

Texas Wage and Tax Facts 2026

MINIMUM WAGE

Minimum Wage:	\$	7.25
Minimum Cash Wage:	\$	2.13
(Tipped Employee)		
Maximum Tip Credit:	\$	5.12
Effective: 7/24/09		

STATE INCOME TAX

Wage Withholding:	None
Supplemental Wage/Bonus Rate:	None

UNEMPLOYMENT INSURANCE

Maximum Taxable Earnings:	\$	9,000
Employee Deduction:		None
Employer Tax Rates:		0.32 - 6.32%
Standard New Employer Rate:		2.70%
Voluntary Contribution Permitted:		Yes

DISABILITY INSURANCE

Employee Deduction:	None
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LOCAL INCOME TAXES

None

RECIPROCITY RULES

None

WORKERS' COMPENSATION

Please contact your insurance provider for details

STAFFING SERVICES SUBJECT TO SALES TAX

Currently no legislation

AGENCY WEBSITES

Workforce Commission: <http://www.twc.state.tx.us>
New Hire Reporting:
<https://portal.cs.oag.state.tx.us/wps/portal/NewHiresResponsibilities>