

**FORMULA FOR COMPUTING SOUTH CAROLINA WITHHOLDING TAX  
2005 Tax Year**

- I. Deduct from gross wages:
- A. Personal Exemption  
 (1) \$ .00 if zero exemptions claimed  
 (2) \$2,300.00 per personal exemption claimed

**AND**

- B. Standard Deduction  
 (1) \$ .00 if zero exemptions claimed  
 (2) 10% up to \$2,600.00 if claiming 1 or more exemptions

II. Balance is taxable income. Use either of the below listed computation tables to figure the tax.

**PERSONAL COMPUTER:**

**ADDITION METHOD:**

At least	Not more than	
0	\$ 2,000	Taxed at 2%
\$ 2,000	4,000	Taxed at 3%
4,000	6,000	Taxed at 4%
6,000	8,000	Taxed at 5%
8,000	10,000	Taxed at 6%
10,000	and above	Taxed at 7%

**SUBTRACTION METHOD:**

At least	Not more than	
0	\$ 2,000	Taxed at 2%
\$ 2,000	4,000	Taxed at 3% minus \$ 20.00
4,000	6,000	Taxed at 4% minus \$ 60.00
6,000	8,000	Taxed at 5% minus \$120.00
8,000	10,000	Taxed at 6% minus \$200.00
10,000	and above	Taxed at 7% minus \$300.00

Note: Using the above table will give you the annual tax. You must then divide by the number of pay periods to see how much the tax is per payday.

**EXAMPLE:** \$500.00 per week, 3 exemptions



Annualize salary:  
 (2,300.00 X 3)  
 (26,000.00 X 10%)

\$ 500.00	per week
X 52	weeks
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\$ 26,000.00	gross wages
-6,900.00	personal exemption
-2,600.00	standard deduction
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<b>\$ 16,500.00</b>	<b>taxable income</b>

**ADDITION METHOD:**

1ST	2,000.00 @ 2% = \$	40.00
2ND	2,000.00 @ 3% =	60.00
3RD	2,000.00 @ 4% =	80.00
4TH	2,000.00 @ 5% =	100.00
5TH	2,000.00 @ 6% =	<u>120.00</u>
<b>TAX on \$ 10,000.00</b>		<b>400.00</b>
<b>TAX on 6,500.00 @ 7%</b>	<b>+ 455.00</b>	<b><u>855.00</u></b>
<b>TOTAL INCOME TAX</b>		<b>855.00</b>

**SUBTRACTION METHOD:**

	\$ 16,500.00
	X .07
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	\$ 1,155.00
	- 300.00
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<b>TOTAL INCOME TAX</b>	<b>\$ 855.00</b>

**\$ 855.00 DIVIDED BY 52 WEEKS = \$ 16.44 STATE TAX PER WEEK**

Manual 2005 weekly table shows SC tax for \$500.00 per week, 3 exemptions = \$ 17.00 per week

**CONSTANTS FOR DETERMINING SOUTH CAROLINA INCOME TAX WITHHOLDING  
2005**

**MAINFRAME:**

		YEARLY	MONTHLY	SEMI MONTHLY	BI WEEKLY	WEEKLY
Allowance per Exemption (A)		\$2,300	\$ 191.67	\$ 95.83	\$ 88.46	\$44.23
Maximum Standard Deduction - No Exemptions (B)		-0-	-0-	-0-	-0-	-0-
Maximum Standard Deduction - One or More Exemptions (C)		2,600	216.67	108.33	100.00	50.00
Maximum Tax - 1st Bracket (D)		40	3.33	1.67	1.54	.77
Maximum Tax - 1st and 2nd Bracket (E)		100	8.33	4.17	3.85	1.92
Maximum Tax - 1st, 2nd, and 3rd Bracket (F)		180	15.00	7.50	6.92	3.46
Maximum Tax - 1st, 2nd, 3rd, and 4th Bracket (G)		280	23.33	11.67	10.77	5.38
Maximum Tax - 1st, 2nd, 3rd, 4th, and 5th Bracket (H)		400	33.33	16.67	15.38	7.69
Maximum Income Taxable in Each of First Five Brackets (I)		2000	166.67	83.33	76.92	38.46