

Winter 2022

The following is an update on employment taxes effective January 1, 2023:

	<u>FICA/HI TAX</u>	<u>FUTA</u>	<u>NJ SUI/Work Force</u> (Unemploy & WF)	<u>NJ TDI/FLI</u> (Disability/Family Leave)
Maximum Earnings:	\$160,200 FICA (Up from \$147,000 in 2022) No Limit HI (No change from 2022)	\$7,000 (No change from 2022)	\$41,100 (Up from \$39,800 in 2022)	\$156,800 (Up from \$151,900 in 2022)
Withholding % Employee/Employer:	FICA: 6.2% Employee (matched 6.2% by employers) HI: 1.45% Employee (matched 1.45% by employers) No change from 2022 Hi Tax remains at 2.35% for wages over \$200,000 for individuals, \$250,000 for married joint filers and \$125,000 for married filing separate	Employee: N/A Employer (NJ, NY, CT): 0.6%	Worker Rate: 0.00425	Worker Rate: TDI: 0.0000 (Down from 0.0014 in 2022) FLI: 0.0006 (Down from 0.0014 in 2022)
Maximum Deduction:	FICA \$9,932.40 (Up from \$9,114.00 in 2022) HI Tax: unlimited	N/A	\$174.68 (Up from \$169.15 in 2022)	TDI: \$0 (Down from \$212.66 in 2022) FLI: \$94.08 (Down from \$212.66 in 2022)

In addition to the 6.2% FICA withheld on the first \$160,200 of wages, all employees must pay 1.45% on wages paid over \$160,200 for the Medicare Hi Tax (maximum earnings in 2023 are unlimited, therefore, there is no maximum deduction.

The employer must contribute 6.20% of the first \$160,200 of wages and 1.45% of all wages

(2.35% for amounts over \$200,000 for single filers and if over \$250,000 for married filing jointly.

New York State employers should note that the maximum earnings subject to employment insurance contributions increases to \$12,300 for 2023-up from \$12,000 in 2022.

NJ Base week amount for 2023 increases to \$260.00 (up from \$240.00 in 2022)

It is recommended that you visit the website www.paycheckcity.com to ensure that you are withholding the correct amounts of tax.

If you have any questions on the above, please contact our office.

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