

Jurisdiction	Acronym	Tax	Rate	Wage Base
<b>EMPLOYEE WITHHOLDING</b>				
Federal	FIT	Federal Income Tax	25.00% [1]	None
	FICA [2]	Social Security	6.20% [10]	1 <sup>st</sup> \$127,200 [3]
		Medicare	1.45% [14]	None
CA	SIT/PIT	State Income Tax	6.60% [4]	None
	SDI	State Disability Insurance	0.90% [5]	1 <sup>st</sup> \$110,902 [6]
<b>EMPLOYER OBLIGATION</b>				
Federal	FUTA [7]	Unemployment Tax	≥2.70% [8]	1 <sup>st</sup> \$7,000 [13]
	FICA [2]	Social Security	6.20%	1 <sup>st</sup> \$127,200
		Medicare	1.45%	None
CA	SUTA/SUI [7]	State Unemployment Insurance	3.40% [9]	1 <sup>st</sup> \$7,000 [11]
	ETT	Employment Training Tax	0.10%	1 <sup>st</sup> \$7,000 [12]

[1] Supplemental rate (used for illustration purposes only). The rate is 39.6% for wages exceeding \$1 million (*i.e.*, highest income tax rate in effect for the year).

[2] Federal Insurance Contribution Act taxes include: Social Security (*i.e.*, Old Age, Survivor and Disability Insurance (OASDI)); and Medicare (*i.e.*, Hospital Insurance (HI)).

[3] \$7,886.40 maximum tax.

[4] Supplemental rate (effective for wages paid on or after 11/1/09).

[5] Includes .08% for Paid Family Leave (PFL).

[6] \$998.12 maximum tax.

[7] FUTA and SUTA are complimentary. A maximum credit of 5.4% may offset FUTA for employers that make timely SUTA contributions.

[8] The FUTA rate prior to 7/1/11 was 6.2% with a maximum FUTA credit of 5.4% resulting in a net rate of 0.8%. The 0.2% FUTA surcharge expired on 6/30/11 resulting in a 6.0% rate for wages paid on or after 7/1/11 and a net rate of 0.6%. California has been designated a "credit reduction state" resulting in a 0.3% FUTA credit reduction for wages paid in 2011 (for a FUTA credit of 5.1% and a net rate of 0.9%), a 0.6% credit reduction for wages paid in 2012 (for a FUTA credit of 4.8% and a net rate of 1.2%), a 0.9% credit reduction for wages paid in 2013 (for a FUTA credit of 4.5% and a net rate of 1.5%), a 1.2% credit reduction for wages paid in 2014 (for a FUTA credit of 4.2% and a net rate of 1.8%), a 1.5% credit reduction for wages paid in 2015 (for a FUTA credit of 3.9% and a net rate of 2.1%), a 1.8% credit reduction for wages paid in 2016 (for a FUTA credit of 3.6% and a net rate of 2.4%). The Department of Labor will finalize credit reduction rates for wages paid in 2017 on 11/10/2017. The rate provided above assumes that CA will not fully repay its outstanding loan resulting in 2.1% credit reduction and a 0.3% increase to its effective FUTA rate (for a FUTA credit of 3.3% and a net rate of 2.7%). Additionally, CA may be subject to a 2.7% add-on under IRC § 3302(c)(2)(B) and/or 2.7% BCR under IRC § 3302(c)(2), unless a waiver is successfully obtained. Thus, this rate is provided for illustration purposes only and is subject to revision. Note: In mid-2012, EDD determined that defendant-employers are responsible for SUTA, not QSFs; thus, QSFs are not eligible for the FUTA credit resulting in a 6.0% FUTA rate.

[9] New employer rate used for illustration purposes only. An EDD policy shift in 2012 provides that QSFs should use experience ratings assigned to defendant-employers.

[10] The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 reduced this rate from 6.2 to 4.2% for wages paid in 2011. The Temporary Payroll Tax Cut Continuation Act of 2011 temporarily extended the 2% reduction for wages paid through 2/29/12. The Middle Class Tax Relief and Job Creation Act of 2012 extended the 2% reduction for the remainder of 2012. The rate reverted to 6.2% for wages paid on or after 1/1/13.

[11] \$238.00 maximum tax.

[12] \$7.00 maximum tax.

[13] ≥\$189.00 maximum tax.

[14] For wages paid on or after 1/1/13, additional Medicare tax at 0.9% must be withheld from wages in excess of \$200,000 (\$250,000 for joint filers) for a combined withholding rate of 2.35%. The additional Medicare tax is only withheld from the employee; there is no employer share.