



Effective January 1, 2019

## 2019 U.S. Wage & Tax Update

The IRS has released the 2019 tax and plan limits. Please refer to the chart below to see the new 2019 limits and a side-by-side comparison of the 2018 limits.

FEDERAL		
	2019	2018
Minimum Wage	\$7.25	\$7.25
Min. Cash Wage (Tipped Employee)	\$2.13	\$2.13
Max. Tip Credit	\$5.12	\$5.12
STATE MINIMUM WAGES		
<a href="http://www.dol.gov/whd/minwage/america.htm">http://www.dol.gov/whd/minwage/america.htm</a>		
FICA – SOCIAL SECURITY		
Maximum Earnings	*\$132,900	\$128,400
Employee Percentage	6.2%	6.2%
Maximum Deduction	*\$8,239.80	\$7,960.80
FICA - MEDICARE		
Maximum Earnings	Unlimited	Unlimited
Employee Percentage	1.45%	1.45%
Maximum Deduction	Unlimited	Unlimited
Self-Employment Tax	2.9%	2.9%
Additional Medicare Tax → Excess of \$200,000 (Single)	0.9%	0.9%
FUTA – PAID BY EMPLOYER		
Rate	6.0%	6.0%
Maximum Credit	5.4%	5.4%
Normal Net Tax	0.6%	0.6%
Maximum Earnings	\$7,000	\$7,000

CONTRIBUTION PLAN LIMITS		
Maximum Contributions		
Plan	2019	2018
401(k)	*\$19,000	\$18,500
- Catch-up (50 and over)	\$6,000	\$6,000
403(b)	*\$19,000	\$18,500
- Catch-up (50 and over)	\$6,000	\$6,000
SEP IRAs	*\$56,000	\$55,000
457(b)	*\$19,000	\$18,500
- Catch-up (50 and over)	\$6,000	\$6,000
Traditional & Roth IRA	*\$6,000	\$5,500
- Catch-up (50 and over)	\$1,000	\$1,000
Simple IRA	*\$13,000	\$12,500
- Catch-up (50 and over)	\$3,000	\$3,000
HSA		
- Self-Only Coverage	*\$3,500	\$3,450
- Family Coverage	*\$7,000	\$6,900
- Catch-up (55 and over)	\$1,000	\$1,000
FSA (Employer Sponsored)	*\$2,700	\$2,650
FSA (Dependent Care)		
- Family	\$5,000	\$5,000
- If married filing separately	\$2,500	\$2,500
MILEAGE ALLOWANCE		
Business (Cents/Mile)	*58	54.5
Charitable (Cents/Mile)	14	14
Medical/Moving (Cents/Mile)	*20	18

\* = CHANGE from 2018 to 2019

FEDERAL AGENCY WEBSITES
Internal Revenue Service: <a href="http://www.irs.org">www.irs.org</a>
Social Security Administration: <a href="http://www.ssa.gov">www.ssa.gov</a>
U.S. Department of Labor: <a href="http://www.dol.org">www.dol.org</a>

Please Contact IPS for more information.