

## Compensation and Benefits by the Numbers – 2019 Changes

Compensation	2019	2018
MA Minimum Wage Rate	\$12/hour	\$11/hour
MA Minimum for Tipped Staff	\$4.35/hour	\$3.75/hour
Federal Minimum Wage Rate	\$7.25/hour	\$7.25/hour
Federal Contractors	\$10.60/hour	\$10.35/hour
IRS Mileage Reimburse Rate	58¢	54.5¢

Social Security & Medicare	2019	2018
FICA Tax (SS & Medicare Combined)	7.65%	7.65%
Social Security Tax (OASDI)	6.2%	6.2%
Social Security Taxable Wage Base	\$132,900	\$128,400
Medicare Tax (\$200,000 or less)	1.45%	1.45%
Medicare Tax (> \$200,000) (1.45%+.9%)	2.35%	2.35%

Health Savings Accounts (HSA) and High Deductible Health Plans (HDHP)	Single Coverage		Family Coverage	
	2019	2018	2019	2018
HSA Maximum Annual Contribution	\$3,500	\$3,450	\$7,000	\$6,900
HDHP Minimum Annual Deductible	\$1,350	\$1,350	\$2,700	\$2,700
HDHP Maximum Annual Out of Pocket Expenses	\$6,750	\$6,650	\$13,500	\$13,300

**Note:** For 2019, the HSA catch up contribution limit for participants age 55 or older on December 31, 2019, remains at \$1,000.

Affordable Care Act (ACA)	2019	2018
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)	9.86%	9.56%
Penalty Per Month for Failure to Offer Coverage	\$2,500/12 x # Full-Time Employees Minus Up to 30	\$2,320/12 x # Full-Time Employees Minus Up to 30
Penalty Per Month for Failure to Offer Affordable Coverage	\$3,750/12 Per Full-Time Employee Receiving Tax Credit Up to Max of \$2,320/12 x # Full-Time Employees Minus Up to 30	\$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

**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	2019	2018
Health FSA Maximum Election	\$2,700	\$2,650
Dependent Care FSA Maximum Election	\$5,000	\$5,000

Other Programs	2019	2018
Commuter (Parking & Transit)	\$265	\$260/mo.
Adoption Assistance	\$14,080	\$13,810

Retirement Plans	2019	2018
<b>401(k), 403(b), and 457(b) Plans</b>		
Employee Deferral Limit	\$19,000	\$18,500
Catch Up Contribution	\$6,000	\$6,000
Defined Contribution Plan Annual Additions Limit	\$56,000	\$55,000
Defined Benefit Plan Annual Benefit Limit	\$225,000	\$220,000
Annual Compensation Limit	\$280,000	\$275,000
Highly Compensated Employee Threshold	\$125,000	\$120,000
Key Employee/Officer	\$180,000	\$175,000
<b>Individual Retirement Accounts</b>		
Contribution Limit	\$6,000	\$5,500
Catch Up Contribution	\$1,000	\$1,000

**\*Note:** TBA means To Be Announced. IRS has not yet published the 2019 mileage reimbursement rate. PS&A will update this HR@Work publication as soon as IRS announces the 2019 rate.