

December 31, 2020

To: RCC Customers with Payroll

Re: Federal Changes in tax tables for 2021

For those of you that have not yet added your 2021 tables, below are the tables you will need to change in the RCC Payroll package if you are using it to do your payroll. **You will also need to check your STATE circular to see if your State limits have changed** and make the appropriate changes to those payroll tables.

The system will start using the 2021 tables for payroll checks generated in 2021. For federal changes, please make your tables look like the following. Unless you are on an old version of RCC, you will find the payroll tables in 'Utilities > Setup Options', on the 'Tables' tab. Once on the 'Tables' tab, be sure to select 'Application' of 'Payroll' and then add the new tables by typing in the year and then typing in the table name.

Any questions please call our support staff and they will be pleased to lead you through it.

Thank You.

Susan Peterson
Support Manager

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FICA & Medicare Tables

The FICA rate remains at 6.2% each for the employee and employer, unchanged from 2020. The social security wage base limit is \$142,800.00 for the year 2021. The Medicare tax rate continues at 1.45% for both employee and employer (unchanged from 2020). There is NO wage base limit for Medicare.

As a reminder, there was a change instituted five years ago that required employers to withhold an Additional Medicare tax (0.9%) when any employee reaches \$200,000 in a year. This was an employee ONLY change, (employers don't match this). Please add the following table lines:

(Lines 3 & 4 are the lines that control the employee Medicare withholding, with the EXTRA .9% added to line 4 column 1 to charge an extra .9% of wages above \$200,000).

The Publication 15 is still in DRAFT form and has NOT yet been approved. The FICA/Medicare figures are preliminary and subject to change.

Source: <https://www.irs.gov/pub/irs-dft/p15--dft.pdf>

General Tables			
Application	Payroll		
Comp Id	2021 ...		
Table	FICA		
Description	FICA		
	FICA %	FICA LIMIT	MIN WAGE
1	6.20	142800.00	.00
2	1.45	999999.00	.00
3	1.45	200000.00	.00
4	2.35	999999.00	.00
5	.00	.00	.00
6	.00	.00	.00
7	.00	.00	.00
8	.00	.00	.00
9	.00	.00	.00

General Tables			
Application	Payroll		
Comp Id	2021 ...		
Table	FICAE		
Description	FICAE		
	FICA %	FICA LIMIT	
1	6.20	142800.00	
2	1.45	999999.00	
3	.00	.00	
4	.00	.00	
5	.00	.00	
6	.00	.00	
7	.00	.00	
8	.00	.00	
9	.00	.00	

W-4 Form from 2019 or Older:

Only required to setup the FEDM and FEDS tables if employees continue to use the old W-4 Form from 2019 or older.

General Tables			
Application	Payroll		
Comp Id	2021 ...		
Table	FEDM ...		
Description	Federal Married Table		

	OVER -	BASE	+ % OVER
1	12200.00	.00	10.00
2	32100.00	1990.00	12.00
3	93250.00	9328.00	22.00
4	184950.00	29502.00	24.00
5	342050.00	67206.00	32.00
6	431050.00	95686.00	35.00
7	640500.00	168993.50	37.00
8	999999.00	4300.00	.00
9	.00	.00	.00

General Tables			
Application	Payroll		
Comp Id	2021 ...		
Table	FEDS ...		
Description	Federal Single Table		

	OVER -	BASE	+ % OVER
1	3950.00	.00	10.00
2	13900.00	995.00	12.00
3	44475.00	4664.00	22.00
4	90325.00	14751.00	24.00
5	168875.00	33603.00	32.00
6	213375.00	47843.00	35.00
7	527550.00	157804.25	37.00
8	999999.00	4300.00	.00
9	.00	.00	.00

W-4 2020 or newer form:

The RCC program will require additional tables to handle the new W-4 options created by the government in 2020. In order to handle both table **options** requires **Classic.02.1103+ or 10.02.1103+**. You'll need to setup these AND the tables above for the 2019 or older W-4 options. If you ONLY have employees using the new W-4 2020 form then you only need to setup FEDM-ALT, FEDS-ALT, FEDH-ALT and to select the checkbox for 'W-4 Alternate' as shown below.

Withholding

State

Minnesota

Mar Status

Single

☐ W-4 Alternate

Local Code 1

Mpls W/H

Local Code 2

Mpls W/H

EIC Status

Not Appl

Fica Exempt

N

☐ Third-Par

Fe
St
Lo
Lo

general tables

Application

Payroll

Comp Id

2021

Table

FEDM-ALT

Description

Federal Married Table Alt

1	12550.00	.00	10.00
2	22500.00	995.00	12.00
3	53075.00	4664.00	22.00
4	98925.00	14751.00	24.00
5	177475.00	33603.00	32.00
6	221975.00	47843.00	35.00
7	326700.00	84496.75	37.00
8	999999.00	.00	.00
9	.00	.00	.00

General Tables

Application	Payroll		
Comp Id	2021 ...		
Table	FEDS-ALT ...		
Description	Federal Single Table Alt		
1	6275.00	.00	10.00
2	11250.00	497.50	12.00
3	26538.00	2332.00	22.00
4	49463.00	7375.50	24.00
5	88738.00	16801.50	32.00
6	110988.00	23921.50	35.00
7	268075.00	78902.13	37.00
8	9999999.00	.00	.00
9	.00	.00	.00

General Tables

Application	Payroll		
Comp Id	2021 ...		
Table	FEDH-ALT ...		
Description	Federal Head of Household Tabl		
1	9400.00	.00	10.00
2	16500.00	710.00	12.00
3	36500.00	3110.00	22.00
4	52575.00	6646.50	24.00
5	91850.00	16072.50	32.00
6	114100.00	23192.50	35.00
7	271200.00	78177.50	37.00
8	9999999.00	.00	.00
9	.00	.00	.00

Unemployment Federal & State Table

For the UCLIM table, '1' in the comp id field is the company number you are using. Remember to reset this table for EACH company # or use a '0' in the Comp Id field to apply to ALL companies in your payroll file. The State Unemployment Compensation limit may be different for your state. The State % is different for each company, insert the value that has been assigned to your company. The Fed % rate is different for each company, insert the appropriate value.

File Edit

General Tables

Application Payroll

Comp Id 1

Table UCLIM

Description Federal Unemployment Comp Lmts

The areas highlighted in yellow are values that are unique to EACH company. Do NOT just insert the values you see here, these are just examples. You need to find out the rates and limits for your own company.

	FED LIMIT	STATE LIMIT	STATE %	FED %
1	7000.00	20000.00	.20	.60
2	.00	.00	.00	.00
3	.00	.00	.00	.00
4	.00	.00	.00	.00
5	.00	.00	.00	.00
6	.00	.00	.00	.00
7	.00	.00	.00	.00
8	.00	.00	.00	.00
9	.00	.00	.00	.00

Sources:

<https://www.irs.gov/pub/irs-pdf/p15t.pdf>

<https://www.irs.gov/pub/irs-dft/p15--dft.pdf>