



Federal Withholding

Six basic tax brackets remain the same: 10%, 15%, 25%, 28%, 33%, or 35%. Amounts are found in IRS Circular E.

FICA (Social Security) Tax

	Maximum Wage Base	Tax Rate
Medicare Basic Hospital Insurance Portion (MBHI)	No limit	1.45%
Old-Age, Survivors, and Disability Insurance portion (OASDI)	\$106,800	6.20%
Total FICA Tax		7.65%

Federal Unemployment Tax

0.8% of the first \$7,000 of wages for each employee.

PA Unemployment Tax

- + Employer: State will notify you of contribution rate; applied to first \$8,000 of wages for each employee.
- + Employee: .08% of all wages (no limit).

PA Personal Income Tax

3.07% of wages.

Self-Employment Tax

	Rate	Wage Base	Total Tax
Medicare Basic Hospital Insurance Portion (MBHI)	2.90%	unlimited	unlimited
Old-Age, Survivors, and Disability Insurance portion (OASDI)	12.40%	\$106,800	\$13,243.20

401(k), 403(b) and 457 Plan Contribution Limit

\$16,500; \$5,500 additional deferral for age 50 and over.

Simple Plans

\$11,500; \$2,500 Additional deferral for age 50 and over.

Minimum Wage

\$7.25

Social Security Benefits

Maximum amount retired employees can earn before losing Social Security benefits:

- + Under full retirement age (FRA): \$14,160 (\$1,180/month)
- + In year of FRA: \$37,680 (\$3,140/month)
- + FRA and over: no limitations

Automobile Mileage Reimbursement Rate

- + \$.50 per mile for business use
- + \$.14 per mile for charitable use
- + \$.165 per mile for medical or moving

Local Services Tax (PA)

Generally \$52.00 (Deducted \$1.00/week) with an exemption for those whose total earned income is less than \$12,000.00 for the calendar year. Check with your local EIT Bureau.

Select City Taxes

	Resident	Non-Resident
+ Philadelphia Wage Tax	3.93%	3.50%
+ Pittsburgh Earned Income Tax	3.00%	1.00%
+ Reading Earned Income Tax	3.20%	1.00%

S Corporations + LLCs

For information on S Corps, please visit the Resources Links + Publications section of www.herbein.com

Insurance and Auto

For information and benefit calculation forms, please visit the Resources Links + Publications section of www.herbein.com.

