



Memo

Date: December 15, 2025

To: Agency Payroll, HR, and Accounting Staff

From: Katie Karow, Director, Statewide Payroll Services

RE: Social Security/Medicare Rates for 2026 and Supplemental Tax Rates

Social Security/Medicare Rates

The amounts below indicate the maximum earnings subject to Social Security/Medicare tax and the tax rates for the years 2025 and 2026.

Social Security/Medicare Rate	Calendar Year 2025	Calendar Year 2026
Maximum annual earnings subject to Social Security	\$176,100	\$184,500
Maximum annual earnings subject to Medicare	Unlimited	Unlimited
Social Security rate (employee only)	6.2%	6.2%
Social Security rate (employer only)	6.2%	6.2%
Medicare rate (employee only):		
• Employee Contribution Rate on all earnings subject to Medicare	1.45%	1.45%
• Additional Employee Contribution Rate when annual earnings subject to Medicare is \$200,000 and above	0.9%	0.9%
Medicare rate (employer only)	1.45%	1.45%
Maximum annual Medicare tax (employee and employer)	Unlimited	Unlimited

Employees who reached the yearly Social Security maximum tax for 2025 will see a change in their net pay beginning with the first check in calendar year 2026 on 1/9/2026.

Supplemental Tax Rates

The federal supplemental rate remains unchanged at 22%. The Minnesota supplemental tax rate will remain unchanged at 6.25%.

Questions?

Agency Payroll, HR, and Accounting staff should contact Jennifer Goossen at 651-201-8072 or spsops.employee4.mmb@state.mn.us

PLEASE SHARE THIS INFORMATION WITH APPROPRIATE AGENCY STAFF