

Railroad Retirement Board Reminders for 2016

2016 Tier I Earnings Base and Tax Rates

\$118,500.00 - Annual Maximum
6.2% - Employee and Employer Tax Rate
\$7,347.00 - Maximum Employee and Employer Tax

2016 Tier II Earnings Base And Tax Rates

\$88,200.00 - Annual Maximum
4.9% - Employee Tax Rate
\$4,321.80 - Maximum Employee Tax
13.1% - Employer Tax Rate
\$11,554.20 - Maximum Employer Tax

2016 Medicare Hospital Insurance Earnings Base And Tax Rate

Annual Maximum - No Limit
1.45% - Employee and Employer Tax Rate
(Additional Taxes are 0.9% of Earnings in Excess of \$200,000.00)

2016 Total Tier I, Tier II & Medicare Hospital Insurance Maximum Tax

Based on Earnings of \$118,500.00

\$13,387.05 - Employees
\$20,619.45 - Employers
(Additional Taxes are 1.45% of Earnings in Excess of \$118,500.00)

Amount Needed for Quarter of Social Security Coverage

\$1,260.00 in 2016 (Up to 4)

2016 Employer RUIA Tax Rate

2.15 - 12% on First \$1,455.00 Per Month

Employee RUIA 2015 Qualifying Earnings

\$3,637.50 - For Benefit Year 2016 (Beginning July 1, 2016)

RUIA Daily Benefit Rate

\$72.00 - For Benefit Year 2016 (Beginning July 1, 2016)

Work Deduction Exempt Amounts

Full Retirement Age (FRA)
(For Months Prior To FRA In Calendar Year)
Annual - \$41,880.00; Monthly - \$3,490.00
(\$1.00 Deduction For Each \$3.00 of Excess Earnings)

Under FRA
Annual - \$15,720.00; Monthly - \$1,310.00
(\$1.00 Deduction For Each \$2.00 of Excess Earnings)

Basic Medicare Premium

\$104.90 - Part B effective prior to 2016
\$121.80 - Part B effective beginning 2016

Cost-of-Living Increase December 2015

Tier I - 0%
Tier II - 0%