

Tax Withholding Basic Navigation

Overview

Introduction This guide provides the procedure for navigating the **Tax Withholding** component in Direct Access.

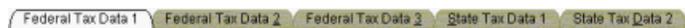
In this guide This guide covers the following topics:

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Federal and State Tax Changes

Introduction

This section provides procedures for non self-service employee tax data changes. The Employee Tax Data page has five tabs for data entry.



The usage of each tab is described below.

- The **Federal Tax Data 1** tab is used for the input various types of federal tax information including Special Tax Withholding Status, Tax Marital Status, Withholding Allowances and Additional Withholding.
- The **Federal Tax Data 2** tab is used for Earned Income Credit.
- The **Federal Tax Data 3** tab is used for the input of Foreign Country for Non Resident Aliens (Coast Guard Academy Cadets only).
- The **State Tax Data 1** tab holds State of Legal Residence, Special Tax Withholding Status, State Withholding Marital/Tax Status, Withholding Allowances and Additional Withholding.
- The **State Tax Data 2** tab is used for special rules that apply to Mississippi.

Also See

- [State Tax Withholding Data Entry Procedures](#) topic for additional information.
- [Tax Withholding for Residents of the Northern Mariana Islands](#)
- [Federal and State Income Tax Withholding for Residents of Puerto Rico on Active Duty](#)

Continued on next page

Federal and State Tax Changes, Continued

Timing

Change employee federal tax data when a person:

- Becomes a member of the Coast Guard, Coast Guard Reserve, NOAA Commissioned Officer Corps or is accepted as a cadet at the Coast Guard Academy

Note: If submitting this transaction as part of an accession, ensure the effective date is the same as the accession date and the transactions, including a [Payment Option Election \(Non Self-Service\)](#), are all submitted in the same JUMPS update cycle.

- Changes citizenship status. (Ensure supporting documentation is submitted)
- Files a new IRS Form W-4 (except for those prepared as part of the retirement package).
- Files a new IRS Form W-5 (Nonresident aliens cannot claim advance payment of earned income credit).
- Is a nonresident alien and changes actual marital status. (Ensure supporting documentation is submitted).
- Changes state of legal residence
- Changes withholding status for the state of legal residence.
- Terminates nonresident alien status.
- Is a U. S. citizen, resident alien, or a nonresident alien who is terminating such status to become a resident alien, and the member's state of legal residence is a taxing jurisdiction, and the state has a state tax withholding agreement with the Secretary of the Treasury.

NOTE

Change in State Tax Information must be supported by one of the following

- Employee's Withholding Allowance Certificate (IRS Form W-4).
- State of Legal Residence Certificate (DD-2058 (CG)), or DD-2058-2 (for Native American State Tax Exemptions)
- Certificate of Nonresident Alien.
- Appropriate state tax income tax form.

Attention

Self-service cannot be used to claim an exemption from federal income tax withholding (FITW). Members, who meet the conditions for an exemption from FITW, must submit a signed [IRS form W-4](#) to their SPO for processing. **Members claiming exemption from federal withholding must file a new IRS Form W-4 each year by 15 February.**

Federal and State Tax Changes, Continued

Special Reporting to IRS

Regulations, issued by the Treasury Department, eliminated the requirement that employers send copies of potentially questionable Forms W-4, Employee's Withholding Allowance Certificate, to the IRS. The new regulations took effect on April 14, 2005.

In the past, employers had to send to the IRS any Form W-4 claiming more than 10 allowances or claiming complete exemption from withholding if \$200 or more in weekly wages was expected.

Forms W-4 are still subject to review by the IRS. However, employers will no longer have to submit them to the tax agency, unless directed to do so in a written notice to the employer or pursuant to specified criteria set forth in future published guidance.

- Members claiming exemption from federal withholding must file a new IRS Form W-4 each year by **15 February**.
 - Members claiming more than 10 withholding allowances from federal withholding must file a new IRS Form W-4 each year by **15 February**
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Effective Date

A tax change will normally be effective the first day of the month following the month it is submitted. If the tax change is submitted on the first day of the month, it will be effective the same month. Examples:

- A tax change submitted between 2 and 31 October, will be effective in November.
- A tax change submitted on 1 November, will be effective in November.
- A tax change submitted between 2 and 30 November, will be effective in December.

Tax changes cannot be submitted retroactively. Tax withheld cannot be refunded by the Coast Guard. The member will have to file an income tax return (State or Federal) in order to receive a refund of any taxes withheld in excess of taxes due.

Tax Change Procedure

Procedure Start Direct-Access sign in and follow these steps to change employee tax data.

Step	Action	
1	Select menu items in the following order: Home > Compensate Employees > Maintain Payroll Data (US) > Use > Employee Tax Data	
2	A search page will appear. Enter the member's employee ID number or other search criteria (see Employee ID Search Tips) and click the  button to select the member you wish to display.  When choosing a member from the search results, please be sure you are choosing the person you actually want to change data on. Verify the employee ID or national ID before making any changes. Also, since one member can have multiple records if they're both a Regular or Reserve Member and an Auxiliary Member or Civilian Employee, please be sure you are selecting the correct Employee Classification.	
3	The Employee Tax Data page will open, the <i>Federal Tax Data 1 tab</i> will be displayed. The Federal Tax Data 1 tab is used for the input various types of federal tax information including 'Special Tax Withholding Status', 'Tax Marital Status', 'Withholding Allowances' and 'Additional Withholding'.	
4	Choose the appropriate tab for the type of tax change and complete the fields as described below.	
F E D E R A L T A X 1	Field	Description/Instructions
	Effective date	The date defaults to current date. This date may not be future dated
	Special Tax Withholding Status	This field defaults to None. Change it to "Maintain gross option if "Exempt" status indicated on Line 7 of Form W-4. Note: Self-service cannot be used to claim an exemption from federal income tax withholding (FITW). Members, who meet the conditions for an exemption from FITW, must submit a signed IRS form W-4 to their SPO for processing. Members claiming exemption from federal withholding must file a new IRS Form W-4 each year by 15 February.
	W-4 Processing status	This field defaults to None.
	Tax Marital	Tax Marital Status defaults to Single. Click either 'Single' or 'Married'.

Status:	If member elects 'Married at the Higher Single Rate' on the W-4, click 'Single'.
Withholding Allowances:	Withholding Allowances defaults to zero. Enter the number of allowances claimed by the member on IRS Form W-4. <ul style="list-style-type: none"> • Nonresident aliens who are not residents of Canada, Mexico or Puerto Rico cannot claim more than ONE allowance on IRS Form W-4. • Members who claim more than 10 exemptions must file a new IRS Form W-4 each year by 15 February.
Additional Withholding Amount	Enter the dollar amount of additional tax to be withheld monthly. This amount must be whole dollars.
Percentage	Not applicable.
Lock-In Details	The fields in this block are not applicable and will not be used by the USCG application.

Note: No changes are required on this tab unless the member is requesting advanced payment of Earned Income Credit (EIC).

Sample IRS W-5 Form:

FEDERAL TAX 2

Field	Description/Instructions
Effective date	Copied from the Federal Tax Data 1 tab.
Federal tax data last updated by:	Shows the date the member's federal tax data was last updated.
Exempt From FUT	Direct-Access will automatically check this field.

Tax Withholding

F E D E R A L T A X 3	Use Total Wages for Multi-Stat Employee	Not used.
	Earned Income Credit	<p>Leave default entry of "Not Applicable" unless the member is claiming advance EIC. If the member is entitled to EIC, choose the appropriate filling status from IRS Form W-5.</p> <p>If on the W-5 the member has entered "Yes" in item 1 and item 3 is either blank or "No", choose:</p> <ul style="list-style-type: none"> • Single, or Married without spouse filing <p>If on the W-5 the member has entered "Yes" in item 1 and item 3, choose:</p> <ul style="list-style-type: none"> • Married with both spouses filing <p>If item 1 of the W-5 is blank or "No", choose:</p> <ul style="list-style-type: none"> • Not Applicable
	W-5 Processing Status	Not applicable.
	W-2 Reporting	Not applicable.
Note:	No changes are required on this tab unless the member is a non-resident alien.	
Field	Description/Instructions	
Effective Date	Copied from the Federal Tax Data 1 tab.	
Country	Enter the member's Country if member is a non-resident alien.	
All other fields on this page	The other fields on this page are not applicable and will not be used in the USCG application.	

State Tax Tabs

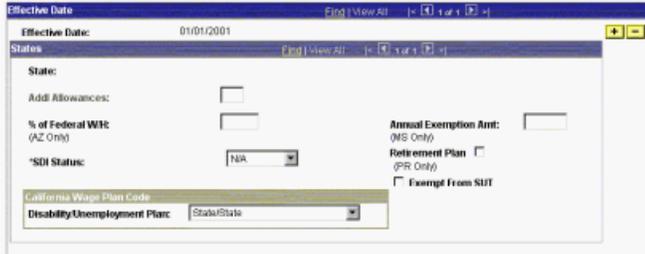
Note: See the [State Tax Withholding Data Entry Procedures](#) topic for more detailed instructions on completing the State Tax Data tab.
 See Federal and State Income Tax Withholding for Residents of Puerto Rico on Active Duty for special rules if the member is a resident of Puerto Rico (PR)

Field	Description/Instructions
Effective Date	Copied from the Federal Tax Data 1 tab.
State	Enter the member's State of Legal Residence. The drop-down menu lists standard two-letter abbreviation codes to choose from.
Resident	Leave this field selected (checked).
UI Jurisdiction	Leave this field blank (unchecked).
Special Tax Withholding Status	<p>Refer to the State Tax Withholding Data Entry Procedures topic to complete this field. Choose:</p> <ul style="list-style-type: none"> • None, if member is not entitled to any exemption from state income tax withholding (e.g. Member's state does not provide an exemption for military personnel who live outside the state or member is currently stationed in their State of Legal Residence) • Exempt and do not withhold tax, if member is entitled to an exemption from state income tax withholding (e. g. Member's state exempts income earned by military personnel stationed outside the state). <p>Note: States that qualify are AZ, CA, CT, ID, PA, MO, MN, MT, NJ, NM, NY, OH, OR, PR and VT. Puerto Rico (PR) residents: See Federal and State Income Tax Withholding for Residents of Puerto Rico on Active Duty for special rules</p> <ul style="list-style-type: none"> • Native American, if member is a Native American and meets eligibility requirements. The Department of Defense is working on a new DD Form 2058-2 (Native American Income Tax Exemption Certificate) for eligible Native Americans to sign. Until the DD Form 2058-2 is available, the SPO will have

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Tax Withholding

	<p>eligible Native Americans sign DD-2058, State of Legal Residence Certificate, and attach a separate page to the DD-2058 stating the following information:</p> <ul style="list-style-type: none"> A. Name of the federally recognized tribe to which the member belongs. B. Name of the federally recognized tribal reservation or Indian country the member claims as their domicile (include the name of the state the reservation is located). <p>The "Maintain gross taxable..." option is not used.</p>	
Marital Status	<p>Click the  button and choose the appropriate state marital status code. If exempt from state taxes, leave this field at the default or current status. Do not change it.</p> 	
Withholding Allowances	<p>Enter the number of allowances claimed by the member for state tax withholding purposes. If exempt from state taxes, leave this field at the default or current number. Do not change it.</p>	
Additional Withholding Amount	<p>Enter the whole dollar amount, if any, of additional tax to be withheld monthly.</p>	
Additional Withholding Percentage	<p>Not used, leave blank.</p>	
Lock in Details	<p>Not used, leave blank.</p>	
		
S T A T E	Note:	No changes are required on this tab unless the member's State of Legal Residence is Mississippi.
	Field	Description/Instructions
	Effective	Copied from Federal Tax Data 1 tab

T A X 2	Date	
	State	State of Legal Residence, copied from State Tax Data 1 tab.
	Addl Allowances	Not used, leave blank
	% of Federal WH (AZ Only)	Not used, leave blank.
	Annual Exemption Amt (MS Only)	If the member is a resident of Mississippi, enter the Exemption Amount.
	SDI Status	Not used, leave as default "N/A".
	Retirement Plan	Not used, leave blank.
	Exempt From SUT	Not used, leave checked
	California Wage Plan Code	Not used, leave default "State/State".
		

Note Carefully review the data you have entered before saving this transaction. Be absolutely sure all that all the data is correct and that you have not made any typographical errors. Be sure you entered the correct employee ID number when you began this transaction. If you have any questions or concerns, cancel the transaction and ask for help.

Don't Forget After completing all applicable fields click  the button.

Federal and State Income Tax Withholding for Residents of Puerto Rico on Active Duty

Reference [Personnel and Pay Procedures Manual, PSCINST M1000.2 \(series\), Sec 8-B](#)

Purpose This section provides rules for withholding of federal and state income tax for active duty members claiming Puerto Rico as their state of legal residence.

Rules Residents of Puerto Rico on active duty are subject to federal or state income tax withholding depending on their assignment in or outside of the 50 United States. The table below shows which tax is to be withheld based on the member's assignment.

If the member is assigned to duty	Then
in the US (one of the 50 states)	only federal income tax is withheld Member is exempt from state tax withholding
outside of the US	only Puerto Rico tax is withheld Member is exempt from federal tax withholding

Federal withholding stops when Puerto Rico withholding starts

Federal tax withholding will be stopped automatically in JUMPS anytime Puerto Rico tax withholding is started.

- If the member wants both federal and Puerto Rico taxes withheld, the SPO will need to enter a federal tax transaction to start federal tax withholding.

Member Action

Members shall notify the SPO, using the procedures established in reference (a), to begin Puerto Rico tax withholding when they are stationed out of the United States. Members shall notify the SPO when they are stationed back in the United States to stop Puerto Rico withholding and begin federal withholding.

Continued on next page

Federal and State Income Tax Withholding for Residents of Puerto Rico on Active Duty, Continued

SPO Action

When a member who claims Puerto Rico as the state of legal residence is stationed outside the United States, the SPO shall:

1. Submit a State Tax transaction. Ensure that "PR" is shown as the State of Legal Residence and that the "Exempt and do not withhold tax" radio button field denoting exemption from state tax is NOT marked (member is not exempt). Ensure the fields for Marital Status and No. State Exemptions Claimed are completed on the transaction.

Note: The State Tax Transaction will automatically stop any federal tax withholding the member has. If the member wants both federal and Puerto Rico taxes withheld, the SPO shall submit a federal tax transaction (in addition to the state tax transaction).

When a member who claims Puerto Rico as the state of legal residence is stationed back in the United States, the SPO shall:

1. Submit a State Tax transaction. Ensure that "PR" is shown as the State of Legal Residence and that "*Exempt and do not withhold tax*" radio button field is marked denoting exemption from state tax.
2. Submit a Federal Tax transaction to begin federal withholding.

Federal and State Income Tax Withholding for Residents of the Commonwealth of the Northern Mariana Islands

Introduction This section provides the procedure for entering tax withholding for residents of the Commonwealth of the Northern Mariana Islands (CNMI).

Discussion The US Treasury has entered an agreement with the CNMI for the mandatory withholding of CNMI income tax from the pay of members of the U. S. Armed Forces who are residents of the CNMI.

State code will be "MP", and Federal exclusion code will be a newly established code of "7".

Members with Legal residency of CNMI will have CNMI state taxes withheld at the federal rate, and FICA withheld. No FITW, regardless of unit state.

Procedure Start Internet Explorer, sign into Direct Access and follow these steps to complete this procedure.

Step	Action
1	Select menu items in the following order: Home > Compensate Employees > Maintain Payroll Data (US) > Use > Employee Tax Data
2	A search page will appear. Enter the member's employee ID number or other search criteria (see Employee ID Search Tips) and click the  button to select the member you wish to display.  When choosing a member from the search results, please be sure you are choosing the person you actually want to change data on. Verify the employee ID or national ID before making any changes. Also, since one member can have multiple records if they're both a Regular or Reserve Member and an Auxiliary Member or Civilian Employee, please be sure you are selecting the correct Employee Classification.
3	The Employee Tax Data page will open, the <i>Federal Tax Data 1 tab</i> will be displayed. The Federal Tax Data 1 tab is used for the input various types of federal tax information including 'Special Tax Withholding Status', 'Tax Martial Status', 'Withholding Allowances' and 'Additional Withholding'.

4 Choose the appropriate tab for the type of tax change and complete the fields as described below.

Field	Description/Instructions
Effective date	The date defaults to current date. This date may not be future dated
Special Tax Withholding Status	Select " None " (default). CNMI residents are not subject to FITW. Setting the state code to "MP" on the State Tax Data 1 tab will exempt the member from FITW in JUMPS. The remaining fields on this tab may be left at their default values. Click on the State Tax Data 1 tab link to continue.

FEDERAL TAX 1

Home > Compensate Employees > Maintain Payroll Data (US) > Use > Employee Tax Data

Federal Tax Data 1 Federal Tax Data 2 Federal Tax Data 3 State Tax Data 1 State Tax Data 2

Company: CGA Active Coast Guard Employees ID: _____

Effective Date: 05/29/2008 This data was last updated by _____ on _____

Special Tax Withholding Status

None Exempt (not subject to FIT) and do not withhold tax

Maintain gross (no tax WH) will be zero unless specified in 'Additional Withholding' below

W-4 Processing Status: None Notification Sent New W-4 Received

Tax Marital Status: Single Married

Withholding Allowances: 0

FWT Additional Amount

Amount: _____ Percentage: _____

Lock-In Details

Letter Received

Limit On Allowances: 0

FEDERAL TAX 2

No changes are required on this tab

FEDERAL TAX 3

No changes are required on this tab.

L T A X 3							
	State Tax Tabs						
S T A T E T A X 1	Field	Description/Instructions					
	Effective Date	Copied from the Federal Tax Data 1 tab.					
	State	Enter the member's State of Legal Residence. The drop-down menu lists standard two-letter abbreviation codes to choose from. Enter or select code "MP" for residents of the CNMI.					
	Resident	Leave this field selected (checked).					
	UI Jurisdiction	Leave this field blank (unchecked).					
	Special Tax Withholding Status	Choose: None , if member is not entitled to any exemption from state income tax withholding (e.g. Member's state does not provide an exemption for military personnel who live outside the state or member is currently stationed in their State of Legal Residence) The "Maintain gross taxable..." option is not used .					
	Marital Status	Click the  button and choose the appropriate state marital status code. If exempt from state taxes, leave this field at the default or current status. Do not change it. <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="padding: 2px;">1 Single or married claim single</td></tr> <tr><td style="padding: 2px;">2 Single Head of Household</td></tr> <tr><td style="padding: 2px;">3 Married, claiming self</td></tr> <tr><td style="padding: 2px;">4 Married, claim self and spouse</td></tr> <tr><td style="padding: 2px;">5 Married filing jointly</td></tr> </table>	1 Single or married claim single	2 Single Head of Household	3 Married, claiming self	4 Married, claim self and spouse	5 Married filing jointly
	1 Single or married claim single						
	2 Single Head of Household						
	3 Married, claiming self						
4 Married, claim self and spouse							
5 Married filing jointly							
Withholding Allowances	Enter the number of allowances claimed by the member for state tax withholding purposes.						
Additional Withholding Amount	Enter the whole dollar amount, if any, of additional tax to be withheld monthly.						
Additional Withholding Percentage	Not used, leave blank.						
Lock in Details	Not used, leave blank.						

	<p>Home > Compensate Employees > Maintain Payroll Data (US) > Use > Employee Tax Data</p> <p>Federal Tax Data 1 Federal Tax Data 2 Federal Tax Data 3 State Tax Data 1 State Tax Data 2</p> <p>ID: _____</p> <p>Company: CGA Active Coast Guard Employees</p> <p>Effective Date Find View All < 1 of 1</p> <p>Effective Date: 05/29/2008</p> <p>State Info. Find View All < 1 of 1</p> <p>*State: <input type="text" value="MP"/> Graduated Tax Tbls-Allowances</p> <p><input checked="" type="checkbox"/> Resident <input type="checkbox"/> Non-Residency Statement Filed <input type="checkbox"/> UI Jurisdiction</p> <p>Special Tax Status</p> <p><input checked="" type="radio"/> None <input type="radio"/> Exempt and do not withhold tax <input type="radio"/> Native American</p> <p><input type="radio"/> Maintain gross taxable; SWT will be zero unless specified in 'Additional Withholding' below</p> <p>Marital Status: <input type="text" value="1"/> Single or married claim single</p> <p>Withholding Allowances: <input type="text" value="0"/></p> <p>Additional Amount Adjustment</p> <p>Amount: <input type="text"/> <input type="radio"/> Increase <input type="radio"/> Decrease</p> <p>Percentage: <input type="text"/></p> <p>Lock-In Details</p> <p><input type="checkbox"/> Letter Received</p> <p>Limit On Allowances: <input type="text" value="0"/></p>
<p>S T A T E T A X 2</p>	<p>No changes are required on this tab.</p>
<p>5</p>	<p>Click the Save button to save your work.</p>

State Tax Withholding Data Entry Procedures

Introduction This section provides additional information for state income tax processing and provides guidance for establishing or changing state tax income withholding information in Direct-Access.

Note: Procedures for members who are legal residents of U. S. Territories are also included in this section.

Discussion The two charts in [Personnel and Pay Procedures Manual, PSCINST M1000.2\(series\), State Tax Listing Pages 8-B-3 to 8-B-9](#) are helpful in explaining withholding requirements and providing useful state address information. This section is meant to supplement and add to, not replace, those charts.

The focus of this section is to categorize states by their processing similarities and provide an understanding of how each category should be treated when establishing or changing a member's state income tax information in Direct-Access.

Category 1 -- States With No Income Tax The following states do not have a state income tax:

Alaska (AK)	South Dakota (SD)
Florida (FL)	Texas (TX)
Nevada (NV)	Washington (WA)
New Hampshire (NH)	Wyoming (WY)
Michigan (MI) (Exempts all military pay)	

Direct-Access procedures:

When establishing or changing state of legal residency to one of the above states, enter only State Code, ignoring Marital Status and Number of Exemptions fields. Their default values will not be passed to JUMPS.

Continued on next page

State Tax Withholding Data Entry Procedures, Continued

*Category 1 --
States With No
Income Tax
(cont'd)*

Example Direct-Access State Tax Data 1 Page for state with no income tax:

The screenshot shows a web form for 'State Info.' with the state set to 'FL'. The title is 'No State Withholding'. There are checkboxes for 'Resident' (checked), 'Non-Residency Statement Filed', and 'UI Jurisdiction'. Under 'Special Tax Status', there are radio buttons for 'None' (selected), 'Exempt and do not withhold tax', and 'Native American'. Below that is a note: 'Maintain gross taxable; SWT will be zero unless specified in 'Additional Withholding' below'. There are fields for 'Marital Status' (set to '1'), 'Withholding Allowances' (set to '0'), and 'Additional Amount Adjustment' (Amount and Percentage fields). A 'Lock-In Details' section has a 'Letter Received' checkbox and a 'Limit On Allowances' field (set to '0').

*Category 2 --
States That Do
Not Have An
Agreement to
Withhold*

The following states (and U.S. Territories) have a state income tax but do not have an agreement with the Department of Treasury to withhold state income taxes from a military member's pay:

Illinois (IL)	American Samoa (AS)
Michigan (MI)	Guam (GU)
Tennessee (TN)	Virgin Islands (VI)
West Virginia (WV)	

Direct-Access procedures:

When establishing or changing state of legal residency to one of the above states, enter only State Code, ignoring Marital Status and Number of Exemptions fields. Their default values will not be passed to JUMPS.

Example Direct-Access State Tax Data 1 Page for state with no agreement:

The screenshot shows a web form for 'State Info.' with the state set to 'IL'. The title is 'Graduated Tax Tbls-Allowances'. There are checkboxes for 'Resident' (checked), 'Non-Residency Statement Filed', and 'UI Jurisdiction'. Under 'Special Tax Status', there are radio buttons for 'None' (selected), 'Exempt and do not withhold tax', and 'Native American'. Below that is a note: 'Maintain gross taxable; SWT will be zero unless specified in 'Additional Withholding' below'. There are fields for 'Marital Status' (set to '1') and 'Withholding Allowances' (set to '0').

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State Tax Withholding Data Entry Procedures, Continued

*Category 3 --
States With
Military
Exemptions*

The following states (and U.S. Territories) have a state income tax and have an agreement with the Department of Treasury to withhold state income taxes from a military member's pay, but have conditions which allow a member to claim exemption from paying those taxes. See [Personnel and Pay Procedures Manual, PSCINST M1000.2\(series\), State Tax Listing Pages 8-B-3 to 8-B-9](#) for an explanation of the required conditions.

Arizona (AZ)	California (CA)
Connecticut (CT)	Idaho (ID)
Minnesota (MN)	Missouri (MO)
Montana (MT)	New Jersey (NJ)
New Mexico (Note: Reservists (not on active duty) with Legal Residence in the state of NM are not state tax exempt, the SPO should not mark them as exempt.)	New York (NY)
Ohio (OH)	Oregon (OR)
Pennsylvania (PA)	Puerto Rico (PR) See Federal and State Income Tax Withholding for Residents of Puerto Rico on Active Duty for special rules
Vermont (VT)	

Note: **Michigan** (MI) exempts all military pay but is listed as a Category 2 state (no withholding agreement)

Direct-Access procedures:

When establishing or changing state of legal residency for a member who meets the exemption conditions, enter State Code and indicate "Exempt and do not withhold tax" in the Special Tax Status field on State Tax Data 1 page, ignoring the Marital Status and Number of Exemptions fields. Their default values will not be passed to JUMPS. No state wages or taxes will be reported to JUMPS.

When establishing or changing state of legal residency for a member who does not meet the exemption conditions, enter State Code, Marital Status, and Number of Exemptions. Special Tax Status block on State Tax Data 1 page must indicate "None".

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State Tax Withholding Data Entry Procedures, Continued

Category 3 --
States With
Military
Exemptions
(Cont'd)

NOTE: Members who claim one of the above states are automatically subject to state income tax when they are stationed inside that state/territory. After a reporting endorsement processes in JUMPS, a Direct-Access tax event must be completed (either by member self-service or SPO) if the default values (single and zero) are not acceptable to the member.

Example State Tax Data 1 Page, member entitled to exemption:

The screenshot shows the 'State Info.' page for California (CA). Under 'Special Tax Status', the 'Exempt and do not withhold tax' option is selected. Other options include 'None', 'Native American', and 'Maintain gross taxable; SWT will be zero unless specified in 'Additional Withholding' below'. The 'Marital Status' is set to 'Single or married claim single'.

Example State Tax Data 1 Page, member not entitled to exemption:

The screenshot shows the 'State Info.' page for California (CA). Under 'Special Tax Status', the 'Maintain gross taxable; SWT will be zero unless specified in 'Additional Withholding' below' option is selected. Below this, there are fields for 'Withholding Allowances' (Amount and Percentage) and 'Additional Amount Adjustment' (Increase/Decrease). There are also checkboxes for 'Lock in Details', 'Letter Received', and 'Limit On Allowances'.

Category 4 --
States With
Agreements

The following states have a state income tax and an agreement to withhold state income tax from a CG member's pay.

Alabama (AL)	Indiana (IN)	Massachusetts (MA)	Oklahoma (OK)
Arkansas (AR)	Iowa (IA)	Mississippi (MS)*	Rhode Island (RI)
Colorado (CO)	Kansas (KS)	Nebraska (NE)	South Carolina (SC)
Delaware (DE)	Kentucky (KY)	New Mexico (NM) Note : Exempts Active Duty Pay. Reservists (not on active duty) with Legal Residence in the state of NM are not state tax exempt, the SPO should not mark them as exempt.	Utah (UT)

Tax Withholding

District of Columbia (DC)	Louisiana (LA)	North Carolina (NC)	Virginia (VA)
Georgia (GA)	Maine (ME)	North Dakota (ND)	Wisconsin (WI)
Hawaii (HI)	Maryland (MD)	Commonwealth of the Northern Mariana Islands	

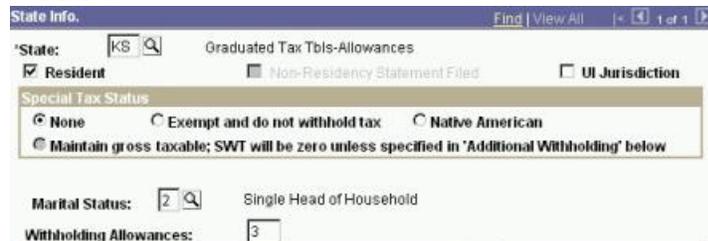
Category 4 --
States With
Agreements
(cont'd)

Direct-Access procedures:

When establishing or changing state of legal residency, enter State Code, Marital Status and Number of Allowances.

- * For residents of Mississippi, enter State Code (MS) and ignore the values in the Marital Status and Number of Exemptions fields. Enter a dollar amount in the Annual Exemption Amount block on State Tax Data 2 page.

Example Direct-Access State Tax Data 1 Page for State With Agreement to Withhold:



State Info. Find | View All | 1 of 1

*State: Graduated Tax Tbls-Allowances

Resident Non-Residency Statement Filed UI Jurisdiction

Special Tax Status

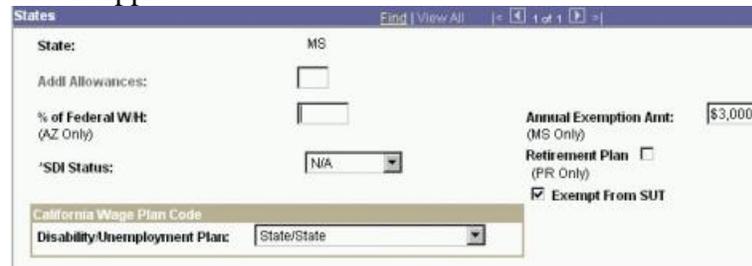
None Exempt and do not withhold tax Native American

Maintain gross taxable; SWT will be zero unless specified in 'Additional Withholding' below

Marital Status: Single Head of Household

Withholding Allowances:

Example Direct-Access State Tax Data 2 Page, member resident of Mississippi:



States Find | View All | 1 of 1

State: MS

Addl Allowances:

% of Federal With: (AZ Only)

*SDI Status:

Annual Exemption Amt: (MS Only)

Retirement Plan (PR Only)

Exempt From SUT

California Wage Plan Code

Disability/Unemployment Plan:

Note: The Annual Exemption Amt. can be obtained from Mississippi form 89-350-98-1, <http://www.mstc.state.ms.us/taxareas/withhold/89-350001.pdf>

Continued on next page

State Tax Withholding Data Entry Procedures, Continued

*Category 5 --
Special State Tax
Treatment for
Native Americans*

There are special procedures for eligible Native American service members who claim exemption from state tax withholding. Exemption is recorded by clicking the Native American tab in the Special Tax Status field on State Tax Data 1 page. The Marital Status and Number of Exemptions fields should not be completed; their default values will not be passed to JUMPS. No state wages or taxes will be reported to JUMPS.

Please see [Tax Withholding for Residents of the Northern Mariana Islands](#).

*Category 6
Commonwealth of
the Northern
Mariana Islands*

State Tax Listing

State and Contact Phone Number	Authorized to Have SITW Withheld From Military Members	Tax Withholding Form State Requires	State Tax Office Address
* These states use Federal W-4 annotated "For SITW Purposes Only".			
Alabama (334) 242-1170	Yes (Exempts all active duty and reserve military pay)	State Form A-4	Alabama Department of Revenue Individual & Corporate Tax Division PO Box 327465 Montgomery, AL 36132-7465
Alaska (907) 465-2300	NO STATE INCOME TAX		
Arizona (602) 255-3381	Yes	State Form A-4 or A-4M	Arizona Department of Revenue Taxpayer Information & Assistance PO Box 29086 Phoenix, AZ 85038-9086
Exemption to state withholding: Exempts all active duty and reserve military Pay.			
Arkansas (501) 682-7225	Yes	State Form AR-4EC	Arkansas Department of Finance and Administration Individual Income Tax Section Rm 138, Ledbetter Building Little Rock, AR 72203
California 800-338-0505 (automated) 800-852-5711	Yes	State Form EDD DE4 *	California Franchise Tax Board PO Box 942840 Sacramento, CA 94240-0040
Conditions for exemption from state tax: If member is on active service and is stationed outside the state.			
Colorado 303-232-2446	Yes	Federal Form W-4 *	Colorado Department of Revenue 1375 Sherman Street Denver, CO 80261
Connecticut 800-382-9463 (in state) (860)297-5962(out of state)	Yes	State Form CT-W4	Taxpayer Services Division Department of Revenue Services 25 Sigourney Street Hartford, CT 06106-5032
Conditions for exemption from state tax: If the member does not maintain a permanent place of abode in the state, AND maintains a permanent place of abode outside the state, AND spends not more that 30 days in the state during the tax year. Members occupying single-type government quarters are NOT considered to be maintaining a permanent place of abode in the state.			
Delaware (302) 577-8200	Yes	Federal Form W-4 *	Delaware Division of Revenue 820 N. French Street Wilmington, DE 19801
District of Columbia (202) 727-4829	Yes	State Form D-4	DC Government Office of Tax & Revenue 941 Capitol St. NE Washington, DC 20002

Federal and State Tax Changes

Florida (850) 922-4827/4826	NO STATE INCOME TAX		
Georgia (404) 656-4188	Yes	State Form G-4	Georgia Department of Revenue 270 Washington St. SW Atlanta, GA 30334
Hawaii 800 222-3229	Yes	State Form HW-4	Hawaii Department of Taxation PO Box 3559 Honolulu, HI 96811-3559
Idaho (208) 334-7660 800-972-7660	Yes	Federal Form W-4*	Taxpayer Services Idaho State Tax Commission PO Box 36 Boise, ID 83722-0036
Illinois 800-732-8866	No (exempts all active duty military pay)		Illinois Department of Revenue Taxpayer Correspondence PO Box 19044 Springfield, IL 62794-9044
Indiana (317) 232-2240	Yes	State Form WH-4	Indiana Department of Revenue Taxpayer Services Division Indiana Government Center 100 N. Senate Avenue, No. 105 Indianapolis, IN 96811
Iowa 800-367-3388 (in state) (515) 281-3114 (out of state)	Yes	State Form IA-W4	Finance Taxpayer Services and Iowa Department of Revenue PO Box 10457 Des Moines, IA 50306-0457
Kansas (785) 368-8222	Yes	Federal Form W-4 *	Kansas Department of Revenue Taxpayer Assistance Bureau 915 SW Harrison Street Topeka, KS 66625-0001
Kentucky (502) 564-4581	Yes	State Form K-4	Kentucky Revenue Cabinet Taxpayer Assistance 200 Fair Oaks Lane Frankfort, KY 40620
Louisiana (225) 925-4611	Yes	Federal Form W-4 *	Louisiana Department of Revenue PO Box 201 Baton Rouge, LA 70821
Maine (207) 626-8475	Yes	Federal Form W-4 *	Maine Revenue Services Income/Estate Tax Division 24 State House Station Augusta, ME 04333-0024
Maryland (410) 260-7980 (Central MD) 800-638-2937 (Others)	Yes	State Form MW-507	Maryland Taxpayer Service 110 Carroll St Annapolis, MD 21411
Massachusetts (617) 887-6367	Yes	Federal Form W-4 *	Massachusetts Taxpayers Assistance 200 Arlington St Chelsea, MA 02150
Michigan 800-487-7000	No (exempts all active duty military Pay)		Michigan Department of the Treasury Treasury Building Lansing, MI 48922

Tax Withholding

Minnesota (651) 296-3781 800-652-9094	Yes	Federal Form W-4 *	Minnesota Department of Revenue Individual Income Tax Division Mail Station 5510 St. Paul, MN 55146-5510
Conditions for exemption from state tax: If member is on active service and is stationed outside the state.			
Mississippi (601) 923-7089	Yes	State Form 62-420	Mississippi State Tax Commission PO Box 1033 Jackson, MS 39215-3338
Missouri (573) 751-7191	Yes	State Form MO W-4	Taxpayer Services Missouri Department of Revenue PO Box 3300 Jefferson City, MO 65105
Conditions for exemption from state tax: If the member does not maintain a permanent place of abode in the state, AND maintains a permanent place of abode outside the state, AND spends not more than 30 days in the state during the tax year. Members occupying single-type government quarters are NOT considered to be maintaining a permanent place of abode in the state.			
Montana (406) 444-6900	Yes (exempts all active duty military pay)	Federal Form W-4 *	Montana Department of Revenue PO Box 5805 Helena, MT 59604
Conditions for exemption from state tax		If member performs active duty in the Regular Armed Forces, is legal resident of Montana, and entered into active duty from Montana. However, members serving in Reserve components should have state income taxes withheld. Active duty personnel must file a return even if qualified for an exemption.	
Nebraska 800-742-7474	Yes	Federal Form W-4 *	Nebraska Department of Revenue 301 Centennial Mall S. PO Box 94818 Lincoln, NE 68509-4818
Nevada (775) 687-4892	NO STATE INCOME TAX		
New Hampshire (603) 271-2186	NO STATE INCOME TAX		
New Jersey (609) 292-6400	Yes	Federal Form W-4 *	Division of Taxation PO Box 266 Trenton, NJ 08695-0266
Conditions for exemption from state tax: If the member does not maintain a permanent place of abode in the state, AND maintains a permanent place of abode outside the state, AND spends not more than 30 days in the state during the tax year. Members occupying single-type government quarters are NOT considered to be maintaining a permanent place of abode in the state.			
New Mexico (505) 827-0827	Yes (Exempts all active duty military pay)	Federal Form W-4 *	Taxation and Revenue Department PO Box 25122 Santa Fe, NM 87504-5122
Conditions for exemption from state tax: Active Duty - Exempts all active duty military pay. Reserve: Reservists (not on active duty) with Legal Residence state of NM are not state tax exempt, the SPO should not mark them as exempt.			
New York 800-225-5829	Yes	Federal Form W-4 *	Correspondence Unit W.A. Harriman Campus Albany, NY 12227

Federal and State Tax Changes

<p>Conditions for exemption from state tax: If the member does not maintain a permanent place of abode in the state, AND maintains a permanent place of abode outside the state, AND spends not more that 30 days in the state during the tax year. Members occupying single-type government quarters are NOT considered to be maintaining a permanent place of abode in the state.</p>			
North Carolina (919) 733-2332	Yes	State Form NC-4	Department of Revenue PO Box 25000 Raleigh, NC 27640-0640
North Dakota 800-638-2901 (In state) (701) 328-3450 (Out of state)	Yes	Federal Form W-4 *	State the Tax Commissioner State Capitol 600 E Boulevard Avenue Bismarck, ND 58505-0599
Ohio 800-282-1780	Yes	State Form IT-4	Taxpayer Services Division 830 Freeway Drive N Columbus, OH 43229
<p>Conditions for exemption from state tax: If member is on active service and is stationed outside the state. Member must complete form Ohio IT 4 MIL (http://tax.ohio.gov/documents/forms/ohio_individual/individual/2008/IT_IT4MIL_2008.pdf) and forward it to the SPO for entry in DA.</p>			
Oklahoma 800-522-8165 (In state) (405) 521-3160	Yes	Federal Form W-4 *	Taxpayer Assistance Division 2501 Lincoln Boulevard Oklahoma City, OK 73194
Oregon 800-356-4222 (In state) (503) 378-4988 (All others)	Yes	Federal Form W-4 *	Revenue Building Tax Help, Room 135 955 Center Street NE Salem, OR 97310-2555
<p>Conditions for exemption from state tax: If the member does not maintain a permanent place of abode in the state, AND maintains a permanent place of abode outside the state, AND spends not more that 30 days in the state during the tax year. Members occupying single-type government quarters are NOT considered to be maintaining a permanent place of abode in the state.</p>			
Pennsylvania 888-728-2937	Yes	Federal Form W-4 *	Bureau of Individual Taxes Taxpayer Inquiry Unit 5 th Floor, Strawberry Square Harrisburg, PA 17128
<p>Conditions for exemption from state tax: If the member does not maintain a permanent place of abode in the state, AND maintains a permanent place of abode outside the state, AND spends not more that 30 days in the state during the tax year. Members occupying single-type government quarters are NOT considered to be maintaining a permanent place of abode in the state.</p>			
Puerto Rico	Yes (If stationed outside the U.S.)	Form 499R-4.1	Director, Income Tax Division Treasury Department PO Box S-4515 San Juan, PR 00901
<p>Note: Filing of a tax return and payment of personal income tax may be required. It is the member's responsibility to contact the state tax authority to determine tax liability.</p>			
Rhode Island (401) 222-3911	Yes	Federal Form W-4 *	Rhode Island Division of Taxation 1 Capitol Hill Providence, RI 02908
South Carolina (803) 898-5709	Yes	Federal Form W-4 *	South Carolina Department of Revenue PO Box 125 Columbia, SC 29214
South Dakota	NO STATE INCOME TAX		

Tax Withholding

800-829-9188			
Tennessee 800-342-1003 (In state) (615) 741-3506	No (exempts all active duty military pay)		Department of Revenue Jackson State Office Building 500 Deaderick St Nashville, TN 37242
Texas 800-662-4335	NO STATE INCOME TAX		
Utah 800-662-4335	Yes	Federal Form W-4 *	Utah State Tax Commission 210 N 1950 W Salt Lake City, UT 84134
Vermont (802) 828-2865	Yes	Federal Form W-4 *	Vermont Department of Taxes Taxpayer Services Division 109 State Street Montpelier, VT 05609
Conditions for exemption from state tax: If member is on active service and is stationed outside the state.			
Virginia (804) 367-8031	Yes	State Form VA-4	Customer Services Section PO Box 1115 Richmond, VA 23218-1115
Washington 800-647-7706	NO STATE INCOME TAX		
West Virginia 800-942-8297 (304) 558-3333	No		Department of Tax & Revenue Taxpayer Services Division PO Box 3784 Charleston, WV 25337-3784
Note: Filing of a tax return and payment of personal income tax may be required. It is the member's responsibility to contact the state tax authority to determine tax liability.			
Wisconsin (608) 266-2772	Yes	Federal Form W-4 *	Wisconsin Department of Revenue PO Box 8903 Madison, WI 53708
Wyoming (307) 777-5200	NO STATE INCOME TAX		
* These states use Federal W-4 annotated "For SITW Purposes Only".			