
Tax changes effective January 1, 2024

2024 Tax Changes

When you process payrolls with a pay date on or after January 1, 2024, the tax changes included in this document will automatically take effect.

Federal Tax Changes

Retirement savings plans tax changes include:

- 401(k) retirement savings plans:
 - Increased the limit for employee elective deferrals from \$22,500 to \$23,000
- 403(b) retirement savings plans:
 - Increased the limit for employee elective deferrals from \$22,500 to \$23,000
- 408(p) SIMPLE retirement savings plans:
 - Increased the limit for employee elective deferrals from \$15,500 to \$16,000
- 457 retirement savings plans:
 - Increased the limit for employee elective deferrals from \$22,500 to \$23,000
- Roth 401(k) retirement savings plans:
 - Increased the limit for employee elective deferrals from \$22,500 to \$23,000

Section 125 adoption assistance benefit tax change:

- The taxability of adoption assistance benefits provided in a cafeteria plan for regular and supplemental wages changed from exempt to taxable for the following tax types:
 - FUTA
 - Medicare – Employee
 - Medicare – Employer
 - Social Security – Employee
 - Social Security - Employer

Social Security tax changes include:

- Increased the Social Security wage base from \$160,200 to \$168,600. There is no limit on wages subject to Medicare taxes.

State and Local Tax Changes

Arkansas Tax Changes

Arkansas made the following change to state unemployment insurance tax:

- Decreased the maximum employer state unemployment tax rate from 14.125% to 10.125%

Arkansas made the following changes to their state withholding:

- Increased the standard deduction amount from \$2,270 to \$2,340
- Decreased the supplemental withholding tax rate from 4.7% to 4.4%
- Revised the state [withholding tables](#).

California Tax Changes

California made the following changes to their state disability insurance tax:

- Increased the state disability tax rate from .9% to 1.1%

California made the following changes to their state withholding:

- Revised their [state withholding tables](#)

Colorado Tax Changes

Colorado made the following changes to their state unemployment insurance tax:

- Increased the state unemployment tax wage base from \$20,400 to \$23,800

Colorado Paid Family and Medical Leave changes:

- Increased the Paid Family and Medical Leave employer and employee wage base from \$160,200 to \$168,600

Connecticut Tax Changes

Connecticut made the following changes to state unemployment insurance tax:

- Increased the state unemployment tax wage base from \$15,000 to \$25,000

Connecticut Paid Family and Medical Leave changes:

- Increased the Paid Family and Medical Leave wage base from \$160,200 to \$168,600

Delaware Tax Changes

Delaware made the following changes to state unemployment insurance tax:

- Decreased the maximum employer state unemployment tax rate from 8.2% to 5.4%
- Added the state unemployment Special Administration Fund Tax with a tax rate of .2% and a wage base of \$10,500

Iowa Tax Change

Iowa made the following changes to their state unemployment insurance tax:

- Increased the state unemployment taxable wage base from \$36,100 to \$38,200

Kentucky Tax Changes

Kentucky made the following changes to local taxes:

- **Alexandria, Campbell County** (18-037-0970) increased the annual maximum tax from \$2,403 to \$2,529
- **Bowling Green, Warren County** (18-227-0070) increased the Occupational License Fee from 1.85% to 2%
- **Campbell County** (18-037-0000) made changes to the Campbell County Occupational License Fee:
 - The License Fee of 1.05% will be broken out into the following three new taxes, with differing rates and maximum wages:
 - General Occupational License Fee of .9% and an annual maximum tax of \$1,517.40*
 - Mental Health Occupational License Fee of .1% and an annual maximum tax of \$168.60*
 - Senior Citizen Occupational License Fee of .05% and an annual maximum tax of \$25*
 - **Note:** The maximum tax amounts published by Campbell County are rounded for ease of publication and are not to be used for accurate calculations
- **Cold Spring, Campbell County** (18-037-1349) increased the annual maximum tax from \$1,602 to \$1,686
- **Covington, Kenton County** (18-117-0130) increased the annual maximum tax from \$3,924.90 to \$4,130.70
- **Crestview Hills, Kenton County** (18-117-1727) increased the annual maximum tax from \$1,690.50 to \$1,938.90
- **Florence, Boone County** (18-015-0260) increased the annual maximum tax from \$3,204 to \$3,372
- **Fort Wright, Kenton County** (18-117-1030) increased the annual maximum tax from \$1,585.98 to \$1,669.14
- **Highland Heights, Campbell County** (18-037-0380) increased the annual maximum tax from \$1,602 to \$1,686
- **Kenton County** (18-117-0000):
 - Changed the local withholding calculation to a flat rate of .6997%
 - Increased the annual maximum tax from \$816.54 to \$1,179.69
- **Newport, Campbell County** (18-037-0620) increased the annual maximum tax from \$4,005 to \$4,215
- **Union, Boone County** (18-015-1272) increased the annual maximum tax from \$3,204 to \$3,372
- **Warsaw, Gallatin County** (18-077-1495) increased the annual maximum tax from \$1,602 to \$1,686
- **Wilder, Campbell County** (18-037-1355) increased the annual maximum tax from \$3,604.50 to \$3,793.50

Massachusetts Tax Changes

Massachusetts made the following changes to Paid Family and Medical Leave:

- Increased the Paid Family and Medical Leave employee tax rate from .318% to .46%
- Increased the Paid Family and Medical Leave employer tax rate from .312% to .42%
- Increased the Paid Family and Medical Leave wage base from \$160,200 to \$168,600

Missouri Tax Changes

Missouri made the following changes to their state unemployment insurance tax:

- Decreased the SUI wage base from \$10,500 to \$10,000
- Decreased the maximum employer SUI tax rate from 9.765% to 9.45%

Montana Tax Change

Montana made the following changes to their state unemployment insurance tax:

- Increased the state unemployment and associated Administrative Fund tax wage base from \$40,500 to \$43,000

Nevada Tax Change

Nevada made the following changes to their state unemployment insurance tax:

- Increased the state unemployment and associated Career Enhancement Program tax wage base from \$ 40,100 to \$40,600

New Jersey Tax Change

New Jersey made the following change to withholding taxability:

- Changed the withholding taxability of 409A deferrals from exempt to taxable for regular and supplemental wages

New York Tax Change

New York made the following change to their state unemployment insurance tax:

- Increased the state unemployment and related Re-Employment Service Fund tax wage base from \$12,300 to \$12,500

North Dakota Tax Change

North Dakota made the following change to their state withholding:

- Decreased the supplemental withholding tax rate from 1.84% to 1.5%

Ohio Tax Changes

Ohio made the following changes to their local taxes:

- **Blanchester LSD (1401):**
 - Added the school district with a tax rate of 1%. This tax is calculated using the Earned Income Method with no personal exemption. The following jurisdictions are affected:
 - Blanchester, Warren County (36-165-0230)
 - Blanchester, Clinton County (36-027-0230)
 - Harlan Township, Warren County (36-165-0161)
 - Jefferson Township, Clinton County (36-027-0523)

- Marion Township, Clinton County (36-027-1028)
 - Midland, Clinton County (36-027-4942)
 - Perry Township, Brown County (36-015-0448)
 - Washington Township, Clinton County (36-027-0033)
 - Wayne Township, Clermont County (36-025-0737)
- **Christ-Chdns Med Ctr JEDD, Hamilton County (36-061-7437):**
 - Increased the wage base from \$128,446 to \$133,199
 - **Columbiana, Columbiana County (36-029-0560)**
 - Changed the calculation to calculate more precisely when an employee lives and works in the same county. Previously, resident and work county tax was being calculated.
 - **Columbiana, Mahoning County (36-099-0560)**
 - Changed the calculation to calculate more precisely when an employee lives and works in the same county. Previously, resident and work county tax was being calculated.
 - **Harrison Green JEDD, Hamilton County (36-061-7436)**
 - Increased the wage base from \$124,801 to \$129,419
 - **McAlister's JEDD, Hamilton County (36-061-7436)**
 - Increased the wage base from \$117,605 to \$121,957
 - **Mercy Hospitals West JEDD, Hamilton County (36-061-7456)**
 - Increased the wage base from \$100,000 to \$103,000
 - **UDF North Bend JEDD, Hamilton County (36-061-7456)**
 - Increased the wage base from \$120,311 to \$124,763
 - **Union, Miami County (36-109-5493)**
 - Increased the tax rate from 1% to 1.5%
 - Increased the credit limit from 1% to 1.5%
 - **Western Ridge JEDD, Hamilton County (36-061-7455)**
 - Increased the wage base from \$135,599 to \$140,616
 - **Willard, Huron County (36-077-2810)**
 - Increased the tax rate from 1.375% to 1.75%
 - Increased the credit limit from 1.375% to 1.75%

Oregon Tax Change

Oregon made the following change to their state workers compensation tax:

- Decreased the employee and employer workers comp rate from \$0.011/hr to \$0.01/hr.

Vermont Tax Change

Vermont made the following update to their state unemployment insurance tax:

- Increased the SUI taxable wage base from \$13,500 to \$14,300

Washington Tax Changes

Washington made the following changes to their Paid Family and Medical Leave tax:

- Increased the Paid Family and Medical Leave wage base from \$160,200 to \$168,600
- Increased the Paid Family and Medical Leave tax rate from .8% to .74%
 - Employees will pay 71.43% of the Paid Family and Medical Leave premium
 - Employers will pay 28.57% of the Paid Family and Medical Leave premium