

# **2017 Classic 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 **Maintenance | State** on the menu.
3. Type "IL" in the **State Code** field at the top and press **Enter**.
4. Click on the **Withholding Rates** tab.
5. The first **Marital Status** that appears should be "Married".
6. Change the **Tax Rate** from 3.75% to 4.95%.
7. Verify that the **Exemption Amount** is \$2,175.00 and the **Dependent Amount** is \$1,000.00.
8. Click on the **Ellipse** button next to the **Marital Status** field and choose **Single**. Click **Accept**.
9. Repeat steps 6 – 7 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>