**2016 Tax Rates**

The Social Security Tax Rate for employees is **6.2%** through the end of 2016, with maximum taxable earnings of $118,500. (Source: Social Security Administration Website)

Medicare tax rate is **1.45%** with no maximum wage base limit.

Additional Medicare tax rate is **0.9%** and will be withheld on employee wages paid in excess of $200,000 in the calendar year.

PA State Personal Income tax rate is **3.07%**

PA State Unemployment tax rate is **.07%**

City of Philadelphia Wage tax rates effective 7/1/15 reduced from 3.92% to **3.9102%** for Philadelphia residents and from 3.4915% to **3.4828%** for non-residents.

The monthly Pre-Tax limit for BOTH Transportation Commuter Benefits AND Parking is $255**.

**Legislation was signed in December 2015 permanently equalizing the pre-tax limit between transportation and parking benefits.

Additional payroll tax information can be found on the Payroll Management website.