# Federal and State Income Tax Withholding Formula

GROSS WAGE (Exclude W/C)
- Regular Retirement Contribution*  
- Add'l Retirement (AR)* (Eff 01/15/99 pay period)  
- Premium Conversion Plan Contribution (PCP)  
- Flexible Spending Account (Fees, Medical, Dependent Care)  
- Transportation Benefit (Pre Tax Parking)  
- Tax Shelter Annuity (TSA)  
- Deferred Compensation (DC)  
- COLA  
- + Taxable Portion of Mileage/Travel Per Diem  
+ Cash Awards  
+ Uniform/Weapons Maintenance Allowance  
+ Vehicle/Housing Allowance  
+ Non-cash Fringe Benefit  
+ Taxable Portion of Moving Expense

ADJUSTED GROSS WAGE
-No. of Exemptions x Allowance $ Value

TAXABLE WAGE (Determine Tax from Table)

* For Calculation of Federal Income Tax Only

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### Federal Exemption | State Exemption
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168.80 | 47.65
**Negative** | **Negative**
5.00 | 2.00
** If negative exemptions are claimed, compute tax on "0" exemptions, then add value for each negative exemption claimed.**