$47
\$940	\$955	\$0	\$49	\$23	\$65	\$49
\$955	\$970	\$1	\$51	\$25	\$67	\$51
\$970	\$985	\$2	\$52	\$26	\$69	\$52
\$985	\$1,000	\$4	\$54	\$28	\$71	\$54

We previously calculated Ashley's Gross Pay to be \$770.50.

We have determined that Ashley is paid bi-weekly and that Ashley is single from the content in the problem above. Looking at the biweekly payroll period table we then locate the two numbers for which Ashley's Gross Pay lies between in Column 1 and Column 2. In this case the gross pay lies between \$760 and \$775. Since Ashley is single we then look to Column 7. We see that Ashley's withholding tax is equal to \$29.

- 5) Samantha is working as a receptionist for the local hotel. She is currently being paid at a rate of \$13.25 an hour and gets paid weekly. This week she worked 47 hours. Samantha is single and has no dependents. How much withholding tax will be held from Samantha's paycheck?

The screenshot shows a PDF document titled "2020 Publication 15-T - Adobe Acrobat Reader DC". The document contains a table with 8 columns. The first two columns represent Gross Pay ranges, and the remaining six columns represent Withholding Tax amounts. The table is as follows:

\$480	\$490	\$1	\$26	\$13	\$34	\$26
\$490	\$500	\$2	\$27	\$14	\$35	\$27
\$500	\$510	\$3	\$28	\$15	\$36	\$28
\$510	\$520	\$4	\$29	\$16	\$38	\$29
\$520	\$530	\$5	\$31	\$17	\$39	\$31
\$530	\$540	\$6	\$32	\$18	\$40	\$32
\$540	\$550	\$7	\$33	\$19	\$41	\$33
\$550	\$560	\$8	\$34	\$20	\$42	\$34
\$560	\$570	\$9	\$35	\$21	\$44	\$35
\$570	\$580	\$10	\$37	\$22	\$45	\$37
\$580	\$590	\$11	\$38	\$23	\$46	\$38
\$590	\$600	\$12	\$39	\$24	\$47	\$39
\$600	\$610	\$13	\$40	\$25	\$48	\$40
\$610	\$620	\$14	\$41	\$26	\$50	\$41
\$620	\$630	\$15	\$43	\$27	\$51	\$43
\$630	\$640	\$16	\$44	\$28	\$52	\$44
\$640	\$650	\$17	\$45	\$29	\$53	\$45
\$650	\$660	\$18	\$46	\$30	\$54	\$46
\$660	\$670	\$19	\$47	\$31	\$56	\$47
\$670	\$680	\$20	\$49	\$33	\$57	\$49
\$680	\$690	\$21	\$50	\$34	\$58	\$50
\$690	\$700	\$22	\$51	\$35	\$59	\$51
\$700	\$710	\$23	\$52	\$36	\$61	\$52
\$710	\$720	\$24	\$53	\$37	\$64	\$53
\$720	\$730	\$25	\$55	\$39	\$66	\$55
\$730	\$740	\$26	\$56	\$40	\$68	\$56
\$740	\$750	\$27	\$57	\$41	\$70	\$57
\$750	\$760	\$28	\$58	\$42	\$72	\$58

We previously calculated Samantha's Gross Pay to be \$669.16.

We have determined that Samantha is paid weekly and that Samantha is single from the content in the problem above. Looking at the weekly payroll period table we then locate the two numbers for which Samantha's Gross Pay lies between in Column 1 and Column 2. In this case the gross pay lies between \$660 and \$670. Since Samantha is single we then look to Column 7. We see that Samantha's withholding tax is equal to \$47.

6) Jason is working for the oil company. He is making \$17.50 an hour and is being paid bi-weekly. Jason is married but has no dependents. Last week he worked 48 hours and this week he worked 55 hours. How much withholding tax will be held from Jason's paycheck?

The screenshot shows a PDF document with a table of payroll data. The table has 8 columns. The first two columns represent gross pay ranges, and the remaining six columns represent withholding tax amounts. The data is as follows:

\$1,595	\$1,615	\$65	\$128	\$96	\$166	\$128
\$1,615	\$1,635	\$67	\$130	\$98	\$170	\$130
\$1,635	\$1,655	\$69	\$133	\$100	\$174	\$133
\$1,655	\$1,675	\$71	\$135	\$103	\$179	\$135
\$1,675	\$1,695	\$73	\$137	\$105	\$183	\$137
\$1,695	\$1,715	\$75	\$140	\$108	\$188	\$140
\$1,715	\$1,735	\$77	\$142	\$110	\$192	\$142
\$1,735	\$1,755	\$80	\$145	\$112	\$196	\$145
\$1,755	\$1,775	\$82	\$147	\$115	\$201	\$147
\$1,775	\$1,795	\$85	\$149	\$117	\$205	\$149
\$1,795	\$1,815	\$87	\$152	\$120	\$210	\$152
\$1,815	\$1,835	\$89	\$154	\$122	\$214	\$154
\$1,835	\$1,855	\$92	\$157	\$124	\$218	\$157
\$1,855	\$1,875	\$94	\$159	\$127	\$223	\$159
\$1,875	\$1,895	\$97	\$161	\$129	\$227	\$161
\$1,895	\$1,925	\$100	\$164	\$132	\$233	\$164
\$1,925	\$1,955	\$103	\$168	\$136	\$239	\$168
\$1,955	\$1,985	\$107	\$172	\$139	\$246	\$172
\$1,985	\$2,015	\$110	\$175	\$143	\$252	\$175
\$2,015	\$2,045	\$114	\$180	\$147	\$260	\$180
\$2,045	\$2,075	\$118	\$186	\$150	\$267	\$186
\$2,075	\$2,105	\$121	\$193	\$154	\$274	\$193
\$2,105	\$2,135	\$125	\$200	\$157	\$281	\$200
\$2,135	\$2,165	\$128	\$206	\$161	\$288	\$206
\$2,165	\$2,195	\$132	\$213	\$165	\$296	\$213
\$2,195	\$2,225	\$136	\$219	\$168	\$303	\$219
\$2,225	\$2,255	\$139	\$226	\$172	\$310	\$226
\$2,255	\$2,285	\$143	\$233	\$175	\$317	\$233
\$2,285	\$2,315	\$146	\$239	\$179	\$324	\$239
\$2,315	\$2,345	\$150	\$246	\$183	\$332	\$246

We previously calculated Jason's Gross Pay to be \$2003.75.

We have determined that Jason is paid bi-weekly and that Jason is married from the content in the problem above. Looking at the biweekly payroll period table we then locate the two numbers for which Jason's Gross Pay lies between in Column 1 and Column 2. In this case the gross pay lies between \$1,985 and \$2,015. Since Jason is married we then look to Column 3. We see that Jason's withholding tax is equal to \$110.



7) Andrew is working at the local aquarium as a marine biologist. His annual salary is \$98,500 a year. He has just gotten married but has no dependents. He currently gets paid monthly. How much withholding tax will be held from Andrew's paycheck?

\$5,980	\$6,055	\$441	\$746	\$512	\$951	\$746
\$6,055	\$6,130	\$450	\$762	\$527	\$969	\$762
\$6,130	\$6,205	\$459	\$779	\$544	\$987	\$779
\$6,205	\$6,280	\$468	\$795	\$560	\$1,005	\$795
\$6,280	\$6,355	\$477	\$812	\$577	\$1,023	\$812
\$6,355	\$6,430	\$486	\$828	\$593	\$1,041	\$828
\$6,430	\$6,505	\$495	\$845	\$610	\$1,059	\$845
\$6,505	\$6,580	\$504	\$861	\$626	\$1,077	\$861
\$6,580	\$6,655	\$513	\$878	\$643	\$1,095	\$878
\$6,655	\$6,730	\$522	\$894	\$659	\$1,113	\$894
\$6,730	\$6,805	\$531	\$911	\$676	\$1,131	\$911
\$6,805	\$6,880	\$540	\$927	\$692	\$1,149	\$927
\$6,880	\$6,955	\$549	\$944	\$709	\$1,167	\$944
\$6,955	\$7,030	\$558	\$960	\$725	\$1,185	\$960
\$7,030	\$7,105	\$567	\$977	\$742	\$1,203	\$977
\$7,105	\$7,180	\$576	\$993	\$758	\$1,221	\$993
\$7,180	\$7,255	\$585	\$1,010	\$775	\$1,239	\$1,010
\$7,255	\$7,330	\$594	\$1,026	\$791	\$1,257	\$1,026
\$7,330	\$7,430	\$605	\$1,045	\$811	\$1,278	\$1,045
\$7,430	\$7,530	\$617	\$1,067	\$833	\$1,302	\$1,067
\$7,530	\$7,630	\$629	\$1,089	\$855	\$1,326	\$1,089
\$7,630	\$7,730	\$641	\$1,111	\$877	\$1,358	\$1,111
\$7,730	\$7,830	\$653	\$1,133	\$899	\$1,390	\$1,133
\$7,830	\$7,930	\$665	\$1,155	\$921	\$1,422	\$1,155
\$7,930	\$8,030	\$677	\$1,177	\$943	\$1,454	\$1,177
\$8,030	\$8,130	\$689	\$1,199	\$965	\$1,486	\$1,199
\$8,130	\$8,230	\$701	\$1,222	\$987	\$1,518	\$1,222
\$8,230	\$8,330	\$713	\$1,246	\$1,009	\$1,550	\$1,246

We previously calculated Andrew's Gross Pay to be \$8,208.33.

We have determined that Andrew is paid monthly and that Andrew is married from the content in the problem above. Looking at the monthly payroll period table we then locate the two numbers for which Andrew's Gross Pay lies between in Column 1 and Column 2. In this case the gross pay lies between \$8,130 and \$8,230. Since Andrew is married we then look to Column 3. We see that Andrew's withholding tax is equal to \$701.

8) Tara just got a job as a professor at the state college. She will be making an annual salary of \$96,300 and will be paid semi-monthly. Tara is currently single and does not have any dependents. How much withholding tax will be held from Tara's paycheck?

\$3,200	\$3,310	\$255	\$430	\$310	\$544	\$430
\$3,310	\$3,340	\$259	\$442	\$325	\$551	\$442
\$3,340	\$3,370	\$262	\$449	\$332	\$559	\$449
\$3,370	\$3,400	\$266	\$456	\$338	\$566	\$456
\$3,400	\$3,430	\$269	\$462	\$345	\$573	\$462
\$3,430	\$3,460	\$273	\$469	\$351	\$580	\$469
\$3,460	\$3,490	\$277	\$475	\$358	\$587	\$475
\$3,490	\$3,520	\$280	\$482	\$365	\$595	\$482
\$3,520	\$3,550	\$284	\$489	\$371	\$602	\$489
\$3,550	\$3,580	\$287	\$495	\$378	\$609	\$495
\$3,580	\$3,610	\$291	\$502	\$384	\$616	\$502
\$3,610	\$3,640	\$295	\$508	\$391	\$623	\$508
\$3,640	\$3,670	\$298	\$515	\$398	\$631	\$515
\$3,670	\$3,710	\$302	\$523	\$405	\$639	\$523
\$3,710	\$3,750	\$307	\$532	\$414	\$649	\$532
\$3,750	\$3,790	\$312	\$540	\$423	\$658	\$540
\$3,790	\$3,830	\$317	\$549	\$432	\$669	\$549
\$3,830	\$3,870	\$322	\$558	\$441	\$682	\$558
\$3,870	\$3,910	\$326	\$567	\$449	\$695	\$567
\$3,910	\$3,950	\$331	\$576	\$458	\$708	\$576
\$3,950	\$3,990	\$336	\$584	\$467	\$721	\$584
\$3,990	\$4,030	\$341	\$593	\$476	\$733	\$593
\$4,030	\$4,070	\$346	\$602	\$485	\$746	\$602
\$4,070	\$4,110	\$350	\$611	\$493	\$759	\$611
\$4,110	\$4,150	\$355	\$621	\$502	\$772	\$621
\$4,150	\$4,190	\$360	\$630	\$511	\$785	\$630

We previously calculated Tara's Gross Pay to be \$4,012.50.

We have determined that Tara is paid semi-weekly and that Tara is single from the content in the problem above. Looking at the semiweekly payroll period table we then locate the two numbers for which Tara's Gross Pay lies between in Column 1 and Column 2. In this case the gross pay lies between \$3,990 and \$4030. Since Tara is single we then look to Column 7. We see that Tara's withholding tax is equal to \$593.

- 9) Michael is a surgeon and is currently getting an annual salary of \$189,000 a year. He has opted to get his paychecks weekly. Michael is currently single with no dependents. How much withholding tax will be held from Michael's paycheck?

To answer this question it is a lot more complicated than just looking up on the table that I have provided as Michael's income is too high for the tables given. I have calculated Michael's withholding tax by following the guidelines given by the IRS.

Michael's withholding tax = \$589.67