

Withholding Calculation Rules - Effective January 1, 2015 under P.A. 15-244

Employers can begin using the new tables immediately but no later than August 31, 2015. New legislation in 2015 Conn. Pub. Acts 244 affects the tables used in determining the required amount of withholding for taxable year 2015 as follows:

1. Table A

The scheduled increase in the personal tax exemption for single filers is delayed by one year. The personal exemption for single filers (Withholding Code F) in effect for 2014 will remain in effect for the 2015 taxable year. The scheduled increase will resume in taxable year 2016.

2. Table B

The current marginal tax rate of 6.7% increases to 6.9%, and there is a seventh highest marginal income tax rate of 6.99% applicable as follows:

- For taxpayers filing single or married filing separately (Withholding Code A, D, or F), with Connecticut taxable income over \$250,000 but not over \$500,000 the tax rate is 6.9%; over \$500,000 is 6.99%.
- For taxpayers filing as a head of household (Withholding Code B), with Connecticut taxable income over \$400,000 but not over \$800,000 the tax rate is 6.9%; over \$800,000 is 6.99%.
- For taxpayers filing as married filing jointly or as a surviving spouse (Withholding Code C), with Connecticut taxable income over \$500,000 but not over \$1,000,000 is 6.9%; over \$1,000,000 is 6.99%.

3. Table D

New tax recapture amounts:

- For taxpayers filing single or married filing separately (Withholding Code A, D, or F): \$90 for each \$5,000 (or a fraction of \$5,000), by which the taxpayer's Connecticut adjusted gross income (AGI) exceeds \$200,000, up to a maximum amount of \$2,700, plus an additional \$50 for each

\$5,000 (or a fraction of \$5,000), by which the taxpayer's Connecticut AGI exceeds \$500,000, up to a maximum amount of \$450. The maximum total recapture amount is \$3,150.

- For taxpayers filing as head of household (Withholding Code B): \$140 for each \$8,000 (or a fraction of \$8,000), by which the taxpayer's Connecticut AGI exceeds \$320,000, up to a maximum amount of \$4,200, plus an additional \$80 for each \$8,000 (or a fraction of \$8,000), by which the taxpayer's Connecticut AGI exceeds \$800,000, up to a maximum amount of \$720. The maximum total recapture amount is \$4,920.
- For married taxpayers filing jointly or qualifying widow(er) (Withholding Code C): \$180 for each \$10,000 (or a fraction of \$10,000), by which the taxpayer's Connecticut AGI exceeds \$400,000, up to a maximum amount of \$5,400, plus an additional \$100 for each \$10,000 (or a fraction of \$10,000), by which the taxpayer's Connecticut AGI exceeds \$1,000,000, up to a maximum amount of \$900. The maximum total recapture amount is \$6,300.

4. Table E

The scheduled increase in the personal tax credit for single filers is delayed by one year. The personal tax credit for single filers (Withholding Code F) in effect for 2014 will remain in effect for the 2015 taxable year. The scheduled increase will resume in taxable year 2016.

Note: Table C remains unchanged.

Use the steps below to determine the amount of Connecticut income tax to be withheld from an employee's wages.
Step

1. Determine the employee's wages per pay period.
2. Determine the number of pay periods in a year (for example: 52, 26, 24, 12).
3. Determine the annualized salary. Multiply Step 1 by Step 2.
4. Determine the employee's withholding code (A, B, C, D, or F from Form CT-W4, Line 1).
5. Use the annualized salary (Step 3) and employee's withholding code (Step 4) to determine the exemption amount from **Table A - Personal Exemptions**.
6. Determine the annualized taxable income. Subtract Step 5 from Step 3.
If the annualized taxable income is equal to or less than zero, the initial withholding amount should equal zero. Proceed to Step 14.
7. Determine the withholding tax amount from **Table B - Withholding Tax Calculation**.
8. Use the annualized salary (Step 3) and employee's withholding code (Step 4) and go to **Table C - 3% Tax Rate Phase-Out Add-Back** to determine the amount to add back if the 3% tax rate phase-out applies.
9. Use the annualized salary (Step 3) and employee's withholding code (Step 4) to determine the tax recapture amount from **Table D - Tax Recapture**.
10. Add the withholding amounts from Step 7, Step 8, and Step 9.
11. Use the annualized salary (Step 3) and employee's withholding code (Step 4) to determine the decimal amount from **Table E - Personal Tax Credits**.
12. Multiply the withholding amount (Step 10) by 1.00 minus the decimal amount (Step 11). Example: $1.00 - .15 = .85$. This is the total withholding amount.
13. Divide the result from Step 12 by the number of pay periods in the year (Step 2). This is the withholding amount per pay period.
14. Determine the additional withholding amount per pay period, if any, from Form CT-W4, Line 2.
15. Determine the reduced withholding amount per pay period, if any, from Form CT-W4, Line 3.
16. Determine the total withholding amount per pay period: Add Step 13 and Step 14 **or** subtract Step 15 from Step 13. **The result cannot be less than zero (0).**

For withholding rules for supplemental compensation (such as bonuses, commissions, overtime pay, sales awards, etc.), refer to **Informational Publication 2015(1)**, *Connecticut Employer's Tax Guide, Circular CT, Supplemental Compensation*.

Employers: Use either the withholding calculation rules above or the withholding tables to determine the amount of tax to be withheld from the wages of employees. There is **no percentage method available** to determine Connecticut withholding.

Use these tables in completing the withholding calculation.

Table A - Personal Exemptions*

Withholding Code A			Withholding Code B			Withholding Code C			Withholding Code F		
Annualized Salary		Exemption	Annualized Salary		Exemption	Annualized Salary		Exemption	Annualized Salary		Exemption
More than	Less than or equal to		More than	Less than or equal to		More than	Less than or equal to		More than	Less than or equal to	
\$ 0	\$24,000	\$12,000	\$ 0	\$38,000	\$19,000	\$ 0	\$48,000	\$24,000	\$ 0	\$29,000	\$14,500
\$24,000	\$25,000	\$11,000	\$38,000	\$39,000	\$18,000	\$48,000	\$49,000	\$23,000	\$29,000	\$30,000	\$13,500
\$25,000	\$26,000	\$10,000	\$39,000	\$40,000	\$17,000	\$49,000	\$50,000	\$22,000	\$30,000	\$31,000	\$12,500
\$26,000	\$27,000	\$ 9,000	\$40,000	\$41,000	\$16,000	\$50,000	\$51,000	\$21,000	\$31,000	\$32,000	\$11,500
\$27,000	\$28,000	\$ 8,000	\$41,000	\$42,000	\$15,000	\$51,000	\$52,000	\$20,000	\$32,000	\$33,000	\$10,500
\$28,000	\$29,000	\$ 7,000	\$42,000	\$43,000	\$14,000	\$52,000	\$53,000	\$19,000	\$33,000	\$34,000	\$ 9,500
\$29,000	\$30,000	\$ 6,000	\$43,000	\$44,000	\$13,000	\$53,000	\$54,000	\$18,000	\$34,000	\$35,000	\$ 8,500
\$30,000	\$31,000	\$ 5,000	\$44,000	\$45,000	\$12,000	\$54,000	\$55,000	\$17,000	\$35,000	\$36,000	\$ 7,500
\$31,000	\$32,000	\$ 4,000	\$45,000	\$46,000	\$11,000	\$55,000	\$56,000	\$16,000	\$36,000	\$37,000	\$ 6,500
\$32,000	\$33,000	\$ 3,000	\$46,000	\$47,000	\$10,000	\$56,000	\$57,000	\$15,000	\$37,000	\$38,000	\$ 5,500
\$33,000	\$34,000	\$ 2,000	\$47,000	\$48,000	\$ 9,000	\$57,000	\$58,000	\$14,000	\$38,000	\$39,000	\$ 4,500
\$34,000	\$35,000	\$ 1,000	\$48,000	\$49,000	\$ 8,000	\$58,000	\$59,000	\$13,000	\$39,000	\$40,000	\$ 3,500
\$35,000	and up	\$ 0	\$49,000	\$50,000	\$ 7,000	\$59,000	\$60,000	\$12,000	\$40,000	\$41,000	\$ 2,500
			\$50,000	\$51,000	\$ 6,000	\$60,000	\$61,000	\$11,000	\$41,000	\$42,000	\$ 1,500
			\$51,000	\$52,000	\$ 5,000	\$61,000	\$62,000	\$10,000	\$42,000	\$43,000	\$ 500
			\$52,000	\$53,000	\$ 4,000	\$62,000	\$63,000	\$ 9,000	\$43,000	and up	\$ 0
			\$53,000	\$54,000	\$ 3,000	\$63,000	\$64,000	\$ 8,000			
			\$54,000	\$55,000	\$ 2,000	\$64,000	\$65,000	\$ 7,000			
			\$55,000	\$56,000	\$ 1,000	\$65,000	\$66,000	\$ 6,000			
			\$56,000	and up	\$ 0	\$66,000	\$67,000	\$ 5,000			
						\$67,000	\$68,000	\$ 4,000			
						\$68,000	\$69,000	\$ 3,000			
						\$69,000	\$70,000	\$ 2,000			
						\$70,000	\$71,000	\$ 1,000			
						\$71,000	and up	\$ 0			

* For Withholding Code D, the Personal Exemption is \$0

Table B - Withholding Tax Calculation

Withholding Code A, D, or F		
If the amount from <i>Step 6</i> is:		
Less than or equal to:	\$ 10,000	3.00%
More than \$10,000, but less than or equal to	\$ 50,000	\$300 plus 5.0% of the excess over \$10,000
More than \$50,000, but less than or equal to	\$100,000	\$2,300 plus 5.5% of the excess over \$50,000
More than \$100,000, but less than or equal to	\$200,000	\$5,050 plus 6.0% of the excess over \$100,000
More than \$200,000, but less than or equal to	\$250,000	\$11,050 plus 6.5% of the excess over \$200,000
More than \$250,000, but less than or equal to	\$500,000	\$14,300 plus 6.9% of the excess over \$250,000
More than \$500,000		\$31,550 plus 6.99% of the excess over \$500,000
Withholding Code B		
If the amount from <i>Step 6</i> is:		
Less than or equal to:	\$ 16,000	3.00%
More than \$16,000, but less than or equal to	\$ 80,000	\$480 plus 5.0% of the excess over \$16,000
More than \$80,000, but less than or equal to	\$160,000	\$3,680 plus 5.5% of the excess over \$80,000
More than \$160,000, but less than or equal to	\$320,000	\$8,080 plus 6.0% of the excess over \$160,000
More than \$320,000, but less than or equal to	\$400,000	\$17,680 plus 6.5% of the excess over \$320,000
More than \$400,000, but less than or equal to	\$800,000	\$22,880 plus 6.9% of the excess over \$400,000
More than \$800,000		\$50,480 plus 6.99% of the excess over \$800,000
Withholding Code C		
If the amount from <i>Step 6</i> is:		
Less than or equal to:	\$ 20,000	3.00%
More than \$20,000, but less than or equal to	\$100,000	\$600 plus 5.0% of the excess over \$20,000
More than \$100,000, but less than or equal to	\$200,000	\$4,600 plus 5.5% of the excess over \$100,000
More than \$200,000, but less than or equal to	\$400,000	\$10,100 plus 6.0% of the excess over \$200,000
More than \$400,000, but less than or equal to	\$500,000	\$22,100 plus 6.5% of the excess over \$400,000
More than \$500,000, but less than or equal to	\$1,000,000	\$28,600 plus 6.9% of the excess over \$500,000
More than \$1,000,000		\$63,100 plus 6.99% of the excess over \$1,000,000

Table C - 3% Tax Rate Phase-Out Add-Back

Withholding Code A or D			Withholding Code B			Withholding Code C			Withholding Code F		
Annualized Salary		3% Phase-Out	Annualized Salary		3% Phase-Out	Annualized Salary		3% Phase-Out	Annualized Salary		3% Phase-Out
More Than	Less Than or Equal To		More Than	Less Than or Equal To		More Than	Less Than or Equal To		More Than	Less Than or Equal To	
\$ 0	\$50,250	\$ 0	\$ 0	\$ 78,500	\$ 0	\$ 0	\$100,500	\$ 0	\$ 0	\$ 56,500	\$ 0
\$50,250	\$52,750	\$ 20	\$ 78,500	\$ 82,500	\$ 32	\$100,500	\$105,500	\$ 40	\$ 56,500	\$ 61,500	\$ 20
\$52,750	\$55,250	\$ 40	\$ 82,500	\$ 86,500	\$ 64	\$105,500	\$110,500	\$ 80	\$ 61,500	\$ 66,500	\$ 40
\$55,250	\$57,750	\$ 60	\$ 86,500	\$ 90,500	\$ 96	\$110,500	\$115,500	\$120	\$ 66,500	\$ 71,500	\$ 60
\$57,750	\$60,250	\$ 80	\$ 90,500	\$ 94,500	\$128	\$115,500	\$120,500	\$160	\$ 71,500	\$ 76,500	\$ 80
\$60,250	\$62,750	\$100	\$ 94,500	\$ 98,500	\$160	\$120,500	\$125,500	\$200	\$ 76,500	\$ 81,500	\$100
\$62,750	\$65,250	\$120	\$ 98,500	\$102,500	\$192	\$125,500	\$130,500	\$240	\$ 81,500	\$ 86,500	\$120
\$65,250	\$67,750	\$140	\$102,500	\$106,500	\$224	\$130,500	\$135,500	\$280	\$ 86,500	\$ 91,500	\$140
\$67,750	\$70,250	\$160	\$106,500	\$110,500	\$256	\$135,500	\$140,500	\$320	\$ 91,500	\$ 96,500	\$160
\$70,250	\$72,750	\$180	\$110,500	\$114,500	\$288	\$140,500	\$145,500	\$360	\$ 96,500	\$101,500	\$180
\$72,750	and up	\$200	\$114,500	and up	\$320	\$145,500	and up	\$400	\$101,500	and up	\$200

Table D - Tax Recapture

Withholding Code A, D, or F			Withholding Code B			Withholding Code C		
Annualized Salary		Recapture Amount	Annualized Salary		Recapture Amount	Annualized Salary		Recapture Amount
More Than	Less Than or Equal To		More Than	Less Than or Equal To		More Than	Less Than or Equal To	
\$ 0	\$200,000	\$ 0	\$ 0	\$320,000	\$ 0	\$ 0	\$400,000	\$ 0
\$200,000	\$205,000	\$ 90	\$320,000	\$328,000	\$ 140	\$400,000	\$410,000	\$ 180
\$205,000	\$210,000	\$ 180	\$328,000	\$336,000	\$ 280	\$410,000	\$420,000	\$ 360
\$210,000	\$215,000	\$ 270	\$336,000	\$344,000	\$ 420	\$420,000	\$430,000	\$ 540
\$215,000	\$220,000	\$ 360	\$344,000	\$352,000	\$ 560	\$430,000	\$440,000	\$ 720
\$220,000	\$225,000	\$ 450	\$352,000	\$360,000	\$ 700	\$440,000	\$450,000	\$ 900
\$225,000	\$230,000	\$ 540	\$360,000	\$368,000	\$ 840	\$450,000	\$460,000	\$1,080
\$230,000	\$235,000	\$ 630	\$368,000	\$376,000	\$ 980	\$460,000	\$470,000	\$1,260
\$235,000	\$240,000	\$ 720	\$376,000	\$384,000	\$1,120	\$470,000	\$480,000	\$1,440
\$240,000	\$245,000	\$ 810	\$384,000	\$392,000	\$1,260	\$480,000	\$490,000	\$1,620
\$245,000	\$250,000	\$ 900	\$392,000	\$400,000	\$1,400	\$490,000	\$500,000	\$1,800
\$250,000	\$255,000	\$ 990	\$400,000	\$408,000	\$1,540	\$500,000	\$510,000	\$1,980
\$255,000	\$260,000	\$1,080	\$408,000	\$416,000	\$1,680	\$510,000	\$520,000	\$2,160
\$260,000	\$265,000	\$1,170	\$416,000	\$424,000	\$1,820	\$520,000	\$530,000	\$2,340
\$265,000	\$270,000	\$1,260	\$424,000	\$432,000	\$1,960	\$530,000	\$540,000	\$2,520
\$270,000	\$275,000	\$1,350	\$432,000	\$440,000	\$2,100	\$540,000	\$550,000	\$2,700
\$275,000	\$280,000	\$1,440	\$440,000	\$448,000	\$2,240	\$550,000	\$560,000	\$2,880
\$280,000	\$285,000	\$1,530	\$448,000	\$456,000	\$2,380	\$560,000	\$570,000	\$3,060
\$285,000	\$290,000	\$1,620	\$456,000	\$464,000	\$2,520	\$570,000	\$580,000	\$3,240
\$290,000	\$295,000	\$1,710	\$464,000	\$472,000	\$2,660	\$580,000	\$590,000	\$3,420
\$295,000	\$300,000	\$1,800	\$472,000	\$480,000	\$2,800	\$590,000	\$600,000	\$3,600
\$300,000	\$305,000	\$1,890	\$480,000	\$488,000	\$2,940	\$600,000	\$610,000	\$3,780
\$305,000	\$310,000	\$1,980	\$488,000	\$496,000	\$3,080	\$610,000	\$620,000	\$3,960
\$310,000	\$315,000	\$2,070	\$496,000	\$504,000	\$3,220	\$620,000	\$630,000	\$4,140
\$315,000	\$320,000	\$2,160	\$504,000	\$512,000	\$3,360	\$630,000	\$640,000	\$4,320
\$320,000	\$325,000	\$2,250	\$512,000	\$520,000	\$3,500	\$640,000	\$650,000	\$4,500
\$325,000	\$330,000	\$2,340	\$520,000	\$528,000	\$3,640	\$650,000	\$660,000	\$4,680
\$330,000	\$335,000	\$2,430	\$528,000	\$536,000	\$3,780	\$660,000	\$670,000	\$4,860
\$335,000	\$340,000	\$2,520	\$536,000	\$544,000	\$3,920	\$670,000	\$680,000	\$5,040
\$340,000	\$345,000	\$2,610	\$544,000	\$552,000	\$4,060	\$680,000	\$690,000	\$5,220
\$345,000	\$500,000	\$2,700	\$552,000	\$800,000	\$4,200	\$690,000	\$1,000,000	\$5,400
\$500,000	\$505,000	\$2,750	\$800,000	\$808,000	\$4,280	\$1,000,000	\$1,010,000	\$5,500
\$505,000	\$510,000	\$2,800	\$808,000	\$816,000	\$4,360	\$1,010,000	\$1,020,000	\$5,600
\$510,000	\$515,000	\$2,850	\$816,000	\$824,000	\$4,440	\$1,020,000	\$1,030,000	\$5,700
\$515,000	\$520,000	\$2,900	\$824,000	\$832,000	\$4,520	\$1,030,000	\$1,040,000	\$5,800
\$520,000	\$525,000	\$2,950	\$832,000	\$840,000	\$4,600	\$1,040,000	\$1,050,000	\$5,900
\$525,000	\$530,000	\$3,000	\$840,000	\$848,000	\$4,680	\$1,050,000	\$1,060,000	\$6,000
\$530,000	\$535,000	\$3,050	\$848,000	\$856,000	\$4,760	\$1,060,000	\$1,070,000	\$6,100
\$535,000	\$540,000	\$3,100	\$856,000	\$864,000	\$4,840	\$1,070,000	\$1,080,000	\$6,200
\$540,000	and up	\$3,150	\$864,000	and up	\$4,920	\$1,080,000	and up	\$6,300

Table E - Personal Tax Credits

Withholding Code A			Withholding Code B			Withholding Code C			Withholding Code F		
Annualized Salary		Decimal Amount	Annualized Salary		Decimal Amount	Annualized Salary		Decimal Amount	Annualized Salary		Decimal Amount
More Than	Less Than or Equal To		More Than	Less Than or Equal To		More Than	Less Than or Equal To		More Than	Less Than or Equal To	
\$12,000	\$15,000	.75	\$19,000	\$24,000	.75	\$24,000	\$30,000	.75	\$14,500	\$18,100	.75
\$15,000	\$15,500	.70	\$24,000	\$24,500	.70	\$30,000	\$30,500	.70	\$18,100	\$18,600	.70
\$15,500	\$16,000	.65	\$24,500	\$25,000	.65	\$30,500	\$31,000	.65	\$18,600	\$19,100	.65
\$16,000	\$16,500	.60	\$25,000	\$25,500	.60	\$31,000	\$31,500	.60	\$19,100	\$19,600	.60
\$16,500	\$17,000	.55	\$25,500	\$26,000	.55	\$31,500	\$32,000	.55	\$19,600	\$20,100	.55
\$17,000	\$17,500	.50	\$26,000	\$26,500	.50	\$32,000	\$32,500	.50	\$20,100	\$20,600	.50
\$17,500	\$18,000	.45	\$26,500	\$27,000	.45	\$32,500	\$33,000	.45	\$20,600	\$21,100	.45
\$18,000	\$18,500	.40	\$27,000	\$27,500	.40	\$33,000	\$33,500	.40	\$21,100	\$21,600	.40
\$18,500	\$20,000	.35	\$27,500	\$34,000	.35	\$33,500	\$40,000	.35	\$21,600	\$24,200	.35
\$20,000	\$20,500	.30	\$34,000	\$34,500	.30	\$40,000	\$40,500	.30	\$24,200	\$24,700	.30
\$20,500	\$21,000	.25	\$34,500	\$35,000	.25	\$40,500	\$41,000	.25	\$24,700	\$25,200	.25
\$21,000	\$21,500	.20	\$35,000	\$35,500	.20	\$41,000	\$41,500	.20	\$25,200	\$25,700	.20
\$21,500	\$25,000	.15	\$35,500	\$44,000	.15	\$41,500	\$50,000	.15	\$25,700	\$30,200	.15
\$25,000	\$25,500	.14	\$44,000	\$44,500	.14	\$50,000	\$50,500	.14	\$30,200	\$30,700	.14
\$25,500	\$26,000	.13	\$44,500	\$45,000	.13	\$50,500	\$51,000	.13	\$30,700	\$31,200	.13
\$26,000	\$26,500	.12	\$45,000	\$45,500	.12	\$51,000	\$51,500	.12	\$31,200	\$31,700	.12
\$26,500	\$27,000	.11	\$45,500	\$46,000	.11	\$51,500	\$52,000	.11	\$31,700	\$32,200	.11
\$27,000	\$48,000	.10	\$46,000	\$74,000	.10	\$52,000	\$96,000	.10	\$32,200	\$58,000	.10
\$48,000	\$48,500	.09	\$74,000	\$74,500	.09	\$96,000	\$96,500	.09	\$58,000	\$58,500	.09
\$48,500	\$49,000	.08	\$74,500	\$75,000	.08	\$96,500	\$97,000	.08	\$58,500	\$59,000	.08
\$49,000	\$49,500	.07	\$75,000	\$75,500	.07	\$97,000	\$97,500	.07	\$59,000	\$59,500	.07
\$49,500	\$50,000	.06	\$75,500	\$76,000	.06	\$97,500	\$98,000	.06	\$59,500	\$60,000	.06
\$50,000	\$50,500	.05	\$76,000	\$76,500	.05	\$98,000	\$98,500	.05	\$60,000	\$60,500	.05
\$50,500	\$51,000	.04	\$76,500	\$77,000	.04	\$98,500	\$99,000	.04	\$60,500	\$61,000	.04
\$51,000	\$51,500	.03	\$77,000	\$77,500	.03	\$99,000	\$99,500	.03	\$61,000	\$61,500	.03
\$51,500	\$52,000	.02	\$77,500	\$78,000	.02	\$99,500	\$100,000	.02	\$61,500	\$62,000	.02
\$52,000	\$52,500	.01	\$78,000	\$78,500	.01	\$100,000	\$100,500	.01	\$62,000	\$62,500	.01
\$52,500	and up	.00	\$78,500	and up	.00	\$100,500	and up	.00	\$62,500	and up	.00

* For Withholding Code D, the Personal Tax Credit is 0.00.