STATE OF CALIFORNIA   MALIA M. COHEN
                                                         California State Controller

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

DATE: November 6, 2024   PAYROLL LETTER #24-018

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

FROM: Lisa Dean, Acting Chief
         Personnel and Payroll Service Division

RE: **2025 STATE DISABILITY INSURANCE RATE**

The Employment Development Department (EDD) published the revised State Disability Insurance (SDI) rate for 2025. The withholding rate increased to 1.2% of eligible earnings in 2025. Effective January 1, 2024, Senate Bill 951 eliminated the annual taxable wage limit and maximum contribution. This means employees subject to SDI contributions will pay CA SDI tax on **all** taxable wages. These changes will take effect beginning with payments issued on January 1, 2025. The 2025 SDI rate can be accessed on EDD's website: Contribution Rates, Withholding Schedules, and Meals and Lodging Values. Revisions to the Payroll Procedures Manual (PPM) Sections E803 and N171 are forthcoming.

Please direct questions regarding this Payroll Letter to the Statewide Tax Support Program via email at PPSDSTSP@sco.ca.gov.

Contacts:
- Affordable Care Act (ACA) Email ACASupport@sco.ca.gov
- Cal Employee Connect (CEC) Help and Feedback
- ConnectHR Help and Feedback
- California Leave Accounting System (CLAS) Email CLAS@sco.ca.gov
- CS Escalation Email (HR Supervisors and Managers) PPSDOps@sco.ca.gov
- Inquiry Email (HR Supervisors and Managers) PPSDCSUInquiry@sco.ca.gov
- Decentralized Security Administration (DSA) & ViewDirect Access (916) 619-7234 or DSA@sco.ca.gov
- HR Suggestions Email (All HR Staff) PPSDHRSuggestions@sco.ca.gov
- Management Information Retrieval System (MIRS) Email PPSDMIRS@sco.ca.gov
- Campus Information Retrieval System CIRS@calstate.edu
- Statewide Customer Contact Center (916) 372-7200

SCO Key Initiatives:
- Cal Employee Connect
- California State Payroll System Project

Websites:
- HR
- State Employees

LD:AR/EO/STSP