

Example on How to Calculate Employee FICA (OASDI) and Medicare Taxes

3/04/2022 Pay Date

① FICA Status

② Total Earnings \$4,806.00

③ Less: Pre-Tax Deductions

Dental Pre Tax	14.76	
EUTF Pre Tax Medical	65.42	
Prescription Drug Pre Tax	15.94	
Vision Pre Tax	2.28	<u>98.40</u>

Total Taxable OASDI/MED Wages \$4,707.60

④a \$339.56 - ④b \$250,000 (Threshold Amount Based on filing status) = -\$249,660.44

If $x \leq 0.00$, then ④c = 0.00; else If $x > 0.00$, then ④c = $x * .9\%$

OASDI EE/ER \$4,707.60 * ⑤ 6.2% = ⑦ 291.88

MED EE/ER \$4,707.60 * ⑥ 1.45% = ⑧ 68.26 + ④c 0.00

Empl ID
Empl Record 0

Employee

Payroll Information ? Find First 1 of 1 Last

Effective Date 03/01/2022 Go To Row
Effective Sequence 0
HR Status Inactive Action Retirement
Payroll Status Retired Reason Voluntary Retirement
Job Indicator Primary Job Current

Payroll System Payroll for North America
Absence System Absence Management
Correction/Cancellation Comments
254 characters remaining

Payroll for North America ?

Pay Group LAG Executive Branch - LAG Holiday Schedule SOH
Employee Type S Salaried
Tax Location Code HI001 Hawaii Tax Location
GL Pay Type *Payroll Numbe *Warrant Distribution FICA status Subject
*ERS FICA Code H0 *ERS Group Code 11
Combination Code Fd# ChartFields Update Date 02/04/2022 3:44:15PM

Absence Management System

Pay Group LAG State of Hawaii - LAG
Setting
 Use Pay Group Eligibility
 Use Pay Group Rate Type
 Use Pay Group As Of Date
Eligibility Group HI SV EG Sick Vacation EG
Exchange Rate Type
Use Rate As Of

State of Hawaii Central Payroll
P.O. Box 119
Honolulu, HI 96810

Payroll Number:
Pay Begin Date: 02/16/2022
Pay End Date: 02/28/2022

Warrant Dist:
Advice #:
Advice Date:

Self-Service ID: Department:	TAX DATA: Federal Marital Status: Married Allowances: 5 Addl. Percent: N/A Addl. Amount:	HI State Married 5
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HOURS AND EARNINGS						TAXES		
Description	Rate	Current Hours	Earnings	Hours	YTD Earnings	Description	Current	YTD
Regular			4,806.00		23,586.36	Fed OASDI/EE	291.88	1,451.92
Vacation			0.00	8.00	443.64	Fed MED/VE	68.26	339.56
						Fed Withholding	155.08	784.20
						HI Withholding	182.90	908.58
TOTAL:		0.00	4,806.00	8.00	24,030.00	TOTAL:	698.12	3,484.26

BEFORE-TAX DEDUCTIONS			AFTER-TAX DEDUCTIONS			EMPLOYER PAID BENEFITS		
Description	Current	YTD	Description	Current	YTD	Description	Current	YTD
Reg Retir hire before 7/1/2012	288.36	1,441.80	Employee Organization HGEA	17.50	87.50	ERS All Oth Active prior 7/1/12	1,153.44	5,767.20
Deferred Compensation	1,546.73	7,691.65				Employer Prescription Drug	85.60	428.00
Dental Pre Tax	14.76	73.80				Employer State Vision Care	3.42	17.10
EUTF PreTax Medical	65.42	327.10				Employer State Dental Plan	22.14	110.70
Prescription Drug Pre Tax	15.94	79.70				UI Assessments	3.36	16.80
Vision Pre Tax	2.28	11.40				Employer State Medical	351.24	1,756.20
DAGS Automotive Pre Tax Prkg	0.00	120.00				Workers Comp	67.28	336.40
						Employer State Grp Life Insur	2.06	10.30
						Retiree Health Insurance	532.02	2,660.10
						Pension Administration	2.40	12.00
TOTAL:	1,933.49	9,745.45	TOTAL:	17.50	87.50	*TAXABLE		

	TOTAL GROSS	FED TAXABLE GROSS	TOTAL TAXES	TOTAL DEDUCTIONS	NET PAY
Current	4,806.00	2,872.51	698.12	1,950.99	2,156.89
YTD	24,030.00	14,284.55	3,484.26	9,832.95	10,712.79

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Deduction Type	Description	Soc Sec Tax	Medicare Tax	State Tax	Federal Tax	Soc Sec Gross	Medicare Gross	State Tax Gross	Fed Tax Gross
AP	Tax Shelter Annuity	N/A	N/A	Pre-Tax	Pre-Tax	N/A	N/A	Reduce	Reduce
AR	Regular Retirement	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Reduce
AR	Additional Retirement	N/A	N/A	N/A	Pre-Tax	N/A	N/A	N/A	Reduce
DC	Deferred Comp	N/A	N/A	Pre-Tax	Pre-Tax	N/A	N/A	Reduce	Reduce
DR	Adult Dental - PCP	Pre-Tax	Pre-Tax	Pre-Tax	Pre-Tax	Reduce	Reduce	Reduce	Reduce
FA	Flex Spending Admin Fee	Pre-Tax	Pre-Tax	Pre-Tax	Pre-Tax	Reduce	Reduce	Reduce	Reduce
FD	Flex Spending Dep Care	Pre-Tax	Pre-Tax	Pre-Tax	Pre-Tax	Reduce	Reduce	Reduce	Reduce
FM	Flex Spending Medical	Pre-Tax	Pre-Tax	Pre-Tax	Pre-Tax	Reduce	Reduce	Reduce	Reduce
MR	Medical - PCP	Pre-Tax	Pre-Tax	Pre-Tax	Pre-Tax	Reduce	Reduce	Reduce	Reduce
PR	Prescrt Drug - PCP	Pre-Tax	Pre-Tax	Pre-Tax	Pre-Tax	Reduce	Reduce	Reduce	Reduce
TB	Trans Fringe Ben	Pre-Tax	Pre-Tax	Pre-Tax	Pre-Tax	Reduce	Reduce	Reduce	Reduce
VR	Vision Care - PCP	Pre-Tax	Pre-Tax	Pre-Tax	Pre-Tax	Reduce	Reduce	Reduce	Reduce

Tax rates and the social security wage base limit. Social security and Medicare taxes have different rates and only the social security tax has a wage base limit. The wage base limit is the maximum wage subject to the tax for the year. Determine the amount of withholding for social security and Medicare taxes by multiplying each payment by the employee tax rate.

- ⑤ For 2022, the social security tax rate is 6.2% (amount withheld) each for the employer and employee (12.4% total). The social security wage base limit is \$147,000. The tax rate for Medicare is 1.45% (amount withheld) each ⑥ for the employee and employer (2.9% total). There is no wage base limit for Medicare tax; all covered wages are subject to Medicare tax.

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Topic No. 560 Additional Medicare Tax

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④b

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A 0.9% Additional Medicare Tax applies to Medicare wages, self-employment income, and railroad retirement (RRTA) compensation that exceed the following threshold amounts based on filing status:

- \$250,000 for married filing jointly;
- \$125,000 for married filing separately; and
- \$200,000 for all other taxpayers.

This additional tax is used to help fund the [Affordable Care Act tax provisions](#), including the [premium tax credit](#).

If you receive both Medicare wages and self-employment income, calculate the Additional Medicare Tax by:

1. Calculating the Additional Medicare Tax on any Medicare wages in excess of the applicable threshold for the taxpayer's filing status, without regard to whether any tax was withheld;
2. Reducing the applicable threshold for the filing status by the total amount of Medicare wages received (but not below zero); and
3. Calculating the Additional Medicare Tax on any self-employment income in excess of the reduced threshold.

Don't consider a self-employment loss for purposes of this tax. Compare Railroad retirement (RRTA) compensation separately to the threshold.

All Medicare wages, railroad retirement (RRTA) compensation, and self-employment income subject to Medicare Tax are subject to Additional Medicare Tax, if paid in excess of the applicable threshold for the taxpayer's filing status. For more information on what wages are subject to Medicare Tax, see the chart on [Special Rules for Various Types of Services and Payments](#) in Section 15 of [Publication 15](#) (Circular E), [Employer's Tax Guide](#).