

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

DATE: April 13, 2009

PERSONNEL LETTER #09-010

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

FROM: Don Scheppmann, Chief
Personnel/Payroll Services DivisionRE: **CHANGES TO TAX WITHHOLDING RATES FOR NONRESIDENT ALIENS**

This is to advise you of changes to the federal tax withholdings for nonresident alien (NRA) employees effective in the April 2009 pay period. As a result of the American Recovery and Reinvestment Act of 2009, a change to the federal tax rate table became effective in April 2009. The tax rate changes affect the amount that is currently added to a NRA employee's federal taxable gross wages. The new dollar amounts that will go into effect beginning with the April 2009 pay period (based on the employee's pay frequency) are:

| | |
|--------------|----------|
| Monthly | \$598.00 |
| Semi-monthly | \$299.00 |
| Bi-weekly | \$276.00 |

For specific information on the tax rate changes and the new NRA amounts please see IRS Publication 15-T, <http://www.irs.gov/pub/irs-pdf/p15t.pdf>. (The bottom of this page contains a window pane with excel documents. To view IRS Publication 15-T, close the bottom window pane and scroll down one page.)

The combination of the changes made to the federal tax withholding rates and the amount added to the wages for NRA employees for federal tax calculation purposes may increase the total amount of federal taxes withheld from NRA employees' wages each month. Please see Payroll Letters #06-029 or #06-030 for further information regarding the NRA federal tax withholding process.

If you have any questions regarding the above information, please contact Jeanna Bowe at (916) 322-3899 or jbowe@sco.ca.gov.

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