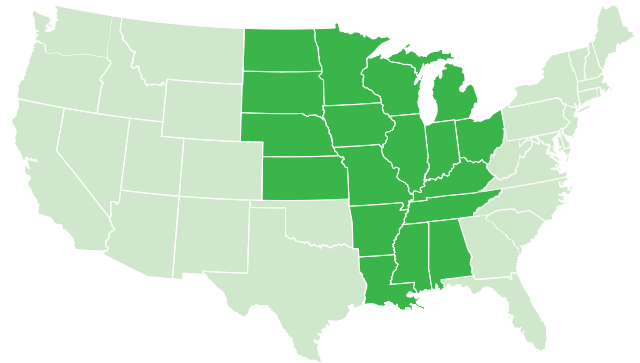


Quick update:

U.S. wage and tax— Central, January 2016



This information is valid effective January 1, 2016. **Please note:** Minimum wage rates may vary by specific industry. Please validate with the proper agency. Such advice should be obtained from an attorney or appropriate tax or financial professional. Sage does not provide wage, tax, or legal advice. State minimum wage rates may be superseded by federal rates.

Federal

Minimum wage	\$7.25
Min. cash wage (tipped employee)	\$2.13
Max. tip credit	\$5.12
Youth subminimum wage	\$4.25

FICA—Social Security

Maximum earnings	\$118,500
Employer percentage	6.2%
Employee percentage	6.2%
Self-employment tax	12.4%

FICA—Medicare

Maximum earnings	Unlimited
Employer percentage	1.45%
Maximum deduction	Unlimited
Self-employment tax	2.9%
Employee percentage	1.45%
Employee supplemental percentage*	.09%

*The supplemental Medicare rate is withheld on employee wages in excess of \$200,000 per year.

Retirement plan limits

Maximum contributions	SIMPLE	\$12,500
401(k)	Catch-up contributions	
403(b)	401(k)	\$6,000
SEP	403(b)	\$6,000
457	457	\$6,000
	SIMPLE	\$3,000

Note: EGTRRA allows 457 plan elective deferrals to be doubled in the last three years leading up to retirement.

Calendar Legend

- Sage Payroll Services closed
- Sage Payroll Services open, Federal Banking holiday
- Key dates
- Sage Payroll Services closed, banks open

- 01/31 All W-2s and 1099s due to employees
- 03/31 Quarter 1 ends, SSA file of W-2s due
- 04/30 Quarter 1 returns due
- 06/30 Quarter 2 ends
- 07/31 Quarter 2 returns due
- 09/30 Quarter 3 ends
- 10/31 Quarter 3 returns due
- 12/31 Quarter 4 ends

FUTA—paid by employer

Rate	6.0%
Maximum credit	5.4%
Normal net tax	0.6%
Maximum earnings	7,000

Supp. wage/bonus rate

Flat rate withholding method	25%
Pay over \$1 million	39.6%

Mileage allowance

Business	54.0¢/mile
Charitable	14.0¢/mile
Medical/moving	19.0¢/mile

Federal agency websites

- Internal Revenue Service: www.irs.gov
- Social Security Administration: www.ssa.gov
- U.S. Department of Labor: www.dol.gov

January 2016

#	S	M	T	W	T	F	S
1	27	28	29	30	31	1	2
2	3	4	5	6	7	8	9
3	10	11	12	13	14	15	16
4	17	18	19	20	21	22	23
5	24	25	26	27	28	29	30
6	31	1	2	3	4	5	6

February 2016

#	S	M	T	W	T	F	S
6	31	1	2	3	4	5	6
7	7	8	9	10	11	12	13
8	14	15	16	17	18	19	20
9	21	22	23	24	25	26	27
10	28	29	1	2	3	4	5
11	6	7	8	9	10	11	12

March 2016

#	S	M	T	W	T	F	S
10	28	29	1	2	3	4	5
11	6	7	8	9	10	11	12
12	13	14	15	16	17	18	19
13	20	21	22	23	24	25	26
14	27	28	29	30	31	1	2
15	3	4	5	6	7	8	9

April 2016

#	S	M	T	W	T	F	S
14	27	28	29	30	31	1	2
15	3	4	5	6	7	8	9
16	10	11	12	13	14	15	16
17	17	18	19	20	21	22	23
18	24	25	26	27	28	29	30
19	1	2	3	4	5	6	7

May 2016

#	S	M	T	W	T	F	S
19	1	2	3	4	5	6	7
20	8	9	10	11	12	13	14
21	15	16	17	18	19	20	21
22	22	23	24	25	26	27	28
23	29	30	31	1	2	3	4
24	5	6	7	8	9	10	11

June 2016

#	S	M	T	W	T	F	S
23	29	30	31	1	2	3	4
24	5	6	7	8	9	10	11
25	12	13	14	15	16	17	18
26	19	20	21	22	23	24	25
27	26	27	28	29	30	1	2
28	3	4	5	6	7	8	9

July 2016

#	S	M	T	W	T	F	S
27	26	27	28	29	30	1	2
28	3	4	5	6	7	8	9
29	10	11	12	13	14	15	16
30	17	18	19	20	21	22	23
31	24	25	26	27	28	29	30
32	31	1	2	3	4	5	6

August 2016

#	S	M	T	W	T	F	S
32	31	1	2	3	4	5	6
33	7	8	9	10	11	12	13
34	14	15	16	17	18	19	20
35	21	22	23	24	25	26	27
36	28	29	30	31	1	2	3
37	4	5	6	7	8	9	10

September 2016

#	S	M	T	W	T	F	S
36	28	29	30	31	1	2	3
37	4	5	6	7	8	9	10
38	11	12	13	14	15	16	17
39	18	19	20	21	22	23	24
40	25	26	27	28	29	30	1
41	2	3	4	5	6	7	8

October 2016

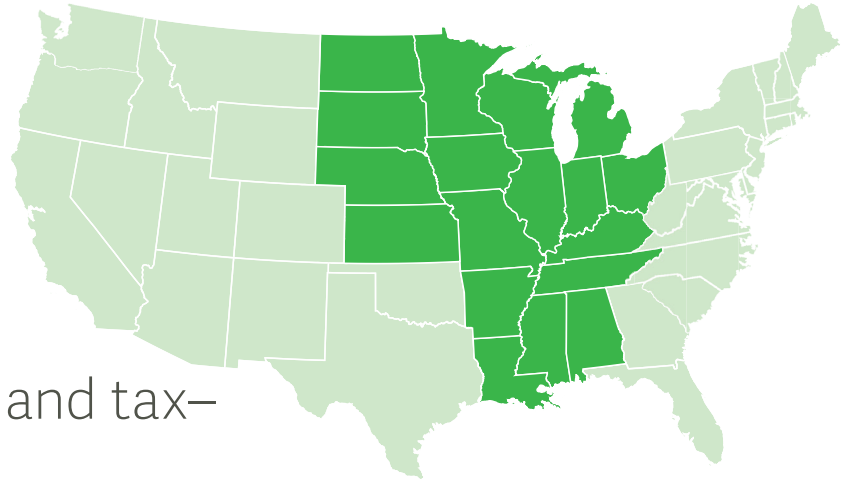
#	S	M	T	W	T	F	S
40	25	26	27	28	29	30	1
41	2	3	4	5	6	7	8
42	9	10	11	12	13	14	15
43	16	17	18	19	20	21	22
44	23	24	25	26	27	28	29
45	30	31	1	2	3	4	5

November 2016

#	S	M	T	W	T	F	S
45	30	31	1	2	3	4	5
46	6	7	8	9	10	11	12
47	13	14	15	16	17	18	19
48	20	21	22	23	24	25	26
49	27	28	29	30	1	2	3
50	4	5	6	7	8	9	10

December 2016

#	S	M	T	W	T	F	S
49	27	28	29	30	1	2	3
50	4	5	6	7	8	9	10
51	11	12	13	14	15	16	17
52	18	19	20	21	22	23	24
53	25	26	27	28	29	30	31
	1	2	3	4	5	6	7



Quick update: U.S. wage and tax— Central, January 2016

Alabama

Minimum wage	NONE
SUI	
Wage base	\$8,000

Arkansas

4 or more full-time employees	
Minimum wage	\$8.00
SUI	
Wage base	\$12,000

Illinois

Minimum wage	\$8.25
SUI	
Wage base	\$12,960

Indiana

Minimum wage	\$7.25
SUI	
Wage base	\$9,500

Iowa

Minimum wage	\$7.25
SUI	
Wage base	\$28,300

Kansas

Minimum wage	\$7.25
SUI	
Wage base	\$14,000

Kentucky

Minimum wage	\$7.25
SUI	
Wage base	\$10,200

Louisiana

Minimum wage	NONE
SUI	
Wage base	\$7,700

Michigan

2 or more full-time employees	
Minimum wage	\$8.50
SUI wage base	
Tier I ERs:	\$9,000
Tier II ERs:	\$9,500

Minnesota

Minimum wage	
large employer	\$9.00
small employer	\$6.50
SUI	
Wage base	\$31,000

Mississippi

Minimum wage	NONE
SUI	
Wage base	\$14,000

Missouri

Minimum wage	\$7.65
SUI	
Wage base	\$13,000

Nebraska

4 or more full-time employees	
Minimum wage	\$9.00
SUI	
Wage base	\$9,000

North Dakota

Minimum wage	\$7.25
SUI	
Wage base	\$37,200

Ohio

Minimum wage	
\$8.10 (if gross receipts > \$297,000)	
\$7.25 (if gross receipts < \$297,000)	
SUI	
Wage base	\$9,000

South Dakota

Minimum wage	\$8.55
SUI	
Wage base	\$15,000

Tennessee

Minimum wage	NONE
SUI	
Wage base	\$9,000

Wisconsin

Minimum wage	\$7.25
SUI	
Wage base	\$14,000

In the event of a state minimum wage falling below the federal amount, Sage will utilize the federal minimum wage amount.

For more info, visit: Sage.com
or contact us at 866-996-7243