

2021 WAGE AND TAX FACTS

FEDERAL

MINIMUM WAGE	
Minimum Wage	\$ 7.25
Minimum Cash Wage (Tipped Employee)	\$ 2.13
Maximum Tip Credit	\$ 5.12
Youth Minimum Wage	\$ 4.25

MEDICARE	
Maximum Taxable Earnings	No Limit
Employee / Employer Tax Rate	1.45%
Additional Medicare Tax Withholding on Wages > \$200,000 (No Employer Match)	0.9%

SOCIAL SECURITY	
Maximum Taxable Earnings	\$ 142,800
Employee / Employer Tax Rate	6.2%

FUTA (EMPLOYER-PAID)	
Maximum Taxable Earnings	\$ 7,000
Percent of Taxable Wages	6.0%
Maximum Credit	5.4%
Normal Net Tax	0.6%

SUPPLEMENTAL WAGE / BONUS RATES	
Flat rate withholding method	22%
Pay over \$1 million	37%

HEALTH SAVINGS ACCOUNTS	
Self-Only Contribution Limit (Employee & Employer)	\$ 3,600
Family Contribution Limit (Employee & Employer)	\$ 7,200
Catch-up Contribution Limit (Employee & Employer)	\$ 1,000

RETIREMENT PLANS	
Contribution Limit - 401(k) & 403(b) plans	\$ 19,000
Catch-up Contribution Limit - 401(k) & 403(b) plans	\$ 6,000

CALIFORNIA

MINIMUM WAGE	
Minimum Wage - 26 or more employees	\$ 14.00
Minimum Wage - 25 or fewer employees	\$ 13.00
Maximum Tip Credit	Not Allowed

STATE INCOME TAX	
Wage Withholding	Tables
Supplemental Wage / Bonus Rate	6.6% except 10.23% for BONUSES and earnings from STOCK OPTIONS

UNEMPLOYMENT INSURANCE	
Maximum 2020 Taxable Earnings	\$ 7,000
Employee Deduction	None
Employer 2020 Tax Rates (Plus 0.1% employment training tax assessed on most employers)	1.5% - 6.2%
Standard 2020 New Employer Rate (Plus 0.1% employment training tax)	3.4%
Voluntary Contribution Permitted	No

DISABILITY INSURANCE	
Maximum 2020 Taxable Earnings	\$ 128,298
Employee 2020 Deduction Rate	1.2%
Employee 2020 Maximum Withholding	\$ 1,539.58
Employer Contribution	None

AGENCY	
Franchise Tax Board	www.ftb.ca.gov
Employment Development Dept.	www.edd.ca.gov

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