

MEMORANDUM

Date: December 10, 2018

Re: U.S. Tax Amounts and Percentages for Year 2019

U.S. Tax Rates and Amounts:

	<u>Tax Type</u>	<u>Rate- Employee</u>	<u>Rate- Employer</u>	<u>Annual Taxable Max.</u>	<u>Annual Tax Amount Employer</u>
Tier 1	Medicare***	1.45%	1.45%	No Maximum	No Maximum
Tier 1	Railroad Retirement	6.20%	6.20%	\$ 132,900.00	\$ 8,239.80
Tier 2	Railroad Retirement	<u>4.90%</u>	<u>13.10%</u>	\$ 98,700.00	<u>\$ 12,929.70</u>
	Total	12.55%	20.75%		\$ 21,169.50

*****Additional Medicare Tax:** Employees will pay an additional 0.9 percent Medicare Tax on earnings above \$200,000 (for those who file an individual return) or \$250,000 (for those who file a joint return). This additional Medicare tax rate is not reflected in the tax rates shown above.

Note: Tier 1 Medicare and Tier 1 Railroad Retirement tax rates are equivalent to Social Security tax rates set for 2019. Tier 2 Railroad Retirement tax rates do not apply to employees subject to Social Security.