STATE CONTROLLER'S OFFICE PERSONNEL AND PAYROLL SERVICES DIVISION P.O. BOX 942850 SACRAMENTO, CA 94250-5878

DATE: January 25, 2011 PAYROLL LETTER #11-005

TO: All Agencies/Campuses in the Uniform State Payroll System

FROM: Lisa Crowe, Chief

Personnel and Payroll Services Division (PPSD)

RE: 2011 ILLINOIS STATE INCOME TAX RATE CHANGE

As a result of the Illinois Public Act 096-1496, this Payroll Letter is to advise you of an income tax rate change to the Illinois State Income Tax. The individual income tax rate increased from 3% to 5% of net income. This change will be effective beginning with payments issue dated January 20, 2011, and thereafter.

The new rate will be published in the next update of the Payroll Procedures Manual.

If you have any questions regarding this Payroll Letter, agencies should contact Payroll Liaison at (916) 323-3081 and campuses should contact California State University (CSU) Payroll Liaison at (916) 322-7980.

LC:CJ:SACS