

FIGURING YOUR FEDERAL TAXES

Effective January 1, 2026

Step 1. Adjust your wage payment 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; otherwise enter -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 \$ _____

2026 Annual Percentage Method Tax Tables

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:					If the Adjusted Annual Wage Amount (line 2a) is:				
At least—	But less than—	The tentative amount to withhold is:	Plus this percentage—	of the amount that the Adjusted Annual Wage exceeds—	At least—	But less than—	The tentative amount to withhold is:	Plus this percentage—	of the amount that the Adjusted Annual Wage exceeds—
A	B	C	D	E	A	B	C	D	E
Married Filing Jointly					Married Filing Jointly				
\$0	\$19,300	\$0.00	0%	\$0	\$0	\$16,100	\$0.00	0%	\$0
\$19,300	\$44,100	\$0.00	10%	\$19,300	\$16,100	\$28,500	\$0.00	10%	\$16,100
\$44,100	\$120,100	\$2,480.00	12%	\$44,100	\$28,500	\$66,500	\$1,240.00	12%	\$28,500
\$120,100	\$230,700	\$11,600.00	22%	\$120,100	\$66,500	\$121,800	\$5,800.00	22%	\$66,500
\$230,700	\$422,850	\$35,932.00	24%	\$230,700	\$121,800	\$217,875	\$17,966.00	24%	\$121,800
\$422,850	\$531,750	\$82,048.00	32%	\$422,850	\$217,875	\$272,325	\$41,024.00	32%	\$217,875
\$531,750	\$788,000	\$116,896.00	35%	\$531,750	\$272,325	\$400,450	\$58,448.00	35%	\$272,325
\$788,000		\$206,583.50	37%	\$788,000	\$400,450		\$103,291.75	37%	\$400,450
Single or Married Filing Separately					Single or Married Filing Separately				
\$0	\$7,500	\$0.00	0%	\$0	\$0	\$8,050	\$0.00	0%	\$0
\$7,500	\$19,900	\$0.00	10%	\$7,500	\$8,050	\$14,250	\$0.00	10%	\$8,050
\$19,900	\$57,900	\$1,240.00	12%	\$19,900	\$14,250	\$33,250	\$620.00	12%	\$14,250
\$57,900	\$113,200	\$5,800.00	22%	\$57,900	\$33,250	\$60,900	\$2,900.00	22%	\$33,250
\$113,200	\$209,275	\$17,966.00	24%	\$113,200	\$60,900	\$108,938	\$8,983.00	24%	\$60,900
\$209,275	\$263,725	\$41,024.00	32%	\$209,275	\$108,938	\$136,163	\$20,512.00	32%	\$108,938
\$263,725	\$648,100	\$58,448.00	35%	\$263,725	\$136,163	\$328,350	\$29,224.00	35%	\$136,163
\$648,100		\$192,979.25	37%	\$648,100	\$328,350		\$96,489.63	37%	\$328,350
Head of Household					Head of Household				
\$0	\$15,550	\$0.00	0%	\$0	\$0	\$12,075	\$0.00	0%	\$0
\$15,550	\$33,250	\$0.00	10%	\$15,550	\$12,075	\$20,925	\$0.00	10%	\$12,075
\$33,250	\$83,000	\$1,770.00	12%	\$33,250	\$20,925	\$45,800	\$885.00	12%	\$20,925
\$83,000	\$121,250	\$7,740.00	22%	\$83,000	\$45,800	\$64,925	\$3,870.00	22%	\$45,800
\$121,250	\$217,300	\$16,155.00	24%	\$121,250	\$64,925	\$112,950	\$8,077.50	24%	\$64,925
\$217,300	\$271,750	\$39,207.00	32%	\$217,300	\$112,950	\$140,175	\$19,603.50	32%	\$112,950
\$271,750	\$656,150	\$56,631.00	35%	\$271,750	\$140,175	\$332,375	\$28,315.50	35%	\$140,175
\$656,150		\$191,171.00	37%	\$656,150	\$332,375		\$95,585.50	37%	\$332,375

FIGURING YOUR STATE TAXES EFFECTIVE January 1, 2026

Employees paid MONTHLY – Subtract \$491.67 from your Federal taxable monthly gross pay. The remainder is subject to withholding at the rate of 4.25%

Employees paid BIWEEKLY – Subtract \$226.92 from your Federal taxable biweekly gross pay. The remainder is subject to withholding at the rate of 4.25%

2026 FICA TAX

Take your FICA Taxable Gross, displayed at the bottom of your pay stub and apply rates as follows:
The 2026 Social Security (FICA) tax contains two parts. The Social Security (Old Age, Survivors, and Disability Insurance) FICA tax is based on the first \$184,500 paid at the rate of 6.2% with a maximum amount withheld of \$11,439.00. 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.

2026 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.