





EY Payroll NewsFlash

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Virginia revised income tax withholding tables and formulas apply for wages paid on and after October 1, 2022

The Virginia Department of Taxation (DOT) has released [updated wage bracket and withholding formulas](#), which are effective with wages paid on or after October 1, 2022. The updated tables and formulas reflect an increase in the standard deduction effective January 1, 2022, as enacted under [HB 30](#) and approved by Virginia Governor Katie Hobbs on June 22, 2022.

Under HB 30, for tax year 2022 the standard deduction increases from \$4,500 to \$8,000 for single filers and from \$9,000 to \$16,000 for married filers filing jointly if the annual revenue growth is at least 5% for the six-month period of July 2022 through December 2022. For tax year 2023 the increase in the standard deduction is contingent on annual revenue growth of at least 5% for the 12-month period of July 2022 through June 2023.

If the 5% growth rate is not met for either taxable year, the standard deduction for that taxable year will be \$7,500 for single individuals and \$15,000 for married persons. The increase in the standard deduction is scheduled to sunset after tax year 2025 when it will revert to the standard deduction amounts that applied prior to tax year 2019 — \$3,000 for single filers and \$6,000 for married couples filing jointly.

In August 2022, the Department also published an updated [Income Tax Withholding Guide for Employers](#).

Contact us for more information

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