Department of Revenue

Iowa Individual Income Tax
Withholding Formula
Effective January 1, 2026
Released November 2025

Iowa Withholding Formula
For Taxable Wages Paid Beginning January 1, 2026

NEW for 2026: The Iowa withholding formula and the IA W-4 have been updated for tax year 2026 to reflect tax law changes that will impact the standard deduction and itemized deductions beginning in 2026.

Employees should be encouraged to review their withholding amounts for 2026 and update their Iowa W-4 using the 2026 IA W-4 form. However, employers may continue to compute withholding based on the information from the employee's most recently furnished Form W-4. To do so, employers must make certain additional calculations for those employees whose IA W-4 on file dates to 2023 or earlier. For those employees whose IA W-4 on file dates to 2023 or earlier, please see Steps 1B and 3B.

How to Calculate Withholding
To determine how much to withhold for Iowa individual income tax for wages paid beginning January 1, 2026, use the four-step formula provided below. Alternatively, you may use the withholding tables provided at https://revenue.iowa.gov/taxes/tax-guidance/withholding-tax/iowa-withholding-tax-information.

Step 1. Determine T1. T1 = G - D
(G: Gross taxable wages for the pay period; D: Deduction for the pay period)
To determine T1, identify the gross taxable wages for the pay period and subtract the appropriate deduction amount. Use Step 1A for employees who have filed a 2024 or a later year's IA W-4. Use Step 1B for employees whose IA W-4 on file is from 2023 or earlier.

Certain payments made by the employer into employee retirement plans or for employee health insurance are not considered taxable wages and are not included in the calculations of withholding tax.

1A. For employees who have filed a 2024, 2025, or 2026 IA W-4
Identify the gross taxable wages for the pay period and subtract the appropriate deduction amount shown below based on the "marital status" reported by the employee on the 2024 or a later year's IA W-4. ***Note that the deduction amount in this calculation step is not the same as the federal standard deduction amount.***

Deduction Amounts by Pay Period (Denoted as D) for 2024 or a later year's IA W-4:

	Marital Status Reported on 2024, 2025, or 2026 IA W-4		
	(A)*	(B)**	(C)***
Payroll Period	Other, or Married Filing Jointly with Spouse Having Earned Income	Head of Household	Married Filing Jointly with Spouse Having No Earned Income, or Qualified Surviving Spouse
Daily	$50.00	$75.00	$100.00
Weekly	$250.00	$375.00	$500.00
Biweekly	$500.00	$750.00	$1,000.00
Semimonthly	$541.67	$812.50	$1,083.33
Monthly	$1,083.33	$1,625.00	$2,166.67
Annually	$13,000.00	$19,500.00	$26,000.00

* Use the amount from column (A) if the employee meets any one of the following conditions:
- the employee has checked "*Other*" as marital status on the 2024 or a later year's IA W-4.
- the employee has checked "*Married filing jointly or qualified surviving spouse*", ***and*** has checked "*Yes*" for "*If married filing jointly, does your spouse also have earned income?"* in the marital status section on the 2024 or a later year's IA W-4.
- the employee's marital status is missing.

** Use the amount from column (B) if the employee has checked "Head of Household" as their marital status on the 2024 or a later year's IA W-4.

*** Use the amount from column (C) if the employee has checked "*Married filing jointly or qualified surviving spouse", **and*** has checked "*No" (or left blank*) for *"If married filing jointly, does your spouse also have earned income?"* in the marital status section on the 2024 or a later year's IA W-4.

1B. For employees whose most recent IA W-4 on file is from 2023 or earlier

For employees whose most recent IA W-4 on file is from 2023 or earlier, use the following table for the deduction amount:

Deduction Amounts by Pay Period (Denoted as D) for 2023 or earlier IA W-4:

	Marital Status Reported on 2023 or Earlier IA W-4	
	(A)	(B)
Payroll Period	Single (or Married but legally seperated)	Married
Daily	$50.00	$100.00
Weekly	$250.00	$500.00
Biweekly	$500.00	$1,000.00
Semimonthly	$541.67	$1,083.33
Monthly	$1,083.33	$2,166.67
Annually	$13,000.00	$26,000.00

Use the amount from column (A) if the employee has checked "*Single (or married but legally separated)* " as their marital status on the 2023 or earlier IA W-4, or if the employee's marital status is missing. Use the amount from column (B) if the employee has checked *"Married"* as their marital status on the 2023 or earlier IA W-4.

Step 2. Determine T2. T2 = T1 x 3.80% (or 0.038)
Multiply T1 by the withholding tax rate **3.80%** or 0.038. The rate is denoted as R in the example calculations.

Step 3. Determine T3. T3 = T2 – (W / P)
(W: Total allowance amount on the IA W-4; P: Number of pay periods per year)
Divide the total allowance amount by the number of pay periods per year.

The number of pay periods per year are provided below.

Number of Pay Periods Per Year (Denoted as P)

Payroll Period	Number of Pay Periods Per Year
Daily	260
Weekly	52
Biweekly	26
Semimonthly	24
Monthly	12
Annually	1

3A. For employees who have filed a 2024 or a later year's IA W-4
Divide the total allowance amount reported on the employee's 2024 or a later year's IA W-4 (W) by the number of pay periods per year (P). Subtract this amount from T2.

3B. For employees whose IA W-4 on file is from 2023 or earlier
For employees whose IA W-4 on file is from 2023 or earlier, determine the total allowance amount (W) by multiplying the number of allowances claimed by the employee on the IA W-4 by $40. For example, if an employee claims 6 total allowances, the employer should use $240 (i.e., 6 x $40) as the total allowance amount. Divide this total allowance amount (W) by the number of pay periods per year (P). Subtract this amount from T2.

Step 4. Determine T4, or Withholding Amount per Pay Period. T4 = T3 + A
(A: Additional withholding requested per pay period on the IA W-4)
To determine Iowa withholding for the pay period, add the additional amount of withholding requested for each pay period on the employee's IA W-4 to T3.

Pay period not provided: If your employee has a pay frequency other than those provided above, first multiply the wages for each pay period by the number of pay periods in a calendar year to determine annual wages. Then, go through the calculations of steps 1-3 using the annual

pay period to get T3. To calculate withholding for each pay period, divide T3 by the number of pay periods in the year. Add the additional withholding amount requested per period. For example, for a quarterly pay period, use the annual payroll formulas to get T3 and divide this amount by 4, then add any additional withholding per pay period to get Iowa withholding on each paycheck. For a semiannual pay period, use the annual payroll formulas to get T3 and divide this amount by 2, then add any additional withholding per pay period to get Iowa withholding on each paycheck.

Examples:
Ten examples are provided below for using the formula to come up with Iowa withholding amounts for 2026.

Example 1: Biweekly wages of $2,100.00, with "Other" marital status on the 2026 IA W-4 (Total withholding allowance $40 claimed, no additional amount requested)

T1 = G - D	**T1 =**	$2,100.00	-	$500.00		=	**$1,600.00**
				Rate			
T2 = T1 x R	**T2 =**	$1,600.00	x	3.80%		=	**$60.80**
T3 = T2 – W / P	**T3 =**	$60.80	-	$40.00	/ 26	=	**$59.26**
T4 = T3 + A	**T4 =**	$59.26	+	$0.00		=	**$59.26**
					Iowa tax to be withheld =		**$59.26**

Example 2: Biweekly wages of $2,100.00, with "Married jointly and spouse having no earned income, or Qualifying surviving spouse" marital status on 2026 IA W-4 (Total withholding allowance $80 claimed, no additional amount requested)

T1 = G - D	**T1 =**	$2,100.00	-	$1,000.00		=	**$1,100.00**
				Rate			
T2 = T1 x R	**T2 =**	$1,100.00	x	3.80%		=	**$41.80**
T3 = T2 – W / P	**T3 =**	$41.80	-	$80.00	/ 26	=	**$38.72**
T4 = T3 + A	**T4 =**	$38.72	+	$0.00		=	**$38.72**
					Iowa tax to be withheld =		**$38.72**

Example 3: Biweekly wages of $2,100.00, with "Head of Household" marital status on 2026 IA W-4
(Total withholding allowance $160 claimed, no additional amount requested)

T1 = G - D	**T1 =**	$2,100.00	-	$750.00		=	**$1,350.00**
				Rate			
T2 = T1 x R	**T2 =**	$1,350.00	x	3.80%		=	**$51.30**
T3 = T2 – W / P	**T3 =**	$51.30	-	$160.00	/ 26	=	**$45.15**
T4 = T3 + A	**T4 =**	$45.15	+	$0.00		=	**$45.15**
					Iowa tax to be withheld =		**$45.15**

Example 4: Monthly wages of $5,000.00, with "Other" marital status on 2026 IA W-4 (Total withholding allowances $40 claimed, no additional amount requested)

T1 = G - D	**T1 =**	$5,000.00	-	$1,083.33		=	**$3,916.67**
				Rate			
T2 = T1 x R	**T2 =**	$3,916.67	x	3.80%		=	**$148.83**
T3 = T2 – W / P	**T3 =**	$148.83	-	$40.00	/ 12	=	**$145.50**
T4 = T3 + A	**T4 =**	$145.50	+	$0.00		=	**$145.50**
						Iowa tax to be withheld =	**$145.50**

Example 5: Monthly wages of $5,000.00, with "Married jointly and spouse having no earned income, or Qualifying surviving spouse" marital status on 2026 IA W-4 (Total withholding allowance $80 claimed, no additional amount requested)

T1 = G - D	**T1 =**	$5,000.00	-	$2,166.67		=	**$2,833.33**
				Rate			
T2 = T1 x R	**T2 =**	$2,833.33	x	3.80%		=	**$107.67**
T3 = T2 – W / P	**T3 =**	$107.67	-	$80.00	/ 12	=	**$101.00**
T4 = T3 + A	**T4 =**	$101.00	+	$0.00		=	**$101.00**
						Iowa tax to be withheld =	**$101.00**

Example 6: Monthly wages of $5,000.00, with "Head of Household" marital status on 2026 IA W-4
(Total withholding allowance $160 claimed, no additional amount requested)

T1 = G - D	**T1 =**	$5,000.00	-	$1,625.00		=	**$3,375.00**
				Rate			
T2 = T1 x R	**T2 =**	$3,375.00	x	3.80%		=	**$128.25**
T3 = T2 – W / P	**T3 =**	$128.25	-	$160.00	/ 12	=	**$114.92**
T4 = T3 + A	**T4 =**	$114.92	+	$0.00		=	**$114.92**
						Iowa tax to be withheld =	**$114.92**

On the next page, examples 7-10 are provided for employees whose most recent IA W-4 on file is from 2023 or earlier.

Example 7: Biweekly wages of $2,100.00, with "Single" marital status, where the employee's most recent IA W-4 on file is from 2023 or earlier (Total of 1 withholding allowance claimed on the 2023 or earlier IA W-4, no additional amount requested)

T1 = G - D	**T1 =**	$2,100.00	-	$500.00		=	**$1,600.00**
				Rate			
T2 = T1 x R	**T2 =**	$1,600.00	x	3.80%		=	**$60.80**
T3 = T2 – W / P	**T3 =**	$60.80	-	1 * $40	/ 26	=	**$59.26**
T4 = T3 + A	**T4 =**	$59.26	+	$0.00		=	**$59.26**
					Iowa tax to be withheld =		**$59.26**

Example 8: Biweekly wages of $2,100.00, with "Married" marital status, where the employee's most recent IA W-4 on file is from 2023 or earlier (Total of 2 withholding allowances claimed on 2023 IA W-4, no additional amount requested)

T1 = G - D	**T1 =**	$2,100.00	-	$1,000.00		=	**$1,100.00**
				Rate			
T2 = T1 x R	**T2 =**	$1,100.00	x	3.80%		=	**$41.80**
T3 = T2 – W / P	**T3 =**	$41.80	-	2 * $40	/ 26	=	**$38.72**
T4 = T3 + A	**T4 =**	$38.72	+	$0.00		=	**$38.72**
					Iowa tax to be withheld =		**$38.72**

Example 9: Monthly wages of $5,000.00, with "Single" marital status, where the employee's most recent IA W-4 on file is from 2023 or earlier (Total of 1 withholding allowance claimed on 2023 IA W-4, no additional amount requested)

T1 = G - D	**T1 =**	$5,000.00	-	$1,083.33		=	**$3,916.67**
				Rate			
T2 = T1 x R	**T2 =**	$3,916.67	x	3.80%		=	**$148.83**
T3 = T2 – W / P	**T3 =**	$148.83	-	1 * $40	/ 12	=	**$145.50**
T4 = T3 + A	**T4 =**	$145.50	+	$0.00		=	**$145.50**
					Iowa tax to be withheld =		**$145.50**

Example 10: Monthly wages of $5,000.00, with "Married" marital status, where the employee's most recent IA W-4 on file is from 2023 or earlier (Total of 2 withholding allowances claimed on 2023 IA W-4, no additional amount requested)

T1 = G - D	**T1 =**	$5,000.00	-	$2,166.67		=	**$2,833.33**
				Rate			
T2 = T1 x R	**T2 =**	$2,833.33	x	3.80%		=	**$107.67**
T3 = T2 – W / P	**T3 =**	$107.67	-	2 * $40	/ 12	=	**$101.00**
T4 = T3 + A	**T4 =**	$101.00	+	$0.00		=	**$101.00**
					Iowa tax to be withheld =		**$101.00**