



EY Payroll NewsFlash

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North Dakota issues revised 2023 withholding tables reflecting personal income tax cuts passed by the state's legislature earlier this year

The North Dakota State Tax Commission issued 2023 revised [income tax withholding rates and instructions](#) in late May reflecting personal income tax cuts, which under [H.B. 1158](#), are retroactive to January 1, 2023. Employers should begin using the revised withholding rates as soon as possible.

The supplemental withholding rate of 1.84% remains unchanged. (*2023 North Dakota Income Tax Withholding Rates and Instructions*, [p. 58](#).)

As previously reported (see *EY Tax Alert* [2023-0849](#)), on April 27, 2023, North Dakota Governor Doug Burgum signed into law H.B. 1158, which retroactive to January 1, 2023, lowers the state's personal income tax rates by collapsing the tax brackets from five to three with tax rates of 0%, 1.95% and 2.5%. Under prior law, the highest tax rate was 2.9%.

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