

# School Accounting System

## Federal Income Tax (FIT) Calculation

### Examples for Tax Year 2024

**Example 1: Using old W4 format (2019 & Prior), Married with 2 exemptions, 12 tax pay periods per year**

**FIT Gross Taxable Calculation:**

FIT gross income per pay period.....	\$ 4,100.00
Multiply by number of tax pay periods per year (from Employment screen in Employee File) <u>X</u> 12	
Equals annualized FIT gross taxable amount .....	\$49,200.00
Less annual standard deduction (\$4,300) multiplied by number of exemptions (2) ..	<u>\$8,600.00</u>
Subtotal .....	<b>\$40,600.00</b>

**Tax Withholding Calculation (using Married Filing Jointly Table for 2019 & Prior W4):**

Amount to withhold .....				\$2,320.00
Plus 12% of excess over \$39,500 .....	\$40,600			
	<u>-\$39,500</u>			
	\$1,100	X 12% = \$132.00.....		<u>+ \$132.00</u>
Equals annual FIT withholding amount .....				<b>\$2,452.00</b>

\$2,452.00 divided by 12 tax pay periods .....	\$204.33
Plus any additional \$ or % as specified on W-4 .....	<u>+ \$0</u>
<b>Total FIT withholding per pay period.....</b>	<b>\$204.33</b>

**Taxes**

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Tax ID: FIT Federal Income Tax

General Tax Table Taxes Payable

Tax Year: 2024

**Tax Table**  
 Married Filing Jointly (2019 & Prior W4 or 2020 & Beyond W4 with Step 2 Not Selected)

Supplemental Rate: 22.00

Dollars Per Withholding Allowance: 4,300.00

Step 2 Amount: 12,900.00

Nonresident Alien

Tax Table				
	Wages Over	But Not Over	Amount to Withhold	Plus % of Excess
X	.00	16,300.00	.00	.00
X	16,300.00	39,500.00	.00	10.00
X	39,500.00	110,600.00	2,320.00	12.00
X	110,600.00	217,350.00	10,852.00	22.00
X	217,350.00	400,200.00	34,337.00	24.00
X	400,200.00	503,750.00	78,221.00	32.00
X	503,750.00	747,500.00	111,357.00	35.00
X	747,500.00	9,999,999.00	196,669.50	37.00
*	X			

**Example 2: Using old W4 format (2019 & Prior), Single with 1 exemption, 24 tax pay periods per year, plus an additional \$10**

**FIT Gross Taxable Calculation:**

FIT gross income per pay period.....\$ 1,450.00  
Multiply by number of tax pay periods per year (from Employment screen in Employee File) X 24  
Equals annualized FIT gross taxable amount .....\$34,800.00  
Less annual standard deduction (\$4,300) multiplied by number of exemptions (1) ..-\$4,300.00  
Subtotal .....**\$30,500.00**

**Tax Withholding Calculation (using Single Table for 2019 & Prior W4):**

Amount to withhold.....\$1,160.00  
Plus 12% of excess over \$17,600 .....\$30,500  
-\$17,600  
\$12,900 X 12% = \$1,548.00..... + \$1,548.00

Equals annual FIT withholding amount .....**\$2,708.00**

\$2,708.00 divided by 24 tax pay periods .....\$112.83

Plus any additional \$ or % as specified on W-4 .....+ \$10.00

**Total FIT withholding per pay period.....\$122.83**

**Taxes**

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Tax ID: FIT Federal Income Tax

General Tax Table Taxes Payable

Tax Year: 2024

Tax Table: Single (2019 & Prior W4 or 2020 & Beyond W4 with Step 2 Not Selected)

Supplemental Rate: 22.00

Dollars Per Withholding Allowance: 4,300.00

Step 2 Amount: 8,600.00

Nonresident Alien:

	Wages Over	But Not Over	Amount to Withhold	Plus % of Excess
X	.00	6,000.00	.00	.00
X	6,000.00	17,600.00	.00	10.00
X	17,600.00	53,150.00	1,160.00	12.00
X	53,150.00	106,525.00	5,426.00	22.00
X	106,525.00	197,950.00	17,168.50	24.00
X	197,950.00	249,725.00	39,110.50	32.00
X	249,725.00	615,350.00	55,678.50	35.00
X	615,350.00	9,999,999.00	183,647.25	37.00
*				

**Example 3: Using new W4 format (2020 & Beyond), Married Filing Jointly with Step 2 not selected, \$1,000 for Claim Dependents, \$0 for Other Income, \$0 for Deductions, 12 tax pay periods per year**

**FIT Gross Taxable Calculation:**

FIT gross income per pay period.....\$ 3,500.00  
 Multiply by number of tax pay periods per year (from Employment screen in Employee File) X 12  
 Equals annualized FIT gross taxable amount .....\$42,000.00

Add amount from Step 4(a) on W4, as entered in Other Income (Step 4) field on  
 Taxes screen in Employee File ..... + \$0.00

Subtract amount from Step 4(b) on W4, as entered in Deductions (Step 4) field on  
 Taxes screen in Employee File ..... - \$0.00

Subtract \$12,900 if married filing jointly or else \$8,600 otherwise ..... - \$12,900.00

Subtotal .....\$29,100.00

**Tentative Withholding Calculation (using Married Filing Jointly Table for 2020 & Beyond W4 with Step 2 Not Selected):**

Amount to withhold.....\$0.00

Plus 10% of excess over \$16,300 .....\$29,100  
 -\$16,300  
 \$12,800 X 10% = \$1,280.00..... + \$1,280.00

Equals annual FIT tentative withholding amount.....\$1,280.00

Calculate per pay period FIT tentative withholding amount:

\$1,280.00 divided by 12 tax pay periods .....\$106.66

Divide amount from Step 3 on W4, as entered in Claim Dependents (Step 3) field on  
 Taxes screen in Employee File, by number of tax pay periods per year; and then  
 subtract from per pay period FIT tentative withholding amount:

\$1,000.00 divided by 12 tax pay periods ..... - \$83.33  
 \$23.33

Plus any additional \$ or % as specified on W-4 ..... + \$0

**Total FIT withholding per pay period.....\$23.33**

The screenshot shows the 'Taxes' application window. The 'Tax ID' is set to 'FIT' and the 'Federal Income Tax' is selected. The 'Tax Year' is 2024. The 'Tax Table' dropdown is set to 'Married Filing Jointly (2019 & Prior W4 or 2020 & Beyond W4 with Step 2 Not Selected)'. The 'Supplemental Rate' is 22.00, 'Dollars Per Withholding Allowance' is 4,300.00, 'Step 2 Amount' is 12,900.00, and 'Nonresident Alien' is unchecked. The 'Tax Table' grid shows the following data:

	Wages Over	But Not Over	Amount to Withhold	Plus % of Excess
	.00	16,300.00	.00	.00
	16,300.00	39,500.00	.00	10.00
	39,500.00	110,600.00	2,320.00	12.00
	110,600.00	217,350.00	10,852.00	22.00
	217,350.00	400,200.00	34,337.00	24.00
	400,200.00	503,750.00	78,221.00	32.00
	503,750.00	747,500.00	111,357.00	35.00
	747,500.00	9,999,999.00	196,669.50	37.00
*				

**Taxes**

File Options Reports Pin To Help

Tax ID FIT Federal Income Tax

General Tax Table Taxes Payable

Tax Year 2024

**Tax Table**  
Single (2019 & Prior W4 or 2020 & Beyond W4 with Step 2 Not Selected)

Supplemental Rate 22.00

Dollars Per Withholding Allowance 4,300.00

Step 2 Amount 8,600.00

Nonresident Alien

**Tax Table**

	Wages Over	But Not Over	Amount to Withhold	Plus % of Excess
X	.00	6,000.00	.00	.00
X	6,000.00	17,600.00	.00	10.00
X	17,600.00	53,150.00	1,160.00	12.00
X	53,150.00	106,525.00	5,426.00	22.00
X	106,525.00	197,950.00	17,168.50	24.00
X	197,950.00	249,725.00	39,110.50	32.00
X	249,725.00	615,350.00	55,678.50	35.00
X	615,350.00	9,999,999.00	183,647.25	37.00
*				

**Example 5: Using new W4 format (2020 & Beyond), Married Filing Jointly with Step 2 selected, \$1,000 for Claim Dependents, \$0 for Other Income, \$0 for Deductions, 12 tax pay periods per year**

**FIT Gross Taxable Calculation:**

FIT gross income per pay period.....\$ 3,500.00  
 Multiply by number of tax pay periods per year (from Employment screen in Employee File) X 12  
 Equals annualized FIT gross taxable amount .....\$42,000.00

Add amount from Step 4(a) on W4, as entered in Other Income (Step 4) field on  
 Taxes screen in Employee File ..... + \$0.00

Subtract amount from Step 4(b) on W4, as entered in Deductions (Step 4) field on  
 Taxes screen in Employee File ..... - \$0.00

Subtotal .....**\$42,000.00**

**Tentative Withholding Calculation (using Married Filing Jointly Table for 2020 & Beyond W4 with Step 2 Selected):**

Amount to withhold .....\$1,160.00

Plus 12% of excess over \$26,200 .....\$42,000  
 -\$26,200  
 \$15,800 X 12% = \$1,896.00..... +\$1,896.00

Equals annual FIT tentative withholding amount.....**\$3,056.00**

Calculate per pay period FIT tentative withholding amount:

\$3,056.00 divided by 12 tax pay periods .....**\$254.66**

Divide amount from Step 3 on W4, as entered in Claim Dependents (Step 3) field on  
 Taxes screen in Employee File, by number of tax pay periods per year; and then  
 subtract from per pay period FIT tentative withholding amount:

\$1,000.00 divided by 12 tax pay periods ..... - \$83.33  
**\$171.33**

Plus any additional \$ or % as specified on W-4 ..... + \$0

**Total FIT withholding per pay period.....\$171.33**

The screenshot shows the 'pf Taxes' application window. The 'Tax ID' is set to 'FIT' and the 'Federal Income Tax' table is selected. The 'Tax Year' is 2024. The 'Tax Table' dropdown is set to 'Married Filing Jointly (2020 & Beyond W4 with Step 2 Selected)'. The 'Supplemental Rate' is 22.00. The 'Dollars Per Withholding Allowance' is empty. The 'Step 2 Amount' is empty. The 'Nonresident Alien' checkbox is unchecked. The 'Tax Table' is displayed on the right, showing wages over \$26,200, with a withholding amount of \$1,160.00 and a plus percentage of excess of 12.00%.

	Wages Over	But Not Over	Amount to Withhold	Plus % of Excess
X	.00	14,600.00	.00	.00
X	14,600.00	26,200.00	.00	10.00
X	26,200.00	61,750.00	1,160.00	12.00
X	61,750.00	115,125.00	5,426.00	22.00
X	115,125.00	206,550.00	17,168.50	24.00
X	206,550.00	258,325.00	39,110.50	32.00
X	258,325.00	380,200.00	55,678.50	35.00
X	380,200.00	9,999,999.00	98,334.75	37.00
*				

**Example 6: Using new W4 format (2020 & Beyond), Single with Step 2 selected, \$0 for Claim Dependents, \$6,500 for Other Income, \$0 for Deductions, 24 tax pay periods per year, plus an additional \$10**

**FIT Gross Taxable Calculation:**

FIT gross income per pay period.....\$ 1,450.00  
 Multiply by number of tax pay periods per year (from Employment screen in Employee File) X 24  
 Equals annualized FIT gross taxable amount .....\$34,800.00

Add amount from Step 4(a) on W4, as entered in Other Income (Step 4) field on  
 Taxes screen in Employee File .....+\$6,500.00

Subtract amount from Step 4(b) on W4, as entered in Deductions (Step 4) field on  
 Taxes screen in Employee File .....- \$0.00

Subtotal .....**\$41,300.00**

**Tentative Withholding Calculation (using Single Table for 2020 & Beyond W4 with Step 2 Selected):**

Amount to withhold .....\$2,713.00

Plus 22% of excess over \$30,875 .....\$41,300  
 -\$30,875  
 \$10,425 X 22% = \$2,293.50..... +\$2,293.50

Equals annual FIT tentative withholding amount.....**\$5,006.50**

Calculate per pay period FIT tentative withholding amount:  
 \$5,006.50 divided by 24 tax pay periods .....**\$208.60**

Divide amount from Step 3 on W4, as entered in Claim Dependents (Step 3) field on  
 Taxes screen in Employee File, by number of tax pay periods per year; and then  
 subtract from per pay period FIT tentative withholding amount:

\$0.00 divided by 24 tax pay periods .....- \$0.00  
**\$208.60**

Plus any additional \$ or % as specified on W-4 .....+ \$10.00

**Total FIT withholding per pay period \$218.60**

The screenshot shows the 'pr Taxes' application window. The 'Tax ID' is set to 'FIT' and the 'Federal Income Tax' is selected. The 'Tax Year' is 2024. The 'Tax Table' dropdown is set to 'Single (2020 & Beyond W4 with Step 2 Selected)'. The 'Tax Table' grid shows the following data:

	Wages Over	But Not Over	Amount to Withhold	Plus % of Excess
X	.00	7,300.00	.00	.00
X	7,300.00	13,100.00	.00	10.00
X	13,100.00	30,875.00	580.00	12.00
X	30,875.00	57,563.00	2,713.00	22.00
X	57,563.00	103,275.00	8,584.25	24.00
X	103,275.00	129,163.00	19,555.25	32.00
X	129,163.00	311,975.00	27,839.25	35.00
X	311,975.00	9,999,999.00	91,823.63	37.00
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