



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

LOCAL INCOME TAXES

None

RECIPROCITY RULES

Michigan, North Dakota

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%

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>