

[21] Payroll Taxes: The Social Security annual wage base is \$147,000 for 2022 (that's a \$4,200 hike from 2021). The Social Security tax rate on employers and employees stays at 6.2%. Both workers and employers continue to pay the 1.45% Medicare tax on all compensation in 2022, with no cap. Workers also pay the 0.9% Medicare surtax on 2022 wages and self-employment income over \$200,000 for singles and \$250,000 for couples. The surtax doesn't hit employers, though.

The nanny tax threshold went up to \$2,400 for 2022, which was a \$100 increase from 2021.