

## 2016 Payroll Wage & Tax Facts

### FEDERAL

#### Agency Websites:

Internal Revenue Service:	<a href="http://www.irs.gov">www.irs.gov</a>
Social Security Admin:	<a href="http://www.ssa.gov">www.ssa.gov</a>
U.S. Dept of Labor:	<a href="http://www.dol.gov">www.dol.gov</a>

#### MINIMUM WAGE

**7.25 per hour**

#### Supplemental Wage & Bonus Rates

Flat Rate Withholding Method	25.00%
Pay Over 1 Million	39.60%

#### Federal Withholding

Seven basic tax brackets remain the same: 10%, 15%, 25%, 28%, 33%, 35% & 39.6%. Amounts are found in IRS Circular

#### FICA/Social Security (OASDI) Tax

Maximum Taxable Earnings (Unchanged from 2015)	\$118,500
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ER Deduction (Unchanged from 2015)	6.20%
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EE Deduction (Unchanged from 2015)	6.20%
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Maximum Deduction (Unchanged from 2015)	\$7,347.00
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#### FICA/ Medicare (HI) Tax

Maximum Taxable Earnings	No Limit
Maximum Deduction	No Limit

ER/EE Deduction (Unchanged from 2015)	1.45%
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Additional Medicare Tax Withholding on Wages > \$200,000 (No ER match)	0.9%
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#### FUTA (Employer Paid)

Maximum Taxable Earnings	\$7,000
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ER Deduction	0.60%
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#### 401(K), 403(b) or 457(b) Plans

Contribution Limit (unchanged from 2015)	\$ 18,000
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\$6,000 Additional deferral for age 50 & over	\$24,000
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#### Simple Plans

Contribution Limit	\$12,500
\$3,000 Additional deferral for age 50 & over	\$15,500

### CALIFORNIA

#### Agency Websites:

Franchise Tax Board:	<a href="http://www.ftb.ca.gov">www.ftb.ca.gov</a>
Employment Development Dept:	<a href="http://www.edd.ca.gov">www.edd.ca.gov</a>
Dept of Industrial Relations:	<a href="http://www.dir.ca.gov">www.dir.ca.gov</a>

#### MINIMUM WAGE

**10 per hour**

#### Supplemental Wage & Bonus Rates

6.6% except 10.23% for BONUSES and earnings from STOCK OPTIONS

#### State Income Tax

Wage Withholding: Refer to Table

#### Unemployment Insurance

Maximum Taxable Earnings: (Unchanged from 2015)	\$7,000.00
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EE Deduction	None
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Employer Tax Rates (plus 0.001% ETT)	1.5-6.2%
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Standard New Employer Rate (plus 0.001% ETT)	3.40%
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#### State Disability Insurance

Maximum Taxable Earnings (increased from \$104,378 in 2015)	\$ 106,742
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ER Contribution/Deduction	None
EE Deduction (Unchanged from 2015)	0.90%

Maximum Deduction (increased from \$939.40 in 2015)	\$960.68
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#### IRS Standard Mileage (Updated in December)

Business Miles Driven (down from 57.5)	54.0 cents
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Medical/Moving Purposes (down fr 23.0)	19.0 cents
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Service of Charitable Organizations	14 cents
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