



# California - 2023 Quick Wage & Tax Guide



## MINIMUM WAGE

Minimum Wage	\$15.50*
Minimum Cash Wage (Tipped)	\$15.50*
Maximum Tip Credit	Not Allowed

\*For employers with 26 or more employees. For employers with 25 or fewer employees, the minimum wage and minimum cash wage (tipped employee) is \$15.50 an hour effective 1/1/23. California does not have a tip credit.

## STATE INCOME TAX

Withholding Tax Rate	<a href="#">Tables</a>
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## UNEMPLOYMENT INSURANCE

Maximum Taxable Wages	\$7,000
Employee Deduction	None
Employer Tax Rates	1.5-6.2%
New Employer Tax Rates	3.4%

\*Plus 0.1% employment training tax.

## MORE INFORMATION

Franchise Tax Board: [ftb.ca.gov](http://ftb.ca.gov)  
 Employment Development Dept.: [edd.ca.gov](http://edd.ca.gov)

## Federal

### MINIMUM WAGE

Minimum Wage	\$7.25
Minimum Cash Wage (Tipped)	\$2.13
Maximum Tip Credit	\$5.12

### FICA (SOCIAL SECURITY)

Maximum Taxable Wages	\$160,200
Employee/Employer Tax Rate	6.2%

### FICA (MEDICARE)

Maximum Taxable Wages	\$160,200
Employee/Employer Tax Rate	1.45%
Add. Tax on Earnings >\$200K	2.35%

### FUTA (EMPLOYER-PAID)

Maximum Taxable Wages	\$7,000
Employee/Employer Tax Rate	6.0%
Net Tax Rate	0.6%

### HEALTH SAVINGS ACCOUNTS

Individual Contribution Limit	Up to \$3,850
Family Contribution Limit	Up to \$7,750

### FLEXIBLE SPENDING ACCOUNTS

Individual Contribution Limit	Up to \$3,050
Family Contribution Limit	\$3,050 per FSA

### RATES & LIMITS

401(k), 403(b), 457 & Roth 401(k)	\$22,500
Simple Plan IRA	\$15,500

### ADDITIONAL CATCH-UP\*

401(k), 403(b), 457 & Roth 401(k)	\$7,500
Simple Plan IRA	\$3,500

\*Additional catch-up provision for an employee that reaches the age of 50 by the end of the tax year. To qualify, the catch-up contribution must be an established provision of the company's plan. For more information on your specific pension plan rules, please see your plan administrator.

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