





## EY Payroll NewsFlash Workforce Tax Services

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### Idaho releases revised 2023 withholding tables reflecting new flat income tax

The Idaho State Tax Commission (Commission) has published revised 2023 tables for the [percentage method](#) and [wage bracket method](#) used for wages paid on or after May 15, 2023.

The revised 2023 withholding tables reflect the change from a graduated tax rate to a flat tax of 5.8% on income over \$2,500 (\$5,000 for married filing jointly), which applies retroactive to January 1, 2023 under [H.B. 1](#) enacted earlier this year. (See *EY Tax Alert* [2023-0182](#).)

#### Supplemental wages

The Commission has [confirmed](#) that the optional supplemental rate of withholding on bonuses, commissions, overtime pay, payments for accumulated sick leave, severance pay, awards, prizes, back pay, retroactive pay and other similar payments is lowered from 6% to 5.8% starting in tax year 2023 in accordance with H.B. 1.

**Contact us for more information**

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