

New Employer's Guide for 2011 Salaries

On July 14, 2011 the Puerto Rico Treasury Department (PRTD) issued Internal Revenue Bulletin 11-11 ("IRB 11-11") to inform the release of the new Form 499 R-4 Withholding Exemption Certificate and the publication of the new Employer's Guide, which contains the income tax withholding tables approved by the Secretary of the Treasury. The use of the new Form 499 R-4 and the new tax withholding tables are effective immediately. For your convenience, please see the attached copy of the form and the new tables.

Background

Prior to the approval of Act I of January 31, 2011 (the "Internal Revenue Code for a New Puerto Rico" referred to herein below as the "New Code"), and in anticipation of the changes proposed, the PRTD issued Internal Revenue Bulletin 10-15 ("IRB 10-15") on December 21, 2010. The IRB 10-15 provided transitory tax withholding tables for the salaries payable beginning on January 1, 2011, and provided that no income tax withholding was required for annual salaries of \$20,000 or less. The IRB 11-11 supersedes IRB 10-15.

Minimal Changes on New Tax Withholding Tables

The main purpose of the new tax withholding tables is to take in consideration the increase in the personal exemptions and deductions provided under the New Code. When comparing the tax withholding tables issued last December by the PRTD for the salaries payable in 2011 with the new tables approved by the Secretary of the Treasury, there are basically no differences other than the addition of a new column to provide an exemption for the increased veterans' deduction and the rounding of exemption amounts to eliminate cents. This happens because, by December 21, 2010, the proposed enactment of House of Representatives Bill 3070 contained most of the changes later approved in 2011. For employers, it is very important to ascertain that the tax withholding being made on salaries paid is in accordance to the new tables; however, in order to do that, employers must be sure they understand the new items on Form 499 R-4.

New Items on Form 499 R-4

Among the new items brought to the Form 499 R-4 are various boxes which serve the purpose of documenting the reason for not withholding income taxes to a particular employee. For example, if the annual salary of the employee is less than \$20,000,

Continues on Page 2

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New Employer's Guide...
Continued from Page 1

there is a box to mark by the employer which will exempt the employer from withholding income tax on his salary. Also, there is another box which, if marked, permits certain employees to not be subject to Puerto Rico income tax withholding under the Military Spouses Residency Relief Act (the "MSRRA Act"). The MSRRA Act allows spouses of military personnel transferred to a Puerto Rico base to elect to maintain the tax domicile they had before the move. The New Code imposes penalties for failure to withhold or deposit the tax withheld on salaries. Having these forms properly completed to document the cases where no withholding is required is imperative to eliminate the risks of being assessed tax deficiencies by the PRTD for failure to withhold and deposit the taxes withheld.

Another new item in the Form 499 R-4 is a box to be marked by those employees who are married and elect to use the optional income tax computation in its tax return. In these cases, the employer will use 50% of the elected personal exemption and 50% of the annual concessions for deductions of these employees in determining the

tax withholding.

Also new in the form is an election for additional income tax withholding. By marking a box, the employee elects to be withheld a specific amount or a specific percentage of his income in addition to the income tax already determined under the tax withholding tables. Even an employee with a salary of less than \$20,000 may elect to be withheld income tax under this option. Please note that the income tax withholding allowed under the New Code is the one provided under the tax withholding tables and the additional withholding provided by this election. Any other tax withholding method would require an authorization from the Secretary of the Treasury in the form of a revenue ruling.

Due to the changes and new items mentioned above, we recommend that new Forms 499 R-4 be completed by all employees in order to properly document the particular tax withholding requirements of each and to comply with the IRB 11-11. You can find the full new 2011 Employer's Guide in the PRTD website by clicking over "Tablas de Retención" on www.hacienda.gobierno.pr/publicaciones/index.html. In case you or your Human Resources Department need

assistance or orientation regarding the completion of Form 499 R-4 or the impact of certain elections in the tax withholding calculations give us call.

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WITHHOLDING EXEMPTION CERTIFICATE

READ INSTRUCTIONS ON REVERSE SIDE BEFORE COMPLETING THIS WITHHOLDING EXEMPTION CERTIFICATE

Complete this form and submit it to your employer. Otherwise, the employer is required to withhold your income taxes without taking into consideration your personal exemption, exemption for dependents and allowance based on deductions, pursuant to the Internal Revenue Code for a New Puerto Rico (Code).

ANY CHANGES IN THE PERSONAL EXEMPTION, THE NUMBER OF DEPENDENTS OR THE ALLOWANCE BASED ON DEDUCTIONS, REQUIRE THE FILING OF AN AMENDED CERTIFICATE.

FOR EMPLOYEE'S USE ONLY

Employee's name	Employee's social security number
Spouse's name	Spouse's social security number
Home address	Postal address

Check here if your annual gross wages do not exceed \$20,000. If you want your employer to withhold income taxes on your wages, complete Part D. Otherwise, proceed to sign this Certificate.

Check here if you choose the provisions of the Military Spouses Residency Relief Act. (See instructions)

Check here if you choose the optional computation of tax in the case of married individuals living together and filing a joint return. (See instructions)

A. PERSONAL EXEMPTION	Complete (less withholding)	Half	None (more withholding)
1. Individual taxpayer.....			
2. Married person			
3. Additional veterans personal exemption			

B. EXEMPTION FOR DEPENDENTS: Number of Dependents **Complete Exemption** **Joint Custody**

C. ALLOWANCE BASED ON DEDUCTIONS

1. ALLOWANCE BASED ON THE SPECIAL DEDUCTION FOR CERTAIN INDIVIDUALS (See instructions)	<input type="checkbox"/> Complete	<input type="checkbox"/> None
2. ALLOWANCE BASED ON DEDUCTIONS (OPTIONAL):		
(a) Home mortgage interest		00
(b) Charitable contributions		00
(c) Medical expenses		00
(d) Interest paid on student loans at university level		00
(e) Contributions to governmental pension or retirement systems (See instructions)		00
(f) Contributions to Individual Retirement Accounts		00
(g) Educational Contributions Account		00
(h) Contributions to health savings accounts		00
(i) Casualty loss on your principal residence		00
(j) Loss of personal property as a result of certain casualties		00
(k) Total deductions		00
3. Number of allowances based on deductions (Divide line 2(k) by \$500)		
4. Allowances that you want to claim (May be less or equal to line 3)		

If you are a governmental employee, mark to indicate if you participate in any of the following programs (See instructions):

- Retirement Withholding Supplementary Plan
- Retirement Savings Accounts Program (Indicate the percentage that you elected as contribution _____%)

D. ELECTION FOR ADDITIONAL WITHHOLDING

I authorize my employer to withhold in each payroll period the amount of \$ _____ or _____ % from my wages in **addition** to the tax required to be deducted and withheld according to the provisions of Section 1062.01 of the Code. (See instructions)

OATH

I declare under the penalty of perjury that I have examined this form, and to the best of my knowledge, the information contained herein is true, correct and complete. I also certify that the personal exemption, exemption for dependents and the allowance based on deductions claimed herein, for purposes of withholding of income tax on wages, do not exceed the amount that I am entitled to claim on the income tax return, according to the Code.

Employee's signature

Date

INSTRUCTIONS

The Withholding Exemption Certificate (Form 499 R-4.1) is the document used by the employee to notify his/her employer of the personal exemption, exemption for dependents and the allowance based on deductions. These three factors are considered to determine the income tax to be withheld from the employee's wages.

Complete the upper part of the form, indicating your name, social security number, postal and home address.

If your annual gross wages do not exceed \$20,000, the same will not be subject to withholding at source. Nevertheless, you may elect for the employer to make withholding of income tax according to the amount or percentage indicated in Part D of this Certificate.

Under the Military Spouses Residency Relief Act (MSRRS), if you are the spouse of an active service member that was transferred under military orders to a new military station in any of the states, possessions or territories of the United States or the District of Columbia, you can keep your original residence or domicile for tax purposes. Indicate if you elect this option so that the employer will not be required to withhold income tax for Puerto Rico. Nevertheless, you may be subject to the payment of federal estimated tax or from the state, possession or territory for which you elected to keep as your residence or the employer may withhold federal, local or state taxes, as applicable.

If you are married, include you spouse's name and social security number, and indicate if you choose the optional computation of tax in the case of married individuals living together and filing a joint return (**optional computation**), as provided by Section 1021.03 of the Internal Revenue Code for a New Puerto Rico (Code).

PART A - PERSONAL EXEMPTION

Indicate with an "X" your option regarding the personal exemption that your employer will consider to determine the income tax to be withheld.

Line 1 – An individual taxpayer (single person, married that granted prenuptial agreement of total separation of assets or married not living with spouse) may claim or not the personal exemption. If you want to claim the complete personal exemption, mark the column titled "Complete". On the other hand, if you choose to claim no exemption at all, you may do so by marking the column titled "None". An individual taxpayer cannot choose to consider "Half" of his/her personal exemption.

Line 2 - Married couples are entitled to only one personal exemption, therefore, each spouse cannot claim the complete personal exemption. If you are a married person, and both spouses receive wages subject to withholding, both of you should agree on how to claim the personal exemption and shall mark the corresponding column. If the married couple determines that only one of them will consider the complete personal exemption, such spouse shall mark the column titled "Complete". In such case, the other spouse shall mark the column titled "None". If you agreed with your spouse to divide the personal exemption in half, indicate so marking the column titled "Half". If you do not want to claim the personal exemption, mark the column titled "None".

If you are married and choose the **optional computation**, the personal exemption will be considered on a 50% basis for each spouse. Therefore, each spouse may choose to consider the complete personal exemption or no personal exemption at all regarding this 50%.

Line 3 – Every veteran is entitled to claim an additional personal exemption. The veteran may claim the complete additional personal exemption or may choose to claim no additional personal exemption at all.

PART B - EXEMPTION FOR DEPENDENTS

Indicate the number of dependents that will be considered for the withholding computation. It shall be the same as the number that you will claim as dependents on your income tax return. Indicate separately in the corresponding box, the children for which you are entitled to joint custody and have not released the claim to exemption. In these cases, only 50% of the exemption will be considered.

If you are an employee who elected the **optional computation**, your exemption for dependents will be 50% of the total amount provided by Section 1033.18(b) of the Code, since in such cases each spouse is entitled to claim only half of the exemption for dependents, as provided in Section 1021.03 of the Code.

The Code provides that every employer, who receives an exemption certificate from an employee in which the **number of dependents claimed exceeds 8**, shall submit a copy of such certificate to the Secretary of the Treasury, as well as a copy of any written statement received from the employee to support the information contained in the certificate.

PART C - ALLOWANCE BASED ON DEDUCTIONS

You are entitled to certain allowances based on deductions which your employer shall consider to determine the amount of income tax to be withheld.

Line 1 – The number of allowances under the special deduction for certain individuals is subject to the limitations and requirements provided by Section 1033.16 of the Code. This deduction shall be available to those individuals whose gross income does not exceed \$20,000, providing that for each dollar of gross income in excess of \$20,000, the allowable deduction shall be reduced by fifty cents until it is reduced to zero.

If you choose to consider the special deduction, mark the box titled "Complete". On the other hand, if you choose to claim no special deduction at all, you shall mark the box titled "None".

Line 2 – You have the **option** to consider in the withholding computation, the deductions that you will be able to claim on your income tax return. Such deductions will reduce the amount of tax that the employer will withhold on your wages. If you do not wish to consider these deductions in the computation, do not complete this line.

Enter on lines 2(a) through 2(j), the amount of these deductions that you estimate you will be entitled to claim on your return. Such deductions are subject to the limitations and requirements provided in Section 1033.15 of the Code.

If you are married and choose the **optional computation**, the number of allowances shall be determined by dividing the deductions among the spouses. In the case of home mortgage interest, charitable contributions, medical expenses, and loss on your principal residence or personal property as a result of certain casualties, include 50% of each deduction. In the case of contributions to governmental pension or retirement systems, Individual Retirement Accounts, Educational Contribution Accounts, Health Savings Accounts and interest paid on student loans at university level, include the amount that corresponds individually.

Line 2(e) – If you are a governmental employee, you shall consider the governmental pension or retirement plan to which you make contributions, if any:

- If you make contributions to the governmental pension or retirement plan, you shall consider 8.275% of your annual wages.
- If you elected the supplementary retirement plan, then, you shall consider 5.775% of your monthly wages up to \$550 and 8.275% of your monthly wages in excess of such amount (on an annual basis).
- On the other hand, if you are a governmental employee who makes contributions through the Retirement Savings Accounts Program, you shall consider 8.275%, 9%, 9.5%, or 10% (as elected) of your annual wages.

If you are a governmental employee, who works for an agency which payroll is processed by the Department of the Treasury, do not consider your contributions to the pension or retirement system on this line. This deduction will automatically be considered in the withholding computation.

Line 3 – Divide the amount figured on line 2(k) by \$500. Any fraction obtained as a result of the preceding division exceeding 50%, shall be considered as an additional allowance.

Line 4 – Indicate the allowances that you wish to claim, from the amount determined on line 3. If you file as a married person living with spouse and **do not** choose the **optional computation**, you and your spouse shall be allowed to divide the total allowances as you wish, but based on complete allowances. However, any allowance considered by one spouse cannot be claimed by the other spouse.

PART D – ELECTION FOR ADDITIONAL WITHHOLDING

Any employee may elect for his/her employer to withhold an amount in addition to the one required by Section 1062.01(e) of the Code. Under no circumstances, this option will be allowed for an amount less than the tax determined according to the withholding tables approved by the Secretary based on the tax rates provided by the Code. Also, this option may be exercised by every employee whose annual gross wages do not exceed \$20,000 and chooses for the withholding to be made on such wages.

OATH

You declare under penalty of perjury, that you have examined this form, and that to the best of your knowledge, the information contained therein is true, correct and complete.

SIGNATURE

This form must be signed and dated by the employee.

PENALTIES

Any employee required to submit a withholding exemption certificate to his/her employer, who willfully provides false or fraudulent information, or who willfully fails to provide information which would require an increase in the tax to be withheld, shall be guilty of a misdemeanor as provided in Section 6041.08 of the Code.

In the case of employees who elect to consider the allowance for deductions provided in Section 1062.01(c)(2)(A)(ii) of the Code, in addition to the criminal penalty mentioned in the above paragraph, if 70% of the tax attributable to income derived from wages subject to withholding exceeds the tax withheld at source on said income, there shall be added to the tax the smaller of: (1) an amount equal to such excess, or (2) an amount equal to 18% of the amount for which such tax so determined exceeds the tax withheld.

INSTRUCTIONS TO THE EMPLOYER

The employer shall consider the information provided by the employee on this Certificate with respect to the personal exemption, exemption for dependents and allowance based on deductions in order to make the withholding according to the Employer's Guide on the Withholding of Income Tax at Source on Wages for the corresponding taxable year.

If the employee's annual gross wages do not exceed \$20,000, such wages are not subject to withholding at source, unless the employee had completed the election, in Part D, for the additional withholding to be made.

If the employee elects the provisions of the MSRRS, no withholding of tax at source on wages shall be made for Puerto Rico purposes. Nevertheless, such wages may be subject to withholding of federal taxes according to the provisions of the Internal Revenue Service.

If the number of dependents exceeds 8, submit copy of this Certificate to the Fiscal Audit Bureau, as well as copy of any written statement received from the employee to support the information contained in the certificate.

APENDICE 1

TABLAS PARA COMPUTAR LA EXENCION PARA LA RETENCION EN EL CASO DE SALARIOS PAGADOS DESPUES DEL 31 DE DICIEMBRE DE 2010 Y ANTES DEL 1 DE ENERO DE 2012

APPENDIX 1

TABLES TO COMPUTE THE WITHHOLDING EXEMPTION IN THE CASE OF WAGES PAID AFTER DECEMBER 31, 2010 AND BEFORE JANUARY 1, 2012

PERIODO DE NOMINA	EXENCION PERSONAL *				EXENCION POR DEPENDIENTES	EXENCION POR DEPENDIENTES (COMPUTO OPCIONAL O CUSTODIA COMPARTIDA)	CONCESION POR DEDUCCIONES	
	Contribuyente Individual y reclama la totalidad de la exención personal	Casado que rinde planilla conjunta y reclama la totalidad de la exención personal para la retención	Persona Casada que rinde planilla conjunta y reclama la mitad de la exención personal para la retención o Persona Casada que vive con su cónyuge, se acoge al cómputo opcional y reclama la totalidad de la exención personal para la retención	Adicional para Veteranos	Por cada dependiente	Por cada dependiente	Por cada concesión basada en deducciones	Por la deducción especial para ciertos individuos
PAYROLL PERIOD	PERSONAL EXEMPTION*				EXEMPTION FOR DEPENDENTS	EXEMPTION FOR DEPENDENTS (OPTIONAL COMPUTATION OR JOINT CUSTODY)	ALLOWANCE FOR DEDUCTIONS	
	Individual Taxpayer and claims all of the personal exemption	Married filing jointly and claims all of the personal exemption for withholding purposes	Married Person filing jointly and claiming half of the personal exemption for withholding purposes or Married Person living with spouse, who chooses the optional computation of tax and claims all of the personal exemption for withholding	Additional for Veterans	For each dependent	For each dependent	For each allowance based on deductions	For the special deduction for certain individuals
Semanal Weekly	\$ 67.00	\$ 135.00	\$ 67.00	\$ 29.00	\$ 48.00	\$ 24.00	\$ 9.50	Refiérase al Apéndice 2. Refer to Appendix 2.
Cada dos semanas Biweekly	135.00	270.00	135.00	57.50	96.00	48.00	19.00	
Quincenal Semimonthly	146.00	292.00	146.00	62.50	104.00	52.00	21.00	
Mensual Monthly	292.00	583.00	292.00	125.00	208.00	104.00	41.50	
Trimestral Quarterly	875.00	1,750.00	875.00	375.00	625.00	312.50	125.00	
Semestral Semiannual	1,750.00	3,500.00	1,750.00	750.00	1,250.00	625.00	250.00	
Anual Annual	3,500.00	7,000.00	3,500.00	1,500.00	2,500.00	1,250.00	500.00	
Diario o Misceláneo (Por cada día de dicho período) Daily or Miscellaneous (Per day of such period)	14.00	28.00	14.00	6.00	9.50	4.75	2.00	

*La persona que selecciona no reclamar la exención personal ("Ninguna"), se le deducirá \$0.00.

The person who chooses claiming none of the personal exemption ("None"), shall be deducted \$0.00.

APENDICE 2

TABLA PARA DETERMINAR LA CANTIDAD DE CONCESIONES POR LA DEDUCCION ESPECIAL PARA CIERTOS INDIVIDUOS PARA LA RETENCION EN EL CASO DE SALARIOS PAGADOS DESPUES DEL 31 DE DICIEMBRE DE 2010 Y ANTES DEL 1 DE ENERO DE 2012

APPENDIX 2

TABLE TO DETERMINE THE AMOUNT OF ALLOWANCES FOR THE SPECIAL DEDUCTION FOR CERTAIN INDIVIDUALS FOR THE WITHHOLDING IN THE CASE OF WAGES PAID AFTER DECEMBER 31, 2010 AND BEFORE JANUARY 1, 2012

Si la cantidad de salarios bruto es: <i>If the amount of gross wages is:</i>		Las concesiones serán: <i>The allowances shall be:</i>	Y la cantidad que se deducirá sobre los salarios según el período de nómina será: <i>And the amount that shall be deducted from the wages according to the payroll period will be:</i>							
En exceso de <i>In excess of</i>	Hasta <i>Up to</i>		Semanal <i>Weekly</i>	Cada dos semanas <i>Biweekly</i>	Quincenal <i>Semimonthly</i>	Mensual <i>Monthly</i>	Trimestral <i>Quarterly</i>	Semestral <i>Semiannual</i>	Anual <i>Annual</i>	Diario o Misceláneo <i>Daily or Miscellaneous</i>
\$ -	\$20,000.00	19	\$180.50	\$361.00	\$399.00	\$788.50	\$2,375.00	\$4,750.00	\$9,500.00	\$38.00
\$20,001.00	\$21,000.00	18	\$171.00	\$342.00	\$378.00	\$747.00	\$2,250.00	\$4,500.00	\$9,000.00	\$36.00
\$21,001.00	\$22,000.00	17	\$161.50	\$323.00	\$357.00	\$705.50	\$2,125.00	\$4,250.00	\$8,500.00	\$34.00
\$22,001.00	\$23,000.00	16	\$152.00	\$304.00	\$336.00	\$664.00	\$2,000.00	\$4,000.00	\$8,000.00	\$32.00
\$23,001.00	\$24,000.00	15	\$142.50	\$285.00	\$315.00	\$622.50	\$1,875.00	\$3,750.00	\$7,500.00	\$30.00
\$24,001.00	\$25,000.00	14	\$133.00	\$266.00	\$294.00	\$581.00	\$1,750.00	\$3,500.00	\$7,000.00	\$28.00
\$25,001.00	\$26,000.00	13	\$123.50	\$247.00	\$273.00	\$539.50	\$1,625.00	\$3,250.00	\$6,500.00	\$26.00
\$26,001.00	\$27,000.00	12	\$114.00	\$228.00	\$252.00	\$498.00	\$1,500.00	\$3,000.00	\$6,000.00	\$24.00
\$27,001.00	\$28,000.00	11	\$104.50	\$209.00	\$231.00	\$456.50	\$1,375.00	\$2,750.00	\$5,500.00	\$22.00
\$28,001.00	\$29,000.00	10	\$95.00	\$190.00	\$210.00	\$415.00	\$1,250.00	\$2,500.00	\$5,000.00	\$20.00
\$29,001.00	\$30,000.00	9	\$85.50	\$171.00	\$189.00	\$373.50	\$1,125.00	\$2,250.00	\$4,500.00	\$18.00
\$30,001.00	\$31,000.00	8	\$76.00	\$152.00	\$168.00	\$332.00	\$1,000.00	\$2,000.00	\$4,000.00	\$16.00
\$31,001.00	\$32,000.00	7	\$66.50	\$133.00	\$147.00	\$290.50	\$875.00	\$1,750.00	\$3,500.00	\$14.00
\$32,001.00	\$33,000.00	6	\$57.00	\$114.00	\$126.00	\$249.00	\$750.00	\$1,500.00	\$3,000.00	\$12.00
\$33,001.00	\$34,000.00	5	\$47.50	\$95.00	\$105.00	\$207.50	\$625.00	\$1,250.00	\$2,500.00	\$10.00
\$34,001.00	\$35,000.00	4	\$38.00	\$76.00	\$84.00	\$166.00	\$500.00	\$1,000.00	\$2,000.00	\$8.00
\$35,001.00	\$36,000.00	3	\$28.50	\$57.00	\$63.00	\$124.50	\$375.00	\$750.00	\$1,500.00	\$6.00
\$36,001.00	\$37,000.00	2	\$19.00	\$38.00	\$42.00	\$83.00	\$250.00	\$500.00	\$1,000.00	\$4.00
\$37,001.00	\$38,000.00	1	\$9.50	\$19.00	\$21.00	\$41.50	\$125.00	\$250.00	\$500.00	\$2.00
\$38,001.00	o más <i>or more</i>	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

APENDICE 3

TABLAS PARA DETERMINAR LA CONTRIBUCION QUE SE DEDUCIRA Y RETENDRA SOBRE LA CANTIDAD DE LOS SALARIOS PAGADOS DESPUES DEL 31 DE DICIEMBRE DE 2010 Y ANTES DEL 1 DE ENERO DE 2012

Para los fines de aplicar dichas tablas, el término "Cantidad de los salarios" significa la cantidad por la cual los salarios exceden la exención para la retención determinada de acuerdo con la tabla que aparece en el apéndice 1

Cuando el Período de Nómina con respecto a un empleado es Semanal			
Si la cantidad de los salarios es:		La contribución que se retendrá sobre la cantidad de los salarios será:	
En exceso de	Hasta		
\$ -	96.15	0.00 por ciento	
96.15	423.08	7.00 por ciento menos	\$ 6.70
423.08	769.23	14.00 por ciento menos	36.30
769.23	1,153.80	25.00 por ciento menos	120.90
1,153.80	ó más	33.00 por ciento menos	213.20

Cuando el Período de Nómina con respecto a un empleado es Cada Dos Semanas			
Si la cantidad de los salarios es:		La contribución que se retendrá sobre la cantidad de los salarios será:	
En exceso de	Hasta		
\$ -	192.30	0.00 por ciento	
192.30	846.16	7.00 por ciento menos	\$ 13.50
846.16	1,538.46	14.00 por ciento menos	72.70
1,538.46	2,308.00	25.00 por ciento menos	241.90
2,308.00	ó más	33.00 por ciento menos	426.50

Cuando el Período de Nómina con respecto a un empleado es Quincenal			
Si la cantidad de los salarios es:		La contribución que se retendrá sobre la cantidad de los salarios será:	
En exceso de	Hasta		
\$ -	208.33	0.00 por ciento	
208.33	916.67	7.00 por ciento menos	\$ 14.60
916.67	1,666.67	14.00 por ciento menos	78.80
1,666.67	2,500.00	25.00 por ciento menos	262.10
2,500.00	ó más	33.00 por ciento menos	462.10

Cuando el Período de Nómina con respecto a un empleado es Mensual			
Si la cantidad de los salarios es:		La contribución que se retendrá sobre la cantidad de los salarios será:	
En exceso de	Hasta		
\$ -	416.67	0.00 por ciento	
416.67	1,833.33	7.00 por ciento menos	\$ 29.20
1,833.33	3,333.33	14.00 por ciento menos	157.50
3,333.33	5,000.00	25.00 por ciento menos	524.20
5,000.00	ó más	33.00 por ciento menos	924.20

Cuando el Período de Nómina con respecto a un empleado es Trimestral			
Si la cantidad de los salarios es:		La contribución que se retendrá sobre la cantidad de los salarios será:	
En exceso de	Hasta		
\$ -	1,250.00	0.00 por ciento	
1,250.00	5,500.00	7.00 por ciento menos	\$ 87.50
5,500.00	10,000.00	14.00 por ciento menos	472.50
10,000.00	15,000.00	25.00 por ciento menos	1,572.50
15,000.00	ó más	33.00 por ciento menos	2,772.50

Cuando el Período de Nómina con respecto a un empleado es Semestral			
Si la cantidad de los salarios es:		La contribución que se retendrá sobre la cantidad de los salarios será:	
En exceso de	Hasta		
\$ -	2,500.00	0.00 por ciento	
2,500.00	11,000.00	7.00 por ciento menos	\$ 175.00
11,000.00	20,000.00	14.00 por ciento menos	945.00
20,000.00	30,000.00	25.00 por ciento menos	3,145.00
30,000.00	ó más	33.00 por ciento menos	5,545.00

Cuando el Período de Nómina con respecto a un empleado es Anual			
Si la cantidad de los salarios es:		La contribución que se retendrá sobre la cantidad de los salarios será:	
En exceso de	Hasta		
\$ -	5,000.00	0.00 por ciento	
5,000.00	22,000.00	7.00 por ciento menos	\$ 350.00
22,000.00	40,000.00	14.00 por ciento menos	1,890.00
40,000.00	60,000.00	25.00 por ciento menos	6,290.00
60,000.00	ó más	33.00 por ciento menos	11,090.00

Cuando el Período de Nómina con respecto a un empleado es Diario o Misceláneo			
Si la cantidad de los salarios es:		La contribución que se retendrá sobre la cantidad de los salarios será:	
En exceso de	Hasta		
\$ -	20.00	0.00 por ciento	
20.00	88.00	7.00 por ciento menos	\$ 1.40
88.00	160.00	14.00 por ciento menos	7.60
160.00	240.00	25.00 por ciento menos	25.20
240.00	ó más	33.00 por ciento menos	44.40

APPENDIX 3

**TABLES TO DETERMINE THE TAX TO BE DEDUCTED AND WITHHELD
UPON THE AMOUNT OF WAGES PAID AFTER DECEMBER 31, 2010 AND BEFORE JANUARY 1, 2012**

For the purposes of applying such tables, the term "Amount of the wages" means the amount by which the wages exceed the withholding exemption determined according to the table shown in Appendix 1

When the payroll period with respect to an employee is Weekly				
If the amount of the wages is:		The tax to be withheld upon the amount of the wages shall be:		
In excess of	Up to			
\$ -	96.15	0.00 percent		
96.15	423.08	7.00 percent minus	\$	6.70
423.08	769.23	14.00 percent minus		36.30
769.23	1,153.80	25.00 percent minus		120.90
1,153.80	or more	33.00 percent minus		213.20

When the payroll period with respect to an employee is Biweekly				
If the amount of the wages is:		The tax to be withheld upon the amount of the wages shall be:		
In excess of	Up to			
\$ -	192.30	0.00 percent		
192.30	846.16	7.00 percent minus	\$	13.50
846.16	1,538.46	14.00 percent minus		72.70
1,538.46	2,308.00	25.00 percent minus		241.90
2,308.00	or more	33.00 percent minus		426.50

When the payroll period with respect to an employee is Semimonthly				
If the amount of the wages is:		The tax to be withheld upon the amount of the wages shall be:		
In excess of	Up to			
\$ -	208.33	0.00 percent		
208.33	916.67	7.00 percent minus	\$	14.60
916.67	1,666.67	14.00 percent minus		78.80
1,666.67	2,500.00	25.00 percent minus		262.10
2,500.00	or more	33.00 percent minus		462.10

When the payroll period with respect to an employee is Monthly				
If the amount of the wages is:		The tax to be withheld upon the amount of the wages shall be:		
In excess of	Up to			
\$ -	416.67	0.00 percent		
416.67	1,833.33	7.00 percent minus	\$	29.20
1,833.33	3,333.33	14.00 percent minus		157.50
3,333.33	5,000.00	25.00 percent minus		524.20
5,000.00	or more	33.00 percent minus		924.20

When the payroll period with respect to an employee is Quarterly				
If the amount of the wages is:		The tax to be withheld upon the amount of the wages shall be:		
In excess of	Up to			
\$ -	1,250.00	0.00 percent		
1,250.00	5,500.00	7.00 percent minus	\$	87.50
5,500.00	10,000.00	14.00 percent minus		472.50
10,000.00	15,000.00	25.00 percent minus		1,572.50
15,000.00	or more	33.00 percent minus		2,772.50

When the payroll period with respect to an employee is Semiannual				
If the amount of the wages is:		The tax to be withheld upon the amount of the wages shall be:		
In excess of	Up to			
\$ -	2,500.00	0.00 percent		
2,500.00	11,000.00	7.00 percent minus	\$	175.00
11,000.00	20,000.00	14.00 percent minus		945.00
20,000.00	30,000.00	25.00 percent minus		3,145.00
30,000.00	or more	33.00 percent minus		5,545.00

When the payroll period with respect to an employee is Annual				
If the amount of the wages is:		The tax to be withheld upon the amount of the wages shall be:		
In excess of	Up to			
\$ -	5,000.00	0.00 percent		
5,000.00	22,000.00	7.00 percent minus	\$	350.00
22,000.00	40,000.00	14.00 percent minus		1,890.00
40,000.00	60,000.00	25.00 percent minus		6,290.00
60,000.00	or more	33.00 percent minus		11,090.00

When the payroll period with respect to an employee is Daily or Miscellaneous				
If the amount of the wages is:		The tax to be withheld upon the amount of the wages shall be:		
In excess of	Up to			
\$ -	20.00	0.00 percent		
20.00	88.00	7.00 percent minus	\$	1.40
88.00	160.00	14.00 percent minus		7.60
160.00	240.00	25.00 percent minus		25.20
240.00	or more	33.00 percent minus		44.40