

Isolved January 2025 Tax Release

Release Tax Updates

The January 2025 Tax Release was deployed on February 7, 2025

State and Local Tax Updates

All tax changes are effective January 1, 2025, unless otherwise noted. Notable changes with possible action items are:

Arizona

- Decreased the maximum employer SUI tax rate from 14.03% to 9.72%.

Arkansas

- Increased the standard deduction from \$2,340.00 to \$2,410.00.
- Revised the withholding tables.

Hawaii

- Increased the wage base from \$59,100.00 to \$62,000.00 for the following:
 - SUI
 - SUI Employment and Training Assessment
- Decreased the maximum employer SUI tax rate from 5.8% to 5.6%.

Idaho

- Increased the wage base from \$53,500.00 to \$55,300.00 for the following:
 - SUI
 - SUI Workforce Development
 - SUI Administrative Reserve Fund

Illinois

- Increased the Line 1 withholding allowance from \$2,775.00 to \$2,850.00.

Indiana

- Decreased the withholding tax rate for regular and supplemental wages from 3.05% to 3%.

Kentucky

- Increased the wage base from \$11,400.00 to \$11,700.00 for the following:
 - SUI
 - SUI Service Capacity Upgrade Fund

Louisiana

- Added the following filing statuses:
 - No Deduction (Filing Status - 65)
 - Single or Married Filing Separately (Filing Status - 62)
 - MFJ or Qualified Surviving Spouse or HOH (Filing Status - 66)

Note: Louisiana does not require all employees to file a new R-1300 for 2025.

- Changed the withholding tax to calculate a flat tax rate of 3.09%.
- Added a standard deduction for single filers of \$12,500.00.
- Added a standard deduction for married filers of \$25,000.00.

- Removed the personal exemption amount of \$4,500.00.
- Removed the dependency credit amount of \$1,000.00 per dependent.

Maryland

- Revised withholding tables and combined state and local supplemental tax rates for the following counties:
 - Calvert County
 - St. Mary's County

Michigan

- Decreased the Tier 1 SUI wage base from \$9,500.00 to \$9,000.00.

Minnesota

- Increased the wage base from \$42,000.00 to \$43,000.00 for the following:
 - SUI
 - SUI Workforce Development Fee
- Increased the maximum employer SUI tax rate from 9% to 9.3%.
- Increased the minimum employer SUI tax rate from .1% to .4%. (This is a documentation change only.)
- The SUI Additional Assessment is in effect for 2025 with a tax rate of 5%.

Mississippi

- Revised the withholding tables.
- Decreased the supplemental withholding tax rate from 4.7% to 4.4%.

Montana

- Increased the wage base from \$43,000.00 to \$45,100.00 for the following:
 - SUI
 - SUI Administrative Fund Tax
- Revised Withholding Tables.

New Mexico

- Changed the SUI taxability of Group Term Life Over \$50,000.00 (Compensation ID – 1) from exempt to taxable.

North Carolina

- Decreased the withholding tax rate for regular and supplemental wages

from to 4.6% 4.35%.

- Increased the SUI wage base from \$31,400.00 to \$32,600.00.

North Dakota

- Increased the SUI wage base from \$43,800.00 to \$45,100.00.
- Increased the maximum employer SUI tax rate from 9.68% to 9.69%.
- Increased the withholding allowance from \$4,300.00 to \$5,050.00.
- Revised the withholding tables.

Oklahoma

- Increased the SUI wage base from \$27,000.00 to \$28,200.00.

Oregon

- Increased the standard deduction for Single filers from \$2,745.00 to \$2,835.00.
- Increased the standard deduction for Single with 3 or more allowances and Married filers from \$5,495.00 to \$5,670.00.
- Increased the allowance credit from \$249.00 to \$256.00.
- Increased the maximum federal subtraction for Single and Married filers from \$8,250.00 to \$8,500.00.
- Updated the federal tax phase-out amounts for wages in excess of \$50,000.00.
- Revised the withholding tables.

Oregon Metro Supportive Housing Services (SHS)

- Increased the standard deduction from \$5,495.00 to \$5,670.00.
- Updated the federal tax phase-out amounts.

Rhode Island

- Increased the SUI Tier 1 wage base from \$29,200.00 to \$29,800.00.
- Increased the SUI Tier 2 wage base from \$30,700.00 to \$31,300.00.
- Increased the SUI Job Development Fund Tier 1 wage base from \$29,200.00 to \$29,800.00.
- Increased the SUI Job Development Fund Tier 2 wage base from \$30,700.00 to \$31,300.00.
- Increased the new employer SUI tax rate from .79% to 1%. (This is a change to the documentation only.)
- Increased the TDI wage base from \$87,000.00 to \$89,200.00.
- Increased the TDI tax rate from 1.2% to 1.3%.
- Increased the exemption elimination wage amount from \$274,650.00 to \$283,250.00.
- Revised the withholding tables.

Vermont

- Increased the withholding allowance from \$5,100.00 to \$5,300.00.
- Revised the withholding tables.

Virgin Islands

- Increased the SUI wage base from \$31,000.00 to \$31,100.00.

Washington

- Increased the wage base from \$68,500.00 to \$72,800.00 for the following:
 - SUI
 - SUI Employment Administrative Fund

West Virginia

- Revised the withholding tables.
- Based on a review of the revised West Virginia laws and regulations, the following changes to the calculation methods were implemented:
- Changed Concurrent Aggregation to Annualized Concurrent Aggregation.
- Changed Previous Aggregation to Annualized Previous Aggregation.
- Updated the following default calculation methods:
 - Regular and supplemental wages from the Concurrent Aggregation method to the Annualized Concurrent Aggregation method.
 - Supplemental only wages from the Previous Aggregation method to the Annualized Previous Aggregation method.

Other State and Local Tax Updates

Please refer to the [full document](#) of tax changes to view details for each tax update listed in the chart below.

Local Tax Changes

Colorado

Aurora, Adams County (06-001-0030)

- Eliminated the Employee Occupational Privilege Tax of \$2.00 monthly.
- Eliminated the Employer Occupational Privilege Tax of \$2.00 monthly.

Aurora, Arapahoe County (06-005-0030)

- Eliminated the Employee Occupational Privilege Tax of \$2.00 monthly.
- Eliminated the Employer Occupational Privilege Tax of \$2.00 monthly.

Aurora, Douglas County (06-035-0030)

- Eliminated the Employee Occupational Privilege Tax of \$2.00 monthly.
- Eliminated the Employer Occupational Privilege Tax of \$2.00 monthly.

Indiana

Floyd County (15-043-0000)

- Increased the resident tax rate from 1.39% to 1.89%.
- Increased the non-resident tax rate from 1.39% to 1.89%.

Gibson County (15-051-0000)

- Increased the resident tax rate from .9% to 1.3%.
- Increased the non-resident tax rate from .9% to 1.3%.

Jay County (15-075-0000)

- Increased the resident tax rate from 2.45% to 2.5%.
- Increased the non-resident tax rate from 2.45% to 2.5%.

Monroe County (15-105-0000)

- Increased the resident tax rate from 2.035% to 2.14%.
- Increased the non-resident tax rate from 2.035% to 2.14%.

Rush County (15-139-0000)

- Increased the resident tax rate from 2.1% to 2.15%.
- Increased the non-resident tax rate from 2.1% to 2.15%.

Switzerland County (15-155-0000)

- Increased the resident tax rate from 1.25% to 1.45%.
- Increased the non-resident tax rate from 1.25% to 1.45%.

Maryland

Anne Arundel County (21-003-0000)

- Revised the local withholding tables.

Cecil County (21-015-0000)

- Decreased the tax rate from 2.75% to 2.74%.

Ohio

- The following Earned Income Method school districts with no personal exemption were added to these JEDDs:

- Troy Township-Toledo JEDD (36-173-7438), Eastwood LSD (8702) - 1%.
- Circleville-Pickaway Twp JEDD (36-129-7441), Logan Elm LSD (6502) - 1%.
- North Pickaway County JEDD (36-129-7406), Teays Valley LSD (6503) - 1.5%
- Scioto Township JEDD (36-129-7429), Teays Valley LSD (6503) - 1.5%

Note: School district tax is now returned for residents within a JEDD/JEDZ. Previously, no school district tax was returned.

Alexander LSD (0501)

- Eliminated the school district tax of 1%. The following jurisdictions are affected:
 - Albany, Athens County 36-009-4797
 - Alexander Township, Athens County 36-009-0973
 - Athens Township, Athens County 36-009-0212
 - Columbia Township, Meigs County 36-105-1245
 - Knox Township, Vinton County 36-163-1475
 - Lee Township, Athens County 36-009-0977
 - Lodi Township, Athens County 36-009-0978
 - Waterloo Township, Athens County 36-009-0447

Bainbridge-Aurora JEDD, Geauga County (36-055-7509)

- ZIP Codes 44023 and 44202.
- Added Bainbridge-Aurora JEDD with a tax rate of 2%.
- Added a credit percentage of 100%.
- Added a credit limit of 2%.
- Taxes are collected by the Regional Income Tax Agency (RITA).
- Allows exemption from Bainbridge-Aurora JEDD Municipal Income Tax under Military Spouses Residency Relief Act (MSRRA).

Note: This JEDD will be available in the Geocode Database in Update #2/25.

Genoa, Ottawa County (36-123-5547)

- Decreased the credit limit from .75% to .5%.

Hamersville, Brown County (36-015-4855)

- Added Hamersville with a tax rate of 1%.

- Added a credit percentage of 100%.
- Added a credit limit of 1%.
- Taxes will be collected by the Regional Income Tax Agency (RITA).
- Allows an exemption from Hamersville Municipal Income Tax under the Military Spouse Residency Act (MSRRA).

Mifflin, Ashland County (36-005-4773)

- Added Mifflin with a tax rate of 1%.
- Taxes will be collected by the regional Income Tax Agency (RITA).
- Allows an exemption from Mifflin Municipal Income Tax under the Military Spouse Residency Relief Act (MSRRA).

Mount Gilead EVSD (5903)

- Decreased the tax rate from 1.5% to .75%. The following jurisdictions are affected:
 - Canaan Township, Morrow County 36-117-0783
 - Cardington Township, Morrow County 36-117-0784
 - Congress Township, Morrow County 36-117-0785
 - Edison, Morrow County 36-117-5506
 - Franklin Township, Morrow County 36-117-0786
 - Gilead Township, Morrow County 36-117-0787
 - Harmony Township, Morrow County 36-117-0788
 - Lincoln Township, Morrow County 36-117-0789
 - Mount Gilead, Morrow County 36-117-1680

Oregon

Multnomah County (38-051-0000)

Multnomah County Preschool For All (PFA)

- Increased the standard deduction from \$5,495.00 to \$5,670.00.
- Updated the federal tax phase-out amounts.

Pennsylvania

Aldan Boro, Delaware County (39-045-0020)

- Added a resident tax rate of 1%.
- Added a non-resident tax rate of 1%.

Altoona City, Blair County (39-013-0050)

- Increased the municipal resident tax rate from 1.1% to 1.2%. The total resident tax rate is 1.7%: 1.2% municipality and .5% school district.

East Hanover Township, Lebanon County (39-075-1465)

- Added the Local Services Tax of \$26.00.

East Whiteland Township, Chester County (39-029-1528)

- Increased the municipal resident tax rate from .75% to .8%.

Easton City, Northampton County (39-095-1110)

- Decreased the non-resident tax rate from 1.95% to 1%.

[Easttown Township, Chester County \(39-029-1519\)](#)

- Added a resident tax rate of .5%.
- Added a non-resident tax rate of .5%.

[Elk Township, Chester County \(39-029-1597\)](#)

- Decreased the municipal resident tax rate from 1% to .6%. The total resident tax rate is 1.1%: .6% municipality and .5% school district.

[Heidelberg Township, Lehigh County \(39-077-2343\)](#)

- Increased the municipal resident tax rate from .5% to .675%. The total resident tax rate is 1.175%: .675% municipality and .5% school district.

[Lancaster City, Lancaster County \(39-071-1930\)](#)

- Increased the municipal resident tax rate from .6% to 1.1%. The total resident tax rate is 1.6%: 1.1% municipality and .5% school district.

[Manor Township, Lancaster County \(39-071-3294\)](#)

- Added a Local Services Tax of \$52.00.

[Mt Joy Township, Adams County \(39-001-3619\)](#)

- Increased the Local Services Tax from \$10.00 to \$52.00.

[New Castle City, Lawrence County \(39-073-2680\)](#)

- Decreased the non-resident tax rate from 1.332% to 1.148%.

[New Cumberland Boro, Cumberland County \(39-041-2690\)](#)

- Added a Local Services Tax of \$52.00.

[Penn Township, Chester County \(39-029-4116\)](#)

- Increased the municipal resident tax rate from .5% to .75%.
- Increased the non-resident tax rate from .5% to .75%.

[Ridley Park Boro, Delaware County \(39-045-3280\)](#)

- Added a resident tax rate of 1%.
- Added a non-resident tax rate of 1%.

[Shamokin City, Northumberland County \(39-097-3430\)](#)

- Decreased the municipal resident tax rate from 1.5% to .5%. The total resident tax rate is 1%: .5% municipality and .5% school district.

[Shamokin Township, Northumberland County \(39-097-4829\)](#)

- Increased the Local Services Tax from \$10 to \$52.00.

[South Whitehall Township, Lehigh County \(39-077-5042\)](#)

- Decreased the non-resident tax rate from 1% to .5%, effective 1-1-24.

[Spring City Boro, Chester County \(39-029-3610\)](#)

- Increased the Local Services Tax from \$10.00 to \$52.00.

[Summit Hill Boro, Carbon County \(39-025-3720\)](#)

- Increased the Local Services Tax from \$10.00 to \$52.00.

[Upper Providence Township, Delaware County \(39-045-5519\)](#)

- Added a resident tax rate of 1%.

- Added a non-resident tax rate of 1%.

Uwchlan Township, Chester County (39-029-0005)

- Increased the municipal resident tax rate from .5% to .75%. The total resident tax rate is 1.25%: .75% municipality and .5% school district.

Washington City, Washington County (39-125-3980)

- Decreased the municipal resident tax rate from .7% to .5%. The total resident tax rate is 1%: .5% municipality and .5% school district.
- Decreased the non-resident tax rate from 1.2% to 1%.

White Oak Boro, Allegheny County (39-003-4170)

- Increased the Local Services Tax from \$10.00 to \$52.00.

Washington

Redmond, King County (48-033-1010)

- Increased the Business License Fee from \$.073438 per hour to \$.0796875 per hour.

Note: Due to field length restrictions, the Business License Fee tax rate of \$.0796875 was rounded to \$.07968.