



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 <u>7/24/08</u>	Effective <u>7/24/09</u>
Minimum Wage	\$6.55	\$7.25
Minimum Cash Wage	\$2.13	\$2.13
Wage (Tipped Employee)		
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 is over \$1 Million: 35%

MASSACHUSETTS

Agency websites:

- Dept. of Revenue: <http://www.mass.gov/dor/>
- Labor & Workforce Dev.: <http://www.mass.gov/lwd/>

	Effective <u>1/1/07</u>	Effective <u>1/1/08</u>
Minimum Wage	\$7.50	\$8.00
Minimum Cash Wage (Tipped Employee)	\$2.63	\$2.63
Maximum Tip Credit	\$4.87	\$5.37

State Income Tax

Wage Withholding: Table

Supplemental Wage/Bonus Rate: 5.25%

Unemployment Insurance

Maximum 2012 Taxable Earnings: \$14,000
(Unchanged from \$14,000 in 2011)

Employee Deduction: None

Employer 2012 Tax Rates: 1.26- 12.27%
(PLUS 0.06% workforce training tax)

Standard 2012 New Employer Rate: 2.83%
(PLUS 0.06% workforce training tax)

Employer Health Ins. Contribution 0.24%
(New employers not liable during first 2 years;
3rd year rate is 0.04%; 4th year rate is 0.08%.
For all subsequent years, tax rate of 0.36%)

WTF Surcharge 2012 0.06%

Voluntary Contribution Permitted: Yes

Disability Insurance

Employee Deduction: None

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