Quick Reference Tool

Compensation and Benefits by the Numbers: 2023

Compensation	2022	2023
MA Minimum Wage Rate	$14.25/hour	$15.00/hour
MA Minimum for Tipped Staff	$6.15/hour	$6.75/hour
Federal Minimum Wage Rate	$7.25/hour	$7.25/hour
Federal Contractors	$15.00/hour	$16.20/hour
IRS Mileage Reimbursement Rate	58.5¢; 62.5¢ as of 7/1/22	65.5¢

Social Security & Medicare	2022	2023
FICA Tax (SS & Medicare Combined)	7.65%	7.65%
Social Security Tax (OASDI)	6.2%	6.2%
Social Security Taxable Wage Base	$147,000	$160,200
Medicare Tax (no limit)	1.45%	1.45%
Additional Medicare Tax on Wages > $200,000; $250,000 joint filers	.9%	.9%

MA PFML Contribution Rates	2022			2023		
	Total	Medical	Family	Total	Medical	Family
25+ Covered Individuals						
• Total	.68%	.56%	.12%	.63%	.52%	.11%
• Employer Share		.336%	0%		.312%	0%
• Employee Share		.224%	.12%		.208%	.11%
<25 Covered Individuals						
• Total	.344%	.224%	.12%	.318%	.208%	.11%
• Employer Share		0%	0%		0%	0%
• Employee Share		.224%	.12%		.208%	.11%
MA PFML Max Weekly Benefit	$1,084.31			$1,1129.82		

Health Savings Accounts (HSA) and High Deductible Health Plans (HDHP)	Single Coverage		Family Coverage	
	2022	2023	2022	2023
HSA Maximum Annual Contribution	$3,650	$3.850	$7,300	$7,750
HDHP Minimum Annual Deductible	$1,400	$1,500	$2,800	$3,000
HDHP Maximum Annual Out of Pocket Expenses	$7,050	$7,500	$14,100	$15,000

Note: For 2023, the HSA catch up contribution limit for participants age 55 or older remains at $1,000 (no change from 2022).

Affordable Care Act (ACA)	2022	2023
Maximum Employees Required to Pay as Percent of Household Income (i.e., affordable coverage requirement)	9.61%	9.12%
Penalty for Failure to Offer Minimum Essential Coverage to 95% of Full-time Employees	$2,750 ($229.17/month) per full-time employee minus first 30	$2,880 ($240/month) per full-time employee minus first 30
Penalty for Failure to Offer Affordable Coverage	$4,120 ($343.33/month) per full-time employee receiving subsidized coverage minus first 30	$4,320 ($360/month) per full-time employee receiving subsidized coverage minus first 30

Note: The ACA requirements apply to employers employing an average of 50 or more full-time equivalent employees in the prior year. Full-time is 30 hours/week. The minimum percent of full-time employees and their children to whom coverage must be offered is 95%, and the minimum value of coverage required (i.e., minimum plan must pay for covered health expenses) is 60%.

Flexible Spending Accounts	2022	2023
Health FSA Maximum Election	$2,850	$3,050
Health FSA Maximum Rollover	$570	$610
Dependent Care FSA Maximum Election	$5,000*	$5,000*

Other Programs	2022	2023
Monthly Commuter (Parking & Transit)	$280	$300
Adoption Assistance Tax Exclusion	$14,890	$15,950

Note: Dependent Care FSA maximum election is $2,500 if married and filing separately.

Retirement Plans	2022	2023
Maximum Pre-tax Employee Contribution (401k, 403b, and 457b)	$20,500	$22,500
Catch Up Contribution (401k, 403b, and 457b)	$6,500	$7,500
Maximum Contribution (IRA)	$6,000	$6,500
Catch Up Contribution (IRA)	$1,000	$1,000