

PAYROLL GUIDE

2010 FACT FINDER[†]

PENSION PLAN LIMITATIONS

| INTERNAL REVENUE SERVICE | 2010 | 2009 | IRC REF. |
|---|------------|------------|--------------------|
| Salary Deferral (pretax) Limits | | | |
| • §401(k)/§403(b)/SEP/§501(c)(18)(D) | \$ 16,500 | \$ 16,500 | §402(g)(1) |
| • SIMPLE Plans | 11,500 | 11,500 | §408(p) |
| • state/local govt.; tax exempts | 16,500 | 16,500 | §457 |
| -- §401(k) catch-up contributions | 5,500 | 5,500 | §414(v)(2)(B)(i) |
| -- Other catch-up contributions | 2,500 | 2,500 | §414(v)(2)(B)(ii) |
| Section 415 Annual Benefits Limits | | | |
| • defined benefit plans | \$ 195,000 | \$ 195,000 | §415(b)(1)(A) |
| • defined contribution plans | 49,000 | 49,000 | §415(c)(1)(A) |
| Compensation Limits | | | |
| • qualified plans | \$ 245,000 | \$ 245,000 | §401(a)(17) |
| • collectively bargained | 245,000 | 245,000 | §401(a)(17) |
| • governmental plans | 360,000 | 360,000 | §401(a)(17) |
| Highly Compensated Levels | | | |
| • at any time 5% owner | no limit | no limit | §414(q)(1)(A) |
| • any employee | \$ 110,000 | \$ 110,000 | §414(q)(1)(B) |
| • one of top-paid employees | optional | optional | §414(q)(1)(B) |
| Key Employee Levels | | | |
| • highly compensated employee/officer | \$ 160,000 | \$ 160,000 | §416(i)(1)(A)(i) |
| • 10 highest paid employees with largest interest | N/A | N/A | §416(i)(1)(A)(ii) |
| • 5% owner | no limit | no limit | §416(i)(1)(A)(iii) |
| • 1% owner | 150,000 | 150,000 | §416(i)(1)(A)(iv) |
| SEP Plans | | | |
| • mandatory plan participation | \$ 550 | \$ 550 | §408(k)(2)(C) |
| • compensation amount | 245,000 | 245,000 | §408(k)(3)(C) |
| -- collectively bargained | 245,000 | 245,000 | §408(k)(3)(C) |
| ESOP | | | |
| • threshold for exception to 5-yr. distribution requirement | \$ 985,000 | \$ 985,000 | §409(o)(1)(C)(ii) |
| • incremental amt. for distribution | 195,000 | 195,000 | §409(o)(1)(C)(ii) |
| Control Employees | | | |
| • private sector | | | |
| -- board or shareholder-appointed or elected official | \$ 95,000 | \$ 95,000 | Reg. §1.61-21(f) |
| -- any employee | 195,000 | 195,000 | Reg. §1.61-21(f) |
| • governmental employee | 145,700 | 143,500 | Reg. §1.61-21(f) |

SOC. SEC. (OASDI) & MEDICARE (HI) TAX

| Year | Fund | Wage Limit | Rate | Max. Tax |
|------|-------|------------|-------|------------|
| 2010 | OASDI | \$106,800 | 6.20% | \$6,621.60 |
| | HI | All wages | 1.45% | No limit |
| 2009 | OASDI | \$106,800 | 6.20% | \$6,621.60 |
| | HI | All wages | 1.45% | No limit |

FEDERAL UNEMPLOYMENT TAX

| Wage Limit | Rate | Maximum Credit | Deposit Rate |
|------------|------|----------------|--------------|
| \$7,000 | 6.2% | 5.4% | 0.8% |

TAX-FREE COMMUTING BENEFITS

| | |
|--------------------------|---------------|
| Employee Parking | \$230 per mo. |
| Transit Passes/Van Pools | \$230 per mo. |
| Bicycle | \$ 20 per mo. |

FEDERAL MILEAGE RATES

| | 2010 | 2009 |
|------------------|-------|------|
| Business mileage | 50¢ | 55¢ |
| Moving | 16.5¢ | 24¢ |
| Charitable | 14¢ | 14¢ |
| Medical | 16.5¢ | 24¢ |

FEDERAL MINIMUM WAGE

\$7.25 per hour, effective July 24, 2009

LUXURY CAR

Vehicles not eligible for cents-per-mile rule*

| If vehicle placed in service in 2010 | Value cannot exceed . . . |
|--------------------------------------|---------------------------|
| Autos | \$15,300 |
| Trucks and Vans | \$16,000 |

*If the cents-per-mile method cannot be used, the employer must use the annual lease-value method or a general valuation standard to determine the value of an employee's personal use of a company-provided vehicle.

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[†] Based on info available as of February 10, 2010.



| STATE UI WAGE BASE | | | SUPPLEMENTAL WAGE W/H RATES |
|--------------------|-----------|-----------|--------------------------------------|
| STATE | 2010 | 2009 | |
| AL | \$ 8,000 | \$ 8,000 | 5% |
| AK* | \$ 34,100 | \$ 32,700 | no state tax |
| AZ | \$ 7,000 | \$ 7,000 | same as regular wages |
| AR* | \$ 12,000 | \$ 10,000 | 7% |
| CA | \$ 7,000 | \$ 7,000 | 6.6%, 10.23% on bonuses and options |
| CO | \$ 10,000 | \$ 10,000 | 4.63% |
| CT | \$ 15,000 | \$ 15,000 | (1), 6.5% on one-time misc. payments |
| DE | \$ 10,500 | \$ 10,500 | (1) |
| DC | \$ 9,000 | \$ 9,000 | (1) |
| FL‡ | \$ 8,500 | \$ 7,000 | no state tax |
| GA | \$ 8,500 | \$ 8,500 | 2% to 6% |
| HI† | \$ 38,800 | \$ 13,000 | (1) |
| ID* | \$ 33,300 | \$ 33,200 | 7.8% or add to regular wages |
| IL* | \$ 12,520 | \$ 12,300 | 3% |
| IN† | \$ 9,500 | \$ 7,000 | 3.4% |
| IA* | \$ 24,500 | \$ 23,700 | 6% |
| KS | \$ 8,000 | \$ 8,000 | 5% |
| KY | \$ 8,000 | \$ 8,000 | (1) |
| LA* | \$ 7,700 | \$ 7,000 | add to regular wages |
| ME | \$ 12,000 | \$ 12,000 | 5% |
| MD | \$ 8,500 | \$ 8,500 | no special rate |
| MA | \$ 14,000 | \$ 14,000 | same as regular wages |
| MI | \$ 9,000 | \$ 9,000 | 4.35% |
| MN* | \$ 27,000 | \$ 26,000 | 6.25% |
| MS | \$ 7,000 | \$ 7,000 | (1) |
| MO* | \$ 13,000 | \$ 12,500 | 6% or add to regular wages |
| MT* | \$ 26,000 | \$ 25,100 | 6% or add to regular wages |
| NE | \$ 9,000 | \$ 9,000 | 5% |
| NV* | \$ 27,000 | \$ 26,600 | no state tax |
| NH* | \$ 10,000 | \$ 8,000 | no state tax |
| NJ* | \$ 29,700 | \$ 28,900 | (1) |
| NM** | \$ 20,800 | \$ 20,900 | 4.9% |
| NY | \$ 8,500 | \$ 8,500 | 9.77% |
| NC* | \$ 19,700 | \$ 19,300 | 6% or add to regular wages |
| ND* | \$ 24,700 | \$ 23,700 | 3.44% or add to regular wages |
| OH | \$ 9,000 | \$ 9,000 | 3.5% |
| OK* | \$ 14,900 | \$ 14,200 | 5.5% |
| OR* | \$ 32,100 | \$ 31,300 | 9% |
| PA | \$ 8,000 | \$ 8,000 | 3.07% |
| PR | \$ 7,000 | \$ 7,000 | no special rate |
| RI* | \$ 19,000 | \$ 18,000 | 7% |
| SC | \$ 7,000 | \$ 7,000 | same as regular wages |
| SD* | \$ 10,000 | \$ 9,500 | no state tax |
| TN | \$ 9,000 | \$ 9,000 | no state tax |
| TX | \$ 9,000 | \$ 9,000 | no state tax |
| UT* | \$ 28,300 | \$ 27,800 | (1) |
| VT* | \$ 10,000 | \$ 8,000 | non-periodic, 27% of federal payment |
| VA | \$ 8,000 | \$ 8,000 | 5.75% |
| VI* | \$ 22,200 | \$ 22,100 | no special rate |
| WA* | \$ 36,800 | \$ 35,700 | no state tax |
| WV | \$ 12,000 | \$ 12,000 | 3% to 6.5% |
| WI | \$ 12,000 | \$ 12,000 | 4.6% to 7.5% |
| WY* | \$ 22,800 | \$ 21,500 | no state tax |

* Increase ** Decrease
 (1) Add to regular wages, compute tax on total, and subtract tax withheld from regular wages.
 ‡ Pending legislation as we went to print could lower this amount (see PG ¶11,075 for current wage base).
 † Based on info available as of February 10, 2010.

DISABILITY WAGE BASES

2010

| | |
|--------------|------------------------|
| California | \$ 93,316 |
| Hawaii | \$ 901.70 (weekly) |
| New Jersey | \$ 29,700 |
| New York | Employee's weekly wage |
| Puerto Rico | \$ 9,000 |
| Rhode Island | \$ 57,900 |

2009

| | |
|--------------|------------------------|
| California | \$ 90,669 |
| Hawaii | \$ 877.69 (weekly) |
| New Jersey | \$ 28,900 |
| New York | Employee's weekly wage |
| Puerto Rico | \$ 9,000 |
| Rhode Island | \$ 56,000 |

INFORMATION AIDS

INTERNAL REVENUE SERVICE

| | |
|--------------|----------------|
| General Info | 1-800-829-4933 |
| Forms | 1-800-829-3676 |

| | |
|-----------------------|----------------|
| Information Reporting | |
| Hotline | 1-866-455-7438 |
| EFTPS | |
| Customer Service | 1-800-555-4477 |
| | 1-800-945-8400 |

Internet Homepage
<http://www.irs.gov>

SOCIAL SECURITY ADMINISTRATION

| | |
|----------------|----------------|
| General Info | 1-800-772-1213 |
| Wage Reporting | |
| Questions | 1-800-772-6270 |

Electronic W-2
 Reporting 1-888-772-2970
 Internet Homepage
<http://www.ssa.gov>

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