Example Tax Situations

The information below includes general examples to illustrate how required tax withholdings may impact employees, depending on their situation.

All withholding impacts will be unique to each individual, based upon course load, semester of enrollment and individual tax situation.

Employees should contact Payroll through ServiceNow or by calling 864-656-2000 to discuss specific employee situations.

Examples for Previous Early Withholding Participants

If Spring/Summer Combined Tuition Value Does Not Exceed $5,250:

- Spring tuition value: $0
- Summer tuition value: $5,000
- Total tuition value to date: $5,000
- Taxable tuition value (total value greater than $5,250 IRS threshold): $0
- Required tax withholdings (35.65 percent of taxable tuition value): $0
- Per paycheck tax withholdings: $0

If Spring/Summer Combined Tuition Value Exceeds $5,250:

- Spring tuition value: $5,000
- Summer tuition value: $5,000
- Total tuition value to date: $10,000
- Taxable tuition value (total value greater than $5,250 IRS threshold): $4,750
- Required tax withholdings (35.65 percent of taxable tuition value): $1,693.38
- Year to date early withholding value: $1,200
- Remaining taxable tuition value (total value minus previous early withholdings): $3,550
- Total required tax withholding (35.65 percent of taxable value): 1,265.58
- Per paycheck tax withholdings: $115.05, over the course of 11 paychecks (beginning July 31)

If Spring/Summer Combined Tuition Value Does Not Exceed $5,250, but Fall Tuition Does:

- Spring tuition value: $0
- Summer tuition value: $0
- Fall tuition value: $6,000
- Total tuition value to date: $6,000
- Taxable tuition value (total value greater than $5,250 IRS threshold): $750

- Year to date early withholding: $240
- Remaining taxable tuition value (total value minus previous early withholdings): $510
- Total required withholding: $181.815
- Per paycheck tax withholdings: $25.97, over the course of seven paychecks

If an Early Withholding Balance Exceeds Tax Liability:

If an individual's early withholding balance exceeds their taxable tuition value in the Spring/Summer semesters, the remaining early withholding balance will be applied to any additional tax liability when Fall bills are processed in September.

If an individual has no Fall tax liability, the excess early withholding balance will be refunded by October 2026.

If Spring/Summer Combined Tuition Value Exceeds $5,250 and Additional Classes are Taken in the Fall

- Spring tuition value: $5,000
- Summer tuition value: $5,000
- Total tuition value to date: $10,000
- Taxable tuition value (total value greater than $5,250 IRS threshold): $4,750
- Required tax withholdings (35.65 percent of taxable tuition value): $1,693.38
- Year to date early withholding value: $1,200
- Remaining taxable tuition value (total value minus previous early withholdings): $3,550
- Total required tax withholding (35.65 percent of taxable value): 1,265.58
- Per paycheck tax withholdings: $115.05, over the course of 11 paychecks (beginning July 31)
- Fall tuition value: $5,000
- Taxable tuition value: $5,000 (because the IRS threshold was already met with Spring/Summer tuition)
- Total required withholding (35.65 percent of taxable tuition value): 1,782.50
- Additional per paycheck tax withholdings*: $254.64, over the course of 7 paychecks
- Total tax withholdings per paycheck (Spring/Summer tax withholdings and additional Fall tax withholdings): $369.69, over the course of 7 paychecks (beginning September 30)

For Employees Not Participating in the Early Withholding Program

If Spring/Summer Combined Tuition Value Does Not Exceed $5,250:

- Spring tuition value: $0
- Summer tuition value: $5,000
- Total tuition value to date: $5,000
- Taxable tuition value (total value greater than $5,250 IRS threshold): $0
- Required tax withholding (35.65 percent of taxable tuition value): $0
- Per paycheck tax withholdings: $0

If Spring/Summer Combined Tuition Value Exceeds $5,250:

- Spring tuition value: $5,000
- Summer tuition value: $5,000
- Total tuition value to date: $10,000
- Taxable tuition value (total value greater than $5,250 IRS threshold): $4,750
- Required tax withholding (35.65 percent of taxable tuition value): $1,693.38
- Per paycheck tax withholdings: $153.94, beginning July 31, and continuing remaining 11 paychecks

If Spring/Summer Combined Tuition Value Does Not Exceed $5,250, but Fall Tuition Does:

- Spring tuition value: $0
- Summer tuition value: $0
- Fall tuition value: $6,000
- Total tuition value to date: $6,000
- Taxable tuition value (total value greater than $5,250 IRS threshold): $750
- Required tax withholding (35.65 percent of taxable tuition value): $267.38
- Per paycheck tax withholdings: $38.20, over the course of seven paychecks (beginning September 30)

If Spring/Summer Combined Tuition Value Exceeds $5,250 and Additional Classes are Taken in the Fall:

- Spring tuition value: $5,000
- Summer tuition value: $5,000
- Total tuition value to date: $10,000
- Taxable tuition value (total value greater than $5,250 IRS threshold): $4,750
- Required tax withholding (35.65 percent of taxable tuition value): $1,693.38
- Per paycheck tax withholdings: $153.94, over the course of 11 paychecks (beginning July 31)
- Fall tuition value: $5,000
- Taxable tuition value: $5,000 (because the IRS threshold was already met with Spring/Summer tuition)
- Required tax withholding (35.65 percent of taxable tuition value): 1,782.50

- Additional per paycheck tax withholdings: $254.64, over the course of 7 paychecks
- Total tax withholdings per paycheck (Spring/Summer tax withholdings and additional Fall tax withholdings): $408.58, over the course of 7 paychecks (beginning September 30)