

## Compensation and Benefits by the Numbers – 2018 Changes

Compensation	2018	2017	Social Security & Medicare	2018	2017
MA Minimum Wage Rate	\$11/hour	\$11/hour	FICA Tax	7.65%	7.65%
MA Minimum for Tipped Staff	\$3.75/hour	\$3.75/hour	Social Security Tax	6.2%	6.2%
Federal Minimum Wage Rate	\$7.25/hour	\$7.25/hour	Social Security Taxable Wage Base	\$128,400	\$127,200
Federal Contractors	\$10.35/hour	\$10.20/hour	Medicare Tax (\$200,000 or less)	1.45%	1.45%
IRS Mileage Reimburse Rate	54.5¢	53.5¢	Medicare Tax (> \$200,000)	2.35%	2.35%

Health Savings Accounts (HSA) and High Deductible Health Plans (HDHP)	Single Coverage		Family Coverage	
	2018	2017	2018	2017
HSA Maximum Annual Contribution	\$3,450	\$3,400	\$6,900	\$6,750
HDHP Minimum Annual Deductible	\$1,350	\$1,300	\$2,700	\$2,600
HDHP Maximum Annual Out of Pocket Expenses	\$6,650	\$6,550	\$13,300	\$13,100

**Note:** For 2018, the HSA catch up contribution limit for participants age 55 or older on December 31, 2018, remains at \$1,000.

Affordable Care Act (ACA)	2018	2017
Minimum Percent of Full-time Employees and Their Children to Whom Coverage Must Be Offered	95%	95%
Minimum a Plan Must Pay for Covered Health Expenses (i.e., minimum value)	60%	60%
Maximum Employees Required to Pay as Percent of Household Income (i.e., affordable coverage requirement)	9.56%	9.69%
Penalty Per Month for Failure to Offer Coverage	\$2,320/12 x # Full-Time Employees Minus Up to 30	\$2,260/12 x # Full-Time Employees Minus Up to 30
Penalty Per Month for Failure to Offer Affordable Coverage	\$3,480/12 Per Full-Time Employee Receiving Tax Credit Up to Max of \$2,320/12 x # Full-Time Employees Minus Up to 30	\$3,390/12 Per Full-Time Employee Receiving Tax Credit Up to Max of \$2,260/12 x # Full-Time Employees Minus Up to 30

**Note:** The ACA requirements apply to employers employing an average of 50 or more full-time equivalent employees in the prior year. Full-time means 30 hours.

Flexible Spending Accounts	2018	2017	Other Programs	2018	2017
Health FSA Maximum Election	\$2,650	\$2,600	Commuter	\$260/mo.	\$255/mo.
Dependent Care FSA Maximum Election	\$5,000	\$5,000	Adoption Assistance	\$13,840	\$13,570

Retirement Plans	2018	2017
<b>401(k), 403(b), and 457(b) Plans</b>		
Employee Deferral Limit	\$18,500	\$18,000
Catch Up Contribution	\$6,000	\$6,000
Defined Contribution Plan Annual Additions Limit	\$55,000	\$54,000
Defined Benefit Plan Annual Benefit Limit	\$220,000	\$215,000
Annual Compensation Limit	\$275,000	\$270,000
Highly Compensated Employee Threshold	\$120,000	\$120,000
Key Employee/Officer	\$175,000	\$175,000
<b>Individual Retirement Accounts</b>		
Contribution Limit	\$5,500	\$5,500
Catch Up Contribution	\$1,000	\$1,000