

GEMINI ACCOUNTING PROGRAM

2012 PAYROLL TAX TABLE AND RATE CHANGES – PAGE 1 OF 1

*** EMPLOYEE FICA RATE NOTICE (REVISED 29 FEB 2012) ***

Per IRS Newsletter IR-2012-27, **the 4.2 percent employee FICA rate has been extended through 31 December 2012.**

Prior references to legislation enacted in Dec 2011 which extended the reduced FICA rate only through the end of Feb 2012 have been removed from this document. There are no other changes.

This document replaces all prior 2012 Payroll Tax Table and Rate Changes documents.

- > **Please do not change your payroll tax tables before you close DECEMBER 2011.**
- > **NOTICE: To print 2011 W2 Forms through the Payroll Module, you *must* be running Gemini v18.02 or higher. To print 2011 W3 Forms, you must be running v2012 or higher.** Select **Help | Check for Updates** to download the latest version of your program for installation.

The Payroll tax table data, below, is extracted from IRS Notice 1036, Early Release Copies of the 2012 Percentage Method Tables for Income Tax Withholding. The information reflected in paragraphs 1 and 2, below, will be effective for wages paid in 2012. To assist you with entering updated information, changes are shown in **Bold** font.

After you close DECEMBER 2011, you should update your Payroll tax tables for calendar year **2012** as shown in paragraphs 1 and 2, below, *before* you calculate your first CY 2012 payroll. In Gemini, *select each company to be updated, in turn, and update the tax tables for each individual company as follows:*

1. In each payroll company, select **PR | Payroll Setup | Deduction Tables**. Highlight each of the following tables, in turn, and click on **Change**. Update/correct table data as necessary. Select **OK** as each table is updated and **Close** after both have been updated. Then go to paragraph 2.

<u>Tax Table</u>	<u>Lower Limit</u>	<u>Fixed Limit</u>	<u>Variable Rate</u>
MFEDERAL	8,100.00	0.00	10.0000
	25,500.00	1,740.00	15.0000
	78,800.00	9,735.00	25.0000
	150,800.00	27,735.00	28.0000
	225,550.00	48,665.00	33.0000
	396,450.00	105,062.00	35.0000
SFEDERAL	2,150.00	0.00	10.0000
	10,850.00	870.00	15.0000
	37,500.00	4,867.50	25.0000
	87,800.00	17,442.50	28.0000
	180,800.00	43,482.50	33.0000
	390,500.00	112,683.50	35.0000

2. Select **PR | Payroll Setup | Tax Rates**. Highlight **Federal Taxes** and click on **Change**. Enter/update existing data as necessary. Select **OK** and **Close** when finished.

Employee Rates

	<u>% Rate</u>	<u>Cutoff</u>
FICA RATE:	4.200	110,100.00
Medicare:	1.450	99,999,999.99
Annual:	3,800.00	

Employer Rates

	<u>%Rate</u>	<u>Cutoff</u>
FUTA:	0.600	7,000.00
FICA:	6.200	110,100.00
Medicare:	1.450	99,999,999.99