



Iowa Withholding Tables for Wages Paid Beginning January 1, 2021

The withholding tables on the following pages are an alternative to the withholding formula (available at tax.iowa.gov/withholding-tax-information) to determine how much to withhold from your employees' paychecks for wages paid beginning January 1, 2021.

- Step 1.** Find the correct pay period table. There are separate tables for employees paid daily, weekly, biweekly, semimonthly, monthly, and annually. Use the table that matches each employee's pay period. Make sure you are using the correct pay period table.
- Step 2.** Determine the total taxable wages for the pay period. Certain payments made by the employer into employee retirement plans or for employee health insurance are not considered taxable wages and are not included in the calculations of withholding tax.
- Step 3.** Find the total allowances on the IA W-4 line 6 claimed by the employee.
- Step 4.** To use a table, select the appropriate wage bracket in the left-hand column to identify the correct row, select the appropriate total number of allowances from the top of the table to identify the correct column, and find the intersection of the row and column to arrive at the amount of tax to be withheld. The withholding amounts listed in the tables are rounded to the nearest cent.
- Step 5.** Add any additional amount per pay period requested to be withheld by the employee on the IA W-4 line 7.

Pay period not provided:

If your employee has a pay frequency other than those provided, multiply payment for each pay period by the number of periods in a year to get estimated annual wages. Use appropriate annual wage brackets in the annual pay period tables to get annual withholding. Then divide that amount by the number of pay periods to get withholding for each pay period.

For example, for quarterly pay period, use annual payroll formulas to get the annual withholding amount and then divide by 4 to get Iowa withholding on each paycheck.

Disclaimer:

For the Iowa withholding tables, federal withholding amounts are estimated assuming married joint withholding brackets as well as a handful of other simplifying assumptions. It was necessary to estimate federal 2021 withholding parameters (brackets, rates, and amount for each allowance) because the IRS had not released those parameters when this document was prepared. These assumptions may result in less accurate Iowa withholding than if the withholding formula is used.