

Sielschott, Walsh, Keifer, Regula & Sherer CPAs, Inc.

Tax Facts 2020

Federal Rates and Limits

Federal Minimum Wage	Remains unchanged at \$7.25/hr
Social Security Wage Base	Increased from \$132,900 to \$137,700
FICA Tax Rate for Employees	Remains unchanged at 6.2%
FICA Tax Rate for Employers	Remains unchanged at 6.2%
Medicare Wage Base	No limit
Medicare Tax Rate for Employees	Remains unchanged at 1.45%
Medicare Tax Rate for Employers	Remains unchanged at 1.45%
Additional Medicare Tax Rate for	Remains unchanged at 0.9% on wages in excess of \$200,000
FUTA Rate	.6% (plus state credit reduction rate if applicable - determined at year end)
FUTA Taxable Wage Base	First \$7,000 per employee

State Rates and Limits

Ohio Minimum Wage	Increased from \$8.55/hr to \$8.70/hr for non tipped employees Increased from \$4.30/hr to \$4.35/hr for tipped employees
* The minimum wage will apply to employees of businesses with annual gross receipts of more than \$319,000 per year.	
* For companies with annual gross receipts of \$319,000 or less/yr and for 14 and 15-year-olds, the minimum wage is \$7.25/hr.	
The Ohio Minimum Wage Poster can be found at https://com.ohio.gov/documents/dico_2020MinimumWageposter.pdf	
SUTA Rate	Different rates for each employer.
New Employer SUTA Rate	2.70%
New Construction Employer SUTA Rate	5.80%
SUTA Taxable Wage Base	First \$9,000 per employee (down from \$9,500)

*** If we process your payroll, we will be checking each employee's municipal and school district tax rates. If you process your payroll, you can check using this website: https://thefinder.tax.ohio.gov/StreamlineSalesTaxWeb/default_schooldistrict.aspx**

Municipality Rates No new municipal rates have been posted at the time this was printed. You can check for updates at this website: <https://www.columbus.gov/tax/PrintAllMunis.aspx>

<u>NEW School District Rates</u>	<u>NEW Rate</u>
0501 Alexander	1.00%
1402 Clinton-Massie	0.50%
2301 Amanda-Clearcreek	2.00%
4509 Northridge	0.50%
5103 Pleasant	1.00%
5105 River Valley	1.00%

<u>Changed School District Rates</u>	<u>Rate Change</u>
0908 Ross	1.25%
2002 Central	1.25%
2004 Hicksville	1.50%
2602 Evergreen	1.50%
4604 Riverside	1.50%
5903 Mount Gilead	1.50%
8509 Triway	1.75%

Retirement Plan Limits (age 50 for catch up)

Elective Deferral Limit 401(k)	Increased from \$19,000 to \$19,500
Catch-up Contribution 401(k) Plans	Increases from \$6,000 to \$6,500
Defined Contribution Limit	Increased from \$56,000 to \$57,000
Annual Compensation Limit 401(a)(17)	Increased from \$280,000 to \$285,000
SIMPLE 401k Elective Deferral Limit	Increases from \$13,000 to \$13,500.
Catch-up Contribution Limits SIMPLE	Remains unchanged at \$3,000

HSA Contribution Limits (age 55 for catch up)

Individual	Increased from \$3,500 to \$3,550
Family	Increased from \$7,000 to \$7,100
Catch-Up Contributions	Remains unchanged at \$1,000

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