March 31, 2009

(WASHINGTON, D.C.) -- U.S. Congressman Jason Altmire (PA-04) today announced that starting tomorrow, western Pennsylvanians will see a boost in their pay checks as the Making Work Pay Tax Credit goes into effect. Congressman Altmire voted for the largest middle-class tax cut in American history as part of the American Recovery and Reinvestment Act, an economic recovery plan that is helping to revive America's economy.

"Thousands of western Pennsylvanians are going to see a boost in their pay checks because of this tax cut," Altmire said. "For Pennsylvania families who have been hit hard by this economic recession, this tax cut should make it a little easier for them to cover their day to day expenses. By putting in place an economic recovery package that cuts taxes for working families and creates jobs by investing in infrastructure and other national priorities, I am confident that we are taking the steps needed to get America's economy back on track."

Ninety-five percent of American families will benefit from the Making Work Pay Tax Credit, which provides a $400 tax cut for working individuals and $800 tax cut for married couples through 2010. For employees eligible for the full tax cut, this translates into a $44 increase in individuals' take-home pay each month and a $89 increase for married couples.

The credit will typically be handled by the employers through automated withholding changes made by tomorrow. Some workers may have already seen an increase in take-home pay because the Internal Revenue Services (IRS) withholding tables have already been updated to reflect this new tax credit.

Taxpayers do not need to submit a W-4 to get the automatic withholding change. However, an employee with multiple jobs or married couples whose combined incomes place them in a higher tax bracket may elect to submit a revised W-4 to ensure there is enough withheld to cover the tax for his or her combined income. IRS Publication 919 provides additional guidance for tax withholding.