



2012 Fast Wage and Tax Facts

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FEDERAL

Agency websites:

- Internal Revenue Service: www.irs.gov
- Social Security Administration: www.ssa.gov
- U.S. Dept. of Labor: www.dol.gov

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

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%

ALABAMA

Agency websites:

- Dept. of Revenue: www.ador.state.al.us
- Dept. of Industrial Relations: <http://dir.alabama.gov/>

	Effective 7/24/08	Effective 7/24/09
Minimum Wage	\$6.55*	\$7.25*
Min. Cash Wage (Tipped Employee)	\$2.13*	\$2.13*
Max. Tip Credit	\$4.42*	\$5.12*
Youth Sub-Minimum Wage	\$4.25*	\$4.25*

*Alabama has no state-mandated Minimum Wage. For employment covered under FLSA. Non-FLSA employers are not subject to required minimum wage.

State Income Tax

Wage Withholding: Table
Supplemental Wage/Bonus Rate: 5%

Unemployment Insurance

Maximum 2012 Taxable Earnings: \$8,000
(Unchanged from \$8,000 in 2011)

Employee Deduction: None

Employer 2012 Tax Rates: 1.25 - 7.40%
(Includes 0.06% special assessment and .60% shared cost assessment)

Standard 2012 New Employer Rate: 2.7%

Voluntary Contribution Permitted: No

Disability Insurance

Employee Deduction: None

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