

California Wage and Tax Facts

MINIMUM WAGE

**Minimum Wage:	\$	10.50
Minimum Cash Wage:	\$	10.50
(Tipped Employee)		

(For employers with 25 or fewer employees, min wage = \$10.00)

Maximum Tip Credit: Not allowed

Effective: 1/1/17

**multiple cities/municipalities have their own minimum wage

STATE INCOME TAX

Wage Withholding:	Tables
Supplemental Wage/Bonus Rate:	6.6%*
*except 10.23% for bonuses & stock option earnings	

UNEMPLOYMENT INSURANCE

Maximum 2017 Taxable Earnings:	\$	7,000
Employee Deduction:	None	
Employer 2017 Tax Rates:	1.5 - 6.2%	
Standard 2017 New Employer Rate:	3.40%	
Voluntary Contribution Permitted:	No	
FUTA Credit Reduction CY 2016:	1.80%	
FUTA Credit Reduction CY 2017:	2.10%	

*This rate is based on the assumption the state will still have a loan balance on November 10, 2017

DISABILITY INSURANCE

Maximum 2017 Taxable Earnings:	\$	110,902
Employee Deduction Rate:	0.90%	
Employee 2017 Maximum W/H:	\$	998.12
Employer Contribution:	None	

LOCAL INCOME TAXES

None

RECIPROCITY RULES

None

WORKERS' COMPENSATION

Please contact your insurance provider for details

STAFFING SERVICES SUBJECT TO SALES TAX

Currently no legislation

AGENCY WEBSITES

Franchise Tax Board: www.ftb.ca.gov
 Employment Development Dept: www.edd.ca.gov
 New Hire Reporting:
http://www.edd.ca.gov/payroll_taxes/new_hire_reporting.htm