



GITTELMAN & company, p.c.

- CERTIFIED PUBLIC ACCOUNTANTS
- MANAGEMENT CONSULTANTS

"Tomorrow's knowledge today"

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NYC by appointment

Winter 2016

The following is an update on employment taxes effective January 1, 2017:

	FICA/Hi Tax	FUTA	NJ SUI/DBL/FAMILY LEAVE
MAXIMUM EARNINGS:	\$127,200 FICA (Up from \$118,500 in 2016) NO Limit HI (no change from 2016)	\$7,000 (no change from 2016)	\$33,500 (up from 32,600 in 2016)
WITHHOLDING % EMPLOYEE/EMPLOYER:	FICA: 6.2% Employee (matched 6.2% by employers) HI: 1.45% Employee (matched 1.45% by employer-no change from 2016) Hi Tax remains at 2.35% for wages over \$200,000 for individuals and \$250,000 for married joint filers	Employee: N/A Employer: .6 %	.007650% Worker Rate (up from .007050% in 2016) Breakdown: UI .003825 DI .002400 WF .000425 FLI .001000 (Jan. 1, 2017-Dec. 31, 2017)
MAXIMUM DEDUCTION:	F.I.C.A. \$7,886.40 (Up from \$7,347.00 in 2016) HI Tax: unlimited	N/A	\$256.28 (UI, DI, WF \$222.78 and FLI \$33.50) (up from \$229.83 in 2016) 2017 Base Week \$168 (no change from 2016)

IMPORTANT:

In addition to the 6.2% FICA withheld on the first \$127,200 of wages, all employees must pay 1.45% on wages paid over \$127,200 for the Medicare Hi Tax (maximum earnings in 2017 are unlimited, therefore, there is no maximum deduction). The employer must contribute 6.20% of the first \$127,200 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 \$10,900 for 2017 (Up from \$10,700 in 2016).

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.

Sincerely,

GITTLEMAN & COMPANY, P.C.