



# TOTAL BUSINESS CARE, LLC

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## IMPORTANT INFORMATION FOR 2022

The withholding rates and wage limits for 2022 are as follows:

AMOUNT	LIMITS
<b>FICA is 6.2%</b>	FICA Limit: \$147,000
Medicare is 1.45%	Unlimited
<b>Add'l Medicare Tax 0.9%</b>	Excess over \$200,000 single / \$250,000 joint
SDI is 1.1 %	SDI Wage Limit: \$145,600
ETT is 0.1%	ETT Wage Limit: \$7,000
SUI is 1.5 - 6.2%	SUI Wage Limit: \$7,000
FUTA is 6%	FUTA Wage Limit: \$7,000

### THREE LIMITS TO WATCH: FICA, Additional Medicare Tax and SDI

- The FICA wage limit is \$147,000. This means you will stop withholding the FICA rate of 6.2% when the Year-To-Date wages reach \$147,000.
- The Additional Medicare Tax applies to an individual employee's wages and compensation when they exceed \$200,000/single and \$250,000/joint. Therefore, Medicare tax will rise to 2.35% on earnings over \$200,000/single and \$250,000/joint.
- The SDI wage limit is \$145,600. This means you will stop withholding the SDI rate of 1.1% when the Year-To-Date wages reach \$145,600.

### EMPLOYEE RECORDKEEPING

Make sure all of your employees have filled out W-4 and I-9 forms. We have forms available if you need them.

The IRS is reputed to be conducting more and more payroll tax audits than in prior years. Please be aware of that fact and make sure your records are accurate and up-to-date.

- **Any new hire must receive an offer letter.**
- **Any new hires must be reported on EDD Form DE34.**
- **Any new hire must receive information on Covered California to be in compliance with the Affordable Care Act.**
- **NEW: Calsavers - Employers with 5 or more employees are required to register on the EDD website by June 30, 2022.**

### IMPORTANT TO REMEMBER

You should be informed if you are a monthly or semi-monthly depositor by the IRS. Look on the IRS website, [www.irs.gov](http://www.irs.gov), for descriptions of the rules. It is your responsibility to know your requirements. If you are on a monthly deposit basis **both** your State and Federal deposits are due by the 15th of every month. You may be required to pay more frequently. **All must pay the IRS and EDD by EFTPS (Electronic Federal Tax Payments System).** If you are unsure of your requirements, please contact us ASAP. There are severe penalties if you do not make your deposits timely or correctly.