

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 (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

OREGON

MINIMUM WAGE

	Effective 7/1/16
Minimum Wage	\$9.75
Minimum Cash Wage (Tipped Employee)	\$9.75
Maximum Tip Credit	None
Minimum Wage / Minimum Cash Wage (Tipped Employee) for nonurban counties is \$9.50 effective 7/1/16	

STATE INCOME TAX

Wage Withholding	Tables
Supplemental Wage / Bonus Rate	9.0%

UNEMPLOYMENT INSURANCE

Maximum 2016 Taxable Earnings (Increased from \$35,700 in 2015)	\$36,900
Employee Deduction	None
Employer 2016 Tax Rates (Includes 0.09% special payroll tax offset, except 5.4% tax rate.)	1.2 – 5.4%
Standard 2016 New Employer Rate	2.6%
Voluntary Contribution Permitted	No

DISABILITY INSURANCE

Employee Deduction	None
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WORKERS' COMPENSATION

For 2016, the Workers' Benefit Fund (WBF) assessment rate is 3.3 cents per hour. The 3.3 cents per hour rate is the employer rate and employee rate combined. Employers contribute 1.65 cents per hour and deduct 1.65 cents per hour from employees' wages.

AGENCY WEBSITES

Dept. of Revenue: www.oregon.gov/DOR
 Employment Dept.: www.oregon.gov/EMPLOY