

# PAYROLL BULLETIN

Issue Number: 119

December 22, 2008

Subject: 2009 Rate Changes

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## **Social Security (FICA)**

Effective January 1, 2009, the maximum wage base subject to Social Security tax is \$106,800. 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 2009 is \$6,621.60

## **Business Mileage Reimbursement Rate**

The mileage reimbursement rate **decreased** to **.55** cents per mile. This rate is to be used in calculating the allowance due for automobile mileage for business travel after January 1, 2009.

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, 2009 is 24 cents.

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