

December 2017

Please be advised that effective January 1, 2018 the payroll limits will be adjusted as follows:

FEDERAL PAYROLL LIMITS			
For Employees:	<u>Rate</u>	<u>Max Wages</u>	<u>Max Deduction</u>
<u>Social Security:</u>			
Employee Rate	6.20%	\$ 128,400	\$ 7,960.80
Employer Rate	6.20%	\$ 128,400	\$ 7,960.80
<u>Medicare:</u>			
Employee Rate	1.45%	unlimited	
Employer Rate	1.45%	unlimited	
		Wages>\$200,000 Single	
Additional Medicare Tax-Employee Or	0.90%	Wages>\$250,000 Married Filing Joint	
		Wages>\$125,000 Married Filing Separate	
For Self-Employed Individuals:			
Social Security	12.40%	\$ 128,400	\$ 15,921.60
Medicare	2.90%	unlimited	
		Wages>\$200,000 Single	
Additional Medicare Tax	0.90%	Wages>\$250,000 Married Filing Joint	
		Wages>\$125,000 Married Filing Separate	

NEW JERSEY PAYROLL LIMITS			
	<u>Rate</u>	<u>Max Wages</u>	<u>Max Deduction</u>
Unemployment Insurance	0.3825%	\$ 33,700	\$ 128.90
Disability Insurance	0.1900%	\$ 33,700	\$ 64.03
Workforce Development	0.0425%	\$ 33,700	\$ 14.32
Family Leave Insurance	0.0900%	\$ 33,700	\$ 30.33
Total	0.7050%		\$ 237.58
* NJ Employer rates became effective 07/1/17 and will remain in effect until 06/30/18			

Please view our website for further updates. For payroll tax limits for states other than New Jersey, contact your tax professional at Mills & DeFilippis.