



Smith Elliott Kearns & Company, LLC  
 Certified Public Accountants & Consultants

## 2010 Payroll Tax Bulletin

### EMPLOYEE WITHHOLDING TAXES

#### Federal Income Tax

See Circular E

See Circular E

#### FICA Taxable Wage Limit

Social Security Wages  
 Medicare Wages

\$106,800  
 No limit

\$106,800  
 No limit

#### FICA Employee Tax Rate

Social Security Tax Rate  
 Medicare Tax Rate

6.20%  
 1.45%

6.20%  
 1.45%

#### State Income Tax Withholding

Maryland  
 Pennsylvania  
 Virginia  
 West Virginia

Based on tax tables  
 3.07%  
 Based on tax tables  
 Based on tax tables

Based on tax tables  
 3.07%  
 Based on tax tables  
 Based on tax tables

#### PA Unemployment Compensation

Employee Taxable Wage Limit  
 Employee Tax Rate

No limit  
 0.08%

No limit  
 0.06%

#### PA Local Income Tax Withholding

[www.sek.com](http://www.sek.com)

Varies depending on  
 employee residence

Varies depending on  
 employee residence

#### PA LST (EMST/OPT) Withholding

[www.sek.com](http://www.sek.com)

Varies depending on  
 employment location

Varies depending on  
 employment location

### EMPLOYER TAXES

#### FICA Taxable Wage Limit

Social Security Wages  
 Medicare Wages

\$106,800  
 No limit

\$106,800  
 No limit

#### FICA Employer Tax Rate

Social Security Tax Rate  
 Medicare Tax Rate

6.20%  
 1.45%

6.20%  
 1.45%

#### Federal Unemployment Compensation

Taxable Wage Limit Per Employee  
 Employer Tax Rate  
 (after credit of state unemployment tax)

\$7,000  
 0.800%

\$7,000  
 0.800%

#### State Unemployment Compensation

##### Taxable Wage Limit Per Employee / Tax Rate

Maryland  
 Pennsylvania  
 Virginia  
 West Virginia

\$8,500 / state assigned  
 \$8,000 / state assigned  
 \$8,000 / state assigned  
 \$12,000 / state assigned

\$8,500 / state assigned  
 \$8,000 / state assigned  
 \$8,000 / state assigned  
 \$8,000 / state assigned



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### MISCELLANEOUS ITEMS

#### **MD General Minimum Wage\***

Effective July 24, 2009

**2010**

**\$7.25**

**2009**

\$7.25

#### **PA General Minimum Wage**

Effective July 24, 2009

**\$7.25**

\$7.25

#### **VA General Minimum Wage**

Effective July 24, 2009

**\$7.25**

\$7.25

#### **WV General Minimum Wage**

Effective July 24, 2009

**\$7.25**

\$7.25

#### **Business Mileage Rate**

**50¢**

55¢

#### **Salary Deferral Limits**

401(k) Plan

**\$16,500**

\$16,500

Roth 401(k) Plan

**\$16,500**

\$16,500

SIMPLE Plan

**\$11,500**

\$11,500

Catch-up Contributions - Age 50 & over

401(k) Plan

**\$5,500**

\$5,500

Roth 401(k) Plan

**\$5,500**

\$5,500

SIMPLE Plan

**\$2,500**

\$2,500

\* rates may vary by county

## 941 Tax Deposit Due Dates

	<u>Payroll Check Date</u>	<u>Payment Due Date</u>
<b>Monthly Depositors</b> (\$50K or less reported 7/1/08-6/30/09)	Throughout month	15th of following month
<b>Semi-Weekly Depositors</b> (Over \$50K & less than \$100K reported 7/1/08-6/30/09)	Wed, Thurs, or Fri Sat, Sun, Mon, or Tues	Following Wednesday Following Friday
<b>Next-Day Depositors</b> (\$100K accumulated in deposit period)	Any day of the month	Next Banking Day

## Smith Elliott Kearns & Company, LLC

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 717-243-9104

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 Chambersburg, PA 17201  
 717-263-3910

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 Hagerstown, MD 21740  
 301-733-5020

55 Wetzel Drive  
 Hanover, PA 17331  
 717-637-5915