



FICA/Medicare - Quick Reference

Table of Contents

FICA/Medicare - Quick Reference i

FICA/Medicare - Quick Reference 1

FICA/Medicare - Quick Reference

Grandfather clause regarding Medicare: Employees hired by a District before April 1, 1986, are exempt from mandatory Medicare if they have been in continuous employment with the same employer since March 31, 1986, and are members of a public retirement system.

Medicare is mandatory for all employees hired or rehired after March 31, 1986.

| Full FICA or Medicare Only? | FICA 6.2% | Medicare 1.45% | TxEIS FICA Eligibility field setting |
|---|--------------|-------------------|---|
| Retired Teacher drawing teacher retirement and substituting or working in the LEA | No | Yes | M Subject to medicare |
| Regular Substitute Teacher (no retirement plan) | Yes | Yes | Y Subject to FICA tax |
| Regular Substitute Teacher (457 retirement plan) | No | Yes | M Subject to medicare |
| Substitute Teacher drawing social security | Yes | Yes | Y Subject to FICA tax |
| Substitute Teacher drawing retirement other than Teacher Retirement | Yes | Yes | Y Subject to FICA tax |
| Student Worker enrolled in the LEA | No | No | N Not subject to FICA |
| Student Worker enrolled in another LEA | Yes | Yes | Y Subject to FICA tax |