

STATE CONTROLLER'S OFFICE
PERSONNEL AND PAYROLL SERVICES DIVISION
P.O. BOX 942850
SACRAMENTO, CA 94250-5878

DATE: February 17, 2023 PERSONNEL LETTER #23-005

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

FROM: Jil Barraza, Chief
Personnel and Payroll Services Division

RE: **CHANGES TO FEDERAL TAX WITHHOLDING RATES FOR NONRESIDENT ALIEN EMPLOYEES**

The State Controller's Office (SCO) changed the additional amount to nonresident alien employee's federal taxable wages for payroll calculation purposes. For specific information regarding this change, please refer to IRS Publication 15-T (Rev. December 14, 2022), [2023 Publication 15-T \(irs.gov\)](#).

Effective January 1, 2023, the amount added to **Nonresident Alien** employee's wages for calculating federal income tax withholding only are:

Table 1 is used if the nonresident alien was first paid wages before 2020 and **has not** submitted a [STD. 686](#), Employee Action Request (EAR) form or a [STD. 457](#), Student Payroll Action Request (SPAR) form for 2020 or later, add the amount shown in Table 1 to their wages for calculating federal income tax withholding.

Table 1

<u>Pay Frequency</u>	<u>Additional Amount</u>
Monthly	\$795.80
Semimonthly	\$397.90
Bi-weekly	\$367.30

Table 2 is used if the nonresident alien has submitted an EAR form or SPAR for 2020 or later, was first paid wages in 2020, or later, add the amount shown in Table 2 to their wages for calculating federal income tax withholding.

Table 2

<u>Pay Frequency</u>	<u>Additional Amount</u>
Monthly	\$1,154.20
Semimonthly	\$577.10
Bi-weekly	\$532.70

Therefore, federal taxes withheld from nonresident alien employees' payroll may increase or decrease each month. Please refer to Payroll Letters [#06-029](#) and [#06-030](#) for further information regarding the nonresident alien federal tax withholding process.

If you have questions, please contact the Personnel and Payroll Services Division, Statewide Tax Support Program at PPSDSTSP@sco.ca.gov.

For additional questions regarding this letter, please use the following contact information:

Contacts:

- Affordable Care Act (ACA) Email acasupport@sco.ca.gov
- [Cal Employee Connect \(CEC\) - Help and Feedback](#)
- [ConnectHR - Help and Feedback](#)
- California Leave Accounting System (CLAS) Email Clas@sco.ca.gov
- CS Escalation Email (HR Supervisors and Managers) PPSDOps@sco.ca.gov
- Decentralized Security & ViewDirect Access - (916) 619-7234 or DSA@sco.ca.gov
- HR Suggestions Email (All HR Staff) PPSDHRSuggestions@sco.ca.gov
- Management Information Retrieval System (MIRS) Email PPSDmirs@sco.ca.gov
- [Statewide Customer Contact Center](#) (916) 372-7200

SCO Key Initiatives:

- [Cal Employee Connect Project](#)
- [California State Payroll System Project](#)

Websites:

- [HR](#)
- [State Employees](#)

JEB:AR:EO:STSP