

PAYROLL BULLETIN

Issue Number: 116

December 10, 2007

Subject: 2008 Rate Changes

Social Security (FICA)

Effective January 1, 2008, the maximum wage base subject to Social Security tax is \$102,000. There is no limit on the wages subject to Medicare tax; therefore, all covered wages are subject to the 1.45% tax.

The Social Security tax rate remains unchanged at 6.2%. The maximum social security tax employees will pay in 2008 is \$6,324.00

Business Mileage Reimbursement Rate

The mileage reimbursement rate increases to **50.5** cents per mile. This rate is to be used in calculating the allowance due for automobile mileage for business travel after January 1, 2008.

Please continue to submit mileage reimbursement requests on the Business Expense Reimbursement Form (BERF) using object code 3611.

The rate for miles driven as part of relocation expenses (object code 3641) incurred after January 1, 2008 is 20 cents.

If you have any questions, please call the Disbursements Office at 284-2287.