

Shelby Energy Cooperative
Case No. 2016-00464
Payroll Taxes

The employer's portion of FICA and Medicare rates remain the same for 2016 as they were for 2015. The FICA rate is 6.2% and Medicare is 1.45%. The wage limit increased to \$118,500 in 2016 and was \$117,000 in 2015 for FICA; all wages are subject to Medicare.

Federal unemployment rates are 0.80% for the first \$7,000 of wages and state unemployment rate is 2.01% for the first \$10,200 of wages.

Proposed FICA amounts			
FICA	175,345		
Medicare	41,565		
	<u>216,910</u>		
Proposed FUTA	5,628		
Proposed SUTA	9,050	231,588	
	<u>9,050</u>		
Test year amount			
FICA and Medicare	221,625		
Test year FUTA	3,910		
Test year SUTA	9,313	234,848	
	<u>9,313</u>		
Increase			<u>(3,260)</u>

Adjustment:		<u>Percent</u>	<u>Amount</u>
107	Capitalized	32.71%	(1,067)
163 - 416	Clearing and others	8.04%	(262)
580	Operations	13.29%	(433)
590	Maintenance	19.17%	(625)
901	Consumer accounts	8.04%	(262)
908	Customer service	9.96%	(325)
912	Sales	0.31%	(10)
920	Administrative and general	8.47%	(276)
		<u>100.00%</u>	<u>(\$3,260)</u>

State unemployment (SUTA) wage rates are as follows:

2016	2.01%
2015	2.02%
2014	1.80%
2013	1.80%
2012	1.80%