

Minnesota Wage and Tax Facts 2026

MINIMUM WAGE

Minimum Wage:	\$	11.41
Minimum Cash Wage:	\$	11.41
(Tipped Employee)		
Maximum Tip Credit:		None
Effective: 1/1/26		
**multiple cities/municipalities have their own minimum wage		

STATE INCOME TAX

Wage Withholding:	Tables
Supplemental Wage/Bonus Rate:	6.25%

UNEMPLOYMENT INSURANCE

Maximum Taxable Earnings:	\$	44,000
Employee Deduction:		None
Employer Tax Rates:		0.40 - 9.3%
Standard New Employer Rate:	Industry	
	Average	
Voluntary Contribution Permitted:		Yes

DISABILITY INSURANCE

Employee Deduction:	None
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PAID FAMILY AND MEDICAL LEAVE

Maximum Taxable Earnings:	\$	185,000
Employer Contribution (31+ employees)		0.44%
Employer Contribution (1-30 employees)		0.22%
Employee Contribution:		0.44%

LOCAL INCOME TAXES

None

RECIPROCITY RULES

Michigan, North Dakota

WORKERS' COMPENSATION

Please contact your insurance provider for details

STAFFING SERVICES SUBJECT TO SALES TAX

Currently no legislation

AGENCY WEBSITES

Dept of Revenue: www.revenue.state.mn.us
 Dept of Employment & Economic Development:
www.uimn.org/uimn/employers
 New Hire Reporting: <http://newhire-reporting.com/MN-NEWHIRE/DEFAULT.ASPX>