

YEAR 2009 PAYROLL WAGE AND TAX HIGHLIGHTS

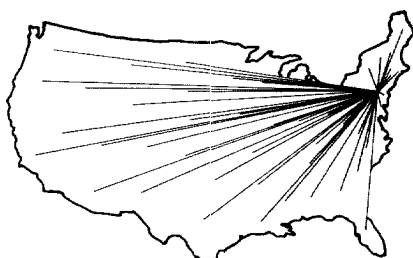
FEDERAL TAXES					
TYPE OF TAX	TAXABLE WAGE BASE	EMPLOYER TAX RATE	EMPLOYEE TAX RATE	MAXIMUM EMPLOYER TAX	MAXIMUM EMPLOYEE TAX
SOCIAL SECURITY	\$ 106,800	6.20 %	6.20 %	\$ 6,621.60	\$ 6,621.60
MEDICARE	NO LIMIT	1.45 %	1.45 %	NO LIMIT	NO LIMIT
FUTA	7,000	.80 %	N/A	56.00	N/A
FEDERAL INCOME TAX	New income tax withholding tables are effective for wages paid after December 31, 2008, to reflect indexing for inflation. Supplemental Wages - Flat withholding rate of 25%. 35 % for supplemental wages exceeding \$ 1,000,000.				

STATE AND LOCAL TAXES		
STATE	WITHHOLDING TAX RATE	COMMENTS
PA	3.07 %	Taxed on Gross Wage.
NJ	1.50 % - 9.90 %	Graduated according to withholding tables A thru E. Yearly withholding allowance of \$1,000 per exemption reduces gross.
PA - EIT		Most municipalities impose a local Earned Income Tax which in many cases is 1 % of gross pay. However, please refer to your local tax collector for the percentage since rates vary.
PA LST/OPT		Most municipalities impose a Local Services Tax or an Occupational Privilege Tax, which can range from \$ 10 to \$ 52 per year. For amounts over \$ 10, the tax is prorated over the number of pay periods in the year. Refer to your local municipality for further information.

STATE UNEMPLOYMENT TAXES				
STATE	TAXABLE WAGE BASE	EMPLOYEE TAX RATE	COMMENTS	BASE WEEK WAGES
PA	\$ 8,000.00	0.06 %	Employees taxed on total wages. Employer pays tax on first \$8,000.00 with rate assigned by state.	\$ 50.00
NJ	28,900.00	1.015 %	Employee taxed on first \$28,900.00 of wages including tips, sick pay and taxable fringe benefits. Employer pays tax on first \$28,900.00 with rate assigned by state.	143.00

MINIMUM HOURLY WAGE				
FEDERAL/STATE	MINIMUM PER HOUR	MINIMUM WITH TIPS	MAXIMUM CREDIT FOR TIPS	MAXIMUM TIP CREDIT %
FEDERAL	\$ 6.55 (1) 7.25 (1) 7/24/09	\$ 2.13 2.13	\$ 4.42 5.12	N/A
PA	7.15 (1) 7.25 (1) 7/24/09	2.83 2.83	4.32 4.42	N/A
NJ	7.15 (1) 7.25 (1) 7/24/09	2.13 2.13	5.02 5.12	N/A

(1) The reasonable cost of meals and lodging by an employer may be treated as "wages" for the purpose of satisfying the minimum wage requirements if they are furnished primarily for the benefit of the employees and are voluntarily accepted by them.



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