How Do I Update My Maine Tax Tables?

Where do I find the tax tables?

For ME tax tables, you will need the current "Withholding Tables for Individual Income Tax" publication from the ME Department of Revenue.

Which tables do I use?

Use the <u>annual</u> percentage formula tables method of withholding. Figure 1 shows an example.

Note that the figures shown in this document are for demonstration purposes only, and may not be current. Please consult the current publication for the most up-to-date information. Though the figures change periodically, the method of calculation should remain the same. If the calculation method has changed for this state please notify the webmaster.

For Single Taxpayers	
If the annualized income is:	The annualized withholding is:
Less than $8,650	0.0%
$8,650 but less than $24,350	6.5% of excess over $8,650
$24,350 or more	$1,021 plus 7.95% of excess over $24,350

For Married Taxpayers	
If the annualized income is:	The annualized withholding is:
Less than $20,200	0.0%
$20,200 but less than $51,600	6.50% of excess over $20,200
$51,600 or more	$2,041 plus 7.95% of excess over $51,600

Figure 1 - 2015 Annual Percentage Tables

How to setup/update the tables in PowerChurch Plus

To setup/update PowerChurch Plus with the state tax tables shown in Figure 1 above, select the **Accounting** menu, **Payroll**, **Setup**, then **Maintain Tax Tables**. A separate table will need to be created for the single and married table rates.

Click Add to enter a new table, or use the Find/Locate buttons to select an existing ME tax table to update. When adding a new table, you will be prompted for the type of tax table you're adding. Select **State: Maine**. For each table, enter the following information:

- **Description**: Enter a unique name to identify the tax table (for example, "ME State Tax - Married").
- **Tax type:** The type of tax in which this table applies. In this instance, select State Tax.
- **Withholding allowance:** Enter the amount for one withholding allowance. Figure 2 shows an example from the Withholding Tables publication.

Step 2 Multiply the number of withholding allowances the employee claims by $4,000. Subtract the result from the annualized wage amount calculated in step 1 to compute the annualized income.

Figure 2 - 2015 Withholding Allowance

- **Round tax to nearest whole dollar:** Check this box to round the calculated tax amount to the nearest whole dollar.
- **Annual Rate Table:** Click the Annual Rate Table tab. From the annual percentage tables (Figure 1), for each bracket enter the maximum income amount to which the rate applies and the tax rate.

When you are done, the screen should look like this:

Figure 3a - ME State Married Tax Table
(Deduction and Exemption Information)

Figure 3b - ME State Married Tax Table
(Annual Rate Table)

Follow the instructions just described for the single withholding table.