

2015 PAYROLL QUICK REFERENCE

FEDERAL TAXES					
TYPE OF TAX	TAXABLE WAGE BASE	EMPLOYER TAX RATE	EMPLOYEE TAX RATE	MAXIMUM EMPLOYER TAX	MAXIMUM EMPLOYEE TAX
SOCIAL SECURITY	\$118,500	6.20%	6.20%	\$7,347	\$7,347
MEDICARE	NO LIMIT	1.45%*	1.45%	NO LIMIT	NO LIMIT
FUTA	\$7,000	0.60%	N/A	\$ 42.00	N/A
FEDERAL INCOME TAX	There will be new "Circular E" tables issued with an effective date of January 2015.				
* An additional 0.9% Medicare tax should be withheld for each employee earning in excess of \$200,000 . (note that employers are not required to match this tax.)					

STATE AND LOCAL INCOME TAXES		
STATE	WITHHOLDING TAX RATE	REMARKS
PA	3.07%	Taxed on Gross Wages for 2015.
LOCAL (PA)		Withhold the local earned income tax at the proper rate from each employee which is the GREATER of; (1) The tax rate where the employee is employed, which is the employer non-resident rate; or (2) The tax rate where the employee lives, which is the employee resident rate City of Reading Earned Income Rates are: • Resident Rate - 3.6% combined • Non-Resident Rate - 1.3% combined City of Philadelphia Wage Rates are: • Residents of Philadelphia - 3.92% • Non-Residents - 3.4915%
DE		Use wage bracket tax tables provided by Revenue Division
NJ		Use wage bracket tax withholding tables provided by Division of Taxation.

STATE UNEMPLOYMENT TAX			
STATE	TAXABLE WAGE BASE	EMPLOYEE TAX RATE	REMARKS
PA	\$9,000	0.07% *	*employee withholding rate applies to all wages (no \$9,000 wage base limit) Newly liable non-construction employers will be assigned a rate of 3.6785% until they can be experience rated, and newly liable construction employers will be assigned a rate of 10.1947%.
DE	\$18,500	-	
NJ	\$32,000	0.765% **	** employee withholding rate applies to first \$32,000 of wages

MINIMUM HOURLY WAGE		
FEDERAL/STATE	MINIMUM PER HOUR	REMARKS
FEDERAL	\$ 7.25	Effective 7/24/09.
PA	\$ 7.25	Effective 7/24/09. There are special rules for tips and meals.
DE	\$ 7.75	Effective 6/1/14 There are special rules for tips and meals.
	\$ 8.25	Effective 6/1/15 There are special rules for tips and meals.
NJ	\$ 8.38	Effective 1/1/15 There are special rules for tips and meals.

SOCIAL SECURITY BENEFITS		
AGE LIMIT	MAXIMUM AMOUNT	REMARKS
Age 62 to 65	\$15,720	The maximum amounts retired employees can earn before losing social security benefits. A \$41,800 earnings limit for 2015 applies to workers who retire in the calendar year in which they turn 66. The limit is \$ 3,483 per month for 2015 until the month the worker reaches full retirement.
Age 66 and over	No Limitation	