

The following example demonstrates the calculation of tax liability for **March 2015** and DC-1 contributions for the first quarter of 2015 using data from the sample shown in **SECTION A**. The totals in Items A through I were developed from the figures shown for *the third month of the first quarter*.

### FORM OE-1 TAX CALCULATION WORKSHEET

<b>TAX CALCULATIONS</b>		<b>CT-1 REFERENCES</b>	
To be used for completing Form CT-1 and in determining tax liability.			
A.	$\frac{\$ \text{ 9,712.00}}{\text{Column 11 Total}} \times \frac{\text{ 0.062}}{\text{Tier I Employer Tax Rate}}$	\$ 602.14	Tier I Employer Tax - Compensation
B.	$\frac{\$ \text{ 9,712.00}}{\text{Column 9 Total}} \times \frac{\text{ 0.0145}}{\text{Medicare Tax Rate}}$	\$ 140.82	Tier I Employer Medicare Tax - Compensation
C.	$\frac{\$ \text{ 9,712.00}}{\text{Column 13 Total}} \times \frac{\text{ 0.131}}{\text{Tier II Employer Tax Rate}}$	\$ 1,272.27	Tier II Employer Tax - Compensation
D.	Column 12 Total	\$ 602.14	Tier I Employee Tax - Compensation
E.	Column 10 Total	\$ 140.83	Tier I Employee Medicare Tax - Compensation
F.	$\frac{\$ \text{ [Blank] }}{\text{[Blank]}} \times \frac{\text{ 0.009}}{\text{Additional Medicare Tax Rate}}$ <p>[Paid on compensation exceeding \$200,000 per year for an employee]</p>	\$ [Blank]	Tier I Employee Additional Medicare Tax - Compensation
G.	Column 14 Total	\$ 475.89	Tier II Employee Tax - Compensation
H.	Sum of columns A through G Railroad Retirement Tax Liability for period	\$ 3,234.09	Total Tax Based on Compensation
I.	$\frac{\$ \text{ 4,887.00}}{\text{Column 15 Total}} \times \frac{\text{ 0.0065}}{\text{RUIA Contribution Rate}}$	\$ 31.77	DC-1 RUIA Contribution Liability for Period

The amounts in Item A should equal Item D and amounts in Item B should equal Item E. The items may differ a few cents due to rounding of partial cents.