

## Payroll Tax Rates Information for 2018

The following data will assist you in preparing your payroll taxes and ensure that you are making the correct deductions for state and federal taxes. This information was prepared by PSAB's Research Department, Shelley A. Houk, 717-236-9526, Ext 1018. All other income tax questions must be referred to the borough's tax consultant or the IRS.

### FICA (Social Security Taxes)

Employers must report base wages for Social Security and Medicare **separately**. IRS Forms 941 and W-2 are divided into two tables to accommodate this change.

1. Social Security		
Wages Subject to Tax	\$128,700	
Employee Withholding Rate		6.2%
Employer Withholding Rate		6.2%
2. Medicare		
Wages Subject to Tax	All Wages	
Employee Withholding		1.45%
Employer Withholding		1.45%

### Federal Income Tax

1. Use IRS 2018 E Chart

### PUC (Pa. Unemployment Compensation)

1. State Program Members: Contact your County U/C office or field office or employer contact center at 1-866-403-6163.
2. PSAB Members: Contact Debbie Janney at 1-800-232-7722, Ext. 1025
3. For all employers: the employee withholding rate is: 0.06% or .0006

### FUTA (Federal Unemployment Tax)

1. Local governments are exempt.

### Pennsylvania Income Tax

1. Withholding rate is 3.07%

### IRS Mileage Reimbursement Rate

1. 54.5 cents per mile

### Federal Minimum Wage

1. \$7.25/hour

