

Revenue Information Bulletin No. 09-012
June 9, 2009ⁱ
Individual Income Tax

Withholding Tax Formulas Effective July 1, 2009

The income tax withholding tables and formulas are prescribed by LAC 61:I.1501, which was amended February 2009 to be effective July 1, 2009, as provided by [Acts 2008, No. 396](#).

Subsection D of the regulation, which provides the income tax withholding formulas, contained the following errors:

1. The parentheses are unbalanced in the formula for “B” for both single and married taxpayers.
2. In the formula for a single taxpayer—the 25,000 should be 12,500 as follows $B = .016(((X * 4500) + (Y * 1000)) - 12,500) \div N$.

In addition to these corrections, the amendment to LAC 61:I.1501 will include the instruction that ***if any of the variables are negative, the negative variable should be shown as zero***. The errors in the formulas do not affect the withholding tables.

Because the corrections will not be adopted until after the Act’s July 1, 2009, effective date, the corrected formulas are being published in this Revenue Information Bulletin and are as follows:

D. Income Tax Withholding Formulas. The overall structure of the formulas used to compute the withholding tax is to calculate the tax on the total wage amount and then subtract the amount of tax calculated on the personal exemptions and dependency credits the taxpayer claims for withholding purposes. The correct withholding formula depends upon the number of personal exemptions claimed and annual wages. Any taxpayer may use the single taxpayer withholding formulas; however, only married taxpayers who will file a joint income tax return may use the married taxpayer formulas.

1. Withholding Formulas for Single or Married Taxpayers Claiming 0 or 1 Personal Exemption

W is the withholding tax per pay period.

S is employee’s salary per pay period for each bracket.

X is the number of personal exemptions; X must be 0 or 1.

Y is the number of dependency credits; Y must be a whole number that is 0 or greater.

N is the number of pay periods.

A is the effect of the personal exemptions and dependency credits equal to or less than \$12,500;

*$A = .021(((X * 4500) + (Y * 1000)) \div N)$.*

B is the effect of the personal exemptions and dependency credits in excess of \$12,500;

$$B = .016 (((X * 4500) + (Y * 1000)) - 12,500) \div N.$$

If annual wages are less than or equal to \$12,500, then $W = .021(S) - (A + B)$.

If annual wages are greater \$12,500 but less than or equal to \$50,000, then $W = .021(S) + .0160(S - (12,500 \div N)) - (A + B)$.

If annual wages are greater than \$50,000, then $W = .021(S) + .0160(S - (12,500 \div N)) + .0135(S - (50,000 \div N)) - (A + B)$.

2. Withholding Formulas for Married Taxpayers Claiming 2 Personal Exemptions

W is the withholding tax per pay period.

S is the employee's salary per pay period for each bracket.

X is the number of personal exemptions. X must be 2.

Y is the number of dependency credits. Y must be 0 or greater.

N is the number of pay periods.

A is the effect of the personal exemptions and dependency credits equal to or less than \$25,000;

$$A = .021(((X * 4500) + (Y * 1000)) \div N).$$

B is the effect of the personal exemptions and dependency credits in excess of \$25,000;

$$B = .0165 (((X * 4500) + (Y * 1000)) - 25,000) \div N.$$

If annual wages are less than or equal to \$25,000, then $W = .021(S) - (A + B)$.

If annual wages are greater \$25,000 but less than or equal to \$100,000, then $W = .021(S) + .0165(S - (25,000 \div N)) - (A + B)$.

If annual wages are greater than \$100,000, then $W = .021(S) + .0165(S - (25,000 \div N)) + .0135(S - (100,000 \div N)) - (A + B)$.

Questions concerning the income tax withholding formulas should be addressed to the Taxpayer Services Division at (225) 219-7318, Option 6.

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Secretary

ⁱ **Revision History:** This Revenue Information Bulletin was initially issued on April 23, 2009. The RIB was updated to make clear that married taxpayers could use the "single" withholding formula.