



2025 PAYROLL WAGE & TAX FACTS

| FEDERAL | | CALIFORNIA | |
|---|--|---|--|
| Agency Websites: | | Agency Websites: | |
| Internal Revenue Service: | www.irs.gov | Franchise Tax Board: Employment Development Dept: | www.ftb.ca.gov www.edd.ca.gov |
| Social Security Admin: | www.ssa.gov | | |
| U.S. Dept of Labor: | www.dol.gov | | |
| Minimum Wage: | \$7.25 per hour | Minimum Wage (All Employers): | \$16.50 per hour |
| | | Minimum Annual Salary (Overtime Exempt): | \$68,640.00 |
| Federal Form W-4 | | California Withholding Allowance Certificate | |
| https://www.irs.gov/pub/irs-pdf/fw4.pdf | | https://www.edd.ca.gov/pdf_pub_ctr/de4.pdf | |
| Federal Withholding - IRS Pub. 15 (Circular E) | | California Employer Guide | |
| Refer to IRS Publication 15, (Circular E) | | https://edd.ca.gov/pdf_pub_ctr/de44.pdf | |
| https://www.irs.gov/pub/irs-pdf/p15.pdf | | Supplemental Wage & Bonus Rates | |
| FUTA (Employer Paid) | | Rate of 6.6% except 10.23% for bonuses and earnings from stock options | |
| Maximum Taxable Earnings | \$7,000.00 | State Income Tax - EDD Pub. DE 44 | |
| ER Deduction | FUTA Credit Reduction Rate 0.90% | Wage Withholding: Refer to Table | |
| FICA/Social Security (OASDI) Tax | | https://www.edd.ca.gov/payroll_taxes/rates_and_withholding.htm | |
| Maximum Taxable Earnings | \$176,100.00 | Unemployment Insurance | |
| ER Deduction | 6.20% | Maximum Taxable Earnings: \$7,000.00 | |
| EE Deduction | 6.20% | Employer Tax Rates (plus 0.001% ETT) 1.5-6.2% | |
| Maximum Deduction | \$10,918.20 | Standard New Employer Rate (plus 0.1% ETT) 3.40% | |
| OASDI Tax rate (Self-Employment) | 12.40% | EE Deduction None | |
| FICA/Medicare Tax | | State Disability Insurance | |
| Maximum Taxable Earnings | No Limit | Maximum Taxable Earnings (Updated from 2024) None | |
| Maximum Deduction | No Limit | ER Contribution/Deduction None | |
| ER/EE Deduction | 1.45% | EE Deduction 1.20% | |
| Additional Employee Medicare on wages greater than \$200,000 | 0.90% | Maximum Deduction None | |
| 401(K), 403(b), or 457(b) Plans (Increase for ages 50+) | | IRS Standard Mileage (Updated in December) | |
| Contribution Limit | \$23,500.00 | Business Miles Driven 70.0 cents | |
| \$7,500 Additional deferral for ages 50+ | \$31,000.00 | Medical/Moving (Military) Purposes 21.0 cents | |
| SIMPLE IRA Plans (Increase from 2024) | | Service of Charitable Organizations 14.0 cents | |
| Contribution Limit | \$16,500.00 | | |
| \$3,500 Additional contribution for ages 50+ | \$20,000.00 | | |
| \$5,250.00 Additional contribution for ages 60-63 | \$21,750.00 | | |