

DEPARTMENT OF REVENUE

Taxpayer Service Division - Tax Group

INCOME TAX

1 CCR 201-2

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**Regulation 39-22-604.5.      ~~Effective January 1, 2000, all state tax withholding must be deducted in whole dollar amounts.~~**

~~Effective January 1, 2000, all state tax withholding must be deducted in whole dollar amounts. Employers may utilize current withholding tables or may deduct whole dollars from employee paychecks by rounding all withholding deductions to the nearest dollar. Amounts less than fifty cents must be rounded down to zero cents and amounts from fifty to ninety-nine cents must be rounded to the nearest dollar. As a result of deducting whole dollar amounts from employees' paychecks, amounts shown on tax returns, employee statements (including W-2s and 1099s), annual reconciliation reports, and all books and records of the employer must be shown in whole dollars.~~