



Indiana County Income Tax Rates

In Indiana, it's important to review your employees' county tax withholdings at the beginning of each year to ensure that accurate county taxes are withheld with each payroll. **A quick review of county income tax withholding rules is as follows:**

- ✓ **Where did the employee reside and work on New Year's Day?** Answers to these questions on [Form WH-4](#) establish an employee's county tax withholding rate for the entire year. **Generally, county income tax should be withheld based on each employee's county of residence on New Year's Day of each year;**
- ✓ If an employee resides in Lake County (the only Indiana county which has not adopted county tax) or out-of-state on January 1, 2012, but works in another Indiana county on New Year's Day, the employee's county tax withholding should be based on the employer county's "**non-resident**" tax rate (generally a lower rate); and
- ✓ **If an employee both lives and works outside Indiana on New Year's Day, they are not subject to county tax for the entire year** even if they move to an Indiana county on January 2.

An employer should **request a new Indiana [Form WH-4](#) from every employee who is currently on the payroll.** Make sure AccuPay receives a copy of Form WH-4 for every employee currently on your payroll or that you hire during 2012.

If you need a complete list of Indiana county tax rates, **call AccuPay at 885-7600. You can also download both [WH-4 forms](#) and a [county tax rate table](#) by clicking on "Forms & Downloads" at www.accupay.com.**

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