

EY Payroll NewsFlash Workforce Tax Services

*Tax. Benefits. Human Resources.
Working together with you.*



 Contact us for more information

 Join us on LinkedIn

Vol.24, 021
March 21, 2023

West Virginia issues revised 2023 withholding tables and formulas for immediate use by employers

On March 16, 2023, West Virginia Governor Jim Justice [announced](#) that the West Virginia State Tax Department has [released](#) a revised [Form IT-104](#), *Employee's Withholding/Exemption Certificate* and income tax withholding tables/formula for 2023, which employers should begin using immediately. The revised withholding tables/formula reflect the personal income tax cut that applies retroactive to January 1, 2023, under [H.B. 2526](#). (See *EY Tax Alert*, [2023-0439](#).)

In its withholding notice ([IT-100.1.A](#)), the Department instructs that when using the updated [2023 withholding tables](#) or [percentage method of withholding](#), employers should use the two-earner tables for all employees unless an employee has requested on the IT-104 that tax should be withheld at a lower rate. In that case, the one-earner tables should be utilized.

The two-earner table has been adjusted to account for the first three months of withholding at the old tax rates (and will remain at these rates in 2024 to account for new tax credits for which most taxpayers should be eligible). Accordingly, when using the two-earner table, there is no need to further adjust income tax withholding.

Additionally, the two-earner tables are computed at a higher tax rate to help prevent underwithholding for married persons filing a joint personal income tax return or for employees who are earning wages from more than one job.

The one-earner tables make no adjustments for these factors.

Supplemental wages

Effective immediately, the supplemental rate of withholding for irregular wage payments such as bonuses is shown in the following chart.

Supplemental withholding rates effective January 1, 2023

If annual wages are:	The rate to withhold is:
Less than \$10,000	2.36%
More than \$10,000 but less than \$25,000	3.15%
More than \$25,000 but less than \$40,000	3.54%
More than \$40,000 but less than \$60,000	4.72%
More than \$60,000	5.12%

Contact us for more information

Workforce Tax Services - Employment Tax Advisory Services

Kristie Lowery

kristie.lowery@ey.com

Ken Hausser

Kenneth.hausser@ey.com

Debera Salam

debera.salam@ey.com

The information contained herein is general in nature and is not intended, and should not be construed, as legal, accounting or tax advice or opinion provided by Ernst & Young LLP to the reader. The reader is also cautioned that this material may not be applicable to, or suitable for, the reader's specific circumstances or needs, and may require consideration of non-tax and other tax factors if any action is to be contemplated. The reader should contact his or her Ernst and Young LLP or other tax professional prior to taking any action based upon this information. Ernst & Young LLP assumes no obligation to inform the reader of any changes in tax laws or other factors that could affect the information contained herein. Copyright 2023. Ernst & Young LLP. All rights reserved. No part of this document may be reproduced, retransmitted, or otherwise redistributed in any form or by any means, electronic or mechanical, including by photocopying, facsimile transmission, recording, rekeying, or using any information storage and retrieval system, without written permission from Ernst & Young LLP.