



Our software (Enhanced Fund Accounting) utilizes an “Annual Percentage Method” to determine respective tax rates. We have used this approach for nearly twenty years and used the tables prescribed by the IRS as stated in Publication 15 (Circular E). Below are tables that we used for 2011 and previously for 2010.

**2011 Tax Table**

<b>TABLE 7—ANNUAL Payroll Period</b>							
<b>(a) SINGLE person (including head of household)—</b>				<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 \$2,100		\$0		Not over \$7,900		\$0	
Over—	But not over—		of excess over—	Over—	But not over—	of excess over—	
\$2,100	—\$10,600	... \$0.00 plus 10%	—\$2,100	\$7,900	—\$24,900	... \$0.00 plus 10%	—\$7,900
\$10,600	—\$36,600	... \$850.00 plus 15%	—\$10,600	\$24,900	—\$76,900	... \$1,700.00 plus 15%	—\$24,900
\$36,600	—\$85,700	... \$4,750.00 plus 25%	—\$36,600	\$76,900	—\$147,250	... \$9,500.00 plus 25%	—\$76,900
\$85,700	—\$176,500	... \$17,025.00 plus 28%	—\$85,700	\$147,250	—\$220,200	... \$27,087.50 plus 28%	—\$147,250
\$176,500	—\$381,250	... \$42,449.00 plus 33%	—\$176,500	\$220,200	—\$387,050	... \$47,513.50 plus 33%	—\$220,200
\$381,250	.....	\$110,016.50 plus 35%	—\$381,250	\$387,050	.....	\$102,574.00 plus 35%	—\$387,050

**2010 Tax Table**

<b>TABLE 7—ANNUAL Payroll Period</b>							
<b>(a) SINGLE person (including head of household)—</b>				<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 \$6,050		\$0		Not over \$13,750		\$0	
Over—	But not over—		of excess over—	Over—	But not over—	of excess over—	
\$6,050	—\$10,425	... 10%	—\$6,050	\$13,750	—\$24,500	... 10%	—\$13,750
\$10,425	—\$36,050	... \$437.50 plus 15%	—\$10,425	\$24,500	—\$75,750	... \$1,075.00 plus 15%	—\$24,500
\$36,050	—\$67,700	... \$4,281.25 plus 25%	—\$36,050	\$75,750	—\$94,050	... \$8,762.50 plus 25%	—\$75,750
\$67,700	—\$84,450	... \$12,193.75 plus 27%	—\$67,700	\$94,050	—\$124,050	... \$13,337.50 plus 27%	—\$94,050
\$84,450	—\$87,700	... \$16,716.25 plus 30%	—\$84,450	\$124,050	—\$145,050	... \$21,437.50 plus 25%	—\$124,050
\$87,700	—\$173,900	... \$17,691.25 plus 28%	—\$87,700	\$145,050	—\$217,000	... \$26,687.50 plus 28%	—\$145,050
\$173,900	—\$375,700	... \$41,827.25 plus 33%	—\$173,900	\$217,000	—\$381,400	... \$46,833.50 plus 33%	—\$217,000
\$375,700	.....	\$108,421.25 plus 35%	—\$375,700	\$381,400	.....	\$101,085.50 plus 35%	—\$381,400

Withholding Allowance for 2011 is **\$3700** – for 2010 it was **\$3650**

The employee share of FICA was reduced to **4.2%** (from **6.2%**). Although this “expense” has been reduced, the federal tax has increased (**see table above and compare the ranges and amounts withheld**).