



**AUDITOR-CONTROLLER**

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Auditor-Controller

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**Auditor - Controller**

December 18, 2009

MEMO TO: Department Heads  
FROM: Larry D. Haugh, Auditor-Controller  
SUBJECT: **2010 TAX UPDATE**

The Social Security Administration has announced that the 2010 Social Security taxable wage base will remain \$106,800.00, unchanged from 2009. As in prior years there is no limit to the wages subject to the Medicare tax; therefore all covered wages are still subject to the 1.45% tax.

The FICA tax rate, which is the combined social security tax rate (OASDI) of 6.2% and the Medicare tax rate of 1.45%, remains 7.65% for 2010. The maximum social security tax employees and employers will each pay in 2010 is \$6,621.60. This is unchanged from the 2009 maximum.

**For those employees covered by California State Disability (SDI), the 2010 SDI tax rate is 1.1%. The state disability taxable wage base for 2010 is \$93,316.00. The maximum state disability tax employees will pay in 2010 is \$1,026.48.**

The Internal Revenue Service has issued the new business standard mileage rate that employees, self-employed individuals, and other taxpayers should use in calculation their business travel expense. The mileage rate for business travel will be **decreased** from 55.0 cents per mile to 50.0 cents per mile effective January 1, 2010.

**Effective January 1, 2010, the County mileage rate will be as follows:**

**50.0 cents per mile**

Please inform all employees in your department of this change.

If you have any questions regarding these changes you may contact the Auditor's Payroll Division at 525-6406.

Thank you.

C: Payroll Clerks  
Accounts Payable Clerks