



SARINELLI & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

2019 Payroll Highlights

FEDERAL

FEDERAL MINIMUM WAGE

\$7.25 per hour (July 2009)

FICA CHANGES

	2018	2019
Social Security (OASDI) Wage Base	128,700	132,900
Medicare (HI) Wage Base	No Limit	No Limit
Social Security (OASDI) Percentage	6.20%	6.20%
Maximum Social Security Withholding	\$7,979.40	\$8,239.80
Medicare (HI) Percentage	1.45%	1.45%

SELF EMPLOYMENT

The 2018 social security wage base for self-employed individuals is 128,700 with the social security tax rate at 12.4%. There is no Medicare wage limit, and the Medicare tax rate remains at 2.9%. The tax applies to the net earnings from self-employment.

FUTA

	2018	2019
Rate % of Wages	6.00%	6.00%
Maximum Credit	5.40%	5.40%
Normal Net Tax	0.60%	0.60%
Wage Base	\$7,000	\$7,000

MILAGE ALLOWANCE

	2018	2019
Business	54.5 Cents	58 Cents
Relocation	18 Cents	20 Cents
Charitable	14 Cents	14 Cents
Medical / Moving	18 Cents	20 Cents

NEW JERSEY GROSS INCOME TAX TABLE

BASE WEEKS \$172.00

Minimum Wage	\$8.85
Minimum Wage With Tips	\$2.13
SUI/SDI Taxable Wage Base	\$34,400
Employee Percentage	0.615%
Maximum Deduction	SUI .425% SDI .17%
Family Leave Insurance	FLI 0.08%
	\$146.20 \$58.48 \$27.52

RETIREMENT PLAN CONTRIBUTION LIMITS

	2019
Maximum Elective Deferral to 401(k) and 403(b)	\$19,000
Maximum Elective Deferral to SIMPLE IRA PLANS	\$13,000
Maximum Annual Contribution to Defined Contribution Plans	\$56,000
Maximum Annual Contribution to Keogh or SEP-IRA	The lessor of 25% of W-2 or \$56,000
Maximum Annual Contribution taken into Account for Contribution	\$280,000
Threshold Amount for Definition of Highly Compensated Employees	\$125,000
Threshold Amount for Definition of Key Employee in Top-Heavy Plans	\$180,000

CONTRIBUTION LIMITS & CATCH-UP

Individuals at least age 50 by year end can make contributions	
401(k) Plans	\$6,000
SIMPLE Plans	\$3,000
IRA ROTH & TRADITIONAL	\$6,000
IRA ROTH & TRADITIONAL Catch up	\$1,000



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