



LOS ANGELES UNIFIED SCHOOL DISTRICT POLICY BULLETIN

TITLE: Social Security - Medicare Tax

NUMBER: BUL-770.11

ISSUER: V. Luis Buendia, Deputy Chief Financial Officer
Office of the Chief Financial Officer

DATE: April 12, 2021

POLICY: To provide employees with information regarding Social Security and Medicare tax withholding for the 2021 calendar year that the District will apply.

MAJOR CHANGES: This revision replaces Bulletin No. 770.10 of the same subject issued on January 6, 2020. Administrators are requested to post this bulletin at their site and provide a copy of this bulletin to each employee.

GUIDELINES: The following guidelines apply:

ROUTING
All Schools and Offices

CURRENT RATES AND AMOUNTS

- The maximum wages subject to Social Security/OASDI (Old Age, Survivors and Disability Insurance) in 2021 is \$142,800.00 for both employees and employers. The employee and employer rate for 2021 is 6.2%. The maximum employee tax withholding and employer tax are each \$8,853.60.
- Medicare: There is no maximum wage cap for either employee withholding or employer tax. The employee and employer rates remain unchanged at 1.45%.
- Additional Medicare Tax: Wages paid to employees in excess of \$200,000 require an additional tax withholding of 0.9%. This additional tax withholding is applied after wages paid for the calendar year exceed \$200,000.
- The Medicare withholdings and Social Security withholdings as applicable are reflected on the Employee Statement of Earnings (Warrant/Automatic Payroll Deposit Stub).



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AUTHORITY: This is a policy of the Accounting and Disbursements Division.

ASSISTANCE: For additional information regarding tax rates, please contact the Internal Revenue Service or your tax advisor. The Payroll Administration Branch staff is not authorized to provide tax advice.