

MEMBERS

AMERICAN AND PENNSYLVANIA INSTITUTES
 OF CERTIFIED PUBLIC ACCOUNTANTS

2022 Rates and Limitations

Social Security / Medicare / FUTA	2021	2022
Social Security tax wage base	\$142,800	\$147,000
Social Security tax rate	6.2%	6.2%
Medicare tax wage base	No limit	No limit
Medicare tax rate	1.45%	1.45% ¹
FUTA tax wage base	\$7,000	\$7,000
FUTA Employer tax rate	0.60%	0.60%
State & Unemployment Rates	2021	2022
PA withholding tax rate	3.07%	3.07%
PA taxable wage base	\$10,000	\$10,000
PA UC rate	0.06%	0.06%
Qualified Retirement Plans	2021	2022
Defined benefit plan limit on benefits	\$230,000	\$245,000
Maximum compensation used to determine contributions	\$290,000	\$305,000
Compensation defining highly compensated employee	\$130,000	\$135,000
Compensation defining key employee (officer)	\$185,000	\$200,000
Compensation triggering Simplified Employee Pension contribution requirement	\$650	\$650
Mileage Reimbursement Rates	2021	2022
Business mileage, per mile	\$0.56	\$0.585
Charitable mileage, per mile	\$0.14	\$0.14
Medical or moving mileage, per mile	\$0.16	\$0.18
Business Equipment	2021	2022
Section 179 expensing limit	\$1,050,000	\$1,080,000
Phaseout threshold for Section 179	\$2,620,000	\$2,700,000

Standard deduction	2021	2022
Single (and married filing separately)	\$12,550	\$12,950
Heads of Household	\$18,800	\$19,400
Married filing jointly	\$25,100	\$25,900
Domestic exemption	2021	2022
Threshold when a domestic employer must withhold and pay FICA for babysitters, house cleaners, etc.	\$2,300	\$2,400
Annual gift tax exclusion	2021	2022
Amount you can give each recipient	\$15,000	\$16,000

Fringe benefit limitations

	2021	2022
HSA contribution limit	\$3,600 for self-only \$7,200 for families	\$3,650 for self only \$7,300 for families
FSA contribution limit	\$2,750	\$2,850
Qualified transportation benefit limit	\$270/month	\$280/month
Dependent care contribution limit	\$5,000	\$5,000

Retirement plan contribution limits for 2022

	Regular contribution	Catch-up contribution²
Traditional and Roth IRAs	\$6,000	\$1,000
401(k)s, 403(b)s, 457s and SARSEPs ³	\$20,500	\$6,500
SIMPLEs	\$14,000	\$3,000

¹ An additional 0.9% Medicare Tax should be withheld on wages in excess of \$200,000 for any employee. Employers are not required to match this tax

² For taxpayers age 50 or older by the end of the tax year.

³ Includes Roth versions where applicable.

Note: Other factors may further limit your maximum contribution.