

# 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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## NEW JERSEY

### MINIMUM WAGE

	Effective 1/1/18
Minimum Wage	\$8.60
Minimum Cash Wage (Tipped Employee) ("Suggested" by State)	\$2.13
Maximum Tip Credit	\$6.47

### STATE INCOME TAX

Wage Withholding	Tables
Supplemental Wage / Bonus Rate	No provision, but for pay over \$500,000 withhold at 9.9%

### UNEMPLOYMENT INSURANCE

Maximum 2018 Taxable Earnings (Increased from \$33,500 in 2017)	\$33,700
Employee Deduction	0.515%
Workforce Development / Supplemental Workforce	0.0425%
UI Fund	0.3825%
Family Leave Insurance	0.09%
Maximum 2018 Employee Deduction	\$173.55
Employer FY 2018 Tax Rates	0.5 – 5.8%
Standard FY 2018 New Employer Rate (UI-2.6825% + WF/SWF-0.1175%)	2.8%
Voluntary Contribution Permitted	Yes

### DISABILITY INSURANCE

Maximum 2018 Taxable Earnings (Increased from \$33,500 in 2017)	\$33,700
Employee 2018 Deduction Rate	0.19%
Maximum 2018 Employee Deduction	\$64.03
Standard FY 2018 Tax Rates	0.1 – 0.75%
New Employer FY 2018 Rate	0.50%

### AGENCY WEBSITES

Division of Taxation: [www.state.nj.us/treasury/taxation](http://www.state.nj.us/treasury/taxation)  
Dept. of Labor and Workforce Development:  
<http://lwd.dol.state.nj.us/labor>

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