

Isolved March 2025 Tax Release

Release Tax Updates

The March 2025 Tax Release was deployed on March 19, 2025

State and Local Tax Updates

All tax changes are effective January 1, 2025, unless otherwise noted. Notable changes with possible action items are:

California

- Changed the Withholding calculation for Previous Aggregation Supplemental Only to calculate more precisely.

Note: Previously, the current pay period tax amount was not reduced by the previous pay period tax amount when wages were at or near the low income threshold.

New Mexico

- Change the SUI taxability of Group Term Life Over \$50,000.00 from taxable to exempt.

Note: In January 2025, Vertex communicated that the SUI taxability of Group Term Life Insurance was changed to taxable for coverage amounts exceeding \$50,000.00. However, after further research into state laws and the Federal Unemployment Tax Act (FUTA) regulations regarding fringe benefits, as outlined in IRS Publication 15-B, Vertex confirmed that the taxability remains exempt.

Oregon

- Decreased the SUI Special Payroll Tax Offset tax rate from .139% to .109%, effective 4-1-25

Local Tax Changes

Ohio

Mount Blanchard, Hancock County

- Added Mount Blanchard with a tax rate of 1%

Pennsylvania

Gratz Boro, Dauphin County

- Increased the Local Services Tax from \$20.00 to \$52.00