

STATE CONTROLLER'S OFFICE
PERSONNEL AND PAYROLL SERVICES DIVISION
P.O. BOX 942850
SACRAMENTO, CA 94250-5878

DATE: January 3, 2013

PAYROLL LETTER #13-001

TO: All Agencies/Campuses in the Uniform State Payroll System

FROM: Lisa Crowe, Chief
Personnel and Payroll Services Division (PPSD)

RE: 2013 ADDITIONAL MEDICARE TAX RATE CHANGE

The Affordable Care Act was enacted in March 2010. As a result, a new Additional Medicare Tax goes into effect after December 31, 2012. The tax rate change will apply an additional 0.9 percent to employee wages or compensation in excess of \$200,000 in a calendar year.

The new additional rate will be published in the next update of the Payroll Procedures Manual.

If you have questions regarding the Additional Medicare Tax you can access the [Internal Revenue Service website](#).

If you have any questions regarding this Payroll Letter contact Renee McClain at rmcclain@sco.ca.gov.

LC:JD:RM:TSS