

2009 Stimulus Tax Credit

Effective **March 1, 2009** the MUSC and MUHA payroll departments have implemented the new federal tax tables created by the Stimulus Tax Credit and all 2009 paychecks after this date will reflect the change.

[The Making Work Pay Tax Credit](#) will provide a refundable tax credit of up to \$400 for working individuals and \$800 for married taxpayers filing joint returns. Eligible workers will get the benefit of this change without any action on their part. This means that workers don't need to fill out a new W-4 withholding form for the automatic withholding change. These changes may result in an increase in take-home pay averaging \$13.00 per week.

An employee with multiple jobs or married couples whose combined incomes place them in a higher tax bracket may elect to submit a revised [W-4](#) to ensure enough withholding is held to cover the tax for his or her combined income. The payroll department is not authorized to advise employees on individual tax matters. Please reference IRS [Publication 919](#) for additional guidance for tax withholding or please contact your personal tax advisor for additional information.

Many higher-income taxpayers will see little or no change in their take-home pay. That's because the Making Work Pay credit is phased out for a married couple filing a joint return who's modified adjusted gross income (AGI) is between \$150,000 and \$190,000 and other taxpayers whose modified AGI is between \$75,000 and \$95,000. Taxpayers who do not have taxes withheld by an employer during the year can also claim the credit on their 2009 tax return.