

Clarity Tax Rate and WRS Rate Changes – 2023

REVISIONS:

12/20/2022 – Original Document

12/29/2022 – Changed MI exemption amount to \$5,400

1/17/2023 – Modified Iowa tax formula on page 16

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Federal Tax Rates

Loading the Federal tax rates is a two-step process. First, you need to enter the new federal Social Security rates. Then, you need to enter the new federal withholding tax rates.

The government has determined the following limits for 2023:

- Social Security wage base increases to \$160,200
- The contribution limit for flex spending accounts (FSA) increases to \$3,050
- The contribution limit for Dependent Care flex spending accounts remains at \$5,000
- The contribution limit for health savings accounts (HSA) increases to \$3,850 for individual coverage and to \$7,750 for family coverage
- The catch-up limit for health savings accounts (HSA) remains at \$1,000
- The contribution limit for 401(k), 403(b) and 457 plans increase to \$22,500
- The catch-up limit for 401(k), 403(b) and 457 plans increase to \$7,500
- The contribution limit for to an Individual Retirement Arrangement (IRA) increases to \$6,500
- The catch-up limit for Individual Retirement Arrangement (IRA) remains at \$1,000
- Additional Medicare Tax remains at 0.9 percent for wages paid above \$200,000

In addition, the employee rate for Social Security remains at 6.2 percent on wages paid beginning January 1, 2023.

Please adjust your limits and withholding percentages accordingly.

Step 1 – Enter Changes for Social Security Limits

The Social Security limit has increased to \$147,000. You may follow these steps to change the limit.

1. Open **Clarity Payroll | Organization | Pay Codes**.
2. Select the **Social Security Pay code** in use at your site.
3. On the **Employee** tab > **Employee** sub tab.
 - Change the **Maximum Wage Limit** for 2023 to **160,200.00**.
 - Verify the **Social Security Rate Percentage** of **-6.20%** for employees and **6.20%** for employers. Note: If this amount needs to be changed, enter a positive 6.20%. The system will change it to a negative.

Pay code: 74-00 Social Security Tax

Pay Code	Employee	Employer	W-2/1099	Notes
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Employee Used in Calculations Used for Calculation

Amount/Rate/Percent type: Percent of amount ▾

Percentage:	-6.2000	%
Maximum limit:	.00	
Minimum wage limit:	.00	
Maximum wage limit:	160,200.00	

4. On the **Employer** tab > **Employer** sub tab, repeat Step 3.

Pay code: 74-00 Social Security Tax

Pay Code	Employee	Employer	W-2/1099	Notes
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Employer Used in Calculations Used for Calculation

Amount/Rate/Percent type: Percent of amount ▾

Percentage:	6.2000	%
Maximum limit:	.00	
Minimum wage limit:	.00	
Maximum wage limit:	160,200.00	

Step 2 – Enter new Federal Withholding Rates for those that **DO NOT** change their W-4

1. Open **Clarity Payroll | Organization | Calculation Tables**.
2. Enter "Federal – Single" in the **Calculate Table Name** field.
3. Enter the **Federal Withholding Rates** table information for the **Single** status. Below are the rates.

Calculation table name: Federal - Single

Calculation Table Modifiers Notes

Calculation table name: Federal - Single

Tasks	Over	Not Over	Tax Amount	Tax Rate
Add a new rate	0.00	5,250.00	0.00	.0000
Remove the selected rate	5,250.00	16,250.00	0.00	10.0000
	16,250.00	49,975.00	1,100.00	12.0000
	49,975.00	100,625.00	5,147.00	22.0000
	100,625.00	187,350.00	16,290.00	24.0000
	187,350.00	236,500.00	37,104.00	32.0000
	236,500.00	583,375.00	52,832.00	35.0000
	583,375.00	999,999.99	174,238.25	37.0000

To change the rates, click on a line.

Over	Not Over
0.00	4,350.00
4,350.00	14,625.00
14,625.00	46,125.00

Then, change the **Not over**, **Tax amount**, and **Tax rate** fields appropriately at the bottom of the screen.

Rate

Over: .0000

Not over:

Tax amount:

Tax rate: %

4. On the **Modifiers** tab, verify the **Withholding Allowance** for 2023. This amount did not change from 2022.

Calculation table name: Federal - Single

Calculation Table Modifiers Notes

Modifiers 1-10 Modifiers 11-20

Modifier	Description	Type	Value
Modifier 1:	<input type="text" value="Withholding Allowance"/>	Amount	<input type="text" value="4,300.00"/>

- Enter "Federal – Married" in the **Calculate Table Name** field at the top.
- Enter the new **Federal Withholding Rates** table information for the **Married** status. Below are the rates.

Calculation table name: Federal - Married

Calculation Table Modifiers Notes

Calculation table name: Federal - Married

Tasks

- Add a new rate
- Remove the selected rate

Over	Not Over	Tax Amount	Tax Rate
0.00	14,800.00	0.00	.0000
14,800.00	36,800.00	0.00	10.0000
36,800.00	104,250.00	2,200.00	12.0000
104,250.00	205,550.00	10,294.00	22.0000
205,550.00	379,000.00	32,580.00	24.0000
379,000.00	477,300.00	74,208.00	32.0000
477,300.00	708,550.00	105,664.00	35.0000
708,550.00	999,999.99	186,601.50	37.0000

Over	Not Over
0.00	13,000.00
13,000.00	33,550.00
33,550.00	96,550.00

To change the rates, click on a line.

Then, change the **Not over**, **Tax amount**, and **Tax rate** fields appropriately at the bottom of the screen.

Rate

Over: .0000

Not over: 14,800.0000

Tax amount: .0000

Tax rate: 0 %

- On the **Modifiers** tab, verify the **Withholding Allowance** for 2023. This amount did not change from 2022.

Calculation table name: Federal - Married

Calculation Table Modifiers Notes

Modifiers 1-10 Modifiers 11-20

Description	Type	Value
Modifier 1: Withholding Allowance	Amount	4,300.00

Step 3 – Enter new Federal Withholding Rates for those that **DO** change their W-4 **WITHOUT** Box 2c checked

1. Open **Clarity Payroll | Organization | Calculation Tables**.
2. Enter "Federal – Single – No Box 2c" in the **Calculate Table Name** field.
3. Enter the **Federal Withholding Rates** table information for this status. Below are the rates.

Calculation table name: Federal - Single - No Box 2c

Calculation Table Modifiers Notes

Calculation table name: Federal - Single - No Box 2c

Tasks	Over	Not Over	Tax Amount	Tax Rate
Add a new rate	0.00	5,250.00	0.00	.0000
Remove the selected rate	5,250.00	16,250.00	0.00	10.0000
	16,250.00	49,975.00	1,100.00	12.0000
	49,975.00	100,625.00	5,147.00	22.0000
	100,625.00	187,350.00	16,290.00	24.0000
	187,350.00	236,500.00	37,104.00	32.0000
	236,500.00	583,375.00	52,832.00	35.0000
	583,375.00	999,999.99	174,238.25	37.0000

To change the rates, click on a line.

Over	Not Over
0.00	4,350.00
4,350.00	14,625.00
14,625.00	46,125.00

Then, change the **Not over**, **Tax amount**, and **Tax rate** fields appropriately at the bottom of the screen.

Rate

Over: .0000

Not over:

Tax amount:

Tax rate: %

- On the **Modifiers** tab, verify dependent credit amounts. These amounts did not change from 2022.

Calculation table name: Federal - Single - No Box 2c

Calculation Table Modifiers Notes

Modifiers 1-10 Modifiers 11-20

	Description	Type	Value
Modifier 1:	Qualifying Children	Amount	2,000.00
Modifier 2:	Other Dependents	Amount	500.00
Modifier 3:	Withholding Allowance	Amount	8,600.00

- Click the **Save** button on the toolbar.
- Enter "Federal – Married – No Box 2c" in the **Calculation Table Name** field.
- Enter the new **Federal Withholding Rates** table information for this status. Below are the rates.

Calculation table name: Federal - Married - No Box 2c

Calculation Table Modifiers Notes

Calculation table name: Federal - Married - No Box 2c

Tasks	Over	Not Over	Tax Amount	Tax Rate
Add a new rate	0.00	14,800.00	0.00	.0000
Remove the selected rate	14,800.00	36,800.00	0.00	10.0000
	36,800.00	104,250.00	2,200.00	12.0000
	104,250.00	205,550.00	10,294.00	22.0000
	205,550.00	379,000.00	32,580.00	24.0000
	379,000.00	477,300.00	74,208.00	32.0000
	477,300.00	708,550.00	105,664.00	35.0000
	708,550.00	999,999,999.99	186,601.50	37.0000

To change the rates, click on a line.

Over	Not Over
0.00	13,000.00
13,000.00	33,550.00
33,550.00	96,550.00

Then, change the **Not over**, **Tax amount**, and **Tax rate** fields appropriately at the bottom of the screen.

Rate

Over: .0000

Not over:

Tax amount:

Tax rate: %

- On the **Modifiers** tab, verify the new dependent credit amounts. These amounts did not change from 2022.

Calculation table name: Federal - Married - No Box 2c

Calculation Table Modifiers Notes

Modifiers 1-10 Modifiers 11-20

	Description	Type	Value
Modifier 1:	Qualifying Children	Amount	2,000.00
Modifier 2:	Other Dependents	Amount	500.00
Modifier 3:	Withholding Allowance	Amount	12,900.00

- Click the **Save** button on the toolbar.
- Enter "Federal – Head of Household – No Box 2c" in the **Calculation Table Name** field.
- Enter the new **Federal Withholding Rates** table information for this status. Below are the rates.

Calculation table name: Federal - Head of Household - No Box 2c

Calculation Table Modifiers Notes

Calculation table name: Federal - Head of Household - No Box 2c

Tasks	Over	Not Over	Tax Amount	Tax Rate
Add a new rate	0.00	12,200.00	0.00	.0000
Remove the selected rate	12,200.00	27,900.00	0.00	10.0000
	27,900.00	72,050.00	1,570.00	12.0000
	72,050.00	107,550.00	6,868.00	22.0000
	107,550.00	194,300.00	14,678.00	24.0000
	194,300.00	243,450.00	35,498.00	32.0000
	243,450.00	590,300.00	51,226.00	35.0000
	590,300.00	999,999.99	172,623.50	37.0000

To change the rates, click on a line.

Over	Not Over
0.00	10,800.00
10,800.00	25,450.00
25,450.00	66,700.00

Then, change the **Not over**, **Tax amount**, and **Tax rate** fields appropriately at the bottom of the screen.

Rate

Over: .0000

Not over: 12,200.0000

Tax amount: .0000

Tax rate: 0 %

12. On the **Modifiers** tab, verify the new dependent credit amounts. These amounts did not change from 2022.

Calculation table name: Federal - Head of Household - No Box 2c

Calculation Table Modifiers Notes

Modifiers 1-10 Modifiers 11-20

	Description	Type	Value
Modifier 1:	Qualifying Children	Amount ▾	2,000.00
Modifier 2:	Other Dependents	Amount ▾	500.00
Modifier 3:	Withholding Allowance	Amount ▾	8,600.00

Step 4 – Enter new Federal Withholding Rates for those that **DO** change their W-4 **WITH** Box 2c checked

1. Open **Clarity Payroll | Organization | Calculation Tables**.
2. Enter "Federal – Single – Box 2c" in the **Calculate Table Name** field.
3. Enter the **Federal Withholding Rates** table information for this status. Below are the rates.

Calculation table name: Federal - Single - Box 2c

Calculation Table Modifiers Notes

Calculation table name: Federal - Single - Box 2c

Tasks	Over	Not Over	Tax Amount	Tax Rate
Add a new rate	0.00	6,925.00	0.00	.0000
Remove the selected rate	6,925.00	12,425.00	0.00	10.0000
	12,425.00	29,288.00	550.00	12.0000
	29,288.00	54,613.00	2,573.50	22.0000
	54,613.00	97,975.00	8,145.00	24.0000
	97,975.00	122,550.00	18,552.00	32.0000
	122,550.00	295,988.00	26,416.00	35.0000
	295,988.00	999,999.99	87,119.13	37.0000

To change the rates, click on a line.

Over	Not Over
0.00	6,475.00
6,475.00	11,613.00
11,613.00	27,363.00

Then, change the **Not over**, **Tax amount**, and **Tax rate** fields appropriately at the bottom of the screen.

Rate

Over: .0000

Not over:

Tax amount:

Tax rate: %

4. On the **Modifiers** tab, verify the new dependent credit amounts. These amounts did not change from 2022.

Calculation table name: Federal - Single - Box 2c

Calculation Table Modifiers Notes

Modifiers 1-10 Modifiers 11-20

	Description	Type	Value
Modifier 1:	<input type="text" value="Qualifying Children"/>	Amount <input type="text" value="v"/>	<input type="text" value="2,000.00"/>
Modifier 2:	<input type="text" value="Other Dependents"/>	Amount <input type="text" value="v"/>	<input type="text" value="500.00"/>
Modifier 3:	<input type="text" value="Withholding Allowance"/>	Amount <input type="text" value="v"/>	<input type="text" value=".00"/>

- Enter "Federal – Married – Box 2c" in the **Calculation Table Name** field.
- Enter the **Federal Withholding Rates** table information for this status. Below are the rates.

Calculation table name: Federal - Married - Box 2c

Calculation Table Modifiers Notes

Calculation table name: Federal - Married - Box 2c

Tasks	Over	Not Over	Tax Amount	Tax Rate
Add a new rate	0.00	13,850.00	0.00	.0000
Remove the selected rate	13,850.00	24,850.00	0.00	10.0000
	24,850.00	58,575.00	1,100.00	12.0000
	58,575.00	109,225.00	5,147.00	22.0000
	109,225.00	195,950.00	16,290.00	24.0000
	195,950.00	245,100.00	37,104.00	32.0000
	245,100.00	360,725.00	52,832.00	35.0000
	360,725.00	999,999,999.99	93,300.75	37.0000

To change the rates, click on a line.

Over	Not Over
0.00	12,950.00
12,950.00	23,225.00
23,225.00	54,725.00

Then, change the **Not over**, **Tax amount**, and **Tax rate** fields appropriately at the bottom of the screen.

Rate

Over: .0000

Not over:

Tax amount:

Tax rate: %

- On the **Modifiers** tab, verify the new dependent credit amounts. These amounts did not change from 2022.

Calculation table name: Federal - Married - Box 2c

Calculation Table Modifiers Notes

Modifiers 1-10 Modifiers 11-20

	Description	Type	Value
Modifier 1:	<input type="text" value="Qualifying Children"/>	Amount <input type="text" value="v"/>	<input type="text" value="2,000.00"/>
Modifier 2:	<input type="text" value="Other Dependents"/>	Amount <input type="text" value="v"/>	<input type="text" value="500.00"/>
Modifier 3:	<input type="text" value="Withholding Allowance"/>	Amount <input type="text" value="v"/>	<input type="text" value=".00"/>

- Enter "Federal – Head of Household –Box 2c" in the **Calculation Table Name** field.

9. Enter the **Federal Withholding Rates** table information for this status. Below are the rates.

Calculation table name: Fedearl - Head of Household - Box 2c

Calculation Table Modifiers Notes

Calculation table name: Fedearl - Head of Household - Box 2c

Tasks	Over	Not Over	Tax Amount	Tax Rate
Add a new rate	0.00	10,400.00	0.00	.0000
Remove the selected rate	10,400.00	18,250.00	0.00	10.0000
	18,250.00	40,325.00	785.00	12.0000
	40,325.00	58,075.00	3,434.00	22.0000
	58,075.00	101,450.00	7,339.00	24.0000
	101,450.00	126,025.00	17,749.00	32.0000
	126,025.00	299,450.00	25,613.00	35.0000
	299,450.00	999,999.99	86,311.75	37.0000

To change the rates, click on a line.

Over	Not Over
0.00	9,700.00
9,700.00	17,025.00
17,025.00	37,650.00

Then, change the **Not over**, **Tax amount**, and **Tax rate** fields appropriately at the bottom of the screen.

Rate

Over: .0000

Not over:

Tax amount:

Tax rate: %

10. On the **Modifiers** tab, verify the new dependent credit amounts. These amounts did not change from 2022.

Calculation table name: Fedearl - Head of Household - Box 2c

Calculation Table Modifiers Notes

Modifiers 1-10 Modifiers 11-20

	Description	Type	Value
Modifier 1:	<input type="text" value="Qualifying Children"/>	Amount	2,000.00
Modifier 2:	<input type="text" value="Other Dependents"/>	Amount	500.00
Modifier 3:	<input type="text" value="Withholding Allowance"/>	Amount	.00

Step 5 – Update Employee Withholdings

1. Open **Clarity Payroll | Employee | Modify Existing Employees**.
2. Navigate to the employee you would like to change withholdings.
3. Click the **Pay Code** tab.
4. Double-click on the **FWT** pay code.
5. Select the **Calculation** to match the employee's W-4 Step 1(c) and Step 2(c) election.
6. Enter the **Extra Amount** from W-4 Step 4(c).
7. Enter the **Exemptions** from W-4 Step 3 "Qualifying Children". **Note:** Enter the **number** of dependents, not the dollar amount.
8. Enter the **Additional Exemptions** from W-4 Step 3 "Other Dependents". **Note:** Enter the **number** of dependents, not the dollar amount.
9. Repeat steps 2 – 8 for each employee that needs to be changed.

State Tax Rates

New state withholding tax rates may be in effect for your state. These new rates should be entered before your first payroll in 2023.

Illinois

As of the date of this publication, Illinois' state tax rates have **Not** changed for 2023. Illinois' **Exemption Amount** is \$2,425.00, the **Dependent Amount** is \$1,000.00, and the **Tax Rate** is 4.95 percent. Follow these steps to verify and or make this change.

Open the **Payroll** module.

1. Go to **Organization | Calculation Tables** on the menu.
2. Enter "IL – Married" in the **Calculation table name** field at the top.
3. Verify the **Rate** is set to 4.95.

Calculation table name: IL SWT

Calculation Table Modifiers Notes

Calculation table name: IL SWT

Tasks	Over	Not Over	Tax Amount	Tax Rate
<ul style="list-style-type: none"> Add a new rate Remove the selected rate 	0.00	99,999,999.00	0.00	4.9500

4. Click on the **Modifiers** tab.
5. Verify the **Exemption Amount** (usually in the **Modifier 1** field) is \$2,425.00 and verify the **Dependent Amount** (usually in the **Modifier 2** field) is \$1,000.00.

Calculation table name: IL SWT

Calculation Table Modifiers Notes

Modifiers 1-10 Modifiers 11-20

	Description	Type	Value
Modifier 1:	Exemption Allowance	Amount	2,425.00
Modifier 2:	Dependent Allowance	Amount	1,000.00

6. Click the **Calculation Table** tab.
7. Enter "IL – Single" in the **Calculation table name** field at the top.
8. Repeat steps 3 – 5 above.
9. Click **Close**. The changes will be saved.

Iowa

Iowa’s state tax rate and standard deductions have changed for 2023. Click [here](#) for more information regarding that change. Follow these steps to verify and or make this change.

Open the **Payroll** module.

1. Go to **Organization | Calculation Tables** on the menu.
2. Enter “IA NA – 0 or 1 Exempt” in the **Calculation table name** field at the top.
3. Click the **Remove the selected rate** on the left side five (5) times so that there are only four (4) rows left.
4. Enter/modify the information in the table as shown below.

Calculation table name: IA NA - 0 or 1 Exemptions

Calculation Table Modifiers Notes

Calculation table name: IA NA - 0 or 1 Exemptions

Tasks	Over	Not Over	Tax Amount	Tax Rate
Add a new rate	0.00	4,800.00	0.00	4.4000
Remove the selected rate	4,800.00	24,000.00	211.20	4.8200
	24,000.00	50,000.00	1,136.64	5.7000
	50,000.00	999,999.00	2,618.64	6.0000

5. Click on the **Modifiers** tab.
6. Change the **Modifiers** so that the **Standard Deduction** appears as **Modifier 1** and **1st/2nd Exemption Credit** appears as **Modifier 2**. Delete all other modifiers. See screen shot below.

Calculation table name: IA NA - 0 or 1 Exemptions

Calculation Table Modifiers Notes

Modifiers 1-10 Modifiers 11-20

	Description	Type	Value
Modifier 1:	Standard Deduction	Amount	13,850.00
Modifier 2:	1st/2nd Exemption Credit	Amount	40.00
Modifier 3:		Amount	.00
Modifier 4:		Amount	.00
Modifier 5:		Amount	.00

7. Click the **Calculation Table** tab.
8. Enter “IA NA – 2 Exempt” in the **Calculation table name** field at the top.
9. Repeat steps 3 – 4 above.

10. Click on the **Modifiers** tab.
11. Change the **Modifiers** so that the **Standard Deduction** appears as **Modifier 1** and **1st/2nd Exemption Credit** appears as **Modifier 2**. Delete all other modifiers. See screen shot below.

Calculation table name: IA NA - 2 Exempt

Calculation Table Modifiers Notes

Modifiers 1-10 Modifiers 11-20

	Description	Type	Value
Modifier 1:	Standard Deduction	Amount ▾	27,700.00
Modifier 2:	1st/2nd Exemption Credit	Amount ▾	40.00
Modifier 3:		Amount ▾	.00
Modifier 4:		Amount ▾	.00
Modifier 5:		Amount ▾	.00

12. Click **Close**. The changes will be saved.

The calculation formula for Iowa has changed for 2023. Follow these steps to add the new formulas.

13. Go to **Organization | Calculation Formula** on the menu.
14. Click the **Search** button on the toolbar and select **Iowa State Withholding**.
15. Click **Modify** in the lower right corner.
16. Copy the following and paste it into the **Formula** section:


```
Var1 = Max(0, (WagesCurrPer))
Var2=Max(0, Var1 – Modifier1)
Var3 = Table(Var2)
Var4 = Max(0, (CurrentExemptions * Modifier2))
Var5 = Var3 – Var4
Result = Max(0, Var5)
```
17. Click the **Save** button on the toolbar.
18. Click **Close**.

Michigan

As of the date of this publication, Michigan’s state tax rates have **NOT** changed for 2023. Michigan’s **Exemption Amount** has increased to \$5,400.00 and the tax rate is unchanged at 4.25 percent. Follow these steps to verify and or make this change.

Open the **Payroll** module.

1. Go to **Organization | Calculation Tables** on the menu.
2. Enter “MI – Married” in the **Calculation table name** field at the top.
3. Verify the **Rate** is set to 4.25.

Calculation table name: MI Married

Calculation Table Modifiers Notes

Calculation table name: MI Married

Tasks	Over	Not Over	Tax Amount	Tax Rate
<ul style="list-style-type: none"> Add a new rate Remove the selected rate 	0.00	999,999.00	0.00	4.2500

4. Click on the **Modifiers** tab.
5. Change the **Exemption Amount** to \$5,400.00.

Calculation table name: MI Married

Calculation Table Modifiers Notes

Modifiers 1-10 Modifiers 11-20

Description	Type	Value
Modifier 1: Exemption Amount	Amount	5,400.00

6. Click the **Calculation Table** tab.
7. Enter “MI – Single” in the **Calculation table name** field at the top.
8. Repeat steps 3 – 5 above.
9. Click **Close**. The changes will be saved.

Minnesota

Minnesota's state tax rates have changed for 2023. Click [here](#) for more information regarding that change. Follow these steps to verify and/or make this change.

Open the **Payroll** module.

1. Go to **Organization | Calculation Tables** on the menu.
2. Select "MN Single". You can do this by typing in "MN Single" in the **Calculation table name** field at the top of the screen, using the navigation arrows in the top right until you get to "MN Single", or by using the **Search** button on the toolbar.
3. Enter the information into the table as shown below for "MN Single".

Calculation table name: MN Single

Calculation Table Modifiers Notes

Calculation table name: MN Single

Tasks	Over	Not Over	Tax Amount	Tax Rate
Add a new rate	0.00	4,225.00	0.00	.0000
Remove the selected rate	4,225.00	34,295.00	0.00	5.3500
	34,295.00	102,985.00	1,608.75	6.8000
	102,985.00	187,565.00	6,279.67	7.8500
	187,565.00	999,999.00	12,919.20	9.8500

4. Click on the **Modifiers** tab.
5. Change the **Exemption Amount** to **\$4,800**.

Calculation table name: MN Single

Calculation Table Modifiers Notes

Modifiers 1-10 Modifiers 11-20

Description	Type	Value
Modifier 1: Exemption Amount	Amount	4,800.00

6. Click the **Calculation Table** tab.
7. Select "MN Married". You can do this by typing in "MN Married" in the **Calculation table name** field at the top of the screen, using the navigation arrows in the top right until you get to "MN Married", or by using the **Search** button on the toolbar.

8. Enter the information into the table as shown below for "MN Married".

Calculation table name: MN Married

Calculation Table Modifiers Notes

Calculation table name: MN Married

Tasks	Over	Not Over	Tax Amount	Tax Rate
Add a new rate	0.00	13,250.00	0.00	.0000
Remove the selected rate	13,250.00	57,200.00	0.00	5.3500
	57,200.00	187,860.00	2,351.33	6.8000
	187,860.00	318,220.00	11,236.21	7.8500
	318,220.00	999,999.00	21,469.47	9.8500

9. Click on the **Modifiers** tab.

10. Change the **Exemption Amount** to **\$4,800**.

Calculation table name: MN Married

Calculation Table Modifiers Notes

Modifiers 1-10 Modifiers 11-20

	Description	Type	Value
Modifier 1:	Exemption Amount	Amount	4,800.00

11. Click **Close**. The changes will be saved.

Wisconsin

As of the date of this publication, Wisconsin state tax rates have **NOT** changed for 2023. Click [here](#) for Wisconsin’s Withholding Tax Guide updated 10/21. As noted on page 4, withholding tax rates will continue for 2023. Follow these steps to verify and/or make this change.

Open the **Payroll** module.

1. Go to **Organization | Calculation Tables** on the menu.
2. Select **WI Single**. You can do this by typing in “WI Single” in the **Calculation table name** field at the top of the screen, using the navigation arrows in the top right until you get to **WI Single**, or by using the **Search** button on the toolbar.
3. Verify/enter the information into the table as shown below for **WI Single**. Wisconsin will use the same table for Single and Married starting in 2022.

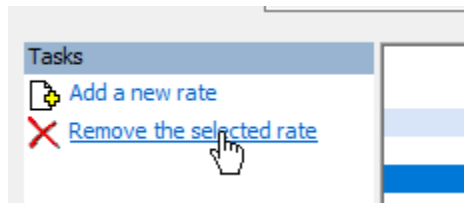
Calculation table name: WI Single

Calculation Table Modifiers Notes

Calculation table name: WI Single

Tasks	Over	Not Over	Tax Amount	Tax Rate
Add a new rate	0.00	12,760.00	0.00	3.5400
Remove the selected rate	12,760.00	25,520.00	451.70	4.6500
	25,520.00	280,950.00	1,045.04	5.3000
	280,950.00	999,999,999.99	14,582.83	7.6500

To delete a row, select the row and then click the **Remove the selected rate** button in the lower left.



4. Click on the **Modifiers** tab.
5. The **Exemption Amount** did not change from **\$400.00**. Verify that this is your **Exemption Amount**.

Calculation table name: WI Single

Calculation Table Modifiers Notes

Modifiers 1-10 Modifiers 11-20

	Description	Type	Value
Modifier 1:	Exemptions	Amount	400.00
Modifier 2:		Amount	.00

6. Click the **Calculation Table** tab.

7. Select **WI Married**. You can do this by typing in “WI Married” in the **Calculation table name** field at the top of the screen, using the navigation arrows in the top right until you get to **WI Married**, or by using the **Search** button on the toolbar.
8. Verify/enter the information into the table as shown below for **WI Married**.

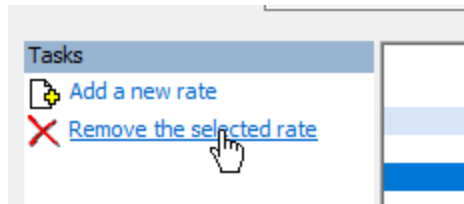
Calculation table name: WI Married

Calculation Table Modifiers Notes

Calculation table name: WI Married

Tasks	Over	Not Over	Tax Amount	Tax Rate
Add a new rate	0.00	12,760.00	0.00	3.5400
Remove the selected rate	12,760.00	25,520.00	451.70	4.6500
	25,520.00	280,950.00	1,045.04	5.3000
	280,950.00	999,999,999.99	14,582.83	7.6500

To delete a row, select the row and then click the **Remove the selected rate** button in the lower left.



9. Click on the **Modifiers** tab.
10. The **Exemption Amount** did not change from **\$400.00**. Verify that this is your **Exemption Amount**.

Calculation table name: WI Married

Calculation Table Modifiers Notes

Modifiers 1-10 Modifiers 11-20

	Description	Type	Value
Modifier 1:	Exemptions	Amount	400.00
Modifier 2:		Amount	.00

11. Click **Close**. The changes will be saved.

Wisconsin Retirement System Rates

Your community may have new WRS rates. These new rates should be entered before your first payroll in 2023. Visit the following website and select your community to confirm your WRS rates.

<https://etfonline.wi.gov/ETFCalculatorWeb/etf/internet/employer/ETFemployerrates.jsp>.

Most communities' rates have changed to the following. As stated above, use the website to verify these rates are correct for your community.

General

Employee Required – 6.80%

Employer Required – 6.80%

Elected

Employee Required – 6.80%

Employer Required – 6.80%

Protective with Social Security

Employee Required – 6.80%

Employer Required – 13.20% (does not include duty disability rate of 0.02%)

Protective without Social Security

Employee Required – 6.80%

Employer Required – 18.10% (does not include duty disability rate of 0.02%)

To change the rates, do this:

1. Open **Clarity Payroll | Organization | Pay Codes**.
2. Select the appropriate **WRS pay code** in use at your site.
3. Click on the **Employee** tab.
4. Change the **Percentage** to the appropriate rate. Highlight the full amount and type a positive number and press **Enter**. The system will change the percentage to a negative.
5. Click on the **Employer** tab.

6. Change the **Percentage** to the appropriate rate.
7. Repeat steps 2 – 5 to change the other WRS pay codes.

Congratulations!

You have completed the Payroll Year-end Closing! The Payroll system is now ready for you to enter payroll for the new year.

Useful Websites

Listed below are links to sites you can find helpful and often important information.

IRS – general links to forms, publications, and general information.

www.irs.gov

IRS – Publication 15-T

<https://www.irs.gov/pub/irs-pdf/p15t.pdf>

Social Security Administration Business Services:

<http://www.socialsecurity.gov/pgm/business.htm>

SSA – Payroll Year End Balancing

<http://www.socialsecurity.gov/employer/recon/recon.htm>

STATE WEBSITES

Illinois Department of Revenue

<https://www2.illinois.gov/rev/Pages/default.aspx>

Iowa Department of Revenue

<http://www.iowa.gov/tax/index.html>

Minnesota Department of Revenue

<https://www.revenue.state.mn.us/minnesota-department-revenue>

Michigan Department of Treasury

<http://www.michigan.gov/treasury/>

Missouri Department of Revenue

<http://dor.mo.gov/>

Ohio Department of Taxation

<http://tax.ohio.gov/>

Wisconsin Department of Revenue

<http://www.revenue.wi.gov/>

Wisconsin Retirement Rates:

<http://etfonline.wi.gov/ETFCalculatorWeb/etf/internet/employer/ETFemployerrates.jsp>