

2016 Tax Facts

| PENSION PLAN LIMITATIONS | | | |
|---|-----------|-------------|---------------------------|
| Internal Revenue Service | 2016 | 2015 | IRC ref. |
| Salary Deferral (pretax) Limits | | | |
| • §401(k) / §403(b) / SARSEP / §501(c)(18)(D) | \$18,000 | \$18,000 | §402(g)(1) |
| • SIMPLE Plans | \$12,500 | \$12,500 | §408(p)(2)(E) |
| • state/local gov't; tax exempts | \$18,000 | \$18,000 | §457(e)(15) |
| • §401 (k) catch-up contributions | \$6,000 | \$6,000 | §414(v)(2)(B)(i) |
| • Other catch-up contributions | \$3,000 | \$3,000 | §414(v)(2)(B)(ii) |
| Section 415 Annual Benefits Limits | | | |
| • defined benefit plans | \$210,000 | \$210,000 | §415(b)(1)(A) |
| • defined contribution plans | \$53,000 | \$53,000 | §415(c)(1)(A) |
| Compensation Limits | | | |
| • qualified plans | \$265,000 | \$265,000 | §401(a)(17) |
| • collectively bargained | \$265,000 | \$265,000 | §401(a)(17) |
| • governmental plans | \$395,000 | \$395,000 | §401(a)(17) |
| Highly Compensated Levels | | | |
| • at any time 5 % owner | no limit | no limit | §414(q)(1)(A) |
| • any employee | \$120,000 | \$120,000 | §414(q)(1)(B) |
| • one of top-paid employees | optional | optional | §414(q)(1)(B) |
| Key Employee Levels | | | |
| • highly compensated employee/officer | \$170,000 | \$170,000 | §416(i)(1)(A)(i) |
| • 10 highest paid employees with largest interest | N/A | N/A | §416(i)(1)(A)(ii) |
| • 5% owner | no limit | no limit | §416(i)(1)(A)(iii) |
| • 1 % owner | | \$150,000 | §416(i)(1)(A)(iv) |
| SEP Plans | | | |
| • mandatory plan participation | \$600 | \$600 | §408(k)(2)(C) |
| • compensation amount | \$265,000 | \$265,000 | §408(k)(3)(C) |
| — collectively bargained | \$265,000 | \$265,000 | §408(k)(3)(C) |
| ESOP | | | |
| • threshold for exception to 5-yr. distribution requirement | | \$1,070,000 | §409(o)(1)(C)(ii) |
| • incremental amt. for distribution | | \$210,000 | §409(o)(1)(C)(ii) |
| Control Employees | | | |
| • private sector | | | |
| — board or shareholder-appointed or elected official | \$105,000 | \$105,000 | Reg. §1.61-21 (f)(5)(i) |
| — any employee | \$215,000 | \$215,000 | Reg. §1.61-21 (f)(5)(iii) |
| • governmental employee | | | Reg. §1.61-21 (f)(6) |
| IRA Plans | | | |
| • contribution limit | \$5,500 | \$5,500 | §219(b)(5)(A) |
| • catch-up contribution | \$1,000 | \$1,000 | §219(b)(5)(B) |

| |
|-------------------------------|
| FEDERAL MINIMUM WAGE |
| \$7.25 per hour (Jul 24 2009) |

| SOCIAL SECURITY (OASDI) & MEDICARE (HI) TAX | | | | |
|---|----------|---------------|-------|------------|
| Year | Fund | Wage Limit | Rate | Max Tax |
| 2016 | EE OASDI | \$118,500 | 6.20% | \$7,347.00 |
| | ER OASDI | \$118,500 | 6.20% | \$7,347.00 |
| | EE HI | Above 200,000 | 2.35% | No Limit |
| | EE HI | Up to 200,000 | 1.45% | \$2,900.00 |
| | ER HI | All Wages | 1.45% | No Limit |
| 2015 | EE OASDI | \$118,500 | 6.20% | \$7,347.00 |
| | ER OASDI | \$118,500 | 6.20% | \$7,347.00 |
| | EE HI | Above 200,000 | 2.35% | No Limit |
| | EE HI | Up to 200,000 | 1.45% | 2900 |
| | ER HI | All Wages | 1.45% | No Limit |

| FEDERAL UNEMPLOYMENT TAX | | | | |
|--------------------------|------------|-------|----------------|--------------|
| Year | Wage Limit | Rate | Maximum Credit | Deposit Rate |
| 2016 | \$7,000.00 | 6.00% | 5.40% | 0.60% |
| 2015 | \$7,000.00 | 6.00% | 5.40% | 0.60% |

| TAX-FREE COMMUTING BENEFITS | | | |
|-----------------------------|-----------------|-----------------|--|
| | 2016 | 2015 | |
| Employee Parking | \$255 per month | \$250 per month | |
| Transit Passes | \$130 per month | \$130 per month | |
| Van Pools | \$130 per month | \$130 per month | |
| Bicycle | \$20 per month | \$20 per month | |

| FEDERAL MILEAGE RATES | | | |
|-----------------------|---------|---------|--|
| | 2016 | 2015 | |
| Business Mileage | | \$0.575 | |
| Relocation | | \$0.230 | |
| Charitable | \$0.140 | \$0.140 | |
| Medical | | \$0.230 | |

| LUXURY CAR | | |
|---|------------------------|------------------------|
| Vehicles not eligible for Cents-Per-Mile rule | | |
| If car placed in service in... | Value cannot exceed... | |
| 2016 | | for cars |
| | | for SUV/Trucks |
| | | for Fleet - Luxury Car |
| | | for Fleet - SUV |
| 2015 | \$16,000.00 | for cars |
| | \$17,500.00 | for SUV/Trucks |
| | \$21,300.00 | for Fleet - Luxury Car |
| | \$22,900.00 | for Fleet - SUV |

If the cents-per-mile method cannot be used, the employer must use the annual lease-value method or a general valuation standard to determine the value of an employee's personal use of a company-provided vehicle.

This document is provided as a courtesy, to assist in understanding certain regulatory requirements and should not be construed as tax or legal advice/service. Such information is by nature subject to revision and may not be the most current information available. Contact the proper agency to verify.

2016 Tax Facts

Bold indicates increase / italics indicates decrease

| State Unemployment Wage Bases 2016 | | | Supp. Rates |
|------------------------------------|---------------------|-----------------------|---------------|
| State | 2016 | 2015 | 2016 |
| AL | \$ 8,000.00 | \$ 8,000.00 | 5.00% |
| AK | | \$ 38,700.00 | N/A |
| AZ | \$ 7,000.00 | \$ 7,000.00 | Follows Fed |
| AR | \$ 12,000.00 | \$ 12,000.00 | 6.90% |
| CA | \$ 7,000.00 | \$ 7,000.00 | 6.60% |
| CO | \$ 12,200.00 | \$ 11,800.00 | 4.63% |
| CT | \$ 15,000.00 | \$ 15,000.00 | (1) |
| DE | \$ 18,500.00 | \$ 18,500.00 | (1) |
| DC | \$ 9,000.00 | \$ 9,000.00 | (1) |
| FL | \$ 7,000.00 | \$ 7,000.00 | N/A |
| GA | \$ 9,500.00 | \$ 9,500.00 | 2% to 6% |
| HI | | \$ 40,900.00 | (1) |
| ID | | \$ 36,000.00 | 7.40% |
| IL | \$ 12,960.00 | \$ 12,960.00 | 5.00% |
| IN | \$ 9,500.00 | \$ 9,500.00 | 3.40% |
| IA | \$ 28,300.00 | \$ 27,300.00 | 6.00% |
| KS | \$ 14,000.00 | \$ 12,000.00 | 4.50% |
| KY | \$ 10,200.00 | \$ 9,900.00 | (1) |
| LA | \$ 7,700.00 | \$ 7,700.00 | Follows Fed |
| ME | \$ 12,000.00 | \$ 12,000.00 | 5.00% |
| MD | \$ 8,500.00 | \$ 8,500.00 | 4.75% |
| MA | \$ 15,000.00 | \$ 15,000.00 | 5.30% |
| MI | | \$ 9500 / 9000 | 4.25% |
| MN | \$ 31,000.00 | \$ 30,000.00 | 6.25% |
| MS | \$ 14,000.00 | \$ 14,000.00 | (1) |
| MO | \$ 13,000.00 | \$ 13,000.00 | 6.00% |
| MT | \$ 30,500.00 | \$ 29,500.00 | 6.00% |
| NE | \$ 9,000.00 | \$ 9,000.00 | 5.00% |
| NV | \$ 28,200.00 | \$ 27,800.00 | N/A |
| NH | \$ 14,000.00 | \$ 14,000.00 | N/A |
| NJ | \$ 32,600.00 | \$ 32,000.00 | (1) |
| NM | | \$ 23,400.00 | 4.90% |
| NY | \$ 10,700.00 | \$ 10,500.00 | 9.62% |
| NC | \$ 22,300.00 | \$ 21,700.00 | 5.80% |
| ND | | \$ 35,600.00 | 2.28% |
| OH | \$ 9,000.00 | \$ 9,000.00 | 3.50% |
| OK | \$ 17,500.00 | \$ 17,000.00 | 5.25% |
| OR | | \$ 35,400.00 | 9.00% |
| PA | \$ 9,500.00 | \$ 9,000.00 | 3.07% |
| RI | | \$21200 or \$22700 | 5.99% |
| SC | \$ 14,000.00 | \$ 14,000.00 | 7.00% |
| SD | \$ 15,000.00 | \$ 15,000.00 | N/A |
| TN | | \$ 9,000.00 | N/A |
| TX | \$ 9,000.00 | \$ 9,000.00 | N/A |
| UT | | \$ 31,300.00 | (1) |
| VT | \$ 16,800.00 | \$ 16,400.00 | 6.00% |
| VA | \$ 8,000.00 | \$ 8,000.00 | 5.75% |
| WA | \$ 44,000.00 | \$ 42,100.00 | N/A |
| WV | \$ 12,000.00 | \$ 12,000.00 | 3% to 6.5% |
| WI | \$ 14,000.00 | \$ 14,000.00 | 4.0% to 7.65% |
| WY | \$ 25,500.00 | \$ 24,700.00 | N/A |

| DISABILITY WAGE BASES | | |
|-----------------------|------------------------|--------------------------|
| | 2016 | 2015 |
| California | \$106,742.00 | \$104,378.00 |
| Hawaii | \$XXX.XX Weekly | \$951.23 Weekly |
| New Jersey | \$32,600.00 | \$32,000.00 |
| New York * | None | None |
| Rhode Island | | \$64,200.00 |
| | | * Max Tax Per Week \$.60 |

| INFORMATION AIDS | | |
|--|--|---|
| Internal Revenue Service | | |
| General Info | | 1-800-829-1040 |
| Forms | | 1-800-829-3676 |
| Information Reporting | | |
| Hotline | | 1-866-455-7438 |
| EFTPS | | |
| Customer Service | | 1-800-555-4477 |
| Batch Provider Customer Service | | 1-800-945-0966 |
| Internet HomePage | | http://www.eftps.gov |
| Internet HomePage | | http://www.irs.gov |
| Social Security Administration | | |
| General Info | | 1-800-772-1213 |
| Employer Reporting Service Center | | 1-800-772-6270 |
| Internet HomePage | | http://www.ssa.gov |
| Employer Reporting HomePage | | http://www.ssa.gov/employer |
| US Citizenship & Immigration Services | | |
| | | 1-800-357-2099 |
| Internet HomePage | | http://uscis.gov |
| US Department of Labor | | |
| | | 1-866-487-2365 |
| Internet HomePage | | http://www.dol.gov |
| American Payroll Association | | |
| | | 1-210-226-4600 (SA Office) |
| Internet HomePage | | http://www.americanpayroll.org |
| U.S Immigration & Customs Enforcement | | |
| Internet HomePage | | http://www.ice.gov |
| Office of Child Support Enforcement | | |
| Internet HomePage | | http://www.acf.dhhs.gov/programs/cse |
| Department of Health & Human Services | | |
| Internet HomePage | | http://www.dhhs.gov |

* For approximately 75% of employers, the wage base will be \$xx,xxx. For employers that pay at the highest UI Tax Rate of 9.79% (25% of employers), the wage base will be \$yy,yyy.

(1) Add to regular wages, compute tax on total, and subtract tax withheld from regular wages

This document is provided as a courtesy, to assist in understanding certain regulatory requirements and should not be construed as tax or legal advice/service. Such information is by nature subject to revision and may not be the most current information available. Contact the proper agency to verify.

2016 Tax Facts

Bold indicates increase / italics indicates decrease

| State Minimum Wage Rates 2016 | | | |
|-------------------------------|-------------------------|------|-------------------------------|
| State | 2016 | 2015 | |
| <i>Alabama</i> | | | 7.25 |
| Alaska | \$ 9.75 | | 8.75 |
| Arizona | 8.05 | | 8.05 |
| Arkansas | \$ 8.00 | | 7.50 |
| California | \$ 10.00 | | 9.00 |
| Colorado | *8.31 | | 8.23 |
| Connecticut | \$ 9.60 | | 9.15 |
| <i>Delaware</i> | | | 8.25 (6.1.2015) |
| District of Columbia | 11.50 (7.1.2016) | | 10.50 (7.1.2015) |
| Florida | 8.05 | | 8.05 |
| <i>Georgia</i> | | | 5.15 |
| Hawaii | \$ 8.50 | | 7.75 |
| <i>Idaho</i> | | | 7.25 |
| <i>Illinois</i> | | | 8.25 |
| <i>Indiana</i> | | | 7.25 |
| <i>Iowa</i> | | | 7.25 |
| <i>Kansas</i> | | | 7.25 |
| <i>Kentucky</i> | | | 7.25 |
| <i>Louisiana</i> | | | 7.25 |
| <i>Maine</i> | | | 7.50 |
| Maryland | 8.75 (7.1.2016) | | 8.00 (1.1.2015) (7.1.2015) |
| Massachusetts | \$ 10.00 | | 9.00 |
| Michigan | \$ 8.50 | | 8.15 |
| Minnesota | 9.50 (8.1.2016) | | 9.00 (8.1.2015) |
| <i>Mississippi</i> | | | 7.25 |
| Missouri | *7.65 | | 7.65 |
| Montana | 8.05 | | 8.05 |
| Nebraska | \$ 9.00 | | 8.00 |
| <i>Nevada</i> | | | 8.25 |
| <i>New Hampshire</i> | | | 7.25 |
| New Jersey | 8.38 | | 8.38 |
| <i>New Mexico</i> | | | 7.50 |
| New York | \$ 9.00 | | 8.75 |
| <i>North Carolina</i> | | | 7.25 |
| <i>North Dakota</i> | | | 7.25 |
| Ohio | 8.10 | | 8.10 |
| <i>Oklahoma</i> | | | 7.25 |
| Oregon | 9.25 | | 9.25 |
| <i>Pennsylvania</i> | | | 7.25 |
| Rhode Island | \$ 9.60 | | 9.00 |
| <i>South Carolina</i> | | | 7.25 |
| South Dakota | \$ 8.55 | | 8.50 |
| <i>Tennessee</i> | | | 7.25 |
| <i>Texas</i> | | | 7.25 |
| <i>Utah</i> | | | 7.25 |
| Vermont | \$ 9.60 | | 9.15 |
| <i>Virginia</i> | | | 7.25 |
| Washington | 9.47 | | 9.47 |
| West Virginia | \$ 8.75 | | 8.00 |
| <i>Wisconsin</i> | | | 7.25 |
| <i>Wyoming</i> | | | 5.15 |

| Federal Minimum Wage Rates 2016 | | | | |
|---------------------------------|---------------|-----------------|----------------|--------------------|
| Date | Min Wage | Min Wage Tipped | Max Tip Credit | Youth Sub-Min Wage |
| 7/24/2009 | \$7.25 | \$2.13 | \$5.12 | \$4.25 |
| 7/24/2008 | \$6.55 | \$2.13 | \$4.42 | \$4.25 |
| 1/1/2008 | \$5.85 | \$2.13 | \$3.72 | \$4.25 |
| 9/1/1997 | \$5.15 | \$2.13 | \$3.02 | \$4.25 |

This document is provided as a courtesy, to assist in understanding certain regulatory requirements and should not be construed as tax or legal advice/service. Such information is by nature subject to revision and may not be the most current information available. Contact the proper agency to verify.