2012 Minnesota Withholding Computer Formula

Effective for wages paid beginning Jan. 1, 2012. Supersedes any formulas before Jan. 1, 2012.

Use this formula to determine how much Minnesota income tax to withhold from employees' wages.

Step 1 Determine the employee's total wages for one payroll period.

Step 2 Multiply the total wages from step 1 by the number of payroll periods you have in a year. The result is the employee's annual wage.

Multiply step 1 by: 360 if you pay by the day
52 if you pay by the week
26 if you pay every two weeks
24 if you pay twice a month
12 if you pay once a month

Step 3 Multiply the number of the employee's withholding allowances by $3,800.

Step 4 Subtract the result in step 3 from the result in step 2.

Step 5 Use the result from step 4 and the chart below to calculate an amount for step 5.

If the employee is single and the result from step 4 is:

More than	But not more than	Subtract this amount from the result in step 4	Multiply result by	Add
$ 2,150	$ 25,820	$ 2,150	0.0535	$ 0.00
25,820	79,880	25,820	0.0705	1,266.35
79,880	and over	79,880	0.0785	5,077.58

If the employee is married and the result from step 4 is:

More than	But not more than	Subtract this amount from the result in step 4	Multiply result by	Add
$ 6,100	$ 40,690	$ 6,100	0.0535	$ 0.00
40,690	143,530	40,690	0.0705	1,850.57
143,530	and over	143,530	0.0785	9,100.79

Step 6 Divide the result in step 5 by the number of payroll periods that you used in step 2. You may round the amount to the nearest dollar. The result is the amount of Minnesota income tax to withhold from the employee's wages.

If you have questions, call 651- 282-9999 or 1-800-657-3594 (TTY: Call 711 for Minnesota Relay).

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