

# Product Bulletin

## For Customer Release

### 2021 Federal Tax Tables - FMS

The information used to update the 2021 Federal Tax Tables comes from IRS Publication 15-T:  
<https://www.irs.gov/pub/irs-pdf/p15t.pdf>



*While Southern Software makes every effort to ensure the information contained in these Tax Tables is accurate, it remains the responsibility of the customer to verify this information. **As of 1/4/2021, the IRS has NOT released a final version of the Publication 15 Circular E. All tax table script changes we are providing at this time are based on Publication 15-T and therefore subject to change.***

#### Standard and Alternate Withholding Rate Schedules

As with last year, the IRS is providing STANDARD and ALTERNATE withholding rate schedule due to the way the standard deduction is applied based on employees' W-4 criteria. When you run the 2021 Federal Tax Table scripts from us, you will see the following new tables in **Payroll Configuration > Tax - Tables > Federal Tax Tables**. Screenshots of the tables are shown in the "Tables Explained" section of this document.

#### How to Assign the Applicable Tax Table to an Employee Maintenance Record

Assign the applicable tax table by going to **Payroll Employee Maintenance > Deductions and Withholding tab > Federal Tax Withholding** section and clicking the down arrow in the **Filing Status** field as shown in the example below:

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Employee Maintenance - A

Print
Save Data
New Employee
Delete
Messages
Check History
YTD Totals
Terminate

Employee Name

ID Number: 40      Inactive

Prefix:      On Leave

First Name:

Middle Name:

Last Name:

Suffix:      Email Check Stubs

Employee Info

Social Security Number:

Driver's License Number:

Date of Birth: 9/13/1955

Gender: Male      Race:

Employment Start Date: 12/16/2009

Review Date: 6/20/2012

Jobs   Contact   Leave Time   **Deductions and Withholding**   Benefits and Alternate Earnings   Direct Deposit   Inventory   NC Orbit

➕ Add Deduction   
 ➖ Remove Deduction   
 📄 Copy/Transfer Deductions...   
 ✎ Modify Deductions...

**Deductions**

Deduction: 401K (Law)      Retirement Type: LAW

Deduct per Period: \$115.00      Total Amount: \$0.00

Amount Paid: \$0.00      Remaining Amount: \$0.00

Attach to Job: Police Corporal

Include Overtime       Incremental       Match 401K Only

Deduction	Total Amount	Amount per Period	Amount Paid
401K (Law)	\$0.00	\$115.00	\$0.00
GROUP INS	\$0.00	\$3.27	\$0.00
LEGAL SHIELD	\$0.00	\$4.37	\$0.00

**Federal Tax Withholding**

Exempt from withholding       SS Exempt       Medicare Exempt

Filing Status: Married

Allowances:       Filing Status:       \$0.00

Use Fixed Amount      Fixed Amount:       Percent:

State Tax Withholding:       State:

Exempt from withholding      Additional withholding:       \$0.00

Use Fixed Amount      Fixed Amount:       Percent:

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### Tables Explained

#### W-4 Prior to 2020

If the employee's form W-4 is 2019 or earlier, assign Single-Prior or Married-Prior tax tables to these employees' maintenance records. These employees will use the same standard deduction from 2019 and 2020 (as shown in the **Std Ded Allow** field of the example screens below). An employee's deduction will be calculated just as it has been in prior years in FMS by multiplying the number of allowances entered on the employee's Employee Maintenance record (**Payroll Employee Maintenance > Deductions and Withholding tab > Federal Tax Withholding**) by the amount shown in the **Std Ded Allow** field of the tax table assigned to them.

#### Single (W-4 prior to 2020) Federal Allowance can remain the same as in 2019 and 2020

State Tax Tables Federal Tax Tables

Print Save Tax Calculator

Federal Tax Table

20 - Single - Prior

Table Name	Emp Soc Pct	Empl Soc Pct	Soc Sec Max	Emp Med Pct	Empl Med Pct	Std Ded Allow
20 - Singl...	6.20%	6.20%	\$142,800.00	1.45%	1.45%	\$4,300.00

Fed Taxes

Amount Over	Amt Not Over	Tax Percent	Tax Fix Amt
\$0.00	\$3,950.00	0.0000%	\$0.00
\$3,950.00	\$13,900.00	10.0000%	\$0.00
\$13,900.00	\$44,475.00	12.0000%	\$995.00
\$44,475.00	\$90,325.00	22.0000%	\$4,664.00
\$90,325.00	\$168,875.00	24.0000%	\$14,751.00
\$168,875.00	\$213,375.00	32.0000%	\$33,603.00
\$213,375.00	\$527,550.00	35.0000%	\$47,843.00
\$527,550.00	\$9,999,999.99	37.0000%	\$157,804.25

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### Married (W-4 prior to 2020) Federal Allowance can remain the same as in 2019 and 2020

State Tax Tables Federal Tax Tables

Print
 Save
 Tax Calculator

Federal Tax Table

20 - Married - Prior

20 - Married - Prior

Table Name	Emp Soc Pct	Empl Soc Pct	Soc Sec Max	Emp Med Pct	Empl Med Pct	Std Ded Allow
20 - Marr...	6.20%	6.20%	\$142,800.00	1.45%	1.45%	\$4,300.00

Fed Taxes			
Amount Over	Amt Not Over	Tax Percent	Tax Fix Amt
\$0.00	\$12,200.00	0.0000%	\$0.00
\$12,200.00	\$32,100.00	10.0000%	\$0.00
\$32,100.00	\$93,250.00	12.0000%	\$1,990.00
\$93,250.00	\$184,950.00	22.0000%	\$9,328.00
\$184,950.00	\$342,050.00	24.0000%	\$29,502.00
\$342,050.00	\$431,050.00	32.0000%	\$67,206.00
\$431,050.00	\$640,500.00	35.0000%	\$95,686.00
\$640,500.00	\$9,999,999.99	37.0000%	\$168,993.50

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### W-4 Is 2020 or Later AND Step 2 Box on W-4 is NOT checked

If form W-4 is 2020 or Later AND Step 2 Box NOT checked, you can use the standard rates.

**Form W-4**  
Department of the Treasury  
Internal Revenue Service

**Employee's Withholding Certificate**  
OMB No. 1545-0074  
**2020**

▶ Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay.  
▶ Give Form W-4 to your employer.  
▶ Your withholding is subject to review by the IRS.

**Step 1: Enter Personal Information**

(a) First name and middle initial: \_\_\_\_\_ Last name: \_\_\_\_\_ (b) Social security number: \_\_\_\_\_

Address: \_\_\_\_\_

City or town, state, and ZIP code: \_\_\_\_\_

(c)  Single or Married filing separately  
 Married filing jointly (or Qualifying widow(er))  
 Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)

▶ Does your name match the name on your social security card? If not, to ensure you get credit for your earnings, contact SSA at 800-772-1213 or go to [www.ssa.gov](http://www.ssa.gov).

**Complete Steps 2-4 ONLY if they apply to you; otherwise, skip to Step 5.** See page 2 for more information on each step, who can claim exemption from withholding, when to use the online estimator, and privacy.

**Step 2: Multiple Jobs or Spouse Works**

Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs.

Do **only one** of the following.

(a) Use the estimator at [www.irs.gov/W4App](http://www.irs.gov/W4App) for most accurate withholding for this step (and Steps 3-4); **or**  
(b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; **or**  
(c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld . . . . . ▶

**TIP:** To be accurate, submit a 2020 Form W-4 for all other jobs. If you (or your spouse) have self-employment income, including as an independent contractor, use the estimator.

**Complete Steps 3-4(b) on Form W-4 for only ONE of these jobs.** Leave those steps blank for the other jobs. (Your withholding will

You will assign Single, Married or Head tables on these employees' Employee Maintenance records.

However, when using the new standard rate schedule, note that these employees will also use the new standard deduction allowance (as shown in the **Std Ded Allow** field of the example screens below). An employee's deduction will no longer be calculated. It will be applied as a flat amount regardless of the number of deductions.

**IMPORTANT:** In order for this to work properly in FMS, in Employee Maintenance (**Payroll Employee Maintenance > Deductions and Withholding** tab > **Federal Tax Withholding**), the **Allowances** field in the "Federal Tax Withholding" section **must be set to 1** as shown in the example below:

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Jobs Contact Leave Time **Deductions and Withholding** Benefits and Alternate Earnings Direct Deposit Inventory NC Orbit

+ Add Deduction - Remove Deduction Copy/Transfer Deductions... Modify Deductions...

Deductions

Deduction: 401K LOAN Retirement Type: General

Deduct per Period: \$140.08 Total Amount: \$0.00

Amount Paid: \$0.00 Remaining Amount: \$0.00

Attach to Job: VILLAGE CLERK/Z...

Include Overtime  Incremental  Match 401K Only

Deduction	Total Amount	Amount per Period	Amount Paid
401K LOAN	\$0.00	\$140.08	\$0.00
DEP. INS	\$0.00	\$28.00	\$0.00
AFAC PT	\$0.00	\$32.51	\$0.00

Federal Tax Withholding

Exempt from withholding  SS Exempt  Medicare Exempt

Filing Status: Married

Allowances: 1 Additional Withholding: \$0.00

Use Fixed Amount Fixed Amount: \$0.00  Percent

State Tax Withholding

Exempt from withholding  Use Employee State: State: [ ]

Filing Status: NC Married State W/H Acct No: [ ]

Allowances: 1 Additional Withholding: \$0.00

Use Fixed Amount Fixed Amount: \$0.00  Percent

### Single (2020 or Later W-4) Federal Allowance in Employee Maintenance has to change to 1

State Tax Tables Federal Tax Tables

Print Save Tax Calculator

Federal Tax Table

20 - Single

Table Name	Emp Soc Pct	Empl Soc Pct	Soc Sec Max	Emp Med Pct	Empl Med Pct	Std Ded Allow
20 - Single	6.20%	6.20%	\$142,800.00	1.45%	1.45%	\$8,600.00

Fed Taxes

Amount Over	Amt Not Over	Tax Percent	Tax Fix Amt
\$0.00	\$3,950.00	0.0000%	\$0.00
\$3,950.00	\$13,900.00	10.0000%	\$0.00
\$13,900.00	\$44,475.00	12.0000%	\$995.00
\$44,475.00	\$90,325.00	22.0000%	\$4,664.00
\$90,325.00	\$168,875.00	24.0000%	\$14,751.00
\$168,875.00	\$213,375.00	32.0000%	\$33,603.00
\$213,375.00	\$527,550.00	35.0000%	\$47,843.00
\$527,550.00	\$9,999,999.99	37.0000%	\$157,804.25

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### **Married (2020 or Later W-4) Federal Allowance in Employee Maintenance has to change to 1**

State Tax Tables Federal Tax Tables

Print Save Tax Calculator

Federal Tax Table

20 - Married

20 - Married

Table Name	Emp Soc Pct	Empl Soc Pct	Soc Sec Max	Emp Med Pct	Empl Med Pct	Std Ded Allow
20 - Marr...	6.20%	6.20%	\$142,800.00	1.45%	1.45%	\$12,900.00

Fed Taxes

Amount Over	Amt Not Over	Tax Percent	Tax Fix Amt
\$0.00	\$12,200.00	0.0000%	\$0.00
\$12,200.00	\$32,100.00	10.0000%	\$0.00
\$32,100.00	\$93,250.00	12.0000%	\$1,990.00
\$93,250.00	\$184,950.00	22.0000%	\$9,328.00
\$184,950.00	\$342,050.00	24.0000%	\$29,502.00
\$342,050.00	\$431,050.00	32.0000%	\$67,206.00
\$431,050.00	\$640,500.00	35.0000%	\$95,686.00
\$640,500.00	\$9,999,999.99	37.0000%	\$168,993.50

### **Head (2020 or Later W-4) Federal Allowance in Employee Maintenance has to change to 1**

State Tax Tables Federal Tax Tables

Print Save Tax Calculator

Federal Tax Table

20 - Head

20 - Head

Table Name	Emp Soc Pct	Empl Soc Pct	Soc Sec Max	Emp Med Pct	Empl Med Pct	Std Ded Allow
20 - Head	6.20%	6.20%	\$142,800.00	1.45%	1.45%	\$8,600.00

Fed Taxes

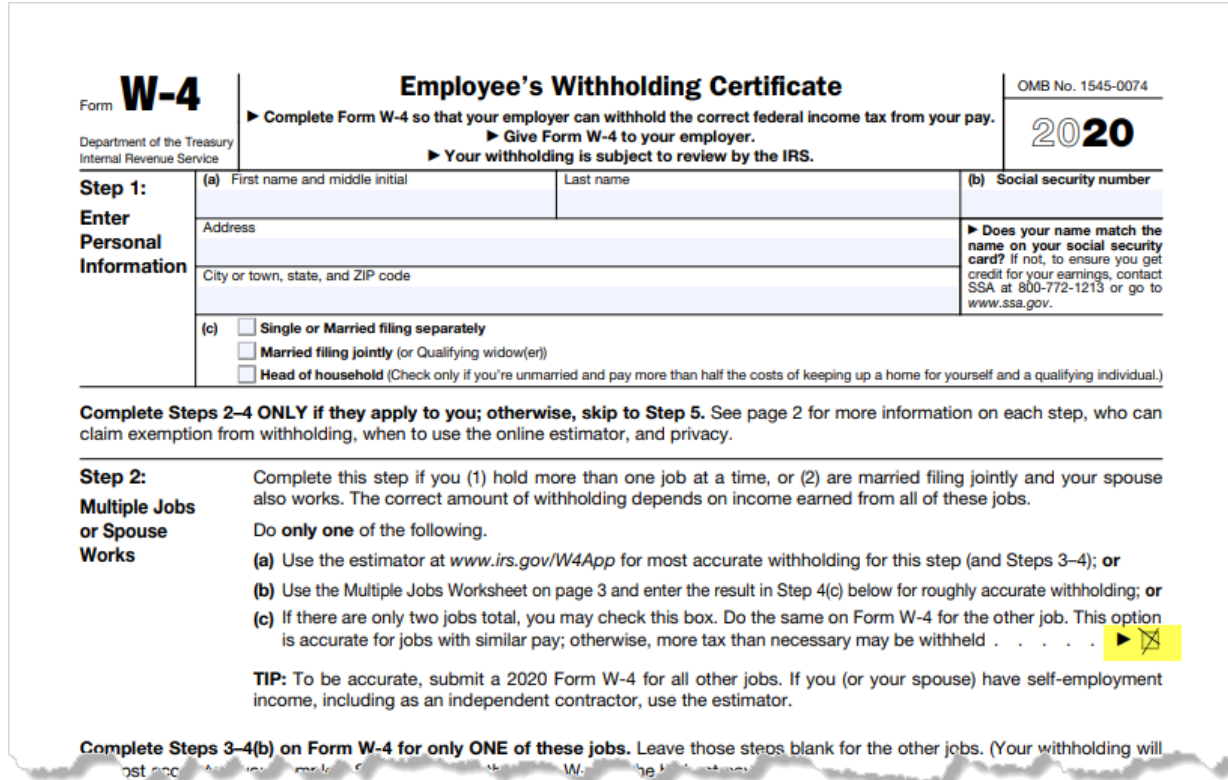
Amount Over	Amt Not Over	Tax Percent	Tax Fix Amt
\$0.00	\$10,200.00	0.0000%	\$0.00
\$10,200.00	\$24,400.00	10.0000%	\$0.00
\$24,400.00	\$64,400.00	12.0000%	\$1,420.00
\$64,400.00	\$96,550.00	22.0000%	\$6,220.00
\$96,550.00	\$175,100.00	24.0000%	\$13,293.00
\$175,100.00	\$219,600.00	32.0000%	\$32,145.00
\$219,600.00	\$533,800.00	35.0000%	\$46,385.00
\$533,800.00	\$9,999,999.99	37.0000%	\$156,355.00

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### W-4 Is 2020 or Later AND Step 2 Box on W-4 is checked

If form W-4 is 2020 AND Step 2 Box is checked, you can use the alternate rates.



**Form W-4**  
Department of the Treasury  
Internal Revenue Service

**Employee's Withholding Certificate**  
OMB No. 1545-0074

▶ Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay.  
▶ Give Form W-4 to your employer.  
▶ Your withholding is subject to review by the IRS.

**2020**

**Step 1: Enter Personal Information**

(a) First name and middle initial: \_\_\_\_\_ Last name: \_\_\_\_\_ (b) Social security number: \_\_\_\_\_

Address: \_\_\_\_\_

City or town, state, and ZIP code: \_\_\_\_\_

(c)  Single or Married filing separately  
 Married filing jointly (or Qualifying widow(er))  
 Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)

▶ Does your name match the name on your social security card? If not, to ensure you get credit for your earnings, contact SSA at 800-772-1213 or go to [www.ssa.gov](http://www.ssa.gov).

**Complete Steps 2-4 ONLY if they apply to you; otherwise, skip to Step 5.** See page 2 for more information on each step, who can claim exemption from withholding, when to use the online estimator, and privacy.

**Step 2: Multiple Jobs or Spouse Works**

Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs.

Do **only one** of the following.

(a) Use the estimator at [www.irs.gov/W4App](http://www.irs.gov/W4App) for most accurate withholding for this step (and Steps 3-4); **or**

(b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; **or**

(c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld . . . . . ▶

**TIP:** To be accurate, submit a 2020 Form W-4 for all other jobs. If you (or your spouse) have self-employment income, including as an independent contractor, use the estimator.

**Complete Steps 3-4(b) on Form W-4 for only ONE of these jobs.** Leave those steps blank for the other jobs. (Your withholding will

You will assign Single-ALT, Married-ALT or Head-ALT tables to these employees' Employee Maintenance records.

When using the new alternate rate schedule, note that the standard deduction allowance is \$0.00 (as shown in the **Std Ded Allow** field of the example screens below). For employees who have an alternate table assigned to them, it will not matter how many allowances are listed on their Employee Maintenance record since the deduction allowance is \$0.00.



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### Single-ALT (2020 or Later W4) **Federal Allowance does not matter; Std Ded Allow = \$0.00**

State Tax Tables Federal Tax Tables

Print Save Tax Calculator

Federal Tax Table

20 - Single-ALT

20 - Single-ALT

Table Name	Emp Soc Pct	Empl Soc Pct	Soc Sec Max	Emp Med Pct	Empl Med Pct	Std Ded Allow
20 - Singl...	6.20%	6.20%	\$142,800.00	1.45%	1.45%	\$0.00

Fed Taxes					
Amount Over	Amt Not Over	Tax Percent	Tax Fix Amt		
\$0.00	\$6,275.00	0.0000%	\$0.00		
\$6,275.00	\$11,250.00	10.0000%	\$0.00		
\$11,250.00	\$26,538.00	12.0000%	\$497.50		
\$26,538.00	\$49,463.00	22.0000%	\$2,332.00		
\$49,463.00	\$88,738.00	24.0000%	\$7,375.50		
\$88,738.00	\$110,988.00	32.0000%	\$16,801.50		
\$110,988.00	\$268,075.00	35.0000%	\$23,921.50		
\$268,075.00	\$9,999,999.99	37.0000%	\$78,902.13		

### Married-ALT (2020 or Later W4) **Federal Allowance does not matter; Std Ded Allow = \$0.00**

State Tax Tables Federal Tax Tables

Print Save Tax Calculator

Federal Tax Table

20 - Married-ALT

20 - Married-ALT

Table Name	Emp Soc Pct	Empl Soc Pct	Soc Sec Max	Emp Med Pct	Empl Med Pct	Std Ded Allow
20 - Marr...	6.20%	6.20%	\$142,800.00	1.45%	1.45%	\$0.00

Fed Taxes					
Amount Over	Amt Not Over	Tax Percent	Tax Fix Amt		
\$0.00	\$12,550.00	0.0000%	\$0.00		
\$12,550.00	\$22,500.00	10.0000%	\$0.00		
\$22,500.00	\$53,075.00	12.0000%	\$995.00		
\$53,075.00	\$98,925.00	22.0000%	\$4,664.00		
\$98,925.00	\$177,475.00	24.0000%	\$14,751.00		
\$177,475.00	\$221,975.00	32.0000%	\$33,603.00		
\$221,975.00	\$326,700.00	35.0000%	\$47,843.00		
\$326,700.00	\$9,999,999.99	37.0000%	\$84,496.75		

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### **Head-ALT (2020 or Later W4) Federal Allowance does not matter; Std Ded Allow = \$0.00**

State Tax Tables Federal Tax Tables

Print
 Save
 Tax Calculator

Federal Tax Table

20 - Head-ALT

20 - Head-ALT

Table Name	Emp Soc Pct	Empl Soc Pct	Soc Sec Max	Emp Med Pct	Empl Med Pct	Std Ded Allow
20 - Hea...	6.20%	6.20%	\$142,800.00	1.45%	1.45%	\$0.00

Fed Taxes				
Amount Over	Amt Not Over	Tax Percent	Tax Fix Amt	
\$0.00	\$9,400.00	0.0000%	\$0.00	
\$9,400.00	\$16,500.00	10.0000%	\$0.00	
\$16,500.00	\$36,500.00	12.0000%	\$710.00	
\$36,500.00	\$52,575.00	22.0000%	\$3,110.00	
\$52,575.00	\$91,850.00	24.0000%	\$6,646.50	
\$91,850.00	\$114,100.00	32.0000%	\$16,072.50	
\$114,100.00	\$271,200.00	35.0000%	\$23,192.50	
\$271,200.00	\$9,999,999.99	37.0000%	\$78,177.50	

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### Statement of Non-Disclosure

Southern Software, Inc.  
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