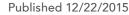
# 2016 Fast Wage and Tax Facts



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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 Sub-Minimum Wage              | \$4.25            |

## FICA (MEDICARE)

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

## FICA (SOCIAL SECURITY)

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

## **HEALTH SAVINGS ACCOUNTS**

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

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

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## **COLORADO**

N

|                                     | Effective 1/1/16 |
|-------------------------------------|------------------|
| Minimum Wage                        | \$8.31           |
| Minimum Cash Wage (Tipped Employee) | \$5.29           |
| Maximum Tip Credit                  | \$3.02           |

## STATE INCOME TAX

| Wage Withholding               | Tables |
|--------------------------------|--------|
| Supplemental Wage / Bonus Rate | 4.63%  |

## **UNEMPLOYMENT INSURANCE**

| Maximum 2016 Taxable Earnings<br>(Increased from \$11,800 in 2015)       | \$12,200     |
|--|--------------|
| Employee Deduction   | None         |
| Employer 2016 Tax Rates<br>(Includes 24.47% bond principal rate)         | .77 - 10.14% |
| Standard 2016 New Employer Rate<br>(Includes 24.47% bond principal rate) | 2.12%        |
| Voluntary Contribution Permitted   | Yes          |

## **DISABILITY INSURANCE**

**Employee Deduction** 

None

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## AGENCY WEBSITES

Dept. of Revenue: www.colorado.gov/revenue Dept. of Labor and Employment: www.colorado.gov/cdle

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