

FICA Tax - HRS2400

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This tab is used to establish the rates and maximums used by the system to calculate FICA and Medicare deductions from each paycheck. These tables include the rate to be applied to the gross salary to calculate FICA and Medicare deductions, the maximum salaries for which FICA and Medicare are calculated, and the maximum amount of FICA and Medicare tax regardless of salary amount. The taxed amount is matched by contributions from the district. You must keep this information up to date in order for these calculations to be accurate. This information is available in the IRS Circular E annually and can be updated at any time (go to https://www.irs.gov/forms-instructions to obtain a copy of this publication).

Note: At the beginning of each calendar year, the TCC provides a flat text file containing the new calendar year tax tables. This file is accessible to the local ESC consultants via the FTP site. **It is recommended** that the LEAs use the provided file to import the tax data as the pay frequency is no longer being used for calendar years greater than 2019. Additionally, the import relieves the task of having to manually set up the tax table data.

Set up FICA tax data:

Field	Description
Calendar Year	The current calendar year is displayed in the YYYY format. Verify that you are in the correct calendar year. If not, type the four-digit calendar year and click **Retrieve** to retrieve the applicable records for that year.
FICA Max Salary	Type the maximum wage that is subject to tax for the year.
Employee FICA Rate	Type the tax rate for social security.

❑ Press TAB. The **Employee FICA Max Tax** is calculated the field is populated upon saving the record.

Employer FICA Rate	Type the employer's FICA tax contribution rate for the year.

❑ Press TAB. The **Employer FICA Max Tax** is calculated and the field is populated upon saving the record.

Medicare Rate	Type the Medicare tax rate. The employee and employer rates are the same.

By default, the **Additional Medicare Rate** field is set to 0.90% but can be modified.

By default, the **Additional Medicare Salary Threshold** field is set to 200,000.00 but can be modified.

EIC Max Credit	Type the maximum amount of advanced EIC that can be paid to an employee.

HSA Max Employer Contribution	Type the annual maximum health savings account contribution limit. Each year, this amount can be found on the IRS Publication 969 - Health Savings Accounts and Other Tax-Favored Health Plans.

❑ Click **Save**.

Other functions and features:

Retrieve	The **Retrieve** button is also used to retrieve information from the last save. If you click **Retrieve**, any unsaved changes are lost.
Delete	Click to delete all tax tables for the calendar year except TRS rates. A warning message is displayed and prompts you to confirm that you want to delete all tax tables. Click **Yes** to delete the tax tables for the calendar year. Click **No** to not delete the tax tables and return to the current tab.
Print	Click to print tax table data. The following Tax Table options are displayed: **Current Tab Page** - prints only the tab page currently open. **Selected Code Tables** - displays the following Tax Table Selection options: FIT Exemption FIT Tables FICA Tax Unemployment TRS Rates Annuity Rates Workers' Comp Deduction Codes **All Code Tables** - prints all the Tax/Deductions tab pages. Select an option, and then click **OK** to view a copy of the report. Otherwise, click **Cancel** to return to the tab. Review the report.