

## 2. Wage Bracket Method Tables for Manual Payroll Systems With Forms W-4 From 2020 or Later

If you compute payroll manually, your employee has submitted a Form W-4 for 2020 or later, and you prefer to use

the Wage Bracket Method, use the worksheet below and the Wage Bracket Method tables that follow to figure federal income tax withholding.

These Wage Bracket Method tables cover a limited amount of annual wages (generally, less than \$100,000). If you can't use the Wage Bracket Method tables because taxable wages exceed the amount from the last bracket of the table (based on filing status and pay period), use the Percentage Method tables in [section 4](#).

### Worksheet 2. Employer's Withholding Worksheet for Wage Bracket Method Tables for Manual Payroll Systems With Forms W-4 From 2020 or Later

Keep for Your Records 

Table 5	Monthly	Semimonthly	Biweekly	Weekly	Daily
	12	24	26	52	260

**Step 1. Adjust the employee's wage amount**

1a	Enter the employee's total taxable wages this payroll period	1a	\$	_____
1b	Enter the number of pay periods you have per year (see Table 5)	1b		_____
1c	Enter the amount from Step 4(a) of the employee's Form W-4	1c	\$	_____
1d	Divide the amount on line 1c by the number of pay periods on line 1b	1d	\$	_____
1e	Add lines 1a and 1d	1e	\$	_____
1f	Enter the amount from Step 4(b) of the employee's Form W-4	1f	\$	_____
1g	Divide the amount on line 1f by the number of pay periods on line 1b	1g	\$	_____
1h	Subtract line 1g from line 1e. If zero or less, enter -0-. This is the <b>Adjusted Wage Amount</b>	1h	\$	_____

**Step 2. Figure the Tentative Withholding Amount**

2a	Use the amount on line 1h to look up the tentative amount to withhold in the appropriate Wage Bracket Method table in this section for your pay frequency, given the employee's filing status and whether the employee has checked the box in Step 2 of Form W-4. This is the <b>Tentative Withholding Amount</b>	2a	\$	_____
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**Step 3. Account for tax credits**

3a	Enter the amount from Step 3 of the employee's Form W-4	3a	\$	_____
3b	Divide the amount on line 3a by the number of pay periods on line 1b	3b	\$	_____
3c	Subtract line 3b from line 2a. If zero or less, enter -0-	3c	\$	_____

**Step 4. Figure the final amount to withhold**

4a	Enter the additional amount to withhold from Step 4(c) of the employee's Form W-4	4a	\$	_____
4b	Add lines 3c and 4a. <b>This is the amount to withhold from the employee's wages this pay period</b>	4b	\$	=====