

2016 Fast Wage and Tax Facts



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Published 12/22/2015

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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 Sub-Minimum Wage | \$4.25 |

FICA (MEDICARE)

| | |
|---|----------|
| Maximum Taxable Earnings | No Limit |
| Employee / Employer Tax Rate (Unchanged from 2015) | 1.45% |
| Additional Medicare Tax Withholding on Wages > \$200,000 (No Employer Match) | 0.9% |

FICA (SOCIAL SECURITY)

| | |
|---|-----------|
| Maximum Taxable Earnings (Unchanged from 2015) | \$118,500 |
| Employee / Employer Tax Rate (Unchanged from 2015) | 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 (Unchanged from 2015) | 25% |
| Pay over \$1 Million (Unchanged from 2015) | 39.6% |

HEALTH SAVINGS ACCOUNTS

| | |
|---|---------|
| Self-Only Contribution Limit (Employee & Employer) (Unchanged from 2015) | \$3,350 |
| Family Contribution Limit (Employee & Employer) (Increased from \$6,650 in 2015) | \$6,750 |
| Catch-up Contribution Limit (Employee & Employer) (Unchanged from 2015) | \$1,000 |

RETIREMENT PLANS

| | |
|---|----------|
| Contribution Limit - 401(k) & 403(b) plans (Unchanged from 2015) | \$18,000 |
| Catch-up Contribution Limit - 401(k) & 403(b) plans (age 50 & older) (Unchanged from 2015) | \$6,000 |

INDIANA

MINIMUM WAGE

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

STATE INCOME TAX

| | |
|--------------------------------|--------|
| Wage Withholding | Tables |
| Supplemental Wage / Bonus Rate | 3.3% |

UNEMPLOYMENT INSURANCE

| | |
|--|------------------|
| Maximum 2016 Taxable Earnings (Unchanged from 2015) | \$9,500 |
| Employee Deduction | None |
| Employer 2016 Tax Rates (Excludes solvency surcharge) | 0.5 - 7.4% |
| Standard 2016 New Employer Rate | Industry Average |
| Voluntary Contribution Permitted | Yes |

DISABILITY INSURANCE

| | |
|--------------------|------|
| Employee Deduction | None |
|--------------------|------|

AGENCY WEBSITES

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| Dept. of Revenue: www.in.gov/dor |
| Dept. of Workforce Development: www.in.gov/dwd |

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