

2.2: State Income Tax

Exemptions: withholding allowance, which allow for supporting yourself, your spouse, and other in your family who are dependents.

Apr 9-7:45 AM

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State Withholding Form

ARIZONA FORM A-4 **Employee's Arizona Withholding Percentage Election** **2013**

Type or print your full name _____ Your social security number _____

Home address (number and street or rural route) _____

City or town, state, and ZIP code _____

Arizona Withholding Percentage Election Options

Choose only one:

1 I choose to have Arizona withholding at the rate of (check only one box): 0.8% 1.3% 1.8% 2.7% 3.6% 4.2% 5.1% of my gross taxable wages. Additional amount to be withheld per paycheck \$ _____

2 I hereby elect an Arizona withholding percentage of zero, and I certify that I expect to have no Arizona tax liability for the current taxable year.

I certify that I have made the percentage election marked above.

SIGNATURE _____ DATE _____

You earn \$450.75 per week. How much is taken out of your pay check if you pay 1.8% in State Income Taxes?

$$(450.75)(0.018)$$

$$(450.75)(.018)$$

$$= \$8.11$$

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You earn \$1,670.50 bi-weekly. What is the amount that is deducted from your pay check if you choose to pay 3.6% in State Income Taxes?

$$(1670.50)(.036) = 60.138$$

$$= \$60.13$$

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STEPS:

- ① Find the exemptions
- ② Find taxables
gross pay - exemptions
- ③ Find yearly tax amount
(taxable wages)(state rate)

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Gross Pay	-	Exemptions	=	Taxable Wage	X	Tax Rate	=	Tax Withheld
\$7,000	-	\$4,000	=	3000	X	2%	=	\$60
\$78,000	-	\$6,000	=	72000	X	6.25%	=	\$4,500
\$32,000	-	\$8,000	=	24000	X	5%	=	1200
\$12,500	-	\$2,000	=	10500	X	3.5%	=	\$367.50
\$135,00	-	\$2,000	=	133000	X	3.5%	=	4655

$$\frac{(72000)(x) = 4500}{72000} \quad \frac{(10500)(x) = 367.50}{10500}$$

$$x = .0625 \quad x = 0.035$$

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Michael's gross pay is \$44,750 a year. The state income rate is 3% of taxable wages. He takes an exemption for himself and 1

exemption for his child. How much does Michael's employer withhold yearly from his gross earnings for state income tax?

$$\begin{array}{r} \textcircled{1} 2000 \\ + 2000 \\ \hline 4000 \end{array} \quad \begin{array}{r} \textcircled{2} 44750 \\ - 4000 \\ \hline 40750 \end{array}$$

$$\textcircled{3} (40750)(.03) = \$1222.50$$

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Cassie's gross pay is \$75,750 a year. The state income rate is 4.2% of taxable wages. She takes an exemption for herself and 2 exemptions for her children. How much does Cassie's employer withhold yearly from his gross earnings for state income tax?

$$\begin{array}{r}
 \textcircled{1} \ 2000 \\
 \ 2000 \\
 \ 2000 \\
 \hline
 6000 \\
 \\
 \textcircled{2} \ 75750 \\
 \ - \ 6000 \\
 \hline
 69750 \\
 \\
 (69750)(.042) \\
 \$2929.50
 \end{array}$$

Oct 26-11:16 PM

Andrea earns \$52,000 per year. She is married and pays \$2,430 in state income taxes per year. She claims no other dependents. What is the state income tax rate for her state?

Oct 26-11:17 PM

George earns \$65,000 per year. He is married and pays \$3,430 in state income taxes per year. He claims no other dependents. What is the state income tax rate for his state?

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