



Illinois Wage and Tax Facts

2026

| MINIMUM WAGE | | |
|---|----|-------|
| Minimum Wage: | \$ | 15.00 |
| Minimum Cash Wage: (Tipped Employee) | \$ | 9.00 |
| Maximum Tip Credit: | \$ | 6.00 |
| Effective: 1/1/25 | | |
| **cities/municipalities may have their own minimum wage | | |

| LOCAL INCOME TAXES | |
|--------------------|------|
| | None |
| RECIPROCITY RULES | |

| STATE INCOME TAX | |
|-------------------------------|-------|
| Wage Withholding: | 4.95% |
| Supplemental Wage/Bonus Rate: | 4.95% |

| Iowa, Kentucky, Michigan, Wisconsin |
|-------------------------------------|
| WORKERS' COMPENSATION |

| UNEMPLOYMENT INSURANCE | |
|-----------------------------------|--------------|
| Maximum Taxable Earnings: | \$ 14,250 |
| Employee Deduction: | None |
| Employer Tax Rates: | 0.75 - 7.05% |
| Standard New Employer Rate: | 3.35% |
| Voluntary Contribution Permitted: | No |

| Please contact your insurance provider for details |
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| STAFFING SERVICES SUBJECT TO SALES TAX |
| Currently no legislation |

| DISABILITY INSURANCE | |
|----------------------|------|
| Employee Deduction: | None |

| AGENCY WEBSITES | |
|------------------------------|---|
| Dept of Revenue: | www.revenue.state.il.us |
| Dept of Employment Security: | www.ides.illinois.gov |
| New Hire Reporting: | |
| | http://www.ides.illinois.gov/Pages/New_Hire_Report.aspx |