

December 31, 2022

To: RCC Customers with Payroll
Re: Federal Changes in tax tables for 2023

For those of you that have not yet added your 2023 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 2023 tables for payroll checks generated in 2023. 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.

Abby Thurston
Supervisor of Operations

Contents

FICA & Medicare Tables.....	1
STANDARD Withholding Rate Schedules (Use these if the Form W-4 is from 2019 or earlier, or if the Form W-4 is from 2020 or later and the box in Step 2 of Form W-4 is NOT checked)	2
Form W-4, Step 2, Checkbox, Withholding Rate Schedules	3
Unemployment Federal & State Table	5
Sources:.....	5

FICA & Medicare Tables

The FICA rate remains at 6.2% each for the employee and employer, unchanged from 2022. The social security wage base limit is \$160,200.00 for the year 2023. The Medicare tax rate continues at 1.45% for both employee and employer (unchanged from 2022). There is NO wage base limit for Medicare.

As a reminder, there was a change instituted 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).

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

General Tables

Application	Payroll		
Comp Id	2023 ...		
Table	FICA ...		
Description	FICA		

	FICA %	FICA LIMIT	MIN WAGE
1	6.20	160200.00	.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	2023 ...	
Table	FICAE ...	
Description	FICAE	

	FICA %	FICA LIMIT
1	6.20	160200.00
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

STANDARD Withholding Rate Schedules

(Use these if the Form W-4 is from 2019 or earlier, or if the Form W-4 is from 2020 or later and the box in Step 2 of Form W-4 is NOT checked)

General Tables

Application: Payroll
Comp Id: 2023
Table: FEDM
Description: Federal Married Table

	OVER -	BASE	+ % OVER
1	14800.00	.00	10.00
2	36800.00	2200.00	12.00
3	104250.00	10294.00	22.00
4	205550.00	32580.00	24.00
5	379000.00	74208.00	32.00
6	477300.00	105664.00	35.00
7	708550.00	186601.50	37.00
8	999999.00	4300.00	.00
9	.00	.00	.00

General Tables

Application: Payroll
Comp Id: 2023
Table: FEDS
Description: Federal Single Table

	OVER -	BASE	+ % OVER
1	5250.00	.00	10.00
2	16250.00	1100.00	12.00
3	49975.00	5147.00	22.00
4	100625.00	16290.00	24.00
5	187350.00	37104.00	32.00
6	236500.00	52832.00	35.00
7	583375.00	174238.25	37.00
8	999999.00	4300.00	.00
9	.00	.00	.00

Form W-4, Step 2, Checkbox, Withholding Rate Schedules
(Use these if the Form W-4 is from 2020 or later and the box in Step 2 of Form W-4 IS checked)

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 **WITH BOX 2 CHECKED** 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-Party

General Tables

Application: Payroll

Comp Id: 2023

Table: FEDM-ALT

Description: Federal Married Table Alt

1	13850.00	.00	10.00
2	24850.00	1100.00	12.00
3	58575.00	5147.00	22.00
4	109225.00	16290.00	24.00
5	195950.00	37104.00	32.00
6	245100.00	52832.00	35.00
7	360725.00	93300.75	37.00
8	9999999.00	.00	.00
9	.00	.00	.00

General Tables

Application Payroll
 Comp Id 2023 ...
 Table FEDS-ALT ...
 Description Federal Single Table Alt

1	6925.00	.00	10.00
2	12425.00	550.00	12.00
3	29288.00	2573.50	22.00
4	54613.00	8145.00	24.00
5	97975.00	18552.00	32.00
6	122550.00	26416.00	35.00
7	295988.00	87119.13	37.00
8	9999999.00	.00	.00
9	.00	.00	.00

General Tables

Application Payroll
 Comp Id 2023 ...
 Table FEDH-ALT ...
 Description Federal Head of Household Tabl

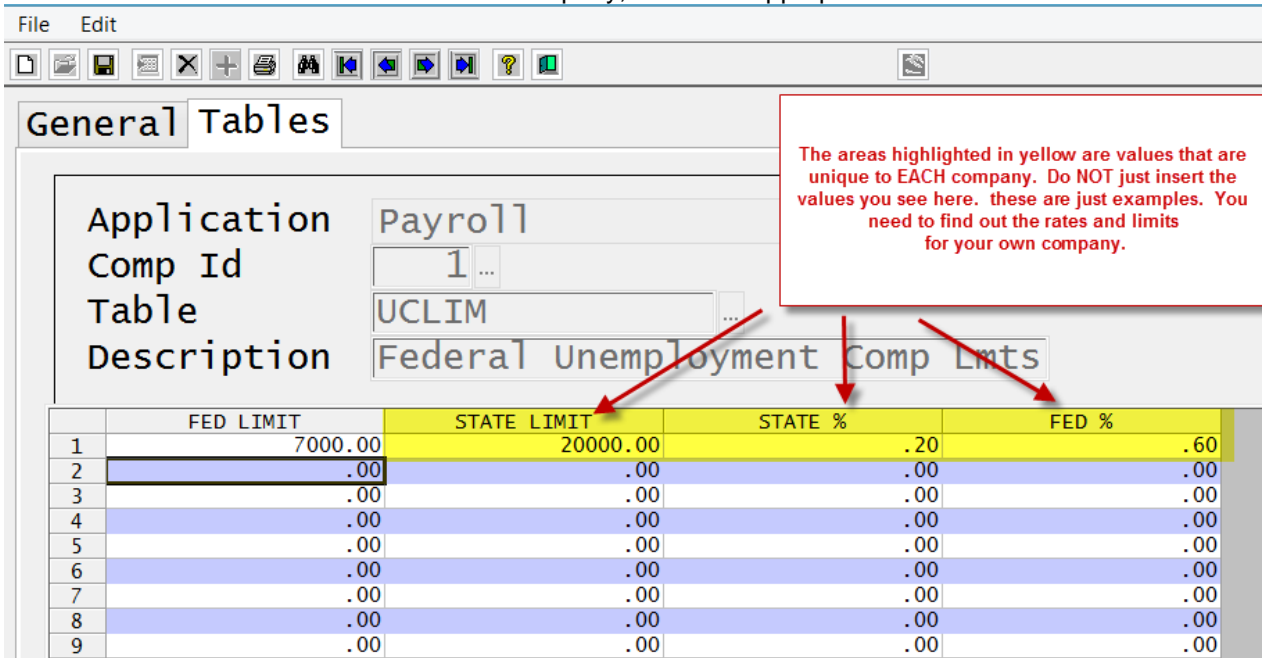
1	10400.00	.00	10.00
2	18250.00	785.00	12.00
3	40325.00	3434.00	22.00
4	58075.00	7339.00	24.00
5	101450.00	17749.00	32.00
6	126025.00	25613.00	35.00
7	299450.00	86311.75	37.00
8	9999999.00	.00	.00
9	.00	.00	.00

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 could be different for each company, insert the appropriate value.



The screenshot shows a software window titled "General Tables" with a menu bar (File, Edit) and a toolbar. The main area contains a form with the following fields:

- Application: Payroll
- Comp Id: 1
- Table: UCLIM
- Description: Federal Unemployment Comp Lmts

Below the form is a table with the following data:

	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

A red box with text points to the yellow-highlighted cells in the first row of the table:

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.

Sources:

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

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