

STATE OF CALIFORNIA

KATHLEEN CONNELL,
Controller of California

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OFFICE OF STATE CONTROLLER
PERSONNEL/PAYROLL SERVICES DIVISION
300 Capitol Mall
P.O. Box 942850
Sacramento, CA 94250-5878

DATE: July 19, 2001 PAYROLL LETTER # 01-010

TO: All Agencies/Campuses in the Uniform State Payroll System

FROM: RALPH ZENTNER, Acting Chief
Personnel/Payroll Services Division

RE: 2001 FEDERAL TAX WITHHOLDING CHANGES

This is to advise you of changes in Federal Tax withholding rates. The rate change for the percentage method of withholding was effective as of July 1, 2001. The rate change for the supplemental/flat rate method of withholding will be effective on August 7, 2001. Following are the new rates.

ANNUALIZED PERCENTAGE METHOD-Effective July 1, 2001

SINGLE (INCLUDING HEAD OF HOUSEHOLD)

Table with 4 columns: Taxable Income ranges, Percentage, Amount Over, and Computed Tax Plus. Rows show brackets from 0-2,650 up to 299,000.

MARRIED

Table with 4 columns: Taxable Income ranges, Percentage, Amount Over, and Computed Tax Plus. Rows show brackets from 0-6,450 up to 302,050.

SUPPLEMENTAL/FLAT TAX RATE-Effective August 7, 2001

The new supplemental/flat tax rate has been reduced to 27.5%.

If you have any questions regarding this Payroll Letter, agencies should call Payroll Liaison at (916) 323-3081 or CALNET 473-3081 and campuses should call CSU Payroll Liaison at (916) 322-7980 or CALNET 492-7980.

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