

Withholding Tables for Retirement Benefits due to Employment with a Governmental Entity That was Exempt from the Social Security Act

The attached tables incorporate the additional deductions enacted under Public Act 597 of 2012 and allowed for individuals receiving pension and retirement benefits due to employment with a government entity that was exempt under the federal Social Security Act. Almost all employment is covered by the federal Social Security Act. The most common instances of pension and retirement benefits from employment that is not covered by Social Security are police and firefighter retirees, some federal retirees covered under the Civil Service Retirement System hired prior to 1984, and a small number of other state and local government retirees. Federal retirees hired since 1984 and those covered by the Federal Employees' Retirement System were covered under the Social Security Act.

The additional deduction applies to taxpayers who were born after 1945 and before 1953, and for those born after 1952 who were retired as of January 1, 2013. For a joint return, the birth date of the older spouse determines the age range for the return. The additional deduction is equal to \$15,000 per worker receiving qualifying retirement benefits from exempt employment. For 2019, taxpayers born in 1946 through 1952 no longer deduct pension and retirement benefits but are eligible for the Michigan standard deduction. The Michigan standard deduction is equal to \$20,000 for a single return or \$40,000 for a joint return, with the taxpayer eligible for an additional \$15,000 if the taxpayer or spouse receives retirement benefits from employment with a governmental entity that was exempt from Social Security. The withholding tables effectively incorporate either the Michigan standard deduction (those born in 1946 through 1952) or the deduction for pension and retirement benefits (those born after 1952 and retired as of January 1, 2013).

These tables also incorporate the current income tax rate of 4.25 percent and a personal exemption amount of \$4,400.

Pension administrators can also program the appropriate withholding amount using the formulas below for qualified benefit recipients.

Withholding = [Pension subject to tax – monthly pension deduction – (allowance per exemption x number of exemptions)] x 4.25%

For 2019 the monthly pension deductions and personal exemption amounts are

Single pension deduction per month = $\$35,000/12 = \$2,916.67$

Married pension deduction per month = $\$55,000/12 = \$4,583.33$

Personal exemption allowance = $\$4,400/12 = \366.67 per exemption

Michigan Income Tax Withholding Tables
 Monthly Pension and Retirement Payments for Recipients **Born During the Period 1946 Through 1952**
 & Pension from Governmental Agency Where Employment was Not Covered Under Social Security - Single
 Effective Beginning January 1, 2019

If payment is		and the number of withholding exemptions claimed is						
at least	but less than	0	1	2	3	4	5	6
		the amount of income tax withheld is						
	\$2,900	\$0.00						
\$2,900	\$2,950	\$0.34						
\$2,950	\$3,000	\$2.47						
\$3,000	\$3,050	\$4.59						
\$3,050	\$3,100	\$6.72						
\$3,100	\$3,150	\$8.84						
\$3,150	\$3,200	\$10.97						
\$3,200	\$3,250	\$13.09	\$0.00					
\$3,250	\$3,300	\$15.22	\$0.00					
\$3,300	\$3,350	\$17.34	\$1.79					
\$3,350	\$3,400	\$19.47	\$3.91					
\$3,400	\$3,450	\$21.59	\$6.04					
\$3,450	\$3,500	\$23.72	\$8.16					
\$3,500	\$3,550	\$25.84	\$10.29					
\$3,550	\$3,600	\$27.97	\$12.41	\$0.00				
\$3,600	\$3,650	\$30.09	\$14.54	\$0.00				
\$3,650	\$3,700	\$32.22	\$16.66	\$1.06				
\$3,700	\$3,750	\$34.34	\$18.79	\$3.19				
\$3,750	\$3,800	\$36.47	\$20.91	\$5.31				
\$3,800	\$3,850	\$38.59	\$23.04	\$7.44				
\$3,850	\$3,900	\$40.72	\$25.16	\$9.56				
\$3,900	\$3,950	\$42.84	\$27.29	\$11.69	\$0.00			
\$3,950	\$4,000	\$44.97	\$29.41	\$13.81	\$0.00			
\$4,000	\$4,050	\$47.09	\$31.54	\$15.94	\$0.34			
\$4,050	\$4,100	\$49.22	\$33.66	\$18.06	\$2.47			
\$4,100	\$4,150	\$51.34	\$35.79	\$20.19	\$4.59			
\$4,150	\$4,200	\$53.47	\$37.91	\$22.31	\$6.72			
\$4,200	\$4,250	\$55.59	\$40.04	\$24.44	\$8.84			
\$4,250	\$4,300	\$57.72	\$42.16	\$26.56	\$10.97			
\$4,300	\$4,350	\$59.84	\$44.29	\$28.69	\$13.09	\$0.00		
\$4,350	\$4,400	\$61.97	\$46.41	\$30.81	\$15.22	\$0.00		
\$4,400	\$4,450	\$64.09	\$48.54	\$32.94	\$17.34	\$1.79		
\$4,450	\$4,500	\$66.22	\$50.66	\$35.06	\$19.47	\$3.91		
\$4,500	\$4,550	\$68.34	\$52.79	\$37.19	\$21.59	\$6.04		
\$4,550	\$4,600	\$70.47	\$54.91	\$39.31	\$23.72	\$8.16		
\$4,600	\$4,650	\$72.59	\$57.04	\$41.44	\$25.84	\$10.29		
\$4,650	\$4,700	\$74.72	\$59.16	\$43.56	\$27.97	\$12.41	\$0.00	
\$4,700	\$4,750	\$76.84	\$61.29	\$45.69	\$30.09	\$14.54	\$0.00	
\$4,750	\$4,800	\$78.97	\$63.41	\$47.81	\$32.22	\$16.66	\$1.06	
\$4,800	\$4,850	\$81.09	\$65.54	\$49.94	\$34.34	\$18.79	\$3.19	
\$4,850	\$4,900	\$83.22	\$67.66	\$52.06	\$36.47	\$20.91	\$5.31	
\$4,900	\$4,950	\$85.34	\$69.79	\$54.19	\$38.59	\$23.04	\$7.44	
\$4,950	\$5,000	\$87.47	\$71.91	\$56.31	\$40.72	\$25.16	\$9.56	
\$5,000	\$5,050	\$89.59	\$74.04	\$58.44	\$42.84	\$27.29	\$11.69	\$0.00
\$5,050	\$5,100	\$91.72	\$76.16	\$60.56	\$44.97	\$29.41	\$13.81	\$0.00
\$5,100	\$5,150	\$93.84	\$78.29	\$62.69	\$47.09	\$31.54	\$15.94	\$0.34
\$5,150	\$5,200	\$95.97	\$80.41	\$64.81	\$49.22	\$33.66	\$18.06	\$2.47
\$5,200	\$5,250	\$98.09	\$82.54	\$66.94	\$51.34	\$35.79	\$20.19	\$4.59
\$5,250	\$5,300	\$100.22	\$84.66	\$69.06	\$53.47	\$37.91	\$22.31	\$6.72
\$5,300	\$5,350	\$102.34	\$86.79	\$71.19	\$55.59	\$40.04	\$24.44	\$8.84
\$5,350	\$5,400	\$104.47	\$88.91	\$73.31	\$57.72	\$42.16	\$26.56	\$10.97
				4.25% of excess over \$5,400 plus				
\$5,400 and over		\$105.53	\$89.97	\$74.38	\$58.78	\$43.22	\$27.63	\$12.03

Michigan Income Tax Withholding Tables
Monthly Pension and Retirement Payments for Recipients **Born During the Period 1946 Through 1952**
& Pension from Governmental Agency Where Employment was Not Covered Under Social Security - Married
Effective Beginning January 1, 2019

If payment is		and the number of withholding exemptions claimed is						
at least	but less than	0	1	2	3	4	5	6
		the amount of income tax withheld is						
	\$4,600	\$0.00						
\$4,600	\$4,650	\$1.79						
\$4,650	\$4,700	\$3.91						
\$4,700	\$4,750	\$6.04						
\$4,750	\$4,800	\$8.16						
\$4,800	\$4,850	\$10.29						
\$4,850	\$4,900	\$12.41	\$0.00					
\$4,900	\$4,950	\$14.54	\$0.00					
\$4,950	\$5,000	\$16.66	\$1.06					
\$5,000	\$5,050	\$18.79	\$3.19					
\$5,050	\$5,100	\$20.91	\$5.31					
\$5,100	\$5,150	\$23.04	\$7.44					
\$5,150	\$5,200	\$25.16	\$9.56					
\$5,200	\$5,250	\$27.29	\$11.69	\$0.00				
\$5,250	\$5,300	\$29.41	\$13.81	\$0.00				
\$5,300	\$5,350	\$31.54	\$15.94	\$0.34				
\$5,350	\$5,400	\$33.66	\$18.06	\$2.47				
\$5,400	\$5,450	\$35.79	\$20.19	\$4.59				
\$5,450	\$5,500	\$37.91	\$22.31	\$6.72				
\$5,500	\$5,550	\$40.04	\$24.44	\$8.84				
\$5,550	\$5,600	\$42.16	\$26.56	\$10.97				
\$5,600	\$5,650	\$44.29	\$28.69	\$13.09	\$0.00			
\$5,650	\$5,700	\$46.41	\$30.81	\$15.22	\$0.00			
\$5,700	\$5,750	\$48.54	\$32.94	\$17.34	\$1.79			
\$5,750	\$5,800	\$50.66	\$35.06	\$19.47	\$3.91			
\$5,800	\$5,850	\$52.79	\$37.19	\$21.59	\$6.04			
\$5,850	\$5,900	\$54.91	\$39.31	\$23.72	\$8.16			
\$5,900	\$5,950	\$57.04	\$41.44	\$25.84	\$10.29			
\$5,950	\$6,000	\$59.16	\$43.56	\$27.97	\$12.41	\$0.00		
\$6,000	\$6,050	\$61.29	\$45.69	\$30.09	\$14.54	\$0.00		
\$6,050	\$6,100	\$63.41	\$47.81	\$32.22	\$16.66	\$1.06		
\$6,100	\$6,150	\$65.54	\$49.94	\$34.34	\$18.79	\$3.19		
\$6,150	\$6,200	\$67.66	\$52.06	\$36.47	\$20.91	\$5.31		
\$6,200	\$6,250	\$69.79	\$54.19	\$38.59	\$23.04	\$7.44		
\$6,250	\$6,300	\$71.91	\$56.31	\$40.72	\$25.16	\$9.56		
\$6,300	\$6,350	\$74.04	\$58.44	\$42.84	\$27.29	\$11.69	\$0.00	
\$6,350	\$6,400	\$76.16	\$60.56	\$44.97	\$29.41	\$13.81	\$0.00	
\$6,400	\$6,450	\$78.29	\$62.69	\$47.09	\$31.54	\$15.94	\$0.34	
\$6,450	\$6,500	\$80.41	\$64.81	\$49.22	\$33.66	\$18.06	\$2.47	
\$6,550	\$6,600	\$84.66	\$69.06	\$53.47	\$37.91	\$22.31	\$6.72	
\$6,600	\$6,650	\$86.79	\$71.19	\$55.59	\$40.04	\$24.44	\$8.84	
\$6,650	\$6,700	\$88.91	\$73.31	\$57.72	\$42.16	\$26.56	\$10.97	
\$6,700	\$6,750	\$91.04	\$75.44	\$59.84	\$44.29	\$28.69	\$13.09	\$0.00
\$6,750	\$6,800	\$93.16	\$77.56	\$61.97	\$46.41	\$30.81	\$15.22	\$0.00
\$6,800	\$6,850	\$95.29	\$79.69	\$64.09	\$48.54	\$32.94	\$17.34	\$1.79
\$6,850	\$6,900	\$97.41	\$81.81	\$66.22	\$50.66	\$35.06	\$19.47	\$3.91
				4.25% of excess over \$6,900 plus				
\$6,900 and over		\$98.47	\$82.88	\$67.28	\$51.72	\$36.13	\$20.53	\$4.97