

2016 Tax and Limit Changes

2016 Payroll Changes

2016 Social Security Taxable Wage Base

Social Security taxable wage base will remain at \$118,500 and the employee and employer tax rate will remain 6.2%.

2016 (Employer)
Taxable Base Wage

2015

\$118,500

\$118,500

2016 Employee Portion

2015

6.2%

6.2%

2016 Medicare Tax

Medicare tax will continue to be 1.45% each for employee and employer rates; an additional 0.9% will apply on the employee rate for earnings over \$200,000 filing single.

Medicare
Tax

1.45%

+ 0.9% for earnings over \$200,000

2016 Benefits Changes



single



family

Health FSA Salary Reduction contribution limit **\$2,550**

Dependent Care FSA contribution limit will remain **\$5,000** | **\$2,500** if married filing separately

Highly Compensated Employee **\$120,000**

Key Employee **\$170,000**

HSA maximum contribution limit (an additional \$1,000 is available for catch-up contributions, 55 and over) **\$3,350** | **\$6,750**

HDHP minimum deductible **\$1,300** | **\$2,600**

HDHP out-of-pocket maximum **\$6,550** | **\$13,100**

Monthly Section 132 Transportation Limits **\$255** parking | **\$130** transit pass | **\$20** bicycle