



**Department of
Education**

Carmen Fariña, Chancellor



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PAYROLL ADMINISTRATION MEMORANDUM

2013-2014

NO. 07

DATE: January 7, 2014

TO: CFN Executive Directors (Via Email)
Principals (Via Principals' Weekly)
Payroll Secretaries/Timekeepers (Via Email)

FROM: Francine Perkins-Colón

SUBJECT: Tax Changes Effective January 1, 2014

The following information should be made available to all employees of the New York City Department of Education.

The following tax changes are in effect for payrolls dated January 1, 2014 or after.

FICA Tax Rate Changes

The FICA tax consists of two parts: Social Security and Medicare. For 2014, the taxable limit for Social Security has increased to \$117,000 (up from \$113,700 in 2013). Medicare rates remain unchanged. See the table below for details:

Tax Type	Tax Rate	Taxable Wages
Social Security	Remains 6.2%	\$117,000
Medicare	Remains 1.45%	No Ceiling
Medicare	Remains 2.35%	For wages in excess of \$200,000 regardless of the individual's filing status

Supplemental Withholding Rates

For employees who receive supplemental wages (for example, bonuses, commissions, overtime pay, sales awards, etc.), please note that the federal withholding tax rate did not change; the 2014 federal withholding tax rate remains at 25%.

Questions

Please contact Payroll Administration at 718-935-2651 should you have any questions.

FPC/mw

C: Michael Tragale
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