

ATHEY & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS, P.A.
 856-451-8277

**PAYROLL TAX INFORMATION
 FOR THE YEAR 2020**

FEDERAL LIMITS

Social Security:	Wage Base	\$137,700.00	(NEW LIMIT)
	Max. Contribution	\$8,537.40	
	Withholding Rate	6.2%	

Medicare:	Wage Base	Unlimited	
	Max. Contribution	Unlimited	
	Withholding Rate	1.45%	

Additional Medicare tax of .9% should be deducted on employee wages over \$200,000

* FUTA:	Wage Base	\$7,000.00	
	Max. Contribution	\$42.00	
	Tax Rate	0.6%	

* FOR 2019 ONLY THE US VIRGIN ISLANDS MUST PAY AN INCREASED TAX ON FORM 940.
 Tax paid by employer only, no deduction from employee.

NEW JERSEY LIMITS

Unemployment-Employee & Employer	Wage Base	\$35,300.00	(NEW LIMIT)
	Max. Contribution	\$150.03	
	Withholding Rate	0.425%	
	Unemployment-Employee	0.3825%	
	Workforce Dev (WF/SWF)	0.0425%	

Disability-Employee	Wage Base	\$134,900.00	(NEW LIMIT)
Employer contributions wage base is \$35,300	Max. Contribution	\$350.74	
	Withholding Rate	0.26%	(NEW RATE)

FLI (Family Leave Insurance) - Employee Only	Wage Base	\$134,900.00	(NEW LIMIT)
	Max. Contribution	\$215.84	
	Withholding Rate	0.16%	(NEW RATE)

Employer's tax rates vary for Unemployment and Disability

Base Week	\$200.00	(usually 13 but 3rd qtr has 14 in 2020)
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**FOR DETAILS ON THE FOLLOWING AND MORE ON PAYROLL REQUIREMENTS  
 VISIT THE INFO CENTER ON OUR WEBSITE AT [www.atheycocpa.com](http://www.atheycocpa.com)**

**Form W-4 has been completely revised for 2020. Please review at [irs.gov](http://irs.gov)  
 Publication 15 and 15-T should be reviewed to ensure proper federal tax withholding.**

**NJ Minimum Wage Increases on January 1, 2020 TO \$11 for most employers**  
**For Agricultural Employers and Employers with fewer than 6 employees Minimum Wages Increases to \$10.30**

**FORMS W-2 AND W-3 MUST BE FILED WITH SSA BY JANUARY 31, 2020**

**NJ Employers must accrue 1 hour of Sick Leave for every 30 hours worked, up to 40 hour per year**

**NJ EMPLOYEES MUST RECEIVE EITC NOTICE WITH FORM W-2 - MANDATORY NEW HIRE REPORTING AND FORM I-9**

**PENSION PLAN LIMITATIONS FOR 2020**  
**401(k) - \$19,500      Catch-up - \$6,500**