

# 2018 Fast Wage and Tax Facts



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## FEDERAL

### MINIMUM WAGE

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

### FICA (MEDICARE)

Maximum Taxable Earnings	No Limit
Employee / Employer Tax Rate (Unchanged from 2017)	1.45%
Additional Medicare Tax Withholding on Wages > \$200,000 (No Employer Match)	0.9%

### FICA (SOCIAL SECURITY)

Maximum Taxable Earnings (Increased from \$127,200 in 2017)	\$128,400
Employee / Employer Tax Rate (Unchanged from 2017)	6.2%

### 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 (Decreased from 25% in 2017)	22%
Pay over \$1 Million (Decreased from 39.6% in 2017)	37%

### HEALTH SAVINGS ACCOUNTS

Self-Only Contribution Limit (Employee & Employer) (Increased from \$3,400 in 2017)	\$3,450
Family Contribution Limit (Employee & Employer) (Increased from \$6,750 in 2017)	\$6,850
Catch-up Contribution Limit (Employee & Employer) (Unchanged from 2017)	\$1,000

### RETIREMENT PLANS

Contribution Limit - 401(k) & 403(b) plans (Increased from \$18,000 in 2017)	\$18,500
Catch-up Contribution Limit - 401(k) & 403(b) plans (age 50 & older) (Unchanged from 2017)	\$6,000

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## PENNSYLVANIA

### MINIMUM WAGE

	Effective 7/24/09
Minimum Wage	\$7.25
Minimum Cash Wage (Tipped Employee)	\$2.83
Maximum Tip Credit (Different rates apply to Employers with 10 or less full-time Employees, effective 1/1/07)	\$4.42

### STATE INCOME TAX

Wage Withholding Rate	3.07%
Supplemental Wage / Bonus Rate	3.07%

### UNEMPLOYMENT INSURANCE

Maximum 2018 Taxable Earnings (Increased from \$9,750 in 2017)	\$10,000
Employee Deduction (Wages paid x 0.06%)	Unlimited
Employer 2018 Tax Rates (Includes 5.4% surcharge adjustment rate, 1.1% interest tax factor and 0.50% additional contribution rate)	2.3905 – 11.0333%
Standard 2018 New Employer Rate (Includes 5.4% surcharge)	3.6890%
Voluntary Contribution Permitted	Yes

### DISABILITY INSURANCE

Employee Deduction	None
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### AGENCY WEBSITES

Dept. of Revenue: [www.revenue.pa.gov](http://www.revenue.pa.gov)  
Dept. of Labor and Industry: [www.dli.pa.gov](http://www.dli.pa.gov)

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