

PAYROLL FACTS & CALCULATIONS



| | 2017 | 2018 |
|--|-----------------------------------|-----------------------------------|
| Social Security and Medicare Tax | | |
| Social Security Wage Base Limit | \$127,200 | \$128,400 |
| Social Security Total Employee Tax | \$7,886.40 | \$7,960.80 |
| Social Security Employee Tax Rate | 6.20% | 6.20% |
| Social Security Employer Tax Rate | 6.20% | 6.20% |
| Medicare Employee Tax Rate | 1.45% | 1.45% |
| Medicare Employer Tax Rate | 1.45% | 1.45% |
| Total Tax Rate | 15.30% | 15.30% |
| Total Tax to be Withheld from Employee | 7.65% | 7.65% |
| Medicare Additional Tax if wages > \$200,000 | | |
| Medicare Additional Tax Rate | 0.9% | 0.9% |
| Is there an employer match on this? | No | No |
| FUTA (Employer-Paid) | | |
| Maximum Taxable Earnings | \$7,000 | \$7,000 |
| Normal Net Tax Rate | 0.6% | 0.6% |
| MS SUTA (Employer-Paid) | | |
| Maximum Taxable Earnings | \$14,000 | \$14,000 |
| New Employer Rate | 1.2% | 1.2% |
| 401K Deferral | | |
| 401K Deferral Max | \$18,000 | \$18,500 |
| 401K Catch-up If Age 50 | \$6,000 (total would be \$24,000) | \$6,000 (total would be \$24,500) |
| Annual 401K Compensation Limit | \$270,000 | \$275,000 |
| Simple Employee Pension (SEP) | | |
| Simple Employee Deferral | \$12,500 | \$12,500 |
| Simple Catch-up Deferral If Age 50 | \$3,000 (total would be \$15,500) | \$3,000 (total would be \$15,500) |
| Flexible Spending Accounts | | |
| Health Flexible Spending Account Max | \$2,600 | \$2,650 |
| Dependent Care Spending Account Max | \$5,000 | \$5,000 |
| Federal Minimum Wage Rate | \$7.25 | |
| Quick Calculation for Gross Up of Wages: | | |
| If grossing up a check: 6.2% (SS) + 1.45% (MED) - 100% = | 92.35% | |
| Amount of Check | 100.00 | |
| "Grossed Up" Amount = 100.00/.9235 | 108.28 | |
| Social Security 6.2% | 6.71 | |
| Medicare 1.45% | 1.57 | |
| Net Check | 100.00 | |
| Questions? E-mail Carolyn.Varner@hornellp.com | | |