



# California Wage and Tax Facts 2026

## MINIMUM WAGE

**Minimum Wage:	\$ 16.90
Minimum Cash Wage:	\$ 16.90
(Tipped Employee)	
Maximum Tip Credit:	Not allowed
Effective: 1/1/26	

\*\*multiple cities/municipalities/industries 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 Taxable Earnings:	\$ 7,000
Employee Deduction:	None
Employer Tax Rates:	1.5 - 6.2%
Standard New Employer Rate:	3.40%
Voluntary Contribution Permitted:	No

## DISABILITY INSURANCE

Maximum Taxable Earnings:	None
Employee Deduction Rate:	1.30%
Employer Contribution:	None

## LOCAL INCOME TAXES

Please contact your payroll specialist for details.

## 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](http://www.ftb.ca.gov)  
Employment Development Dept: [www.edd.ca.gov](http://www.edd.ca.gov)  
New Hire Reporting:  
[http://www.edd.ca.gov/payroll\\_taxes/new\\_hire\\_reporting.htm](http://www.edd.ca.gov/payroll_taxes/new_hire_reporting.htm)