

PRIMEPAY'S 2017 QUICK WAGE & TAX GUIDE

NEW FOR 2017

FEDERAL

MINIMUM WAGE	
Minimum Wage	\$7.25
Minimum Cash Wage (Tipped)	\$2.13
Maximum Tip Credit	\$5.12
FICA (SOCIAL SECURITY)	
Maximum Taxable Wages	\$127,200
Employee/Employer Tax Rate	6.2%
FICA (MEDICARE)	
Maximum Taxable Wages	No Limit
Employee/Employer Tax Rate	1.45%
Add. Tax on Earnings >\$200K	0.9%
FUTA (EMPLOYER-PAID)	
Maximum Taxable Wages	\$7,000
Employee/Employer Tax Rate	6%
Net Tax Rate	0.6%
PENSION LIMITS: STANDARD	
401(k), 403(b), 457 & Roth 401(k)	\$18,000
Simple Plan IRA	\$12,500
ADDITIONAL CATCH-UP*	
401(k), 403(b), 457 & Roth 401(k)	\$6,000
Simple Plan IRA	\$3,000

*Additional catch-up provision for an employee that reaches the age of 50 by the end of the tax year. To qualify, the catch-up contribution must be an established provision of the company's plan. For more information on your specific pension plan rules, please see your plan administrator.

CALIFORNIA

MINIMUM WAGE	
Minimum Wage	\$10.50*
Minimum Cash Wage (Tipped)	\$10.50*
Maximum Tip Credit	Not Allowed

*For employers with 26 or more employees. For employers with 25 or fewer employees, the minimum wage and minimum cash wage (tipped employee) is \$10 an hour, effective on January 1.

STATE INCOME TAX

Withholding Tax Rate	Tables
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UNEMPLOYMENT INSURANCE

Maximum Taxable Wages	\$7,000
Employee Deduction	None
Employer Tax Rates	1.5-6.2%*
New Employer Tax Rates	3.4%**

*Plus 0.1% employment training tax assessed on most employers.
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MORE INFORMATION

Franchise Tax Board: ftb.ca.gov
Employment Development Dept.: edd.ca.gov