



Builder Incubator a division of ISCM

(813) 626-8778 Ext 2 [www.builderincubator.com](http://www.builderincubator.com) support@builderincubator.com

## **GEMINI ACCOUNTING PROGRAM 2024 FEDERAL PAYROLL TAX TABLE AND RATE CHANGES**

### **NOTE REGARDING THE SOURCE OF PAYROLL TAX INFORMATION**

Builder Incubator will make every effort to ensure the information we provide is current and accurate. The source of information (the website and the document name) is included for your convenience. The governing body (both State and Federal) will occasionally relocate a source document; therefore the website link may no longer work. It is generally best to look up via document name.

### **CAUTION NOTICES**

In the course of developing these support documents, if we conclude the details provided by the governmental body may be in error, we will include a CAUTION NOTICE in RED text to bring it to your attention.

If you have questions about any other special payroll issues, please refer to the documents available under **Support | Fed-State Tax Tables** on our website:

<http://builderincubator.com/support/fed-state-tax-tables.html>

### **IMPORTANT EMPLOYER PAYROLL NOTICES:**

**1.** If you have an employee who will exceed \$200,000 in wages in **2024**, you must withhold a **0.9% Additional Medicare Tax**. The additional Medicare Tax is only imposed on the employee. Please contact Prosoft Support if you need assistance updating Payroll.

The Federal payroll tax table was created from the following documents. You may need them in order to test and verify this deduction is working properly and to update/enter correct withholding information for your employees. They can be accessed on the IRS web site:

Document	Source
Publication 15, <i>(Circular E) Employer's Tax Guide</i>	<a href="https://www.irs.gov/pub/irs-pdf/p15.pdf">https://www.irs.gov/pub/irs-pdf/p15.pdf</a>
Publication 15-T, <i>Federal Income Tax Withholding Methods</i>	<a href="https://www.irs.gov/pub/irs-pdf/p15t.pdf">https://www.irs.gov/pub/irs-pdf/p15t.pdf</a>

Note: This document is based on a revision date of **December 2023**

## **STEP 1a – PAYROLL TAX TABLE(S):**

Add/Change Federal Tax Tables (**PR | Payroll Setup | Tax Tables**): If the table shown, below, does not presently exist, select **Insert**. If a table does exist, select it and then select **Change**.

Enter/update/verify the state tax table data as necessary. Select **OK | Close** to return to the main Gemini window. **Note:** Any changes to the table is shown in 12 pitch **Times New Roman Bold red** font.

Table Name: **SFEDERAL**

<u>Lower Limit</u>	<u>Fixed Amount</u>	<u>Variable Rate</u>
0.00	0.00	0.0000
6,000.00	0.00	10.0000
17,600.00	1,160.00	12.0000
53,150.00	5,426.00	22.0000
106,525.00	17,168.50	24.0000
197,950.00	39,110.50	32.0000
249,725.00	55,678.50	35.0000
615,350.00	183,647.25	37.0000

Table Name: **MFEDERAL**

<u>Lower Limit</u>	<u>Fixed Amount</u>	<u>Variable Rate</u>
0.00	0.00	0.0000
16,300.00	0.00	10.0000
39,500.00	2,320.00	12.0000
110,600.00	10,852.00	22.0000
217,350.00	34,337.00	24.0000
400,200.00	78,221.00	32.0000
503,750.00	111,357.00	35.0000
747,500.00	196,669.50	37.0000

Table Name: **HFEDERAL**

<u>Lower Limit</u>	<u>Fixed Amount</u>	<u>Variable Rate</u>
0.00	0.00	0.0000
13,300.00	0.00	10.0000
29,850.00	1,655.00	12.0000
76,400.00	7,241.00	22.0000
113,800.00	15,469.00	24.0000
205,250.00	37,417.00	32.0000
257,000.00	53,977.00	35.0000
622,650.00	181,954.50	37.0000

**Note: These additional tax tables will be required for employees that complete section 2 of the new W-4 form where the checkbox in 2c is checked ON.**

Table Name: **SFEDERAL2**

<u>Lower Limit</u>	<u>Fixed Amount</u>	<u>Variable Rate</u>
0.00	0.00	0.0000
7,300.00	0.00	10.0000
13,100.00	580.00	12.0000
30,875.00	2,713.00	22.0000
57,563.00	8,584.25	24.0000
103,275.00	19,555.25	32.0000
129,163.00	27,839.25	35.0000
311,975.00	91,823.63	37.0000

Table Name: **MFEDERAL2**

<u>Lower Limit</u>	<u>Fixed Amount</u>	<u>Variable Rate</u>
0.00	0.00	0.0000
14,600.00	0.00	10.0000
26,200.00	1,160.00	12.0000
61,750.00	5,426.00	22.0000
115,125.00	17,168.50	24.0000
206,550.00	39,110.50	32.0000
258,325.00	55,678.50	35.0000
380,200.00	98,334.75	37.0000

Table Name: **HFEDERAL2**

<u>Lower Limit</u>	<u>Fixed Amount</u>	<u>Variable Rate</u>
0.00	0.00	0.0000
10,950.00	0.00	10.0000
19,225.00	827.50	12.0000
42,500.00	3,620.50	22.0000
61,200.00	7,734.50	24.0000
106,925.00	18,708.50	32.0000
132,800.00	26,988.50	35.0000
315,625.00	90,977.25	37.0000

**STEP 2 – Employee Rates & Employer Rates 2022:**

Select **PR | Payroll Setup | Tax Rates**. Highlight **Federal Taxes** and click on **Change**. Enter/update existing data as necessary. **Note:** Any changes to the table is shown in 12 pitch **Times New Roman Bold red** font.

Based on a published date of 12/21/23.

**2024 Employee Rates**

	<u>% Rate</u>	<u>Cutoff</u>
		FUTA
FICA	6.200	<b>168,600.00</b>
Medicare	<b>1.450</b>	99,999,999.99
Annual	<b>4,300</b>	

**2024 Employer Rates**

	<u>% Rate</u>	<u>Cutoff</u>
	0.600	7,000.00
FICA	6.200	<b>168,600.00</b>
Medicare	<b>1.450</b>	99,999,999.99

## **FIT Formula**

"EMPLOYEE FEDERAL INCOME TAX WITHHOLDING DEDUCTION"

"AMT1: Used for exemption status"

"AMT2: Used for filing status"

"0 = Single or Married filing Separately"

"1 = Married filing jointly"

"2 = Head of Household"

"3 = Single or Married filing Separately AND box in step 2 on W-4 is checked ON"

"4 = Married filing jointly AND box in step 2 on W-4 is checked ON"

"5 = Head of Household AND box in step 2 on W-4 is checked ON"

"AMT3: Used for Step 3 on W-4 form - Claim Dependents"

"AMT4: Used for Step 4a on W-4 form - Other Income"

"AMT5: Used for Step 4b on W-4 form - Deductions"

"Additional FIT W/H \$: Use the field in the employee record to account for any additional withholding amounts (Line 6 on W-4 form prior to 2019 and Line 4c on W-4 form 2020)"

"EWA = Employees annual wage amount"

"AEWA = Adjusted Employees annual wage amount"

"STDDED = The Standard Deduction amount (section 1g on the 15t Fed Income Tax Withholding Methods"

"TWA = Tentative Withholding Amount"

"VARIABLES"

PRETAX = CAF125 + K401 + SIMPLE + SIRA;

"FORMULA"

"Calculating gross payroll"

BASIS = TAXABLEPAY - PRETAX;

GROSS = BASIS;

EWA = (GROSS \* PAYFREQ);

"Calculating standard deduction amount"

IF Amt2 = 0.00;

STDDED = 8600;

ENDIF;

IF Amt2 = 1.00;

STDDED = 12900;

ENDIF;

IF Amt2 = 2.00;

STDDED = 8600;

ENDIF;

IF Amt2 > 2.00;

STDDED = 0;

ENDIF;

"Calculating the employees adjusted annual wage amount"

AEWA = EWA + AMT4 - AMT5 - STDDDED;

IF AEWA <=0;

AEWA = 0;

ELSEIF AEWA = AEWA;

ENDIF;

"Using federal tax tables to determine Tentative Withholding Amount"

"Used when W-4 from steps 2-4 are left blank"

IF AMT2 = 0;

TWA = TABLE(SFEDERAL,AEWA);

ENDIF;

IF AMT2 = 1;

TWA = TABLE(MFEDERAL,AEWA);

ENDIF;

IF AMT2 = 2;

TWA = TABLE(HFEDERAL,AEWA);

ENDIF;

"Used when W-4 form steps 2 - 4 are completed"

IF AMT2 = 3;

TWA = TABLE(SFEDERAL2,AEWA);

ENDIF;

IF AMT2 = 4;

TWA = TABLE(MFEDERAL2,AEWA);

ENDIF;

IF AMT2 = 5;

TWA = TABLE(HFEDERAL2,AEWA);

ENDIF;

IF AMT2 > 5;

TWA = TABLE(SFEDERAL,AEWA);

ENDIF;

FITAX = ((TWA / PAYFREQ) - (AMT3 / PAYFREQ));

IF FITAX < 0;

FITAX = 0;

ENDIF;

"Used if the employee claims to be exempt from Federal Income Tax"

IF AMT1 = 1.00;

FITAX = 0.00;

ENDIF;

"Additional withholding applied"  
 $FITAXFINAL = FITAX + ADDFITAMT;$   
 $RESULT = FITAXFINAL;$

**“This represents the end of the FIT formula”**

## **EMPLOYEE FEDERAL INCOME TAX DEDUCTION (HELP TEXT)**

**FIT is a mandated deduction for all employees with earned income. In order to operate properly, it requires the use of external tax tables to properly calculate the employee's FIT amount.**

**The user is responsible for ensuring this deduction, as well as any external tables or other information required for its proper operation, is operating correctly and is updated as changes occur.**

**Amt1 (FIT Exempt): Enter the following numbers as required:**

**0.00 - Default. Employee IS NOT EXEMPT from payment of FIT.**

**1.00 - Employee IS EXEMPT from payment of FIT based on the Employee's Form W-4, Withholding Allowance Certificate. See WARNING 1, below.**

**AMT2: Used for filing status**

**0 = Single or Married filing Separately**

**1 = Married filing jointly**

**2 = Head of Household**

**3 = Single or Married filing Separately AND box in step 2 on W-4 is checked ON**

**4 = Married filing jointly AND box in step 2 on W-4 is checked ON**

**5 = Head of Household AND box in step 2 on W-4 is checked ON**

**AMT3: Used for Step 3 annual dollar amount on W-4 form - Claim Dependents**

**AMT4: Used for Step 4a annual dollar amount on W-4 form - Other Income**

**AMT5: Used for Step 4b annual dollar amount on W-4 form - Deductions**

**Additional FIT W/H \$: Use the field in the employee record to account for any additional withholding amounts. This is a PER PAY PERIOD amount; a dollar amount to be deducted from each paycheck. (Line 6 on W-4 form prior to 2019 and Line 4c on W-4 form 2020)**

**EWA = Employees annual wage amount**

**AEWA = Adjusted Employees annual wage amount**

**STDDED = The Standard Deduction amount (section 1g on the 15t Fed Income Tax Withholding Methods**

**TWA = Tentative Withholding Amount**

**WARNING:**

**1. If an employee claims exemption from payment of FIT in Amt1, above, DO NOT check the "Deduction is Inactive" box to disable the FIT deduction -- you must continue to accrue taxable pay information for quarterly/W-2 reporting purposes. Also, all other Optional User Amounts must equal zero (0.00).**