



Vincent A. Giordano
Executive Director
Division of Financial Operations

vagiord@schools.nyc.gov

PAYROLL ADMINISTRATION MEMORANDUM - NO. 15, 2008 – 2009

DATE: January 13, 2009

TO: ISC Executive Directors (via e-mail)
Principals (via "Principal's Weekly Newsletter")
School Secretaries (via e-mail)

FROM: Vincent A. Giordano
Executive Director

A handwritten signature in blue ink that reads 'Vincent A. Giordano'.

SUBJECT: Year 2009 Federal Tax Withholding and Social Security/Medicare Tax

Please make the following payroll tax information available to all employees:

- 1) The annual Federal withholding allowance for exemptions has been increased to \$3,650 for the year 2009.
- 2) The 2009 Social Security (FICA) and Medicare taxable rates and wage bases will be as follows:

	<u>Tax Rate</u>	<u>Taxable Wages (Maximum)</u>
Social Security	6.20%	\$106,800.00
Medicare	1.45%	No Ceiling

Therefore, the maximum Social Security tax will be \$6,621.60 for 2009. As there is no longer a ceiling for Medicare tax, all wages are subject to the 1.45 % tax rate.

VAG/co
c: G. Raab
J. Hederman
A. Lopez
F. Perkins-Colon
H. Sheikowitz

