



Michigan Wage and Tax Facts

2026

MINIMUM WAGE		
Minimum Wage:	\$	13.73
Minimum Cash Wage:	\$	5.49
(Tipped Employee)		
Maximum Tip Credit:	\$	8.24
Effective: 1/1/26		

STATE INCOME TAX		
Wage Withholding:		4.25%
Supplemental Wage/Bonus Rate:		4.25%

UNEMPLOYMENT INSURANCE		
Maximum Taxable Earnings:	\$	9,000
(\$9,500 for delinquent employers)		
Employee Deduction:		None
Employer Tax Rates:		0.06 - 11.2%
Standard New Employer Rate:		2.70%
Voluntary Contribution Permitted:		Yes

DISABILITY INSURANCE		
Employee Deduction:		None

LOCAL INCOME TAXES		
Please contact your payroll specialist for details.		

RECIPROCITY RULES		
Illinois, Indiana, Kentucky, Minnesota, Ohio, Wisconsin		

WORKERS' COMPENSATION		
Please contact your insurance provider for details		

STAFFING SERVICES SUBJECT TO SALES TAX		
Currently no legislation		

AGENCY WEBSITES		
Dept of Treasury:	http://michigan.gov/taxes	
Unemployment Insurance Agency:		
	http://www.michigan.gov/uia	
New Hire Reporting:	http://www.michigan.gov/wca/	