



# Iowa Wage and Tax Facts

## 2026

MINIMUM WAGE	
Minimum Wage:	\$ 7.25
Minimum Cash Wage:	\$ 4.35
(Tipped Employee)	
Maximum Tip Credit:	\$ 2.90
Effective: 1/1/08	

LOCAL INCOME TAXES	
	None

STATE INCOME TAX	
Wage Withholding:	Tables
Supplemental Wage/Bonus Rate:	3.80%

RECIPROCITY RULES	
	Illinois

UNEMPLOYMENT INSURANCE	
Maximum Taxable Earnings:	\$ 20,400
Employee Deduction:	None
Employer Tax Rates:	0 - 5.4%
Standard New Employer Rate:	1.00%
Voluntary Contribution Permitted:	No

WORKERS' COMPENSATION	
	Please contact your insurance provider for details

DISABILITY INSURANCE	
Employee Deduction:	None

AGENCY WEBSITES	
Dept of Revenue:	<a href="http://revenue.iowa.gov">revenue.iowa.gov</a>
Dept of Workforce Development:	<a href="http://www.iowaworkforcedevelopment.gov">www.iowaworkforcedevelopment.gov</a>
New Hire Reporting:	<a href="https://secureapp.dhs.state.ia.us/epay/Default.aspx?AspxAutoDetectCookieSupport=1">https://secureapp.dhs.state.ia.us/epay/Default.aspx?AspxAutoDetectCookieSupport=1</a>