2015 Payroll Tax Information

(The new guidelines on Federal Income Tax withholding, Social Security, and Medicare are effective for wages PAID on and after January 1, 2015. The Medical Aid guidelines are effective for hours WORKED on and after January 1, 2015.)

A. FEDERAL INCOME TAX WITHHOLDING

1. Calculate the taxable gross:

   Gross Pay minus Reductions = Taxable Gross

   PERS, UWRP,
   TRS, LEOFF, FSA, HSA
   VIP, State Def Comp,
   Pre-Tax Med Ins, Dependant Care,
   Pre-Tax Parking

2. Calculate the Federal Withholding Allowance (amount per IRS)

   $166.70 \times \text{number of allowances claimed}

3. Calculate the Taxable Income:

   Taxable Gross minus Federal Withholding Allowance = Taxable Income

4. Using Taxable Income, calculate Federal Income Tax Withholding using TABLE 3 below:

   (from IRS Publication 15)

   **TABLE 3 -- SEMIMONTHLY Payroll Period**

   (a) SINGLE person (including head of household) (b) MARRIED person

<table>
<thead>
<tr>
<th>Over</th>
<th>But not over</th>
<th>of excess</th>
<th>Over</th>
<th>But not over</th>
<th>of excess</th>
</tr>
</thead>
<tbody>
<tr>
<td>$96</td>
<td>$480</td>
<td>$38.40</td>
<td>$96</td>
<td>$358</td>
<td>$1,127</td>
</tr>
<tr>
<td>$480</td>
<td>$1,656</td>
<td>$80.80</td>
<td>$1,656</td>
<td>$3,479</td>
<td>$6,568</td>
</tr>
<tr>
<td>$1,656</td>
<td>$3,877</td>
<td>$214.80</td>
<td>$3,877</td>
<td>$6,658</td>
<td>$12,244</td>
</tr>
<tr>
<td>$3,877</td>
<td>$7,983</td>
<td>$420.50</td>
<td>$7,983</td>
<td>$9,960</td>
<td>$21,490</td>
</tr>
<tr>
<td>$7,983</td>
<td>$17,242</td>
<td>$1,919.73</td>
<td>$17,242</td>
<td>$17,504</td>
<td>$35,008</td>
</tr>
<tr>
<td>$17,242</td>
<td>$17,313</td>
<td>$4,975.20</td>
<td>$17,313</td>
<td>$19,727</td>
<td>$51,638</td>
</tr>
</tbody>
</table>

B. SOCIAL SECURITY/MEDICARE

Taxable Gross = Gross Pay minus Pretax Med Ins, Dep. Care, Pre-Tax Parking, FSA, HSA

Social Security 6.2% $ \times \text{Taxable gross up to $118,500} 
Maximum Tax $7,347.00

Medicare 1.45% $ \times \text{all taxable gross pay up to $200,000}

Medicare 2.35% $ \times \text{all taxable gross pay over $200,000 – no maximum}

C. MEDICAL AID (Worker’s Compensation) for hours worked on or after Jan. 1st

.09260 $ \times \text{hours worked (maximum 80 hours)}

The maximum deduction is:

.09260 $ \times 80$ = $7.41

Employer Contribution: .2463 X hours up to a maximum of $19.70