

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

**PAYROLL TAX INFORMATION
 FOR THE YEAR 2021**

FEDERAL LIMITS

Social Security:	Wage Base	\$142,800.00 (NEW LIMIT)
	Max. Contribution	\$8,853.60
	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 2020 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	\$36,200.00 (NEW LIMIT)
	Max. Contribution	\$153.85
	Withholding Rate	0.425%
	Unemployment-Employee	0.3825%
	Workforce Dev (WF/SWF)	0.0425%

Disability-Employee	Wage Base	\$138,200.00 (NEW LIMIT)
Employer contributions wage base is \$36,200	Max. Contribution	\$649.54
	Withholding Rate	0.47% (NEW RATE)

FLI (Family Leave Insurance) - Employee Only	Wage Base	\$138,200.00 (NEW LIMIT)
	Max. Contribution	\$386.96
	Withholding Rate	0.28% (NEW RATE)

Employer's tax rates vary for Unemployment and Disability

Base Week \$220.00

***FOR DETAILS ON THE FOLLOWING AND MORE ON PAYROLL REQUIREMENTS
 VISIT THE INFO CENTER ON OUR WEBSITE AT www.atheycocpa.com***

**Form W-4 has been completely revised. Please review at irs.gov
 Publication 15 and 15-T should be reviewed to ensure proper federal tax withholding.**

**NJ Minimum Wage Increases on January 1, 2021 TO \$12 for most employers
 Employers with fewer than 6 employees Minimum Wages Increases to \$11.10 Agricultural Employers increases to \$10.44**

FORMS W-2 AND W-3 MUST BE FILED WITH SSA BY JANUARY 31, 2021

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 2021
 401(k) - \$19,500 Catch-up - \$6,500