



# 2012 Fast Wage and Tax Facts

Published 1/6/2012. For the most current information, visit us at:

[www.adp.com/tools-and-resources/compliance-connection/state-taxes/2012-fast-wage-and-tax-facts.aspx](http://www.adp.com/tools-and-resources/compliance-connection/state-taxes/2012-fast-wage-and-tax-facts.aspx)

## FEDERAL

Agency websites:

- Internal Revenue Service: [www.irs.gov](http://www.irs.gov)
- Social Security Administration: [www.ssa.gov](http://www.ssa.gov)
- U.S. Dept. of Labor: [www.dol.gov](http://www.dol.gov)

	Effective 7/24/08	Effective 7/24/09
<b>Minimum Wage</b>	\$6.55	\$7.25
<b>Minimum Cash Wage</b>	\$2.13	\$2.13
<b>(Tipped Employee)</b>		
<b>Maximum Tip Credit</b>	\$4.42	\$5.12
<b>Youth Sub-</b>	\$4.25	\$4.25
<b>Minimum Wage</b>		

## FICA (Social Security)

Maximum Taxable Earnings: \$110,100  
(Increased from \$106,800 in 2011)

ER Tax Rate: 6.2%  
(Unchanged from 2011)

EE Tax Rates:

Eff. 01/01/12 – 02/29/12 4.2%

Eff. 03/01/12 6.2%  
(Tax rate was 4.2% in 2011)

Self-Employment Tax Rates:

Eff. 01/01/12 – 02/29/12 10.4%

Eff. 03/01/12 12.4%  
(Tax rate was 10.4% in 2011)

## FICA (Medicare)

Maximum Taxable Earnings: No Limit

EE / ER Tax Rates: 1.45%

Maximum Tax: No Limit

Self-Employment Tax: 2.9%

## FUTA (Employer-Paid)

Maximum Taxable Earnings: \$7,000

Percent of Taxable Wages: 6.0%

Maximum Credit: 5.4%

Normal Net Tax: 0.6%

## Supplemental Wage/Bonus Rate

Flat rate withholding method: 25%

Pay over \$1 Million: 35%

---

*FAST WAGE & TAX FACTS is distributed with the understanding that the publisher is not rendering legal, accounting or other professional services. If legal advice or other assistance is required, an attorney or accountant should be consulted. Minimum wage rates may vary by industry. State minimum wage rates may be superseded by Federal. Contact proper agency to verify.*

## CALIFORNIA

Agency websites:

- Franchise Tax Board: [www.ftb.ca.gov](http://www.ftb.ca.gov)
- Employment Development Dept.: <http://www.edd.ca.gov/>
- Dept. of Industrial Relations: [www.dir.ca.gov](http://www.dir.ca.gov)

	Effective 1/1/07	Effective 1/1/08
<b>Minimum Wage</b>	\$7.50	\$8.00
<b>Minimum Cash Wage</b>	\$7.50	\$8.00
<b>(Tipped Employee)</b>		
<b>Maximum Tip Credit</b>	Not Allowed	

## State Income Tax

Wage Withholding: Table

Supplemental Wage Rate: 6.6%, except  
10.23% for BONUSES and earnings  
from STOCK OPTIONS

## Unemployment Insurance

Maximum 2012 Taxable Earnings: \$7,000  
(Unchanged from \$7,000 in 2011)

Employee Deduction: None

Employer 2012 Tax Rates: 1.5- 6.2%  
(Includes 15% emergency surcharge)

Standard 2012 New Employer Rate: 3.4%  
(Plus 0.1% training fund contribution)

Voluntary Contribution Permitted: No

## Disability Insurance

Maximum 2012 Taxable Earnings: \$95,585  
(Increased from \$93,316 in 2011)

Employee 2012 Deduction (yr. 2011=1.2%) 1.0%

Employee 2012 Max. W/H: \$955.85

Employer Contribution: None

Ask ADP . . .

the leading provider of

## integrated business services:

PAYROLL SERVICES  
H.R. SOLUTIONS  
TAX & COMPLIANCE MANAGEMENT  
BENEFIT & RETIREMENT SERVICES  
PROFESSIONAL EMPLOYER ORGANIZATION  
TIME & LABOR MANAGEMENT  
SMALL BUSINESS SERVICES

## ADP, Inc.

For information about the cost-effective solutions from ADP, call your local ADP representative or: 1-800-225-5237

ALSO, check [www.adp.com](http://www.adp.com)