

MEMBERS

AMERICAN AND PENNSYLVANIA INSTITUTES
 OF CERTIFIED PUBLIC ACCOUNTANTS

Rates and Limitations

Social Security / Medicare / FUTA	2023	2024
Social Security tax wage base	\$160,200	\$168,600
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	2023	2024
PA withholding tax rate	3.07%	3.07%
PA taxable wage base	\$10,000	\$10,000
PA UC rate	0.07%	0.07%
Qualified Retirement Plans	2023	2024
Defined benefit plan limit on benefits	\$265,000	\$275,000
Maximum compensation used to determine contributions	\$330,000	\$345,000
Compensation defining highly compensated employee	\$150,000	\$155,000
Compensation defining key employee (officer)	\$215,000	\$220,000
Compensation triggering Simplified Employee Pension contribution requirement	\$750	\$750
Mileage Reimbursement Rates	2023	2024
Business mileage, per mile	\$0.655	\$0.67
Charitable mileage, per mile	\$0.14	\$0.14
Medical or moving mileage, per mile	\$0.22	\$0.21
Business Equipment	2023	2024
Section 179 expensing limit	\$1,160,000	\$1,220,000
Phaseout threshold for Section 179	\$2,890,000	\$3,050,000
Bonus Depreciation Year 1 Percentage	80.00%	60.00%

Standard deduction	2023	2024
Single (and married filing separately)	\$13,850	\$14,600
Heads of Household	\$20,800	\$21,900
Married filing jointly	\$27,700	\$29,200
Domestic exemption	2023	2024
Threshold when a domestic employer must withhold and pay FICA for babysitters, house cleaners, etc.	\$2,600	\$2,700
Annual gift tax exclusion	2023	2024
Amount you can give each recipient	\$17,000	\$18,000

Fringe benefit limitations

	2023	2024
HSA contribution limit	\$3,850 for self-only \$7,750 for families	\$4,150 for self only \$8,300 for families
FSA contribution limit	\$3,050	\$3,200
Qualified transportation benefit limit	\$300/month	\$315/month
Dependent care contribution limit	\$5,000	\$5,000

Retirement plan contribution limits for 2024

	Regular contribution	Catch-up contribution²
Traditional and Roth IRAs	\$7,000	\$1,000
401(k)s, 403(b)s, 457s and SARSEPs ³	\$23,000	\$7,500
SIMPLEs	\$16,000	\$3,500

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.