Computer Formula

If you use a computer to determine how much to withhold, use the formula below to set up your program. This formula supersedes any formulas before Jan. 1, 2015. If you use a computer to determine withholding, you must program it for this new formula.

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 $4,000.

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 figure an amount for step 5.

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.

Chart 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
$2,300	$27,370	2,300	5.35%	
27,370	84,660	27,370	7.05%	1,341.25
84,660	157,250	84,660	7.85%	5,380.20
157,250		157,250	9.85%	11,078.52

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
$8,600	$45,250	8,600	5.35%	
45,250	154,220	45,250	7.05%	1,960.78
154,220	266,860	154,220	7.85%	9,643.17
266,860		266,860	9.85%	18,485.41