



## Early Release Copies of the 2012 Percentage Method Tables for Income Tax Withholding

### Future Developments

The IRS has created a page on IRS.gov for information about Notice 1036, at [www.irs.gov/notice1036](http://www.irs.gov/notice1036). Information about any future developments affecting Notice 1036 (such as legislation enacted after we release it) will be posted on that page.

### Social Security and Medicare Tax for 2012

The employee tax rate for social security is 4.2% on wages paid and tips received before March 1, 2012. The employee tax rate for social security increases to 6.2% on wages paid and tips received after February 29, 2012. The employer tax rate for social security remains unchanged at 6.2%. The social security wage base limit is \$110,100. The Medicare tax rate is 1.45% each for the employee and employer, unchanged from 2011. There is no wage base limit for Medicare tax.

Employers should implement the 4.2% employee social security tax rate as soon as possible, but not later than January 31, 2012. After implementing the 4.2% rate, employers should make an offsetting adjustment in a subsequent pay period to correct any overwithholding of social security tax as soon as possible, but not later than March 31, 2012.



*At the time this notice was prepared for release, the rate for the employee's share of social security tax was 4.2% and scheduled to increase to 6.2% for wages paid after February 29, 2012. However, Congress was discussing an extension of the 4.2% employee tax rate for social security beyond February 29, 2012. Check for updates at [www.irs.gov/notice1036](http://www.irs.gov/notice1036).*

## Percentage Method Tables for Income Tax Withholding

Attached are early release copies of the Percentage Method Tables for Income Tax Withholding that will appear in Publication 15 (Circular E), Employer's Tax Guide (For use in 2012). Publication 15 (Circular E) will be posted on IRS.gov in January 2012. It also will be available at IRS offices in January and mailed to new employers when they apply for an employer identification number.

The wage amounts shown in the Percentage Method Tables for Income Tax Withholding are net wages after the deduction for total withholding allowances. The withholding allowance amounts by payroll period have changed. For 2012, they are:

<u>Payroll Period</u>	<u>One Withholding Allowance</u>
Weekly	\$ 73.08
Biweekly	146.15
Semimonthly	158.33
Monthly	316.67
Quarterly	950.00
Semiannually	1,900.00
Annually	3,800.00
Daily or Miscellaneous (each day of the payroll period)	14.62

When employers use the Percentage Method Tables for Income Tax Withholding, the tax for the pay period may be rounded to the nearest dollar. (If rounding is used, it must be used consistently.) Withheld tax amounts should be rounded to the nearest dollar by dropping amounts under 50 cents and increasing amounts from 50 to 99 cents to the next higher dollar. For example, \$2.30 becomes \$2 and \$2.50 becomes \$3.

## Withholding Adjustment for Nonresident Aliens

For 2012, apply the procedure discussed below to figure the amount of income tax to withhold from the wages of nonresident alien employees performing services within the United States.

**Note.** Nonresident alien students from India and business apprentices from India are not subject to this procedure.

**Instructions.** To figure how much income tax to withhold from the wages paid to a nonresident alien employee performing services in the United States, use the following steps.

**Step 1.** Add to the wages paid to the nonresident alien employee for the payroll period the amount shown in the chart below for the applicable payroll period.

### Amount to Add to Nonresident Alien Employee's Wages for Calculating Income Tax Withholding Only

<u>Payroll Period</u>	<u>Add Additional</u>
Weekly	\$ 41.35
Biweekly	82.69
Semimonthly	89.58
Monthly	179.17
Quarterly	537.50
Semiannually	1,075.00
Annually	2,150.00
Daily or Miscellaneous (each day of the payroll period)	8.27

**Step 2.** Use the amount figured in *Step 1* and the number of withholding allowances claimed (generally limited to one allowance) to figure income tax withholding. Determine the value of withholding allowances by multiplying the number of withholding allowances claimed by the appropriate amount in the table shown on the previous page. Reduce the amount figured in *Step 1* by the value of withholding allowances and use that reduced amount to determine the wages subject to income tax withholding. Figure the income tax withholding using the Percentage Method Tables for Income Tax Withholding provided on the next two pages. Alternatively, you can figure the income tax withholding using the Wage Bracket Tables for Income Tax Withholding included in Publication 15 (Circular E) (For use in 2012).

**Percentage Method Tables for Income Tax Withholding**  
(For Wages Paid in 2012)

**TABLE 1—WEEKLY Payroll Period**

<b>(a) SINGLE person</b> (including head of household)—				<b>(b) MARRIED person—</b>			
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 \$41 . . . . .		\$0		Not over \$156 . . . . .		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$41	—\$209 . . . .	\$0.00 plus 10%	—\$41	\$156	—\$490 . . . .	\$0.00 plus 10%	—\$156
\$209	—\$721 . . . .	\$16.80 plus 15%	—\$209	\$490	—\$1,515 . . . .	\$33.40 plus 15%	—\$490
\$721	—\$1,688 . . . .	\$93.60 plus 25%	—\$721	\$1,515	—\$2,900 . . . .	\$187.15 plus 25%	—\$1,515
\$1,688	—\$3,477 . . . .	\$335.35 plus 28%	—\$1,688	\$2,900	—\$4,338 . . . .	\$533.40 plus 28%	—\$2,900
\$3,477	—\$7,510 . . . .	\$836.27 plus 33%	—\$3,477	\$4,338	—\$7,624 . . . .	\$936.04 plus 33%	—\$4,338
\$7,510 . . . . .		\$2,167.16 plus 35%	—\$7,510	\$7,624 . . . . .		\$2,020.42 plus 35%	—\$7,624

**TABLE 2—BIWEEKLY Payroll Period**

<b>(a) SINGLE person</b> (including head of household)—				<b>(b) MARRIED person—</b>			
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 \$83 . . . . .		\$0		Not over \$312 . . . . .		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$83	—\$417 . . . .	\$0.00 plus 10%	—\$83	\$312	—\$981 . . . .	\$0.00 plus 10%	—\$312
\$417	—\$1,442 . . . .	\$33.40 plus 15%	—\$417	\$981	—\$3,031 . . . .	\$66.90 plus 15%	—\$981
\$1,442	—\$3,377 . . . .	\$187.15 plus 25%	—\$1,442	\$3,031	—\$5,800 . . . .	\$374.40 plus 25%	—\$3,031
\$3,377	—\$6,954 . . . .	\$670.90 plus 28%	—\$3,377	\$5,800	—\$8,675 . . . .	\$1,066.65 plus 28%	—\$5,800
\$6,954	—\$15,019 . . . .	\$1,672.46 plus 33%	—\$6,954	\$8,675	—\$15,248 . . . .	\$1,871.65 plus 33%	—\$8,675
\$15,019 . . . . .		\$4,333.91 plus 35%	—\$15,019	\$15,248 . . . . .		\$4,040.74 plus 35%	—\$15,248

**TABLE 3—SEMIMONTHLY Payroll Period**

<b>(a) SINGLE person</b> (including head of household)—				<b>(b) MARRIED person—</b>			
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 \$90 . . . . .		\$0		Not over \$338 . . . . .		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$90	—\$452 . . . .	\$0.00 plus 10%	—\$90	\$338	—\$1,063 . . . .	\$0.00 plus 10%	—\$338
\$452	—\$1,563 . . . .	\$36.20 plus 15%	—\$452	\$1,063	—\$3,283 . . . .	\$72.50 plus 15%	—\$1,063
\$1,563	—\$3,658 . . . .	\$202.85 plus 25%	—\$1,563	\$3,283	—\$6,283 . . . .	\$405.50 plus 25%	—\$3,283
\$3,658	—\$7,533 . . . .	\$726.60 plus 28%	—\$3,658	\$6,283	—\$9,398 . . . .	\$1,155.50 plus 28%	—\$6,283
\$7,533	—\$16,271 . . . .	\$1,811.60 plus 33%	—\$7,533	\$9,398	—\$16,519 . . . .	\$2,027.70 plus 33%	—\$9,398
\$16,271 . . . . .		\$4,695.14 plus 35%	—\$16,271	\$16,519 . . . . .		\$4,377.63 plus 35%	—\$16,519

**TABLE 4—MONTHLY Payroll Period**

<b>(a) SINGLE person</b> (including head of household)—				<b>(b) MARRIED person—</b>			
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 \$179 . . . . .		\$0		Not over \$675 . . . . .		\$0	
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$179	—\$904 . . . .	\$0.00 plus 10%	—\$179	\$675	—\$2,125 . . . .	\$0.00 plus 10%	—\$675
\$904	—\$3,125 . . . .	\$72.50 plus 15%	—\$904	\$2,125	—\$6,567 . . . .	\$145.00 plus 15%	—\$2,125
\$3,125	—\$7,317 . . . .	\$405.65 plus 25%	—\$3,125	\$6,567	—\$12,567 . . . .	\$811.30 plus 25%	—\$6,567
\$7,317	—\$15,067 . . . .	\$1,453.65 plus 28%	—\$7,317	\$12,567	—\$18,796 . . . .	\$2,311.30 plus 28%	—\$12,567
\$15,067	—\$32,542 . . . .	\$3,623.65 plus 33%	—\$15,067	\$18,796	—\$33,038 . . . .	\$4,055.42 plus 33%	—\$18,796
\$32,542 . . . . .		\$9,390.40 plus 35%	—\$32,542	\$33,038 . . . . .		\$8,755.28 plus 35%	—\$33,038

# Percentage Method Tables for Income Tax Withholding (continued)

(For Wages Paid in 2012)

## TABLE 5—QUARTERLY Payroll Period

### (a) SINGLE person (including head of household)—

If the amount of wages (after subtracting withholding allowances) is: The amount of income tax to withhold is:

Not over \$538 . . . . . \$0

Over—	But not over—	of excess over—
\$538	—\$2,713 . . . \$0.00 plus 10%	—\$538
\$2,713	—\$9,375 . . . \$217.50 plus 15%	—\$2,713
\$9,375	—\$21,950 . . . \$1,216.80 plus 25%	—\$9,375
\$21,950	—\$45,200 . . . \$4,360.55 plus 28%	—\$21,950
\$45,200	—\$97,625 . . . \$10,870.55 plus 33%	—\$45,200
\$97,625 . . . . .	\$28,170.80 plus 35%	—\$97,625

### (b) MARRIED person—

If the amount of wages (after subtracting withholding allowances) is: The amount of income tax to withhold is:

Not over \$2,025 . . . . . \$0

Over—	But not over—	of excess over—
\$2,025	—\$6,375 . . . \$0.00 plus 10%	—\$2,025
\$6,375	—\$19,700 . . . \$435.00 plus 15%	—\$6,375
\$19,700	—\$37,700 . . . \$2,433.75 plus 25%	—\$19,700
\$37,700	—\$56,388 . . . \$6,933.75 plus 28%	—\$37,700
\$56,388	—\$99,113 . . . \$12,166.39 plus 33%	—\$56,388
\$99,113 . . . . .	\$26,265.64 plus 35%	—\$99,113

## TABLE 6—SEMIANNUAL Payroll Period

### (a) SINGLE person (including head of household)—

If the amount of wages (after subtracting withholding allowances) is: The amount of income tax to withhold is:

Not over \$1,075 . . . . . \$0

Over—	But not over—	of excess over—
\$1,075	—\$5,425 . . . \$0.00 plus 10%	—\$1,075
\$5,425	—\$18,750 . . . \$435.00 plus 15%	—\$5,425
\$18,750	—\$43,900 . . . \$2,433.75 plus 25%	—\$18,750
\$43,900	—\$90,400 . . . \$8,721.25 plus 28%	—\$43,900
\$90,400	—\$195,250 . . . \$21,741.25 plus 33%	—\$90,400
\$195,250 . . . . .	\$56,341.75 plus 35%	—\$195,250

### (b) MARRIED person—

If the amount of wages (after subtracting withholding allowances) is: The amount of income tax to withhold is:

Not over \$4,050 . . . . . \$0

Over—	But not over—	of excess over—
\$4,050	—\$12,750 . . . \$0.00 plus 10%	—\$4,050
\$12,750	—\$39,400 . . . \$870.00 plus 15%	—\$12,750
\$39,400	—\$75,400 . . . \$4,867.50 plus 25%	—\$39,400
\$75,400	—\$112,775 . . . \$13,867.50 plus 28%	—\$75,400
\$112,775	—\$198,225 . . . \$24,332.50 plus 33%	—\$112,775
\$198,225 . . . . .	\$52,531.00 plus 35%	—\$198,225

## TABLE 7—ANNUAL Payroll Period

### (a) SINGLE person (including head of household)—

If the amount of wages (after subtracting withholding allowances) is: The amount of income tax to withhold is:

Not over \$2,150 . . . . . \$0

Over—	But not over—	of excess over—
\$2,150	—\$10,850 . . . \$0.00 plus 10%	—\$2,150
\$10,850	—\$37,500 . . . \$870.00 plus 15%	—\$10,850
\$37,500	—\$87,800 . . . \$4,867.50 plus 25%	—\$37,500
\$87,800	—\$180,800 . . . \$17,442.50 plus 28%	—\$87,800
\$180,800	—\$390,500 . . . \$43,482.50 plus 33%	—\$180,800
\$390,500 . . . . .	\$112,683.50 plus 35%	—\$390,500

### (b) MARRIED person—

If the amount of wages (after subtracting withholding allowances) is: The amount of income tax to withhold is:

Not over \$8,100 . . . . . \$0

Over—	But not over—	of excess over—
\$8,100	—\$25,500 . . . \$0.00 plus 10%	—\$8,100
\$25,500	—\$78,800 . . . \$1,740.00 plus 15%	—\$25,500
\$78,800	—\$150,800 . . . \$9,735.00 plus 25%	—\$78,800
\$150,800	—\$225,550 . . . \$27,735.00 plus 28%	—\$150,800
\$225,550	—\$396,450 . . . \$48,665.00 plus 33%	—\$225,550
\$396,450 . . . . .	\$105,062.00 plus 35%	—\$396,450

## TABLE 8—DAILY or MISCELLANEOUS Payroll Period

### (a) SINGLE person (including head of household)—

If the amount of wages (after subtracting withholding allowances) divided by the number of days in the payroll period is: The amount of income tax to withhold per day is:

Not over \$8.30 . . . . . \$0

Over—	But not over—	of excess over—
\$8.30	—\$41.70 . . . \$0.00 plus 10%	—\$8.30
\$41.70	—\$144.20 . . . \$3.34 plus 15%	—\$41.70
\$144.20	—\$337.70 . . . \$18.72 plus 25%	—\$144.20
\$337.70	—\$695.40 . . . \$67.10 plus 28%	—\$337.70
\$695.40	—\$1,501.90 . . . \$167.26 plus 33%	—\$695.40
\$1,501.90 . . . . .	\$433.41 plus 35%	—\$1,501.90

### (b) MARRIED person—

If the amount of wages (after subtracting withholding allowances) divided by the number of days in the payroll period is: The amount of income tax to withhold per day is:

Not over \$31.20 . . . . . \$0

Over—	But not over—	of excess over—
\$31.20	—\$98.10 . . . \$0.00 plus 10%	—\$31.20
\$98.10	—\$303.10 . . . \$6.69 plus 15%	—\$98.10
\$303.10	—\$580.00 . . . \$37.44 plus 25%	—\$303.10
\$580.00	—\$867.50 . . . \$106.67 plus 28%	—\$580.00
\$867.50	—\$1,524.80 . . . \$187.17 plus 33%	—\$867.50
\$1,524.80 . . . . .	\$404.08 plus 35%	—\$1,524.80