

Withholding Calculation Rules Effective January 1, 2023

The 2023 withholding calculation rules and 2023 withholding tables are unchanged from 2022.

Use the steps below to determine the amount of Connecticut income tax to be withheld from an employee's wages.

Step

1. Determine the employee's wages per pay period.
2. Determine the number of pay periods in a year (for example: 52, 26, 24, 12).
3. Determine the annualized salary. Multiply Step 1 by Step 2.
4. Determine the employee's withholding code (A, B, C, D, or F from Form CT-W4, Line 1).
5. Use the annualized salary (Step 3) and employee's withholding code (Step 4) to determine the exemption amount from **Table A - Personal Exemptions**.
6. Determine the annualized taxable income. Subtract Step 5 from Step 3.
If the annualized taxable income is equal to or less than zero, the initial withholding amount should equal zero. Proceed to Step 14.
7. Determine the initial tax amount from **Table B - Initial Tax Calculation**.
8. Use the annualized salary (Step 3) and employee's withholding code (Step 4) and go to **Table C - 3% Tax Rate Phase-Out Add-Back** to determine the amount to add back if the 3% tax rate phase-out applies.
9. Use the annualized salary (Step 3) and employee's withholding code (Step 4) to determine the tax recapture amount from **Table D - Tax Recapture**.
10. Add the withholding amounts from Step 7, Step 8, and Step 9.
11. Use the annualized salary (Step 3) and employee's withholding code (Step 4) to determine the decimal amount from **Table E - Personal Tax Credits**.
12. Multiply the withholding amount (Step 10) by 1.00 minus the decimal amount (Step 11). Example: $1.00 - .15 = .85$. This is the total withholding amount.
13. Divide the result from Step 12 by the number of pay periods in the year (Step 2). This is the withholding amount per pay period.
14. Determine the additional withholding amount per pay period, if any, from Form CT-W4, Line 2.
15. Determine the reduced withholding amount per pay period, if any, from Form CT-W4, Line 3.
16. Determine the total withholding amount per pay period: Add Step 13 and Step 14 **or** subtract Step 15 from Step 13. **The result cannot be less than zero (0).**

Employers: Use either the withholding calculation rules or the withholding tables to determine the amount of tax to be withheld from the wages of employees. There is **no percentage method available** to determine Connecticut wage withholding.

For withholding rules for supplemental compensation (such as bonuses, commissions, overtime pay, sales awards, etc.), refer to **Informational Publication 2023(1)**, *Connecticut Employer's Tax Guide, Circular CT*.

Income Tax Withholding Requirements for Pension and Annuity Payments: Payers of taxable pension or annuity distributions are required to deduct and withhold income tax from such distributions. Payers making periodic payments must calculate the amount to withhold from such distributions using the same method that employers use to determine the amount to withhold from wages. Therefore, such payers must use these *Withholding Calculation Rules* along with the recipient's most recently completed **Form CT-W4P**, *Withholding Certificate for Pension or Annuity Payments*. For additional information see **Informational Publication 2023(8)**, *Connecticut Tax Guide For Payers of Nonpayroll Amounts*.

Use these tables in completing the withholding calculation.

Table A - Personal Exemptions*

Withholding Code A			Withholding Code B			Withholding Code C			Withholding Code F		
Annualized Salary		Exemption	Annualized Salary		Exemption	Annualized Salary		Exemption	Annualized Salary		Exemption
More than	Less Than or Equal to		More than	Less Than or Equal to		More than	Less Than or Equal to		More than	Less Than or Equal to	
\$ 0	\$24,000	\$12,000	\$ 0	\$38,000	\$19,000	\$ 0	\$48,000	\$24,000	\$ 0	\$30,000	\$15,000
\$24,000	\$25,000	\$11,000	\$38,000	\$39,000	\$18,000	\$48,000	\$49,000	\$23,000	\$30,000	\$31,000	\$14,000
\$25,000	\$26,000	\$10,000	\$39,000	\$40,000	\$17,000	\$49,000	\$50,000	\$22,000	\$31,000	\$32,000	\$13,000
\$26,000	\$27,000	\$ 9,000	\$40,000	\$41,000	\$16,000	\$50,000	\$51,000	\$21,000	\$32,000	\$33,000	\$12,000
\$27,000	\$28,000	\$ 8,000	\$41,000	\$42,000	\$15,000	\$51,000	\$52,000	\$20,000	\$33,000	\$34,000	\$11,000
\$28,000	\$29,000	\$ 7,000	\$42,000	\$43,000	\$14,000	\$52,000	\$53,000	\$19,000	\$34,000	\$35,000	\$10,000
\$29,000	\$30,000	\$ 6,000	\$43,000	\$44,000	\$13,000	\$53,000	\$54,000	\$18,000	\$35,000	\$36,000	\$ 9,000
\$30,000	\$31,000	\$ 5,000	\$44,000	\$45,000	\$12,000	\$54,000	\$55,000	\$17,000	\$36,000	\$37,000	\$ 8,000
\$31,000	\$32,000	\$ 4,000	\$45,000	\$46,000	\$11,000	\$55,000	\$56,000	\$16,000	\$37,000	\$38,000	\$ 7,000
\$32,000	\$33,000	\$ 3,000	\$46,000	\$47,000	\$10,000	\$56,000	\$57,000	\$15,000	\$38,000	\$39,000	\$ 6,000
\$33,000	\$34,000	\$ 2,000	\$47,000	\$48,000	\$ 9,000	\$57,000	\$58,000	\$14,000	\$39,000	\$40,000	\$ 5,000
\$34,000	\$35,000	\$ 1,000	\$48,000	\$49,000	\$ 8,000	\$58,000	\$59,000	\$13,000	\$40,000	\$41,000	\$ 4,000
\$35,000	and up	\$ 0	\$49,000	\$50,000	\$ 7,000	\$59,000	\$60,000	\$12,000	\$41,000	\$42,000	\$ 3,000
			\$50,000	\$51,000	\$ 6,000	\$60,000	\$61,000	\$11,000	\$42,000	\$43,000	\$ 2,000
			\$51,000	\$52,000	\$ 5,000	\$61,000	\$62,000	\$10,000	\$43,000	\$44,000	\$ 1,000
			\$52,000	\$53,000	\$ 4,000	\$62,000	\$63,000	\$ 9,000	\$44,000	and up	\$ 0
			\$53,000	\$54,000	\$ 3,000	\$63,000	\$64,000	\$ 8,000			
			\$54,000	\$55,000	\$ 2,000	\$64,000	\$65,000	\$ 7,000			
			\$55,000	\$56,000	\$ 1,000	\$65,000	\$66,000	\$ 6,000			
			\$56,000	and up	\$ 0	\$66,000	\$67,000	\$ 5,000			
						\$67,000	\$68,000	\$ 4,000			
						\$68,000	\$69,000	\$ 3,000			
						\$69,000	\$70,000	\$ 2,000			
						\$70,000	\$71,000	\$ 1,000			
						\$71,000	and up	\$ 0			

* For *Withholding Code "D"*, the Personal Exemption is \$0

Table B - Initial Tax Calculation

Withholding Code A, D, or F		
If the amount from <i>Step 6</i> is:		
Less than or equal to:	\$ 10,000	3.00%
More than \$10,000, but less than or equal to	\$ 50,000	\$300 plus 5.0% of the excess over \$10,000
More than \$50,000, but less than or equal to	\$100,000	\$2,300 plus 5.5% of the excess over \$50,000
More than \$100,000, but less than or equal to	\$200,000	\$5,050 plus 6.0% of the excess over \$100,000
More than \$200,000, but less than or equal to	\$250,000	\$11,050 plus 6.5% of the excess over \$200,000
More than \$250,000, but less than or equal to	\$500,000	\$14,300 plus 6.9% of the excess over \$250,000
More than \$500,000		\$31,550 plus 6.99% of the excess over \$500,000
Withholding Code B		
If the amount from <i>Step 6</i> is:		
Less than or equal to:	\$ 16,000	3.00%
More than \$16,000, but less than or equal to	\$ 80,000	\$480 plus 5.0% of the excess over \$16,000
More than \$80,000, but less than or equal to	\$160,000	\$3,680 plus 5.5% of the excess over \$80,000
More than \$160,000, but less than or equal to	\$320,000	\$8,080 plus 6.0% of the excess over \$160,000
More than \$320,000, but less than or equal to	\$400,000	\$17,680 plus 6.5% of the excess over \$320,000
More than \$400,000, but less than or equal to	\$800,000	\$22,880 plus 6.9% of the excess over \$400,000
More than \$800,000		\$50,480 plus 6.99% of the excess over \$800,000
Withholding Code C		
If the amount from <i>Step 6</i> is:		
Less than or equal to:	\$ 20,000	3.00%
More than \$20,000, but less than or equal to	\$100,000	\$600 plus 5.0% of the excess over \$20,000
More than \$100,000, but less than or equal to	\$200,000	\$4,600 plus 5.5% of the excess over \$100,000
More than \$200,000, but less than or equal to	\$400,000	\$10,100 plus 6.0% of the excess over \$200,000
More than \$400,000, but less than or equal to	\$500,000	\$22,100 plus 6.5% of the excess over \$400,000
More than \$500,000, but less than or equal to	\$1,000,000	\$28,600 plus 6.9% of the excess over \$500,000
More than \$1,000,000		\$63,100 plus 6.99% of the excess over \$1,000,000

Table C - 3% Tax Rate Phase-Out Add-Back

Withholding Code A or D			Withholding Code B			Withholding Code C			Withholding Code F		
Annualized Salary		3% Phase-Out	Annualized Salary		3% Phase-Out	Annualized Salary		3% Phase-Out	Annualized Salary		3% Phase-Out
More Than	Less Than or Equal To		More Than	Less Than or Equal To		More Than	Less Than or Equal To		More Than	Less Than or Equal To	
\$ 0	\$50,250	\$ 0	\$ 0	\$ 78,500	\$ 0	\$ 0	\$100,500	\$ 0	\$ 0	\$ 56,500	\$ 0
\$50,250	\$52,750	\$ 20	\$ 78,500	\$ 82,500	\$ 32	\$100,500	\$105,500	\$ 40	\$ 56,500	\$ 61,500	\$ 20
\$52,750	\$55,250	\$ 40	\$ 82,500	\$ 86,500	\$ 64	\$105,500	\$110,500	\$ 80	\$ 61,500	\$ 66,500	\$ 40
\$55,250	\$57,750	\$ 60	\$ 86,500	\$ 90,500	\$ 96	\$110,500	\$115,500	\$120	\$ 66,500	\$ 71,500	\$ 60
\$57,750	\$60,250	\$ 80	\$ 90,500	\$ 94,500	\$128	\$115,500	\$120,500	\$160	\$ 71,500	\$ 76,500	\$ 80
\$60,250	\$62,750	\$100	\$ 94,500	\$ 98,500	\$160	\$120,500	\$125,500	\$200	\$ 76,500	\$ 81,500	\$100
\$62,750	\$65,250	\$120	\$ 98,500	\$102,500	\$192	\$125,500	\$130,500	\$240	\$ 81,500	\$ 86,500	\$120
\$65,250	\$67,750	\$140	\$102,500	\$106,500	\$224	\$130,500	\$135,500	\$280	\$ 86,500	\$ 91,500	\$140
\$67,750	\$70,250	\$160	\$106,500	\$110,500	\$256	\$135,500	\$140,500	\$320	\$ 91,500	\$ 96,500	\$160
\$70,250	\$72,750	\$180	\$110,500	\$114,500	\$288	\$140,500	\$145,500	\$360	\$ 96,500	\$101,500	\$180
\$72,750	and up	\$200	\$114,500	and up	\$320	\$145,500	and up	\$400	\$101,500	and up	\$200

Table D - Tax Recapture

Withholding Code A, D, or F			Withholding Code B			Withholding Code C		
Annualized Salary		Recapture Amount	Annualized Salary		Recapture Amount	Annualized Salary		Recapture Amount
More Than	Less Than or Equal To		More Than	Less Than or Equal To		More Than	Less Than or Equal To	
\$ 0	\$200,000	\$ 0	\$ 0	\$320,000	\$ 0	\$ 0	\$400,000	\$ 0
\$200,000	\$205,000	\$ 90	\$320,000	\$328,000	\$ 140	\$400,000	\$410,000	\$ 180
\$205,000	\$210,000	\$ 180	\$328,000	\$336,000	\$ 280	\$410,000	\$420,000	\$ 360
\$210,000	\$215,000	\$ 270	\$336,000	\$344,000	\$ 420	\$420,000	\$430,000	\$ 540
\$215,000	\$220,000	\$ 360	\$344,000	\$352,000	\$ 560	\$430,000	\$440,000	\$ 720
\$220,000	\$225,000	\$ 450	\$352,000	\$360,000	\$ 700	\$440,000	\$450,000	\$ 900
\$225,000	\$230,000	\$ 540	\$360,000	\$368,000	\$ 840	\$450,000	\$460,000	\$1,080
\$230,000	\$235,000	\$ 630	\$368,000	\$376,000	\$ 980	\$460,000	\$470,000	\$1,260
\$235,000	\$240,000	\$ 720	\$376,000	\$384,000	\$1,120	\$470,000	\$480,000	\$1,440
\$240,000	\$245,000	\$ 810	\$384,000	\$392,000	\$1,260	\$480,000	\$490,000	\$1,620
\$245,000	\$250,000	\$ 900	\$392,000	\$400,000	\$1,400	\$490,000	\$500,000	\$1,800
\$250,000	\$255,000	\$ 990	\$400,000	\$408,000	\$1,540	\$500,000	\$510,000	\$1,980
\$255,000	\$260,000	\$1,080	\$408,000	\$416,000	\$1,680	\$510,000	\$520,000	\$2,160
\$260,000	\$265,000	\$1,170	\$416,000	\$424,000	\$1,820	\$520,000	\$530,000	\$2,340
\$265,000	\$270,000	\$1,260	\$424,000	\$432,000	\$1,960	\$530,000	\$540,000	\$2,520
\$270,000	\$275,000	\$1,350	\$432,000	\$440,000	\$2,100	\$540,000	\$550,000	\$2,700
\$275,000	\$280,000	\$1,440	\$440,000	\$448,000	\$2,240	\$550,000	\$560,000	\$2,880
\$280,000	\$285,000	\$1,530	\$448,000	\$456,000	\$2,380	\$560,000	\$570,000	\$3,060
\$285,000	\$290,000	\$1,620	\$456,000	\$464,000	\$2,520	\$570,000	\$580,000	\$3,240
\$290,000	\$295,000	\$1,710	\$464,000	\$472,000	\$2,660	\$580,000	\$590,000	\$3,420
\$295,000	\$300,000	\$1,800	\$472,000	\$480,000	\$2,800	\$590,000	\$600,000	\$3,600
\$300,000	\$305,000	\$1,890	\$480,000	\$488,000	\$2,940	\$600,000	\$610,000	\$3,780
\$305,000	\$310,000	\$1,980	\$488,000	\$496,000	\$3,080	\$610,000	\$620,000	\$3,960
\$310,000	\$315,000	\$2,070	\$496,000	\$504,000	\$3,220	\$620,000	\$630,000	\$4,140
\$315,000	\$320,000	\$2,160	\$504,000	\$512,000	\$3,360	\$630,000	\$640,000	\$4,320
\$320,000	\$325,000	\$2,250	\$512,000	\$520,000	\$3,500	\$640,000	\$650,000	\$4,500
\$325,000	\$330,000	\$2,340	\$520,000	\$528,000	\$3,640	\$650,000	\$660,000	\$4,680
\$330,000	\$335,000	\$2,430	\$528,000	\$536,000	\$3,780	\$660,000	\$670,000	\$4,860
\$335,000	\$340,000	\$2,520	\$536,000	\$544,000	\$3,920	\$670,000	\$680,000	\$5,040
\$340,000	\$345,000	\$2,610	\$544,000	\$552,000	\$4,060	\$680,000	\$690,000	\$5,220
\$345,000	\$500,000	\$2,700	\$552,000	\$800,000	\$4,200	\$690,000	\$1,000,000	\$5,400
\$500,000	\$505,000	\$2,750	\$800,000	\$808,000	\$4,280	\$1,000,000	\$1,010,000	\$5,500
\$505,000	\$510,000	\$2,800	\$808,000	\$816,000	\$4,360	\$1,010,000	\$1,020,000	\$5,600
\$510,000	\$515,000	\$2,850	\$816,000	\$824,000	\$4,440	\$1,020,000	\$1,030,000	\$5,700
\$515,000	\$520,000	\$2,900	\$824,000	\$832,000	\$4,520	\$1,030,000	\$1,040,000	\$5,800
\$520,000	\$525,000	\$2,950	\$832,000	\$840,000	\$4,600	\$1,040,000	\$1,050,000	\$5,900
\$525,000	\$530,000	\$3,000	\$840,000	\$848,000	\$4,680	\$1,050,000	\$1,060,000	\$6,000
\$530,000	\$535,000	\$3,050	\$848,000	\$856,000	\$4,760	\$1,060,000	\$1,070,000	\$6,100
\$535,000	\$540,000	\$3,100	\$856,000	\$864,000	\$4,840	\$1,070,000	\$1,080,000	\$6,200
\$540,000	and up	\$3,150	\$864,000	and up	\$4,920	\$1,080,000	and up	\$6,300

Table E - Personal Tax Credits

Withholding Code A			Withholding Code B			Withholding Code C			Withholding Code F		
Annualized Salary		Decimal Amount	Annualized Salary		Decimal Amount	Annualized Salary		Decimal Amount	Annualized Salary		Decimal Amount
More Than	Less Than or Equal To		More Than	Less Than or Equal To		More Than	Less Than or Equal To		More Than	Less Than or Equal To	
\$12,000	\$15,000	.75	\$19,000	\$24,000	.75	\$24,000	\$30,000	.75	\$15,000	\$18,800	.75
\$15,000	\$15,500	.70	\$24,000	\$24,500	.70	\$30,000	\$30,500	.70	\$18,800	\$19,300	.70
\$15,500	\$16,000	.65	\$24,500	\$25,000	.65	\$30,500	\$31,000	.65	\$19,300	\$19,800	.65
\$16,000	\$16,500	.60	\$25,000	\$25,500	.60	\$31,000	\$31,500	.60	\$19,800	\$20,300	.60
\$16,500	\$17,000	.55	\$25,500	\$26,000	.55	\$31,500	\$32,000	.55	\$20,300	\$20,800	.55
\$17,000	\$17,500	.50	\$26,000	\$26,500	.50	\$32,000	\$32,500	.50	\$20,800	\$21,300	.50
\$17,500	\$18,000	.45	\$26,500	\$27,000	.45	\$32,500	\$33,000	.45	\$21,300	\$21,800	.45
\$18,000	\$18,500	.40	\$27,000	\$27,500	.40	\$33,000	\$33,500	.40	\$21,800	\$22,300	.40
\$18,500	\$20,000	.35	\$27,500	\$34,000	.35	\$33,500	\$40,000	.35	\$22,300	\$25,000	.35
\$20,000	\$20,500	.30	\$34,000	\$34,500	.30	\$40,000	\$40,500	.30	\$25,000	\$25,500	.30
\$20,500	\$21,000	.25	\$34,500	\$35,000	.25	\$40,500	\$41,000	.25	\$25,500	\$26,000	.25
\$21,000	\$21,500	.20	\$35,000	\$35,500	.20	\$41,000	\$41,500	.20	\$26,000	\$26,500	.20
\$21,500	\$25,000	.15	\$35,500	\$44,000	.15	\$41,500	\$50,000	.15	\$26,500	\$31,300	.15
\$25,000	\$25,500	.14	\$44,000	\$44,500	.14	\$50,000	\$50,500	.14	\$31,300	\$31,800	.14
\$25,500	\$26,000	.13	\$44,500	\$45,000	.13	\$50,500	\$51,000	.13	\$31,800	\$32,300	.13
\$26,000	\$26,500	.12	\$45,000	\$45,500	.12	\$51,000	\$51,500	.12	\$32,300	\$32,800	.12
\$26,500	\$27,000	.11	\$45,500	\$46,000	.11	\$51,500	\$52,000	.11	\$32,800	\$33,300	.11
\$27,000	\$48,000	.10	\$46,000	\$74,000	.10	\$52,000	\$96,000	.10	\$33,300	\$60,000	.10
\$48,000	\$48,500	.09	\$74,000	\$74,500	.09	\$96,000	\$96,500	.09	\$60,000	\$60,500	.09
\$48,500	\$49,000	.08	\$74,500	\$75,000	.08	\$96,500	\$97,000	.08	\$60,500	\$61,000	.08
\$49,000	\$49,500	.07	\$75,000	\$75,500	.07	\$97,000	\$97,500	.07	\$61,000	\$61,500	.07
\$49,500	\$50,000	.06	\$75,500	\$76,000	.06	\$97,500	\$98,000	.06	\$61,500	\$62,000	.06
\$50,000	\$50,500	.05	\$76,000	\$76,500	.05	\$98,000	\$98,500	.05	\$62,000	\$62,500	.05
\$50,500	\$51,000	.04	\$76,500	\$77,000	.04	\$98,500	\$99,000	.04	\$62,500	\$63,000	.04
\$51,000	\$51,500	.03	\$77,000	\$77,500	.03	\$99,000	\$99,500	.03	\$63,000	\$63,500	.03
\$51,500	\$52,000	.02	\$77,500	\$78,000	.02	\$99,500	\$100,000	.02	\$63,500	\$64,000	.02
\$52,000	\$52,500	.01	\$78,000	\$78,500	.01	\$100,000	\$100,500	.01	\$64,000	\$64,500	.01
\$52,500	and up	.00	\$78,500	and up	.00	\$100,500	and up	.00	\$64,500	and up	.00

* For *Withholding Code* "D", the Personal Tax Credit is 0.00.