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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 (Increased from \$106,800 in 2011) | \$110,100 |
| ER Tax Rate (Unchanged from 2011) | 6.2% |
| EE Tax Rates | |
| Eff. 01/01/12 – 12/31/12 | 4.2% |
| Eff. 01/01/13 (Tax Rate was 4.2% in 2011) | 6.2% |
| Self-Employment Tax Rates | |
| Eff. 01/01/12 – 12/31/12 | 10.4% |
| Eff. 01/01/13 (Tax rate was 10.4% in 2011) | 12.4% |

FICA (MEDICARE)

| | |
|---------------------------------|----------|
| Maximum Taxable Earnings | No Limit |
| EE / ER Tax Rate | 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 RATES

| | |
|-------------------------------------|-----|
| Flat rate withholding method | 25% |
| Pay over \$1 Million | 35% |

CALIFORNIA

Agency Websites

- Franchise Tax Board: www.ftb.ca.gov
- Employment Development Dept.: www.edd.ca.gov
- Dept. of Industrial Relations: www.dir.ca.gov

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

STATE INCOME TAX

| Wage Withholding | Table |
|-------------------------------------|---|
| Supplemental Wage/Bonus Rate | 6.6%, except 10.23% for BONUSES and earnings from STOCK OPTIONS |

UNEMPLOYMENT INSURANCE

| | |
|--|------------|
| Maximum 2012 Taxable Earnings (Unchanged from \$7,000 in 2011) | \$7,000 |
| Employee Deduction | None |
| Employer 2012 Tax Rates (Includes 15% emergency surcharge) | 1.5 - 6.2% |
| Standard 2012 New Employer Rate (Plus 0.1% training fund contribution) | 3.4% |
| Voluntary Contribution Permitted | No |

DISABILITY INSURANCE

| | |
|---|----------|
| Maximum 2012 Taxable Earnings (Increased from \$93,316 in 2011) | \$95,585 |
| Employee 2012 Deduction (yr. 2011=1.2%) | 1.0% |
| Employee 2012 Max. W/H | \$955.85 |
| Employer Contribution | None |

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