

NOTICE TO EMPLOYEES

Date: January 4, 2024

TO: Employees

FROM: Sandra Meda-Walker, Payroll Supervisor

SUBJECT: Year 2024 Income Tax Changes and Withholding Information Effective January 1, 2024

Federal and State Income Tax Withholding

Updated tax changes have been implemented for payrolls **issuing** on and after January 1, 2024. Federal and state income tax withholding brackets have been revised and are included with this notice.

Employee Social Security/OASDI and Medicare

The Social Security/OASDI employee rate for 2024 remains unchanged at 6.2 percent, however the maximum subject wages have increased. There is no Medicare wage cap for employees. Employee rates remain unchanged at 1.45 percent; however, the Additional Medicare Tax requires that employers withhold an additional 0.9 percent on wages paid to employees in excess of \$200,000 in a calendar year.

Tax Year Comparison	Year 2023	Year 2024
Social Security/OASDI Rate	6.2 percent	6.2 percent
Medicare Rate	1.45 percent	1.45 percent
Social Security Maximum Wage Base	\$160,200	\$168,600
Medicare Maximum Wage Base	no limit	no limit
Maximum Medicare Contribution (1.45%)	no limit	no limit

Federal Withholding – IRS Form W-4

IRS Form W-4 changed significantly in 2020. The IRS recommends all taxpayers perform a “paycheck checkup” by using their online tool located at <https://www.irs.gov/paycheck-checkup>. Your employer cannot tell you how to complete Form W-4. Please read the instructions carefully and/or consult a tax professional. Only new employees and those wishing to make withholding adjustments, or those claiming exempt must complete the new *IRS 2024 Form W-4, “Employee’s Withholding Certificate”*.

Federal Exempt from Withholding

If you claimed exempt from withholding tax in 2023 and wish to continue in 2024, you must complete a new *IRS 2024 Form W-4* no later than February 15, 2024. The form requires those wishing to claim exempt to write the word “EXEMPT” in “Step 4”, in the space directly under the box 4(c). If you no longer wish to claim exempt status, you must file a new form W-4 for January tax withholding.

State Withholding – Form DE 4

All employees updating their IRS Form W-4 must now also complete a California State Withholding Form (DE 4).

Some items in this notice are intended to comply with employee notification requirements of the IRS.

Should you have any questions regarding this information, please [insert district procedure].

YEAR 2024 TAX RATES

and Other Employee Deductions

FEDERAL ANNUAL TAX RATES

2024 Percentage Method Tables

(Use these if the Form W-4 is from 2019 or earlier, or if the Form W-4 is from 2020 or later and the box in Step 2 of Form W-4 is NOT checked. Also use these for Form W-4P from any year.)

If the Adjusted Annual Wage Amount on Worksheet 1A or the Adjusted Annual Payment Amount on Worksheet 1B is				
At least...	But less than...	The tentative amount to withhold is...		of the amount that exceeds
A	B	C	D	E
\$0	\$16,300	\$0.00	plus 0%	\$0
\$16,300	\$39,500	\$0.00	plus 10%	\$16,350
\$39,500	\$110,600	\$2,320.00	plus 12%	\$39,500
\$110,600	\$217,350	\$10,852.00	plus 22%	\$110,600
\$217,350	\$400,200	\$34,337.00	plus 24%	\$217,350
\$400,200	\$503,750	\$78,221.00	plus 32%	\$400,200
\$503,750	\$747,500	\$111,357.00	plus 35%	\$503,750
\$747,500		\$196,669.50	plus 37%	\$747,500
\$0	\$6,000	\$0.00	plus 0%	\$0
\$6,000	\$17,600	\$0.00	plus 10%	\$6,000
\$17,600	\$53,150	\$1,160.00	plus 12%	\$17,600
\$53,150	\$106,525	\$5,426.00	plus 22%	\$53,150
\$106,525	\$197,950	\$17,168.50	plus 24%	\$106,525
\$197,950	\$249,725	\$39,110.50	plus 32%	\$197,950
\$249,725	\$615,350	\$55,678.50	plus 35%	\$249,725
\$615,350		\$183,647.25	plus 37%	\$615,350
\$0	\$13,300	\$0.00	plus 0%	\$0
\$13,300	\$29,850	\$0.00	plus 10%	\$13,300
\$29,850	\$76,400	\$1,655.00	plus 12%	\$29,850
\$76,400	\$113,800	\$7,241.00	plus 22%	\$76,400
\$113,800	\$205,250	\$15,469.00	plus 24%	\$113,800
\$205,250	\$257,000	\$37,417.00	plus 32%	\$205,250
\$257,000	\$622,650	\$53,977.00	plus 35%	\$257,000
\$622,650		\$181,954.50	plus 37%	\$622,650

MULTIPLE JOB Withholding Rate Schedules

(Use these if the Form W-4 is from 2020 or later and the box in Step 2 of Form W-4 IS checked.)

If the Adjusted Annual Wage Amount on Worksheet 1A is				
At least...	But less than...	The tentative amount to withhold is...		of the amount that exceeds
A	B	C	D	E
Married Filing Jointly				
\$0	\$14,600	\$0.00	plus 0%	\$0
\$14,600	\$26,200	\$0.00	plus 10%	\$14,600
\$26,200	\$61,750	\$1,160.00	plus 12%	\$26,200
\$61,750	\$115,125	\$5,426.00	plus 22%	\$61,750
\$115,125	\$206,550	\$17,168.50	plus 24%	\$115,125
\$206,550	\$258,325	\$39,110.50	plus 32%	\$206,550
\$258,325	\$380,200	\$55,678.50	plus 35%	\$258,325
\$380,200		\$98,334.75	plus 37%	\$380,200
Single or Married Filing Separately				
\$0	\$7,300	\$0.00	plus 0%	\$0
\$7,300	\$13,100	\$0.00	plus 10%	\$7,300
\$13,100	\$30,875	\$580.00	plus 12%	\$13,100
\$30,875	\$57,563	\$2,713.00	plus 22%	\$30,875
\$57,563	\$103,275	\$8,584.25	plus 24%	\$57,563
\$103,275	\$129,163	\$19,555.25	plus 32%	\$103,275
\$129,163	\$311,975	\$27,839.25	plus 35%	\$129,163
\$311,975		\$91,823.63	plus 37%	\$311,975
Head of Household				
\$0	\$10,950	\$0.00	plus 0%	\$0
\$10,950	\$19,225	\$0.00	plus 10%	\$10,950
\$19,225	\$42,500	\$827.50	plus 12%	\$19,225
\$42,500	\$61,200	\$3,620.50	plus 22%	\$42,500
\$61,200	\$106,925	\$7,734.50	plus 24%	\$61,200
\$106,925	\$132,800	\$18,708.50	plus 32%	\$106,925
\$132,800	\$315,625	\$26,988.50	plus 35%	\$132,800
\$315,625		\$90,977.25	plus 37%	\$315,625

The IRS encourages everyone to use their Tax Withholding Estimator located at <https://www.irs.gov/individuals/tax-withholding-estimator>. The tables above will be utilized in the estimator after January 1, 2024.

OVER FOR CALIFORNIA STATE ANNUAL TAX RATES AND OTHER RATES

