**FIGURING YOUR FEDERAL TAXES**

**Effective January 1, 2023**

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| **Step 1.** | **Adjust your wage amount** |  |  |  |  |  |  |
|  | 1a | Enter your total taxable wages this payroll period . . . . . . . . . . . . . . . . . . . . . . . . …………….. . . . . . .  | 1a | $\_\_\_\_\_\_\_\_\_\_\_\_\_  |
|  | 1b | Enter the number of pay periods you have per year (Monthly=12, Biweekly=26) . . . . . . . . . .. . . . . . .  | 1b | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  |
|  | 1c | Multiply the amount on line 1a by the number on line 1b . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .  | 1c | $\_\_\_\_\_\_\_\_\_\_\_\_\_  |
| **If you** **HAVE submitted a Form W-4 for 2020 or later**, figure your Adjusted Annual Wage Amount as follows: |
|  | 1d | Enter the amount from Step 4(a) of your Form W-4 . . . . . ……. . … . …. .... . . . . . . . . . . . . . . . . . . .  | 1d | $\_\_\_\_\_\_\_\_\_\_\_\_\_  |
|  | 1e | Add lines 1c and 1d . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . …. . . .  | 1e | $\_\_\_\_\_\_\_\_\_\_\_\_\_  |
|  | 1f | Enter the amount from Step 4(b) of your Form W-4 . . . . . . . . . . ….. ….. . . ….. . …. . . . . . . . . . . . . .  | 1f | $\_\_\_\_\_\_\_\_\_\_\_\_\_  |
|  | 1g | If the box in Step 2 of Form W-4 is checked, enter -0-. If the box is not checked, enter $12,900 if you are married filing jointly or $8,600 otherwise . . . . . . . . . . …. . . . . . . . . . . . . ….. ... . . . . …. . . . .. . .  | 1g | $\_\_\_\_\_\_\_\_\_\_\_\_\_  |
|  | 1h | Add lines 1f and 1g . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . ….  | 1h | $\_\_\_\_\_\_\_\_\_\_\_\_\_  |
|  | 1i | Subtract line 1h from line 1e. If zero or less, enter -0-. This is your **Adjusted Annual****Wage Amount** . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .  | . . . . . .  | 1i | $\_\_\_\_\_\_\_\_\_\_\_\_\_  |
| **If you** **HAVE NOT submitted a Form W-4 for 2020 or later**, figure your Adjusted Annual Wage Amount as follows: |
|  | 1j | Enter the number of allowances claimed on your most recent Form W-4 . . . . . ….. ….. ….. …... . . . . .  | 1j | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  |
|  | 1k | Multiply line 1j by $4,300 . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . ……. . .  | 1k | $\_\_\_\_\_\_\_\_\_\_\_\_\_  |
|  | 1l | Subtract line 1k from line 1c. If zero or less, enter -0-. This is your **Adjusted Annual****Wage Amount** . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .  | . . . . . . .  | 1l | $\_\_\_\_\_\_\_\_\_\_\_\_\_  |
| **Step 2.** | **Figure your Tentative Withholding Amount** |  |  |  |  |  |  |
| Based on your Adjusted Annual Wage Amount; filing status (Step 1(c) of the 2020 or later Form W-4) or marital status (line 3 of Form W-4 from 2019 or earlier); and whether the box in Step 2 of 2020 or later Form W-4 is checked. |
| **Note.** Don't use the Head of Household table if your Form W-4 is from 2019 or earlier. |
|  | 2a | Enter your **Adjusted Annual Wage Amount** from line 1i or 1l above . . . . . . . . . . . . …………. . . .  | ……2a | $\_\_\_\_\_\_\_\_\_\_\_\_\_  |
|  | 2b | On the following page, find the row in the appropriate **Annual Percentage Method Tax Table** in which the amount on line 2a is at least the amount in column A, but less than the amount in column B, then enter here the amount from column A of that row . . . . . . . . . . . . . . . . . . . . . . . . . .  |  |  |
|  |  | ……2b | $\_\_\_\_\_\_\_\_\_\_\_\_\_  |
|  | 2c | Enter the amount from column C of that row . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .  | ……2c | $\_\_\_\_\_\_\_\_\_\_\_\_\_  |
|  | 2d | Enter the percentage from column D of that row . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .  | ……2d |  % |
|  | 2e | Subtract line 2b from line 2a . . . . . . . . . . . . . . . . . . . . . . . . . . . . . ... . . . . . . . . . .. . . . . . . . . . . . . . .  | ……2e | $\_\_\_\_\_\_\_\_\_\_\_\_\_  |
|  | 2f | Multiply the amount on line 2e by the percentage on line 2d . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .  | ……2f | $\_\_\_\_\_\_\_\_\_\_\_\_\_  |
|  | 2g | Add lines 2c and 2f . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .  | ……2g | $\_\_\_\_\_\_\_\_\_\_\_\_\_  |
|  | 2h | Divide the amount on line 2g by the number of pay periods on line 1b.This is the **Tentative Withholding Amount** . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . ….. . . . . . . . . .  |   | ……2h | $\_\_\_\_\_\_\_\_\_\_\_\_\_  |
| **Step 3.** | **Account for tax credits** |  |  |  |  |  |  |  |
|  | 3a | If your Form W-4 is from 2020 or later, enter the amount from Step 3 of that form; otherwiseenter -0- . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .. . . . . … . . . . . ... . . . . . . . …  | ……3a | $\_\_\_\_\_\_\_\_\_\_\_\_\_  |
|  | 3b | Divide the amount on line 3a by the number of pay periods on line 1b . . . . . . . . . . . . . . . . . . . . . . . | ……3b | $\_\_\_\_\_\_\_\_\_\_\_\_\_  |
|  | 3c | Subtract line 3b from line 2h. If zero or less, enter -0- . . . . . . . . . . . . . . . . . . . . . . . . . . … . . . . . . . | ……3c | $\_\_\_\_\_\_\_\_\_\_\_\_\_  |
| **Step 4.** | **Figure the final amount to withhold** |  |  |  |  |  |  |
|  | 4a | Enter the additional amount to withhold from your Form W-4 (Step 4(c) of the 2020 or later form or line 6 on earlier forms) . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . …. . . . . . . . . . . …. .  | ……4a | $\_\_\_\_\_\_\_\_\_\_\_\_\_  |
|  | 4b | Add lines 3c and 4a. **This is the amount to withhold from your wages this pay period.**  |  | ……4b | $ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  |
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**2023 Annual Percentage Method Tax Tables**

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| **STANDARD Withholding Rate Schedules**(Use these if the Form W-4 is from 2019 or earlier, or if the Form W-4 is from 2020 or later and the box in Step 2 of Form W-4 **is NOT** checked) | **Form W-4, Step 2, Checkbox, Withholding Rate Schedules**(Use these if the Form W-4 is from 2020 or later and the box in Step 2 of Form W-4 **IS** checked) |
| **If the Adjusted Annual Wage Amount (line 2a) is:** | **The tentative amount to withhold is:** |  | **of the amount that the Adjusted Annual Wage exceeds—** | **If the Adjusted Annual Wage Amount (line 2a) is:** | **The tentative amount to withhold is:** |  | **of the amount that the Adjusted Annual Wage exceeds—** |
| **At least—** | **But less than—** | **Plus this percentage—** | **At least—** | **But less than—** | **Plus this percentage—** |
| **A** | **B** | **C** | **D** | **E** | **A** | **B** | **C** | **D** | **E** |
|  | **Married Filing Jointly** |  |  | **Married Filing Jointly** |  |
|  $0 |  $14,800 |  $0.00 |  0% |  $0 |  $0 |  $13,850 |  $0.00 |  0% |  $0 |
|  $14,800 |  $36,800 |  $0.00 |  10% |  $14,800 |  $13,850 |  $24,850 |  $0.00 |  10% |  $13,850 |
|  $36,800 | $104,250 |  $2,200.00 |  12% |  $36,800 |  $24,850 |  $58,575 |  $1,100.00 |  12% |  $24,850 |
| $104,250 | $205,550 |  $10,294.00 |  22% | $104,250 |  $58,575 | $109,225 |  $5,147.00 |  22% |  $58,575 |
| $205,550 | $379,000 |  $32,580.00 |  24% | $205,550 | $109,225 | $195,950 | $16,290.00 |  24% | $109,225 |
| $379,000 | $477,300 |  $74,208.00 |  32% | $379,000 | $195,950 | $245,100 | $37,104.00 |  32% | $195,950 |
| $477,300 | $708,550 | $105,664.00 |  35% | $477,300 | $245,100 | $360,725 | $52,832.00 |  35% | $245,100 |
| $708,550 |  | $186,601.50 |  37% | $708,550 | $360,725 |  | $93,300.75 |  37% | $360,725 |
|  | **Single or Married Filing Separately** |  |  | **Single or Married Filing Separately** |  |
|  $0 |  $5,250 |  $0.00 |  0% |  $0 |  $0 |  $6,925 |  $0.00 |  0% |  $0 |
|  $5,250 |  $16,250 |  $0.00 |  10% |  $5,250 |  $6,925 |  $12,425 |  $0.00 |  10% |  $6,925 |
|  $16,250 |  $49,975 |  $1,100.00 |  12% |  $16,250 |  $12,425 |  $29,288 |  $550.00 |  12% |  $12,425 |
|  $49,975 | $100,625 |  $5,147.00 |  22% |  $49,975 |  $29,288 |  $54,613 |  $2,573.50 |  22% |  $29,288 |
| $100,625 | $187,350 |  $16,290.00 |  24% | $100,625 |  $54,613 |  $97,975 |  $8,145.00 |  24% |  $54,613 |
| $187,350 | $236,500 |  $37,104.00 |  32% | $187,350 |  $97,975 | $122,550 | $18,552.00 |  32% |  $97,975 |
| $236,500 | $583,375 |  $52,832.00 |  35% | $236,500 | $122,550 | $295,988 | $26,416.00 |  35% | $122,550 |
| $583,375 |  | $174,238.25 |  37% | $583,375 | $295,988 |  | $87,119.13 |  37% | $295,988 |
|  | **Head of Household** |  |  | **Head of Household** |  |
|  $0 |  $12,200 |  $0.00 |  0% |  $0 |  $0 |  $10,400 |  $0.00 |  0% |  $0 |
|  $12,200 |  $27,900 |  $0.00 |  10% |  $12,200 |  $10,400 |  $18,250 |  $0.00 |  10% |  $10,400 |
|  $27,900 |  $72,050 |  $1,570.00 |  12% |  $27,900 |  $18,250 |  $40,325 |  $785.00 |  12% |  $18,250 |
|  $72,050 | $107,550 |  $6,868.00 |  22%  |  $72,050 |  $40,325 |  $58,075 |  $3,434.00 |  22% |  $40,325 |
| $107,550 | $194,300 |  $14,678.00 |  24% | $107,550 |  $58,075 | $101,450 |  $7,339.00 |  24% |  $58,075 |
| $194,300 | $243,450 |  $35,498.00 |  32% | $194,300 | $101,450 | $126,025 | $17,749.00 |  32% | $101,450 |
| $243,450 | $590,300 |  $51,226.00 |  35% | $243,450 | $126,025 | $299,450 | $25,613.00 |  35% | $126,025 |
| $590,300 |  | $172,623.50 |  37% | $590,300 | $299,450 |  | $86,311.75 |  37% | $299,450 |

**FIGURING YOUR STATE TAXES**

**EFFECTIVE January 1, 2023**

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| Employees paid MONTHLY – Subtract $450.00 from your Federal taxable monthly gross pay. The remainder is subject to withholdingat the rate of 4.25% | Employees paid BIWEEKLY – Subtract $207.69 from your Federal taxable biweekly gross pay. The remainder is subjectto withholding at the rate of 4.25% |

**2023 FICA TAX**

Take your FICA Taxable Gross, displayed at the bottom of your pay stub and apply rates as follows:

The 2023 Social Security (FICA) tax contains two parts. The Social Security (Old Age, Survivors, and Disability Insurance) FICA tax is based on the first $160,200 paid at the rate of 6.2% with a maximum amount withheld of $9,932.40. The Medicare (Medical Hospital Insurance) FICA tax is based on all earnings paid at the rate of 1.45%. (There is no limit on the Medicare FICA gross. The limit was eliminated as part of the Omnibus Budget Reduction Act of 1993). In addition to the 1.45% Medicare tax rate, an additional 0.9% will be withheld on Medicare wages over $200,000.

**2023 CITY TAXES**

Personal and dependency exemptions allowable for Michigan income tax purposes are also allowable for Michigan cities. The annual allowance for all cities is $600. The allowance equals $23.08 biweekly or $50.00 monthly

The rate on taxable earnings is 1% for residents and 0.5% for non-residents. These rates are uniform for all cities except Detroit and Grand Rapids. For Detroit, the rate is 2.4% for residents and 1.2% for non-residents. For Grand Rapids, the rate is 1.5% for residents and 0.75% for non-residents.