

**From the desk of  
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# **Social Security Wage Limitations set for 2019**

The Social Security Administration (SSA) has set the maximum amount of wages subject to the old age, survivors, and disability insurance (OASDI) tax to \$132,900 for 2019.

The OASDI tax rate is 6.2%.

An employee with wages up to or above the maximum in 2019 will pay \$8,239.80 in tax with the employer paying an equal amount.

Self-employed individuals pay tax at a 12.4% rate up to the same limit.

The 2018 wage base was \$128,400 with a \$7,960.80 maximum amount of OASDI tax.

The Medicare hospital insurance tax which has no limit as to wages paid is 1.45% for employees, and employers, and 2.9%.

The SSA also announced that recipients of Social Security benefits will receive a 2.8% cost-of-living adjustment for 2019.

The earnings test for the amount of income that benefit recipients can receive without their benefits being reduced for the year is \$17,640 before full retirement age.

The limit taxpayers can earn in the year they reach full retirement age is \$46,920.

The Social Security Administration also announced that for 2019 amounts paid by an employer for **domestic service in a private home** are not subject to FICA taxes

if the amount paid during the year is less than \$2,100.00. Amounts exceeding \$2,100.00, and including that amount are subject to the above payroll taxes.

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