

Employee Withholding Exemption Certificate

FOR MARYLAND STATE GOVERNMENT EMPLOYEES ONLY

Section 1 – Employee Information (Please complete form in black ink.)

Payroll System (check one) ☐ RG ☐ CT ☐ UM	Name of Employing Agency		
Agency Number	Social Security Number	Employee Name	
Home Address (number and street or rural route) (apartment number, if any)			
City	State	Zip Code	County of Residence (required) Nonresidents enter Maryland County or Baltimore City where you are employed

Section 2 – Maryland WithholdingMaryland worksheet is available online at https://www.marylandtaxes.gov/forms/21_forms/mw507.pdf

☐ Single	☐ Married (surviving spouse or unmarried Head of Household) Rate	☐ Married, but withhold at Single Rate
1. Total number of exemptions you are claiming not to exceed line f in Personal Exemption Worksheet on page 2.1.		
2. Additional withholding per pay period under agreement with employer2.		
3. I claim exemption from withholding because I do not expect to owe Maryland tax. See instructions and check boxes that apply.		
☐ a. Last year I did not owe any Maryland income tax and had a right to a full refund of all income tax withheld and		
☐ b. This year I do not expect to owe any Maryland income tax and expect to have the right to a full refund of all income tax withheld. (This includes seasonal and student employees whose annual income will be below the minimum filing requirements).		
If both a and b apply, enteryear applicable _____ (year effective) Enter "EXEMPT" here3.		
4. I claim exemption from withholding because I am domiciled in the following state.		
☐ Virginia		
I further certify that I do not maintain a place of abode in Maryland as described in the instructions. Enter "EXEMPT" here4.		
5. I claim exemption from Maryland state withholding because I am domiciled in the Commonwealth of Pennsylvania and I do not maintain a place of abode in Maryland as described in the instructions on Form MW507. Enter "EXEMPT" here5.		
6. I claim exemption from Maryland local tax because I live in a local Pennsylvania jurisdiction within York or Adams counties. Enter "EXEMPT" here and on line 4 of Form MW507.6.		
7. I claim exemption from Maryland local tax because I live in a local Pennsylvania jurisdiction that does not impose an earnings or income tax on Maryland residents. Enter "EXEMPT" here and on line 4 of Form MW507.7.		
8. I certify that I am a legal resident of the state of _____ and am not subject to Maryland withholding because I meet the requirements set forth under the Servicemembers Civil Relief Act, as amended by the Military spouses Residency Relief Act. Enter "EXEMPT" here8.		

Section 3 – Employee Signature

Under the penalty of perjury , I further certify that I am entitled to the number of withholding allowances claimed on line 1 above, or if claiming exemption from withholding, that I am entitled to claim the exempt status on whichever line(s) I completed.		
_____ Employee's signature	_____ Date	_____ Daytime Phone Number (In case CPB needs to contact you regarding your MW507)

Employer's name and address (Employer: Complete name, address & EIN only if sending to IRS) Central Payroll Bureau P.O. Box 2396 Annapolis, MD 21404	Federal Employer identification number (EIN)
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Important: The information you supply must be complete. This form will replace in total any certificate you previously submitted.Web Site - <https://www.marylandtaxes.gov/statepayroll/payroll-forms.php>

Residents of Maryland, Virginia, Pennsylvania (Form MW507).

NOTE: Due to reciprocity agreements between the states, the Central Payroll Bureau (CPB) will **ONLY** withhold state taxes for Maryland, West Virginia, or Washington D.C. CPB will **NOT** withhold state taxes for any other states.

Because CPB will not withhold state taxes for Virginia or Pennsylvania residents, you will be responsible for paying taxes to your state as applicable. Based on the reciprocity agreements in place between Virginia and Maryland, and Pennsylvania and Maryland, typically residents of Virginia and Pennsylvania that work in Maryland do not have to pay state taxes to Maryland. However, UMGC staff cannot provide tax advice, you will need to reach out to a tax consultant if you have questions regarding your eligibility and the requirements to pay taxes to your state of residence.

When completing the W-4 form, it is important that you follow these instructions:

Use black ink only.

Section 1

Payroll System: UM

Employing Agency: UMGC

Agency Number: 360230

Note: you must list the **county** you live in and not the country.

Section 2 – For Maryland state tax withholding or to claim exempt from Maryland state tax withholding

Select a marital status and complete numbers 1, 2, 3, 4, 5, 6, 7, and 8, as they apply to you. If the number does not apply to you, leave it blank. Writing “0” (zero) means taxes will be withheld at the maximum rate.

As a **Maryland** resident, if you wish to claim exempt from Maryland state tax withholding, leave lines 1 and 2 blank. Writing 0 (zero) means to withhold tax at the highest rate. To claim exempt you will need to complete line 3 only.

- Check the boxes that apply to you, a, b, or both.
- If both a and b apply, write the calendar year on the blank line before **(year effective)**
- Write the word EXEMPT on the space provided to the right of number 3.

As a **Virginia** resident, if you wish to claim exempt from Maryland state tax withholding, leave lines 1, 2, and 3 blank. Writing 0 (zero) means to withhold tax at the highest rate. To claim exempt you will need to check the box for Virginia under line 4 and write the word EXEMPT on the space provided to the right of number 4.

As mentioned, CPB will not withhold state taxes for Virginia residents and you are responsible for paying state taxes to Virginia. With that said, if you wish to have Maryland state taxes withheld from your paychecks, you will complete lines 1 and 2

depending on the withholding rate that you wish to have deducted from your paychecks.

As a **Pennsylvania** resident, if you wish to claim exempt from Maryland state tax withholding, leave lines 1, 2, and 3 blank. Writing 0 (zero) means to withhold tax at the highest rate. To claim exempt you will need to write the word EXEMPT on the space provided to the right of number 4. If you are completing line 6 **or** 7, you **must** also complete lines 4 **and** 5.

As mentioned, CPB will not withhold state taxes for Pennsylvania residents and you are responsible for paying state taxes to Pennsylvania. With that said, if you wish to have Maryland state taxes withheld from your paychecks, you will complete lines 1 and 2 depending on the withholding rate that you wish to have deducted from your paychecks.

The Military Spouses Residency Relief Act provides exemption for some military spouses and should be reviewed by those **who are residing in Maryland in compliance with military orders**. Meaning, you work for UMGC, your spouse has military orders to be stationed in Maryland, you own a place of abode in another state, and you wish to claim exempt from Maryland state income tax withholding. If this applies to you, see line 8 in section 3. Do not complete line 8 in section 3 unless your spouse is military, stationed in Maryland, and you qualify for the Military Spouses Residency Relief Act.

*** Employees completing line 8 must also complete and submit a MW507M form with the 2021 W-4 form. The MW507M form is available from the CPB site at https://www.marylandtaxes.gov/statepayroll/Static_Files/Employee_W4/2021-MW507M.pdf. A copy of your spouse's military ID must also be submitted as support.

Section 3

CPB requires original signatures and will not accept forms that are signed electronically. Sign, date, and provide a daytime telephone number.

We strongly recommend that you scan and email a copy of your form to your HRBC Associate to review for accuracy before placing it in the mail. If you choose to do this, please leave your SSN off the form that you email for security purposes.

After your form is reviewed and approved for mailing, add your SSN and mail the completed form to the address found in your on-boarding email or provided below:

University of Maryland Global Campus
3501 University Boulevard East
Adelphi, Maryland 20783
ATTN: Office of Human Resources

UMGC HR staff cannot provide tax advice. Questions of this nature should be directed to an income tax expert. If you have questions about completing the W-4 form, contact us directly.

**MARYLAND
FORM
MW507**

Purpose. Complete Form MW507 so that your employer can withhold the correct Maryland income tax from your pay. Consider completing a new Form MW507 each year and when your personal or financial situation changes.

Basic Instructions. Enter on line 1 below, the number of personal exemptions you will claim on your tax return. However, if you wish to claim more exemptions, or if your adjusted gross income will be more than \$100,000 if you are filing single or married filing separately (\$150,000, if you are filing jointly or as head of household), you must complete the Personal Exemption Worksheet on page

2. Complete the Personal Exemption Worksheet on page 2 to further adjust your Maryland withholding based on itemized deductions, and certain other expenses that exceed your standard deduction and are not being claimed at another job or by your spouse. However, you may claim fewer (or zero) exemptions. **Additional withholding per pay period under agreement with employer.** If you are not having enough tax withheld, you may ask your employer to withhold more by entering an additional amount on line 2.

Exemption from withholding. You may be entitled to claim an exemption from the withholding of Maryland income tax if:

- a. Last year you did not owe any Maryland Income tax and had a right to a full refund of any tax withheld; AND,
- b. This year you do not expect to owe any Maryland income tax and expect to have a right to a full refund of all income tax withheld.

If you are eligible to claim this exemption, complete Line 3 and your employer will not withhold Maryland income tax from your wages.

Students and Seasonal Employees whose annual income will be below the minimum filing requirements should claim exemption from withholding. This provides more income throughout the year and avoids the necessity of filing a Maryland income tax return.

Certification of nonresidence in the State of Maryland. Complete Line 4. This line is to be completed by residents of the Virginia who are employed in Maryland and who do not maintain a place of abode in Maryland for 183 days or more.

Residents of Pennsylvania who are employed in Maryland and who do not maintain a place of abode in Maryland for 183 days or more, should complete line 5 to exempt themselves from the state portion of the withholding tax. These employees are still liable for withholding tax at the rate in effect for the Maryland county in which they are employed, unless they qualify for an exemption on either line 6 or line 7. Pennsylvania residents of York and Adams counties may claim an exemption from the local withholding tax by completing line 6. Pennsylvania residents living in other local jurisdictions which do not impose an earnings or income tax on Maryland residents may claim an exemption by completing line 7. Employees qualifying for exemption under 6 or 7, should also write "EXEMPT" on line 4.

Line 4 is **NOT** to be used by residents of other states who are working in Maryland, because such persons are liable for Maryland income tax and withholding from their wages is required.

If you are domiciled in the District of Columbia, Pennsylvania or Virginia and maintain a place of abode in Maryland for 183 days or more, you become a statutory resident of Maryland and you are required to file a resident return with Maryland reporting your total income. You must apply to your domicile state for any tax credit to which you may be entitled under the reciprocal provisions of the law. If you are domiciled in West Virginia, you are not required to pay Maryland income tax on wage or salary income, regardless of the length of time you may have spent in Maryland.

Under the Servicemembers Civil Relief Act, as amended by the Military Spouses Residency Relief Act, you may be exempt from Maryland income tax on your wages if (i) your spouse is a member of the armed forces present in Maryland in compliance with military orders; (ii) you are present in Maryland solely to be with your spouse; and (iii) you maintain your domicile in another state. If you claim exemption under the SCRA enter your state of domicile (legal residence) on Line 8; enter "EXEMPT" in the box to the right on Line 8; and attach a copy of your spousal military identification card to Form MW507. **In addition, you must also complete and attach Form MW507M.**

Duties and responsibilities of employer. Retain this certificate with your records. You are required to submit a copy of this certificate and accompanying attachments to the Compliance Division, Compliance Programs Section, 301 West Preston Street, Baltimore, MD 21201-2326, when received if:

1. You have any reason to believe this certificate is incorrect;
2. The employee claims more than 10 exemptions;
3. The employee claims an exemption from withholding because he/she had no tax liability for the preceding tax year, expects to incur no tax liability this year and the wages are expected to exceed \$200 a week;
4. The employee claims an exemption from withholding on the basis of nonresidence; or
5. The employee claims an exemption from withholding under the Military Spouses Residency Relief Act.

Upon receipt of any exemption certificate (Form MW507), the Compliance Division will make a determination and notify you if a change is required.

Once a certificate is revoked by the Comptroller, the employer must send any new certificate from the employee to the Comptroller for approval before implementing the new certificate.

If an employee claims exemption under 3 above, a new exemption certificate must be filed by February 15th of the following year.

Duties and responsibilities of employee. If, on any day during the calendar year, the number of withholding exemptions that the employee is entitled to claim is less than the number of exemptions claimed on the withholding exemption certificate in effect, the employee must file a new withholding exemption certificate with the employer within 10 days after the change occurs.

Personal Exemptions Worksheet

Line 1

- a. Multiply the number of your personal exemptions by the value of each exemption from the table below. (Generally the value of your exemption will be \$3,200; however, if your federal adjusted gross income is expected to be over \$100,000, the value of your exemption may be reduced. **Do not claim any personal exemptions you currently claim at another job, or any exemptions being claimed by your spouse.** To qualify as your dependent, you must be entitled to the dependent on your federal income tax return for the corresponding tax year. **NOTE:** Dependent taxpayers may not claim themselves as an exemption. a. _____
- b. Multiply the number of additional exemptions you are claiming for dependents age 65 or over by the value of each exemption from the table below. b. _____
- c. Enter the estimated amount of your itemized deductions (excluding state and local income taxes) that exceed the amount of your standard deduction, alimony payments, allowable childcare expenses, qualified retirement contributions, business losses and employee business expenses for the year. Do not claim any additional amounts you currently claim at another job or any amounts being claimed by your spouse. **NOTE:** Standard deduction allowance is 15% of Maryland adjusted gross income with a minimum of \$1,500 and a maximum of \$2,250. c. _____
- d. Enter \$1,000 for additional exemptions for taxpayer and/or spouse age 65 or over and/or blind.. . . . d. _____
- e. Add total of lines a through d. e. _____
- f. Divide the amount on line e by \$3,200. **Drop any fraction. Do not round up.** This is the **maximum** number of exemptions you may claim for withholding tax purposes. f. _____

If your federal AGI is		If you will file your tax return	
		Single or Married Filing Separately Your Exemption is	Joint, Head of Household or Qualifying Widow(er) Your Exemption is
\$100,000 or less		\$3,200	\$3,200
Over	But not over		
\$100,000	\$125,000	\$1,600	\$3,200
\$125,000	\$150,000	\$800	\$3,200
\$150,000	\$175,000	\$0	\$1,600
\$175,000	\$200,000	\$0	\$800
In excess of \$200,000		\$0	\$0

FEDERAL PRIVACY ACT INFORMATION

Social Security numbers must be included. The mandatory disclosure of your Social Security number is authorized by the provisions set forth in the Tax-General Article of the Annotated Code of Maryland. Such numbers are used primarily to administer and enforce the individual income tax laws and to exchange income tax information with the Internal Revenue Service, other states and other tax officials of this state. Information furnished to other agencies or persons shall be used solely for the purpose of administering tax laws or the specific laws administered by the person having statutory right to obtain it.