



**FORMULA FOR COMPUTING SOUTH CAROLINA  
WITHHOLDING TAX**

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% |

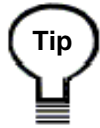
**SUBTRACTION METHOD:**

|          |               |                            |
|----------|---------------|----------------------------|
| 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:**

Annualize salary: \$500.00 per week, 3 exemptions



Tip

(2,300.00 X 3)  
(26,000.00 X 10%)

|                     |                       |
|---------------------|-----------------------|
| \$ 500.00           | per week              |
| X 52                | weeks                 |
| <hr/>               |                       |
| \$ 26,000.00        | gross wages           |
| -6,900.00           | personal exemption    |
| -2,600.00           | standard deduction    |
| <hr/>               |                       |
| <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% =    | 120.00        |
| <b>TAX on \$ 10,000.00</b>  |                    | <b>400.00</b> |
| <b>TAX on 6,500.00 @ 7%</b> | <b>+</b>           | <b>455.00</b> |
| <b>TOTAL INCOME TAX</b>     |                    | <b>855.00</b> |

**SUBTRACTION METHOD:**

|                  |
|------------------|
| \$ 16,500.00     |
| X .07            |
| <hr/>            |
| \$ 1,155.00      |
| - 300.00         |
| <hr/>            |
| <b>\$ 855.00</b> |

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

The weekly withholding tax table used for manual calculation of withholding amounts shows SC tax for \$500.00 per week, 3 exemptions = \$ 17.00 per week.

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

**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   |