



To: All Southware Customers
From: BTM Solutions Support Dept.
Date: January 15, 2018

Subject: 2018 Federal Income Tax Tables

This is a reminder that the Federal Tax Withholding tables and the amount of the Withholding Allowance have changed. According to the IRS, these changes must be implemented by February 15. The following are the guidelines for incorporating these changes on your computer.

A. Select **PR0706**

1. **Marital Status =M**

Level 1 =	11550.00	0%
Level 2 =	30600.00	10%
Level 3 =	88950.00	12%
Level 4 =	176550.00	22%
Level 5 =	326550.00	24%
Level 6 =	411550.00	32%
Level 7 =	611550.00	35%
Level 8 =	9,999,999.99	37%

2. **Marital Status = S**

Level 1 =	3700.00	0%
Level 2 =	13225.00	10%
Level 3 =	42400.00	12%
Level 4 =	86200.00	22%
Level 5 =	161200.00	24%
Level 6 =	203700.00	32%
Level 7 =	503700.00	35%
Level 8 =	9,999,999.99	37%

B. Select **PR0802**

FEDERAL EXEMPTION	4,150.00
MAX OASDI WAGES	128400.00
MAX MEDICARE WAGES	9,999,999.99

NOTE: The rate for Social Security for both Employee and Employer is 6.2%, Medicare rate is 1.45 for both, and there is an additional 0.9% required for employees earning over \$200000.00

*****PLEASE NOTE THESE ARE FEDERAL CHANGES ONLY AND ARE BASED ON OUR UNDERSTANDING OF THE 2018 CIRCULAR E. PLEASE CONTACT YOUR ACCOUNTANT FOR ADDITIONAL DETAILED CHANGES, AS WELL AS, ANY STATE TAX OR UNEMPLOYMENT RATE CHANGES.**