

**SOCIAL SECURITY TAX CALCULATION-SELF EMPLOYED & SALARIED
2011**

Last Name: Smith	Self-Employment Tax	
	<u>John</u>	<u>Mary</u>
1 Self-Employment Income	\$10,000	\$0
2 Net of Deduction of 5.65%	9,335	0
3 Other Wages Subject to Full FICA Tax of 4.2%	85,000	30,000
4 Income for Self-Employment Tax up to 106,800	9,335	0
5 Taxable @ 10.4%	971	0
6 Self-Employment Income Taxable	9,335	0
7 Medicare Tax of 2.9%	271	0
8 Total Tax on Self-Employment Income (Lines 5 + 7)	1,242	0
9 Federal Tax Reduced by 1/2 Self-Employment Tax	621	0

SOCIAL SECURITY (FICA) TAX & MEDICARE TAX FOR SALARIED INDIVIDUALS

	Social Security Tax	
1 Salary Income for FICA Tax	\$85,000	\$30,000
Max of 106,800	85,000	30,000
2 FICA Tax of 4.2%	3,570	1,260
3 Salary Income for Medicare Tax	85,000	30,000
4 Medicare Tax of 1.45%	1,233	435
5 Total FICA/Medicare Tax (Lines 2+4)	4,803	1,695
6 Total Self-Employment Tax (from line 8 above)	1,242	0
7 Total Social Security Tax (Lines 5+6)	\$6,045	\$1,695

SUMMARY OF FICA/SELF-EMPLOYMENT TAX & MEDICARE TAX

8 FICA/Self-Employment Tax	\$4,541	\$1,260
9 Medicare Tax	1,504	435
10 Total Social Security Tax	\$6,045	\$1,695

March 16, 2011 05:12 PM

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