

2017 Clarity Tax Rate Changes – Illinois

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State Tax Rates

New state withholding tax rates are in effect for your state. These new rates should be entered before your next payroll in July 2017.

Illinois

Illinois' **Tax Rate** has changed from 3.75% to 4.95%. Follow these steps to make this change.

1. Open the **Payroll** module.
2. Go to **Organization | Calculation Tables** on the menu.
3. Select "IL Married". You can do this by typing in "IL Married" in the **Calculation table name** field at the top of the screen, using the navigation arrows in the top right until you get to "IL Married", or by using the **Search** button on the toolbar.
4. Enter the information into the table as shown below for "IL Married". At the bottom of the screen, change the Tax Rate from 3.75% to 4.95%.

| Rate | |
|-------------|----------------|
| Over: | .0000 |
| Not over: | 9,999,999.0000 |
| Tax amount: | .0000 |
| Tax rate: | 4.95 % |

5. Click on the **Modifiers** tab.
6. Verify the **Exemption Amount** (usually in the **Modifier 1** field) is set to **\$2,175.00** and the **Dependent Amount** (usually in the **Modify 2** field) is set to **\$1,000.00**.

Calculation table name: IL Married

Calculation Table Modifiers Notes

Modifiers 1-10 Modifiers 11-20

| | Description | Type | Value |
|-------------|------------------|--------|----------|
| Modifier 1: | Exemption Amount | Amount | 2,175.00 |
| Modifier 2: | Dependent Amount | Amount | 1,000.00 |

7. Enter "IL – Single" in the **Calculation table name** field at the top.
8. Repeat steps 4 – 5 above.

Congratulations!

You have updated the IL tax tables! The Payroll system is now ready for you to enter payroll.

Useful Websites

Listed below are links to sites you can find helpful and often important information.

STATE WEBSITES

Illinois Department of Revenue

<http://www.revenue.state.il.us/TaxRates/Income.htm>

OTHER WEBSITES

Baker Tilly

<http://www.bakertilly.com/insights/illinois-passes-budget-increases-corporate-and-individual-income-tax-rates>