

2018 Statutory Changes

Federal Changes				
Description	Change	Effective Date	New Rate	
Adoption Assistance	For taxable years beginning in 2018, the maximum amount that can be excluded for employer-provided adoption assistance increases from \$13,570 to \$13,840. And, the maximum credit allowed for adoptions increases from \$13,570 to \$13,840 for taxable years beginning in 2018	1/1/2018	\$ 13,840.00	
H S A Contribution limits	Family Coverage	1/1/2018	\$ 6,900.00	
	Maximum out of pocket expense, self coverage	1/1/2018	\$ 6,650.00	
	Maximum out of pocket expense, family coverage	1/1/2018	\$ 13,300.00	
Health Flexible Spending	Maximum contribution	1/1/2018	\$ 2,650.00	
Qualified Parking	Federal Qualified Transportation limit for 2018 is \$260 per month.	1/1/2018	\$ 260.00	
Social Security	Wage limit -	1/1/2018	\$ 128,400.00	
Medicare	Wage limit - unlimited			
Standard Deduction	Married Filing Jointly - not yet determined			
Standard Deduction	Single / Married Filing Separately - not yet determined			
Standard Deduction	Head of Household - not yet determined			
401(K), 403(B) contribution limit	Contribution Limit \$18,500 for 2018	1/1/2018	\$ 18,500.00	
401(K), 403(B) contribution limit - catch up	Contribution Limit Remains Unchanged at \$6,000 for 2018	1/1/2018	\$ 6,000.00	

State Changes				
State	Description	Effective Date	New Rate	
California	Annual Exemption/Allowance Amount:	1/1/2018	\$ 125.40	
California	Annual Standard Deduction Amount (SI, M Dual Income, M with less than 2 Exemptions):	1/1/2018	\$ 4,236.00	
California	Annual Standard Deduction Amount: Head of Household, M with more than 2	1/1/2018	\$ 8,472.00	
Maine	Annual Exemption/Allowance Amount:	1/1/2018	\$ 4,150.00	
	\$71,100 wage or less, the Single Annual Standard Deduction is...	1/1/2018	\$ 8,950.00	
	\$142,200 wage or less, the Single Annual Standard Deduction is...	1/1/2018	\$ 20,750.00	

South Carolina	Annual Standard Deduction	1/1/2018	\$ 3,150.00	
Massachusetts	Qualified Transportation Fringe Benefits			
	Employer Provided Parking Limit (monthly)	1/1/2018	\$ 260.00	
	Commuter Highway Vehicle Transportation and Combined Transit Passes Limit (monthly)	1/1/2018	\$ 135.00	
Oregon	The Oregon legislature passed HB 2017, which creates a new payroll tax that will fund state highway upgrades. The tax will be deposited into a 'Statewide Transportation Improvement Fund (STIF)'. The new payroll tax requires employers to withhold a tax of 0.1% from the total wages without exemption or deductions (per Section 122a (3)), of resident employees and nonresident employees working in Oregon and remit this tax to the Oregon Department of Revenue. The payroll tax also applies to all residents of Oregon, regardless of where services are performed, and to nonresidents for services performed in Oregon	7/1/2018		
Washington	The Washington State Supplemental Pension Fund Rate, which is shared by the employee and employer, will increase for 2018. The employer and employee each pay half of the supplemental pension fund rate: \$0.0515 per hour for 2018.	1/1/2018	\$ 0.0515	

Local Changes				
State	Local	Effective Date	New Rate	Local Code
Kentucky	For 2018, the Boone County Ordinance #07-27 tax increases its wage base from \$59,217.00 to \$60,236.00 and maximum tax from \$473.74 to \$481.89. The withholding rate for the Boone County Ordinance #07-27 tax remains .008 for 2018.	1/1/2018		
Ohio	Effective January 1, 2018, the income tax rate for the City of Bedford, OH (Tax Service Codes 3655/6462) will increase from 2.25% to 3.00%. The resident credit will increase to 2.25%, therefore the minimum rate will remain 0.75	1/1/2018	3.00%	3655 / 6462
Oregon	Local #3802, Lane Transit Tax, OR tax rate will change from 0.72% to 0.73%, effective 01/01/2018	1/1/2018	0.73%	3802

Oregon	Local #3801, Trimet Excise Tax, OR tax rate will change from 0.7437% to 0.7537%, effective 01/01/2018	1/1/2018	0.75%	3801
Ohio	Effective January 1, 2018, the income tax rate for the Village of Orwell (Tax Service Code # 6235/6568) will increase from 1.00% to 1.50%. The village confirmed they will continue to offer a 100% resident credit.	1/1/2018	1.50%	6235 / 6568
Ohio	Effective January 1, 2018, the income tax rate for the City of Mount Vernon (Tax Service Code # 6198/4138) will increase from 1.50% to 2.00%. The cities Income Tax Department confirmed they will continue to offer a 1.00% resident credit for income tax that is paid to another municipality	1/1/2018	2.00%	6198 / 4138
Ohio	Effective January 1, 2018, the City of Akron, OH announced their income tax rate will increase from 2.25% to 2.50%. The income tax increase will also apply to the Ohio JEDD's administered by Akron.	1/1/2018	2.5%	
Ohio	Effective January 1, 2018, the Village of Lakemore, OH Tax Service Codes 6145/4113 will increase their income tax rate from 2.00% to 2.25%. Please note, the village will continue to offer a 100% resident credit for residence paying income tax to another Ohio local.	1/1/2018	2.25%	6145 / 4113
Ohio	The taxable wage base for the Western Ridge JEDD, OH (Tax Service Code #0761) has changed to \$112,708 effective January 1, 2018.	1/1/2018		
Ohio	Effective January 1, 2018 the City of Wapakoneta, OH Tax Service Codes 6320/6989 will increase their income tax rate from 1.00% to 1.50%. Please note, the city will continue to offer a 1.00% resident credit for residence paying income tax to another Ohio local	1/1/2018	1.5%	6320 / 6989
Ohio	Effective January 1, 2018 the City of Brunswick, OH Tax Service Codes 3618/6603 will increase their income tax rate to 2.00%. Please note, the city will continue to offer a 1.00% resident credit for residence paying income tax to another Ohio local.	1/1/2018	2.0%	3618 / 6603

Ohio	Effective January 1, 2018, the City of Fostoria will eliminate their resident credit. Therefore, the Minimum Tax Rate will change to 2.00%, and the Local 1 Credit will change to 0.00%.	1/1/2018	2.0%	
Ohio	Effective January 1, 2018 the City of Heath, OH Tax Service Codes 3697/6788 will increase their income tax rate from 1.5% to 2.00%. Please note, the city will also increase their resident credit from 1.25% to 1.50% for residents paying income tax to another Ohio local.	1/1/2018	1.5%	3697 / 6788
Ohio	Effective July 1, 2017 the City of Reynoldsburg, OH Tax Service Codes 3690/3692 will increase their income tax rate from 1.5% to 2.50%. Please note, the city will continue to offer a 100% resident credit up to 2.50% for residence paying income tax to another Ohio local	7/1/2017	2.5%	3690 / 3692
Ohio	The City of Mansfield, OH Tax Service Code 3679/6711 voters approved the renewal of the .25% tax levy, for the rehabilitation of streets and park roads. The additional 0.25% tax levy will remain effective until June 30, 2021. This keeps the total withholding rate a 2.00%. The credit will continue to be up to 1.00%, and a minimum rate of 1.00% is required.	7/1/2017		

School District Changes				
State	School District	Effective date	New rate	Local
N/A				

New Locals				
State	Local	Effective Date	New Rate	Local
Kentucky	The City of Murray, Kentucky adopted ordinance 2017-1743, Chapter 75 and has enacted a 1.0%-Occupational License Tax (OLT) effective January 1, 2018. The Murray OLT is imposed on all gross earnings earned by any resident or non-resident employee, for work performed or services rendered in the city limits	1/1/2018	1%	

Ohio	Effective January 1, 2018 the Village of Washingtonville, OH (Tax Service Code 0834) has established a 0.50% withholding income tax for all residents and those working in the Village of Washingtonville. Please note, the Village does not offer a resident credit	1/1/2018	0.5%	0834
------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------	------	------

Occupational Tax Changes				
State	County	Effective Date	New Rate	Local Code
Kentucky	Maximum Tax amount	1/1/2017		
Kentucky	The City of Murray, Kentucky adopted ordinance 2017-1743, Chapter 75 and has enacted a 1.0%-Occupational License Tax (OLT) effective January 1, 2018. The Murray OLT is imposed on all gross earnings earned by any resident or non-resident employee, for work performed or services rendered in the city limits	1/1/2018	1%	
Kentucky	The City of Lancaster, Kentucky enacted a 0.50% Occupational License Tax (OLT) effective August 1, 2017. The taxable wages of residents and non-residents working in the City are subject to the Lancaster OLT.	8/1/2017		1771
Kentucky	Danville, Kentucky, tax service code #1845, will increase the withholding rate of their Occupational License Tax (OLT) from 1.50% to 1.90% effective October 1, 2017.	10/1/2017	1.90%	1845

County Taxes				
State	County	Effective Date	New Rate	Local Code
Indiana	Allen income tax rate changed from 1.35% to 1.48%.	10/1/2017	1.48%	2044 / 2045
Indiana	Clinton income tax rate changed from 2.00% to 2.25%.	10/1/2017	2.25%	1516 / 1517
Indiana	Fountain income tax rate changed from 1.55% to 2.10%.	10/1/2017	2.10%	1530 / 1531
Indiana	LaGrange income tax rate changed from 1.40% to 1.65%.	10/1/2017	1.65%	2028 / 2029
Indiana	Marion income tax rate changed from 1.77% to 2.02%.	10/1/2017	2.02%	1562 / 1563
Indiana	Sullivan income tax rate changed from 0.30% to 0.60%.	10/1/2017	0.60%	1609 / 1610
Indiana	Vermillion income tax rate changed from 0.20% to 1.50%.	10/1/2017	1.50%	2065
Indiana	Bartholomew income tax rate changed from 1.25% to 1.75%.	1/1/2018	1.75%	1500 / 1501

Indiana	Carroll (Local codes income tax rate changed from 1.7039% to 2.0733%.	1/1/2018	2.0733%	1510 / 1511
Indiana	Daviess income tax rate changed from 1.75% to 1.50%.	1/1/2018	1.50%	1518 / 1519
Indiana	Decatur .income tax rate changed from 1.33% to 2.35%.	1/1/2018	2.35%	1520 / 1521
Indiana	Greene income tax rate changed from 1.25% to 1.75%.	1/1/2018	1.75%	153 / 1537
Indiana	Howard income tax rate changed from 1.65% to 1.75%.	1/1/2018	1.75%	1542 / 1543
Indiana	Martin income tax rate changed from 1.50% to 1.75%.	1/1/2018	1.75%	1566 / 1567
Indiana	Montgomery income tax rate changed from 2.10% to 2.30%.	1/1/2018	2.30%	1572 / 1573
Indiana	Orange income tax rate changed from 1.25% to 1.75%.	1/1/2018	1.75%	2026 / 2027
Indiana	Putnam income tax rate changed from 1.75% to 2.0%.	1/1/2018	2.00%	1586 / 1587
Indiana	Scott income tax rate changed from 1.41% to 2.16%.	1/1/2018	2.16%	2020 / 2021
Indiana	Vanderburgh income tax rate changed from 1.00% to 1.20%.	1/1/2018	1.20%	2006 / 2007
Maryland	Cecil County	1/1/2018	3%	

SUI Wage Base				
State	Description	Effective Date	New Rate	
Arkansas	SUI Wage base change - Employer decrease	1/1/2018	\$ 10,000.00	
Delaware	SUI Wage base change - Employer decrease	1/1/2018	\$ 16,500.00	
Idaho	SUI Wage base change - Employer	1/1/2018	\$ 38,200.00	
Iowa	SUI Wage base change - Employer	1/1/2018	\$ 29,900.00	
Montana	SUI Wage base change - Employer	1/1/2018	\$ 32,000.00	
Nevada	SUI Wage base change - Employer	1/1/2018	\$ 30,500.00	
New Jersey	SUI Wage base change - Employer	1/1/2018	\$ 33,700.00	
New Mexico	SUI Wage base change - Employer decrease	1/1/2018	\$ 24,200.00	
North Carolina	SUI Wage base change - Employer	1/1/2018	\$ 23,500.00	
Ohio	SUI Wage base change - Employer	1/1/2018	\$ 9,500.00	
Oklahoma	SUI Wage base change - Employer decrease	1/1/2018	\$ 17,600.00	
Oregon	SUI Wage base change - Employer	1/1/2018	\$ 39,300.00	
Tennessee	SUI Wage base change - Employer decrease	1/1/2018	\$ 7,000.00	
Utah	SUI Wage base change - Employer	1/1/2018	\$ 34,300.00	
Vermont	SUI Wage base change - Employer	1/1/2018	\$ 17,600.00	
Washington	SUI Wage base change - Employer	1/1/2018	\$ 47,300.00	
Wyoming	SUI Wage base change - Employer decrease	1/1/2018	\$ 24,700.00	
Hawaii	SUI Wage base change - Employer	1/1/2018	\$ 45,900.00	