

Payroll Tax Year 2025



Summary of Payroll Updates

The release date will be December 23rd.

Additional Notes

AL

The new exclusion for overtime over 40 hrs per week should be handled with a separate pay type for the excluded overtime pay.

CA SDI rate update.

Only applicable to Pro 5.0. Other versions must update manually.
There is now no maximum limit to the CA SDI.

IN formula update

Note: Indiana county taxes are not included as part of the regular state tax update.

MS formula update

Note: on the MS Employee's Withholding Exemption Certificate, the dollar amounts for exemptions, dependents, and age and blindness are totaled to give an exemption amount. In the Pro payroll system you should just enter the number of exemptions and the number of dependents. Include the age and blindness claims in the dependents count.

WV formula update

WV had changes in March 2023 that carry forward to 2024. Two Earner withholding should be the default filing status "TE" unless the employee has requested the lower one earner tax rate. If so, use filing status "AA".

Employee exemptions should be reviewed by payroll staff.

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