

How Do I Update My Montana Tax Tables?

Where do I find the tax tables?

For MT tax tables, you will need the current [Withholding Tax Tables](#) document from the [MT Department of Revenue](#).

Which tables do I use?

Use the percentage formula tables for the annual payroll period (under the section "Montana Withholding Tax Formula for Computerized Payroll Systems"). 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](#).

Annual Payroll Period						
Step 1:	Calculate Taxable earnings "T"			$T = G - (\$1,900 \times N)$		
Step 2:	Calculate Withholding Tax "W"			$W = A + (B \times (T - C))$		
Net Taxable Earnings, T		ROUND ALL RESULTS TO NEAREST DOLLAR				
At least....	Less than	A	plus	B	times the amount which T exceeds	C
\$0	\$7,000	\$0	plus	1.80%	of the taxable earnings	\$0
\$7,000	\$15,000	\$126	plus	4.40%	of the net taxable earnings over	\$7,000
\$15,000	\$120,000	\$478	plus	6.00%		\$15,000
\$120,000	and over	\$6,778	plus	6.60%		\$120,000

Figure 1 - 2005 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**.

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

- **Description:** Enter a unique name to identify the tax table (for example, "MT State Tax").
- **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.
- **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 table (Figure

1), enter the figures from the "Less than" column followed by the tax rate percentage for each bracket (column B).

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

The screenshot shows a software window titled "Maintain Tax Tables" with a blue header bar. Below the header is a toolbar with buttons for "Add", "Delete", "Find", "Locate", "Next", "Previous", and "Close". The main area contains the following fields and options:

- Description: MT State Tax
- Tax type: State Tax (dropdown menu)
- Two tabs: "Deduction and Exemption Information" (selected) and "Annual Rate Table".
- A blue hyperlink: [Click here for more information on how to complete the tax table setup.](#)
- Withholding allowance: 1900.00
- Round tax to nearest whole dollar
- A large text box containing a note: **NOTE: You only need to enter annual tax information. PowerChurch Plus will use the annual amounts to calculate the taxes for other pay periods as needed.**
- The word "Montana" in the bottom right corner of the main area.
- At the bottom left, a timestamp: "Last Updated: 12/03/2009 04:04:46 PM by SYSTEM ADM".
- At the bottom right, "Save" and "Cancel" buttons.

Figure 2a - MT State Tax Table (Deduction and Exemption Information)

Maintain Tax Tables

Description:

Tax type:

	Over:	But not over:	Amount of tax to withhold is:			of excess over:
1.	0	<input type="text" value="7,000"/>	0.00	plus	<input type="text" value="1.800"/>	% 0
2.	7,000	<input type="text" value="15,000"/>	126.00	plus	<input type="text" value="4.400"/>	% 7,000
3.	15,000	<input type="text" value="120,000"/>	478.00	plus	<input type="text" value="6.000"/>	% 15,000
4.	120,000	<input type="text" value="9,999,999"/>	6,778.00	plus	<input type="text" value="6.600"/>	% 120,000
5.	0	<input type="text" value="0"/>	0.00	plus	<input type="text" value="0.000"/>	% 0
6.	0	<input type="text" value="0"/>	0.00	plus	<input type="text" value="0.000"/>	% 0
7.	0	<input type="text" value="0"/>	0.00	plus	<input type="text" value="0.000"/>	% 0
8.	0	<input type="text" value="0"/>	0.00	plus	<input type="text" value="0.000"/>	% 0
9.	0	<input type="text" value="0"/>	0.00	plus	<input type="text" value="0.000"/>	% 0
10.	0	<input type="text" value="0"/>	0.00	plus	<input type="text" value="0.000"/>	% 0
11.	0	<input type="text" value="0"/>	0.00	plus	<input type="text" value="0.000"/>	% 0
12.	0	<input type="text" value="0"/>	0.00	plus	<input type="text" value="0.000"/>	% 0
13.	0	<input type="text" value="0"/>	0.00	plus	<input type="text" value="0.000"/>	% 0
14.	0	<input type="text" value="0"/>	0.00	plus	<input type="text" value="0.000"/>	% 0
15.	0	<input type="text" value="0"/>	0.00	plus	<input type="text" value="0.000"/>	% 0

Last Updated: 12/03/2009 04:04:46 PM by SYSTEM ADM

Figure 2b - MT State Tax Table (Annual Rate Table)

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