

California Wage and Tax Facts 2018

MINIMUM WAGE

**Minimum Wage:	\$	11.00
Minimum Cash Wage:	\$	11.00
(Tipped Employee)		

(For employers with 25 or fewer employees, min wage = \$10.50)

Maximum Tip Credit: Not allowed

Effective: 1/1/18

**multiple cities/municipalities have their own minimum wage

STATE INCOME TAX

Wage Withholding:	Tables
Supplemental Wage/Bonus Rate:	6.6%*
*except 10.23% for bonuses & stock option earnings	

UNEMPLOYMENT INSURANCE

Maximum Taxable Earnings:	\$	7,000
Employee Deduction:	None	
Employer Tax Rates:	1.5 - 6.2%	
Standard New Employer Rate:	3.40%	
Voluntary Contribution Permitted:	No	
FUTA Credit Reduction CY 2017:	2.10%	
FUTA Credit Reduction CY 2018:	2.40%	

*This rate is based on the assumption the state will still have a loan balance on November 10, 2018

DISABILITY INSURANCE

Maximum Taxable Earnings:	\$	114,967
Employee Deduction Rate:	1.00%	
Employee Maximum W/H:	\$	1,149.67
Employer Contribution:	None	

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

Franchise Tax Board: www.ftb.ca.gov

Employment Development Dept: www.edd.ca.gov

New Hire Reporting:

http://www.edd.ca.gov/payroll_taxes/new_hire_reporting.htm