



**Revised New York State and Yonkers
Withholding Tax Computation Rules**

Effective May 1, 2009

Replaces Publication NYS-50-T (dated 1/06), pages T-13, T-14, T-14-A, T-57, T-58, and T-58-A.

As a result of recent law changes, the New York State personal income tax rates and the Yonkers resident personal income surcharge tax rates have changed for certain taxpayers. Accordingly, effective for payrolls made on or after May 1, 2009, employers must use the rules described below and the revised withholding methods included in this publication to compute the amount of these taxes to be withheld from employees.

The New York City personal income tax rates and the Yonkers nonresident earnings tax rate have not changed. Accordingly, employers may continue to use the methods in Publication NYS-50-T (dated 1/06) to determine the amount of New York City personal income tax and Yonkers nonresident earnings tax to be withheld from payments of regular wages and supplemental wages.

Regular withholding rates

Effective May 1, 2009, the following rules apply for computing the amount of New York State personal income tax and Yonkers resident income tax surcharge to be withheld:

- If you use Method I, *Wage bracket tables* (look-up tables), to compute withholding tax for your employees, you can continue to use the New York State and Yonkers tables contained in Publication NYS-50-T (dated 1/06).
- If you elect or are required to use Method II, *Exact Calculation Method*, you must use the revised exact calculation method(s) in this publication. Effective May 1, 2009, the New York State personal income tax and Yonkers resident personal income tax surcharge Method II exact calculation methods on pages T-13, T-14, T-14-A, T-57, T-58, and T-58-A in Publication NYS-50-T (dated 1/06) are no longer valid.
- If you use the dollar-to-dollar withholding tables instead of the exact calculation method, you can continue to use the dollar-to-dollar withholding tables contained in Publication NYS-50-T (dated 1/06).

Supplemental withholding rates

Effective May 1, 2009, if you pay supplemental wages (bonuses, commissions, overtime pay, sales awards, etc.), the following withholding rates apply (the New York City and Yonkers Nonresident rates are unchanged):

New York State	11.03%	(.1103)
New York City	4.00%	(.04)
Yonkers Resident	1.103%	(.01103)
Yonkers Nonresident	0.50%	(.0050)

No other parts of Publication NYS-50-T (dated 1/06) are being revised.

Form IT-2104 – Employee’s Withholding Allowance Certificate

New York State Form IT-2104 (2009) has also been revised to reflect the legislative changes. The new rules described in this publication should ensure that the proper amount of tax is withheld for 2009. However, in certain instances (such as employees who have more than one job, or married employees if both spouses work) the new rules may result in an insufficient amount of tax being withheld for New York State and Yonkers. Employers should encourage employees in these situations to complete a revised Form IT-2104 to prevent under-withholding.

Please note the following information included in this publication:

- New York State exact calculation method (NYS-50-T replacement pages T-13, T-14, and T-14-A) and
- Yonkers exact calculation method (NYS-50-T replacement pages T-57, T-58, and T-58-A).

Visit our Web site (at www.nystax.gov) to:

- print or download Publication NYS-50-T.1 and Form IT-2104
- obtain the latest information on withholding tax
- learn about paperless filing options available on our Online Tax Center