

2012 FEDERAL INCOME TAX TABLES

Revised 12/2011

There are changes to the Federal tax tables for 2012. These changes should be implemented by you **after** your final 2011 payroll and **before** your first 2012 payroll, but no later than January 31, 2012. As a courtesy, CMI provides this handout to describe the changes; however, **individual Payroll Administrators are responsible for reviewing IRS guidelines and for maintaining tax tables.**

Please change your tax tables in **TAX TABLE MAINTENANCE**, as illustrated on the next two pages. Use the following menu selection listed below that is applicable to your system:

Application	Menu
PayX Client/Server	Special Functions/File Maintenance/Tax Table Maintenance
PayX Character-Based	Menu 5-2

The **dependent allowance** (Withholding Allowance) has changed to \$3,800.00.

Please refer to IRS Notice 1036, **Early Release Copies of the 2012 Percentage Method Tables for Income Tax Withholding**, for further information; the link is: <http://www.irs.gov/formspubs/article/0,,id=244701,00.html>

The next two pages show the PayX Client/Server **TAX TABLE MAINTENANCE** screens for tax codes "FWTM" and "FWTS."

The employee withholding percentage for **Social Security** has not changed. It is good until Feb. 29, 2012, per the Temporary Payroll Tax Cut Continuation Act of 2011. Under the terms negotiated by Congress, the law also includes a new "recapture" provision, which applies only to those employees who receive more than \$18,350 in wages during the two-month period. Follow this link for further information:

<http://www.irs.gov/newsroom/article/0,,id=251650,00.html>

The Social Security wage base is \$110,100.00; make the change in Deduction Maintenance in the Maximum Gross field. The Maximum Amount field should be \$4,624.20.

Federal Withholding Tax Single (the pathway is Special Functions, File Maintenance, Tax Table Maintenance)

PayX 17.0 - port 15004

Utilities Window Help

Menu #: []

Tax Table Maintenance

Tax Code: FWTS Compute Type: F

Description: FWTS Dep Allowance: 3800.00

Check description: FWTS G/L Account: []

Line	From Amount	To Amount	Base Amount	Percent
1	0.00	2150.00	0.00	0.0000
2	2150.00	10850.00	0.00	10.0000
3	10850.00	37500.00	870.00	15.0000
4	37500.00	87800.00	4867.50	25.0000
5	87800.00	180800.00	17442.50	28.0000
6	180800.00	390500.00	43482.50	33.0000
7	390500.00	999999.00	112683.50	35.0000

Delete Row Append Row Insert Row Cancel Update Delete

Federal Withholding Tax Married (the pathway is Special Functions, File Maintenance, Tax Table Maintenance)

PayX 17.0 - port 15004

Utilities Window Help

Menu #: _____

Tax Table Maintenance

Tax Code: FWTM Compute Type: F

Description: FWTM Dep Allowance: 3800.00

Check description: FWTM G/L Account: _____

Line	From Amount	To Amount	Base Amount	Percent
1	0.00	8100.00	0.00	0.0000
2	8100.00	25500.00	0.00	10.0000
3	25500.00	78800.00	1740.00	15.0000
4	78800.00	150800.00	9735.00	25.0000
5	150800.00	225550.00	27735.00	28.0000
6	225550.00	396450.00	48665.00	33.0000
7	396450.00	999999.00	105062.00	35.0000

Delete Row Append Row Insert Row Cancel Update Delete