# 2019 Federal Tax Rates and Annual Limits

## Federal Insurance Contributions Act (FICA)

<table>
<thead>
<tr>
<th>Product</th>
<th>Limit</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Security – taxable earnings</td>
<td>$132,900 (increased from 2018)</td>
<td></td>
</tr>
<tr>
<td>Social Security – maximum paid by employee</td>
<td>$8,239.80 (increased from 2018)</td>
<td></td>
</tr>
<tr>
<td>Medicare tax rate – first $200,000 in employee wages</td>
<td>1.45% (unchanged)</td>
<td></td>
</tr>
<tr>
<td>Medicare tax rate – after $200,000 in employee wages*</td>
<td>2.35% (unchanged)</td>
<td></td>
</tr>
</tbody>
</table>

*Employers will continue to pay 1.45% on all wages subject to the Medicare tax and will not be required to match the 0.9% additional Medicare tax.

## Supplemental Tax Rates

<table>
<thead>
<tr>
<th>Product</th>
<th>Rate</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Optional flat-rate withholding on supplemental payments – $1 million or less</td>
<td>22% (unchanged)</td>
<td></td>
</tr>
<tr>
<td>Mandatory flat-rate withholding on supplemental payments – $1 million or more</td>
<td>37% (unchanged)</td>
<td></td>
</tr>
</tbody>
</table>

## Federal Unemployment Tax Act (FUTA)

<table>
<thead>
<tr>
<th>Product</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard FUTA tax rate – first $7,000 of wages subject to FUTA</td>
<td>6%</td>
</tr>
</tbody>
</table>

## Retirement Plan Limits

<table>
<thead>
<tr>
<th>Product</th>
<th>Limit</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>401(k), 403(b), SARSEP, 457 Plan – Under age 50</td>
<td>$19,000 (increased from 2018)</td>
<td></td>
</tr>
<tr>
<td>401(k), 403(b), SARSEP, 457 Plan – Age 50 and over</td>
<td>$25,000 (increased from 2018)</td>
<td></td>
</tr>
<tr>
<td>Simple IRA – Under age 50</td>
<td>$13,000 (increased from 2018)</td>
<td></td>
</tr>
<tr>
<td>Simple IRA – Age 50 and over</td>
<td>$16,000 (increased from 2018)</td>
<td></td>
</tr>
<tr>
<td>Compensation threshold to determine highly compensated employee (HCE) status</td>
<td>$125,000 (increased from 2018)</td>
<td></td>
</tr>
<tr>
<td>Defined contribution limit (employee and employer contributions for a deferred compensation plan)</td>
<td>$56,000 (increased from 2018)</td>
<td></td>
</tr>
<tr>
<td>Maximum annual compensation that can be taken into account for contributions to qualified plans, SEPs, and SAR/SEPs</td>
<td>$280,000 (increased from 2018)</td>
<td></td>
</tr>
</tbody>
</table>

## Spending and Savings Accounts

<table>
<thead>
<tr>
<th>Product</th>
<th>Limit</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>HC FSA maximum contribution limit</td>
<td>$2,700 (increased from 2018)</td>
<td></td>
</tr>
<tr>
<td>DC FSA maximum contribution limit – Qualified individuals and those who are married and filing joint returns</td>
<td>$5,000 (unchanged)</td>
<td></td>
</tr>
<tr>
<td>DC FSA maximum contribution limit – Married individuals filing separately</td>
<td>$2,500 (unchanged)</td>
<td></td>
</tr>
<tr>
<td>HSA – Single coverage maximum contribution limit</td>
<td>$3,500 (increased from 2018)</td>
<td></td>
</tr>
<tr>
<td>HSA – Family coverage maximum contribution limit</td>
<td>$7,000 (increased from 2018)</td>
<td></td>
</tr>
<tr>
<td>HSA – Catch-up contribution limit - age 55 or older</td>
<td>$1,000 (unchanged)</td>
<td></td>
</tr>
</tbody>
</table>
## Transportation Rates and Limits

| Mileage Rates – Anything in excess of these limits is considered taxable income | Business Standard: 58 cents per mile (increased from 2018)  
Medical/Moving: 20 cents per mile (increased from 2018)  
Charity: 14 cents per mile (unchanged) |
|---|---|
| Cents-Per-Mile Maximum Car Value* – Anything in excess of these limits is considered taxable income | • Autos: $15,600 (decreased from 2018)  
• Trucks and vans: $17,600 (decreased from 2018)  
• Truck fleet value: $23,100 (decreased from 2018)  
• Car fleet value: $20,600 (decreased from 2018) |
| Qualified Transportation Fringe Benefit Limits** | Parking: $265 per month (increased from 2018)  
Transit passes/commute in qualified vanpooling vehicles: $265 per month (increased from 2018) |

*Pending release of IRS Pub. 15-B.  
**Per the tax legislation passed in December 2017, these amounts are no longer deductible by employers for tax years after December 31, 2017.

## Per Diem Standard Rates (Continental U.S.)*

| Continental United States (CONUS) | Standard lodging rate: $94 (increased from 2018)  
Non-standard rates vary by locality. Refer to gsa.gov/travel/plan-book/per-diem-rates |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Outside Continental United States (OCONUS)</td>
<td>Rates vary by country. Refer to perdiem101.com/oconus/2019</td>
</tr>
</tbody>
</table>

*Rates are set by fiscal year, effective October 1 of each year.

## Miscellaneous Rates and Limits

| Foreign earned income exclusion maximum* | $105,900 (increased from 2018) |
| Foreign housing cost exclusion maximum | $14,826*** (increased from 2018) |
| Adoption credit limit (per child qualified for adoption expenses)** | $14,080*** (increased from 2018) |
| Employer-Provided educational assistance – amount that may be excluded from income and employment taxes | $5,250 (unchanged) |

*Refer to Section 911 of the Internal Revenue Code.  
**The credit begins to phase out for taxpayers with modified adjusted gross income (MAGI) in excess of $211,160 (increased in 2019) and is completely phased out for taxpayers with modified gross incomes of $251,160 (increased for 2019).  
***Assuming that the qualified individual is eligible for the exclusion for the entire year and that the methodology for calculating the exclusion does not change.

## Social Security Retirement Earnings Limits

<table>
<thead>
<tr>
<th>Retirees who will not reach full retirement age in 2019</th>
<th>Earning limit (without losing Social Security benefits)</th>
<th>Withholding for amount above the earning limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>$17,640 per year or $1,470 per month (increased from 2018)</td>
<td>$1 in benefits withheld for every $2 in earnings above the limit</td>
<td></td>
</tr>
<tr>
<td>Retirees who will reach full retirement age in 2019</td>
<td>$46,920 per year or $3,910 per month* (increased from 2018)</td>
<td>$1 in benefits withheld for every $3 in earnings above the limit</td>
</tr>
<tr>
<td>Retirees who have reached full retirement age</td>
<td>No limit</td>
<td>No withholding</td>
</tr>
</tbody>
</table>

*These limits apply to earnings through the month prior to the month in which the retiree reaches full retirement age.