



2008 --- Fast Wage and Tax Facts

Published on 11/13/2007 --- subsequent changes may occur.
(for latest info --- check, then print: <http://www.complianceconnection.adp.com/Toolbox/StateTaxes/2008FastWageTaxFacts.aspx>)

FEDERAL

Agency internet web sites:

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

	Effective 9/01/97	Effective 7/24/07	Effective 7/24/08	Effective 7/24/09
Minimum Wage:	\$5.15	\$5.85	\$6.55	\$7.25
Min. Cash Wage: (Tipped Employee)	\$2.13	\$2.13	\$2.13	\$2.13
Max. Tip Credit:	\$3.02	\$3.72	\$4.42	\$5.12
Youth Sub- Minimum Wage:	\$4.25	\$4.25	\$4.25	\$4.25

FICA (Social Security)

Maximum Taxable Earnings: \$102,000
(Up from \$97,500 in 2007)

EE / ER Deduction: 6.2%

Maximum Deduction: \$6,324.00
(Up from \$6,045.00 in 2007)

Self-Employment Tax: 12.4%

FICA (Medicare)

Maximum Taxable Earnings: No Limit

EE / ER Deduction: 1.45%

Maximum Deduction: No Limit

Self-Employment Tax: 2.9%

FUTA (Employer-Paid)

Maximum Taxable Earnings: \$7,000

Percent of Taxable Wages: 6.2%

Maximum Credit: 5.4%

Normal Net Tax: 0.8%

Supplemental Wage/Bonus

Rate (flat rate withholding method): 25%

--Pay Over \$1 Million: 35%

ADP does not render wage, tax or legal advice. Minimum wage rates may vary by industry. State minimum wage rates may be superseded by Federal. Contact proper agency to verify.

CALIFORNIA

Agency internet web sites:

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

	Effective 1/1/02	Effective 1/1/07	Effective 1/1/08
Minimum Wage:	\$6.75	\$7.50	\$8.00
Minimum Cash Wage: (Tipped Employee)	\$6.75	\$7.50	\$8.00
Maximum Tip Credit:		Not Allowed	

State Income Tax

Wage Withholding: Table

Supplemental Wage Rate: 6%, except
9.3% for BONUSES and earnings
from STOCK OPTIONS

Unemployment Insurance

Maximum 2008 Taxable Earnings: \$7,000
(Unchanged from \$7,000 in 2007)

Employee Deduction: None

Employer 2008 Tax Rates: 1.6 - 6.3%
(Includes emergency 15% surcharge)
(Includes 0.1% training fund contribution)

Standard 2008 New Employer Rate: 3.5%
(Includes 0.1% training fund contribution)

Voluntary Contribution Permitted: No

Disability Insurance

Maximum 2008 Taxable Earnings: \$86,698
(Increased from \$83,389 in 2007)

Employee 2008 Deduction (yr. 2007=0.6%) 0.8%

Employee 2008 Max. W/H: \$693.58

Employer Contribution: None

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