

TO: All Human Resource Directors for
Agencies Serviced by the
Bureau of Commonwealth Payroll Operations (BCPO)

FROM: Stephen R. Burns
Director
Bureau of Commonwealth Payroll Operations

DATE: October 12, 2023

RE: BCPO Payroll Memo # 23-03, Social Security Rates - 2024

The Social Security Administration has announced changes to the maximum earnings subject to Social Security and Medicare tax for 2024 as follows:

- 1) The Social Security Tax rate will remain at 6.2 percent. The maximum taxable earnings subject to Social Security Tax is \$168,600 - an increase from \$160,200 in 2023. The maximum employee/employer Social Security Deduction will be \$10,453.20.
- 2) The Medicare portion will remain at 1.45 percent on wages up to \$200,000 and increase to 2.35 percent on wages greater than \$200,000. As in 2023, there is no limit to wages subject to the Medicare portion of the tax.

Please share this information with the appropriate Human Resource, Payroll, and Budget staff members. Questions on this subject may be referred to any Payroll Staff Member.

cc: Brian Lyman, Chief Accounting Officer, Office of the Budget
Jason Swarthout, Acting Deputy Secretary for Human Resources and
Management
Lisette Lindsay, IES Business Operations HR Manager
Bureau Directors (5)