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Title: I, Payroll/Personnel Manual

Chapter: 28, Section 2, Tax Formulas (TAXES)

Bulletin: TAXES 03-21, Connecticut State Income Tax Withholding

Date: August 21, 2003

To: Holders of TAXES (State of Connecticut only)
Personnel User Groups
T&A Contact Points in Connecticut

Beginning with wages paid for Pay Period 17, the state of Connecticut will decrease the highest state tax rate for all withholding tables from 5.25 percent to 5 percent.

No action on the part of the employee or the personnel office is necessary.

To view the updated tax formula, go to the National Finance Center (NFC) home page (www.nfc.usda.gov) and click **Pubs & Forms**. Then at the Pubs & Forms page left-hand menu, click **Tax Formulas** and select the appropriate state from the map provided. Changes on the tax formula are identified by “▶◀”.

For questions about NFC processing, contact the Payroll Operations Branch at **504-255-4630** . For questions about system access and other system-related issues, contact Customer Support at **504-255-5230** or via e-mail at customer.support@usda.gov. For questions about this bulletin, call **504-255-5322** or send an e-mail to nfc.pvct@usda.gov.

PENNY W. FORBES, Acting Director
Government Employees Services Division

Filing Instructions: File with the Payroll/Personnel Manual.

Expiration Date: When superseded

Connecticut State Income Tax Information

State Abbreviation: CT
State Tax Withholding State Code: 09
Acceptable Exemption Form: CT-W4
Basis For Withholding: State Exemptions
Acceptable Exemption Data: A, B, C, D, F /Reduced withholding dollar amount
TSP Deferred: Yes
Special Coding: Determine the Total Number Of Allowances field as follows:
First Position - Enter the employee's filing status from line 1 of the CT-W4.

Filing Status	Description
A	Married-Filing Separately Married-Filing Jointly, Both Spouses Working (combined income less than or equal to \$100,500)
B	Head of Household
C	Married-Filing Jointly, Spouse Not Working
D	Married-Filing Jointly, Both Spouses Working (combined income greater than \$100,500)
F	Single

Second and Third Positions - Enter the reduced withholding amount as entered on line 3 of the CT-W4. If less than 10, precede with a zero. If not applicable, enter 00.

Additional Information: None

Withholding Formula ►(Effective Pay Period 17, 2003)◄

1. Subtract the biweekly Thrift Savings Plan contribution from the gross biweekly wages.
2. Subtract nontaxable Federal Health Benefits Plan payments from the adjusted gross biweekly wages.
3. Add taxable fringe benefits (taxable life insurance, etc.) to the adjusted gross biweekly wages.
4. Multiply the adjusted gross biweekly wages by 26 to obtain the annual wages.
5. Determine the personal exemption by applying the following guidelines and subtract this amount from the annual wages to compute the taxable income.

Option A
Married - Filing Separately
or
Married - Filing Jointly (Both Spouses Working)
(Combined Income Less Than or Equal to \$100,500)

If the Amount of Annual Wages Is: Over:	But Not Over:	The Personal Exemption Amount Is:
\$ 0	\$ 24,000	\$ 12,000
24,000	25,000	11,000
25,000	26,000	10,000
26,000	27,000	9,000
27,000	28,000	8,000
28,000	29,000	7,000
29,000	30,000	6,000
30,000	31,000	5,000
31,000	32,000	4,000
32,000	33,000	3,000
33,000	34,000	2,000
34,000	35,000	1,000
35,000	and over	0

Option B
Head of Household

If the Amount of Annual Wages Is: Over:	But Not Over:	The Personal Exemption Amount Is:
\$ 0	\$ 38,000	\$ 19,000
38,000	39,000	18,000
39,000	40,000	17,000
40,000	41,000	16,000
41,000	42,000	15,000
42,000	43,000	14,000
43,000	44,000	13,000
44,000	45,000	12,000
45,000	46,000	11,000
46,000	47,000	10,000
47,000	48,000	9,000
48,000	49,000	8,000
49,000	50,000	7,000
50,000	51,000	6,000
51,000	52,000	5,000
52,000	53,000	4,000
53,000	54,000	3,000
54,000	55,000	2,000
55,000	56,000	1,000
56,000	and over	0

Option C
Married - Filing Jointly (Spouse Not Working)

If the Amount of Annual Wages Is: Over:	But Not Over:	The Personal Exemption Amount Is:
\$ 0	\$ 48,000	\$ 24,000
48,000	49,000	23,000
49,000	50,000	22,000
50,000	51,000	21,000
51,000	52,000	20,000
52,000	53,000	19,000
53,000	54,000	18,000
54,000	55,000	17,000
55,000	56,000	16,000
56,000	57,000	15,000
57,000	58,000	14,000
58,000	59,000	13,000
59,000	60,000	12,000
60,000	61,000	11,000
61,000	62,000	10,000
62,000	63,000	9,000
63,000	64,000	8,000
64,000	65,000	7,000
65,000	66,000	6,000
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 over	0

Option D
Married - Filing Jointly
(Both Spouses Working)
 (Combined Income Greater Than \$100,500)

Do not subtract any personal exemption amount. The annual gross pay is the employee's taxable income.

**Option F
Single**

If the Amount of Annual Wages Is: Over:	But Not Over:	The Personal Exemption Amount Is:
\$ 0	\$ 25,000	\$ 12,500
25,000	26,000	11,500
26,000	27,000	10,500
27,000	28,000	9,500
28,000	29,000	8,500
29,000	30,000	7,500
30,000	31,000	6,500
31,000	32,000	5,500
32,000	33,000	4,500
33,000	34,000	3,500
34,000	35,000	2,500
35,000	36,000	1,500
36,000	37,000	500
37,000	and over	0

6. Apply the annual taxable income from step 5 to the following guidelines to determine the annual gross tax amount.

**Option A
Married - Filing Separately**

or
Married - Filing Jointly (Both Spouses Working)
(Combined Income Less Than or Equal to \$100,500)

If the Amount of Annual Taxable Wages Is: Over:	But Not Over:	The Annual Gross Tax Amount Is:	Of Excess Over:
\$ 0	\$ 10,000	\$ 0 plus 3.0%	\$ 0
10,000	and over	300 plus 5.0%	10,000

**Option B
Head of Household**

If the Amount of Annual Taxable Wages Is: Over:	But Not Over:	The Annual Gross Tax Amount Is:	Of Excess Over:
\$ 0	\$ 16,000	\$ 0 plus 3.0%	\$ 0
16,000	and over	480 plus 5.0%	16,000

**Option C
Married - Filing Jointly (Spouse Not Working)**

If the Amount of Annual Taxable Wages Is: Over:	But Not Over:	The Annual Gross Tax Amount Is:	Of Excess Over:
\$ 0	\$ 20,000	\$ 0 plus 3.0%	\$ 0
20,000	and over	600 plus 5.0%	20,000

**Option D
Married - Filing Jointly (Both Spouses Working)
(Combined Income Greater Than \$100,500)**

If the Amount of Annual Taxable Wages Is: Over:	But Not Over:	The Annual Gross Tax Amount Is:	Of Excess Over:
\$ 0	\$ 10,000	\$ 0 plus 3.0%	\$ 0
10,000	and over	300 plus 5.0%	10,000

**Option F
Single**

If the Amount of Annual Taxable Wages Is: Over:	But Not Over:	The Annual Gross Tax Amount Is:	Of Excess Over:
\$ 0	\$ 10,000	\$ 0 plus 3.0%	\$ 0
10,000	and over	300 plus 5.0%	10,000

- To determine the annual net tax credit, apply the following guidelines. Then subtract the annual tax credit from the annual gross tax amount calculated in step 6 to obtain the annual Connecticut tax withholding.

Option A
Married - Filing Separately
or

Married - Filing Jointly (Both Spouses Working)
(Combined Income Less Than or Equal to \$100,500)

If the Amount of Annual Wages Is: Over:	But Not Over:	Multiply the Annual Gross Tax Amount By:
\$ 12,000	\$ 15,000	75%
15,000	15,500	70%
15,500	16,000	65%
16,000	16,500	60%
16,500	17,000	55%
17,000	17,500	50%
17,500	18,000	45%
18,000	18,500	40%
18,500	20,000	35%
20,000	20,500	30%
20,500	21,000	25%
21,000	21,500	20%
21,500	25,000	15%
25,000	25,500	14%
25,500	26,000	13%
26,000	26,500	12%
26,500	27,000	11%
27,000	48,000	10%
48,000	48,500	9%
48,500	49,000	8%
49,000	49,500	7%
49,500	50,000	6%
50,000	50,500	5%
50,500	51,000	4%
51,000	51,500	3%
51,500	52,000	2%
52,000	52,500	1%
52,500	and over	0%

**Option B
Head of Household**

If the Amount of Annual Wages Is: Over:	But Not Over:	Multiply the Annual Gross Tax Amount By:
\$ 19,000	\$ 24,000	75%
24,000	24,500	70%
24,500	25,000	65%
25,000	25,500	60%
25,500	26,000	55%
26,000	26,500	50%
26,500	27,000	45%
27,000	27,500	40%
27,500	34,000	35%
34,000	34,500	30%
34,500	35,000	25%
35,000	35,500	20%
35,500	44,000	15%
44,000	44,500	14%
44,500	45,000	13%
45,000	45,500	12%
45,500	46,000	11%
46,000	74,000	10%
74,000	74,500	9%
74,500	75,000	8%
75,000	75,500	7%
75,500	76,000	6%
76,000	76,500	5%
76,500	77,000	4%
77,000	77,500	3%
77,500	78,000	2%
78,000	78,500	1%
78,500	and over	0%

Option C
Married - Filing Jointly (Spouse Not Working)

If the Amount of Annual Wages Is: Over:	But Not Over:	Multiply the Annual Gross Tax Amount By:
\$ 24,000	\$ 30,000	75%
30,000	30,500	70%
30,500	31,000	65%
31,000	31,500	60%
31,500	32,000	55%
32,000	32,500	50%
32,500	33,000	45%
33,000	33,500	40%
33,500	40,000	35%
40,000	40,500	30%
40,500	41,000	25%
41,000	41,500	20%
41,500	50,000	15%
50,000	50,500	14%
50,500	51,000	13%
51,000	51,500	12%
51,500	52,000	11%
52,000	96,000	10%
96,000	96,500	9%
96,500	97,000	8%
97,000	97,500	7%
97,500	98,000	6%
98,000	98,500	5%
98,500	99,000	4%
99,000	99,500	3%
99,500	100,000	2%
100,000	100,500	1%
100,500	and over	0%

Option D
Married - Filing Jointly (Both Spouses Working)
 (Combined Income Greater Than \$100,500)

The tax credit percentage is zero percent and the employee's annual tax credit is zero.

**Option F
Single**

If the Amount of Annual Wages Is: Over:	But Not Over:	Multiply the Annual Gross Tax Amount By:
\$ 12,500	\$ 15,600	75%
15,600	16,100	70%
16,100	16,600	65%
16,600	17,100	60%
17,100	17,600	55%
17,600	18,100	50%
18,100	18,600	45%
18,600	19,100	40%
19,100	20,800	35%
20,800	21,300	30%
21,300	21,800	25%
21,800	22,300	20%
22,300	26,000	15%
26,000	26,500	14%
26,500	27,000	13%
27,000	27,500	12%
27,500	28,000	11%
28,000	50,000	10%
50,000	50,500	9%
50,500	51,000	8%
51,000	51,500	7%
51,500	52,000	6%
52,000	52,500	5%
52,500	53,000	4%
53,000	53,500	3%
53,500	54,000	2%
54,000	54,500	1%
54,500	and over	0%

8. Divide the annual Connecticut tax withholding by 26 to obtain the biweekly Connecticut tax withholding.
9. Subtract the biweekly reduced withholding amount (reflected on Line 3 of the CT-W4) from the result of step 8 to obtain the biweekly Connecticut tax withholding.

Note: If the employee does not specify a reduced withholding amount, the biweekly Connecticut tax withholding will be the amount computed in step 8.