



CIRCULAR

STATE OF NEW JERSEY DEPARTMENT OF THE TREASURY

NO.: 19-04-OMB	ORIGINATING AGENCY: OFFICE OF MANAGEMENT AND BUDGET	PAGE 1 OF 2
EFFECTIVE DATE: 07/01/2018	EXPIRATION DATE: 06/30/2019	SUPERSEDES: 18-06-OMB
SUBJECT: "EMPLOYEE BENEFIT" REIMBURSEMENT RATES		
ATTENTION: AGENCY FISCAL AND PERSONNEL OFFICERS		
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The Office of Management and Budget has negotiated with the United States Department of Health and Human Services a composite fringe benefit rate of 41.4 percent of base salaries for the year ending June 30, 2019. The rate is applicable to personnel who are members of the Public Employees' Retirement System (PERS), Teachers' Pension and Annuity Fund (TPAF), Teachers' Alternate Benefit Plan (TABP), Defined Contribution Retirement Program (DCRP), and all employees who are not members of a pension plan, but are covered for health benefits. A fringe benefit rate of 66.4 percent has been negotiated for the Police and Firemen. These negotiated rates are to be used for all Non-State funded sources.

The State Police fringe benefit rate is 56.7 percent for Non-State funded programs. The PERS fringe benefit rate of 41.4 percent should be used for all State Police federally funded programs.

Actual charges to Federal, Dedicated, and Non-State funded programs will be reflected on the base salaries. **NOTE:** Salaries exclude overtime pay and part-time employees that are not members of a pension plan or not covered for health benefits.

Effective July 1, 2018, the rates shall be used by all State agencies including the State's senior public colleges and universities for estimating and computing actual charges for fringe benefit costs related to Federal, Dedicated, and Non-State programs. Rates previously established are obsolete.

<u>Object Account</u>	<u>Description</u>	<u>PERS etc.</u>	<u>Police and Firemen</u>	<u>State Police</u>
19	Pension Costs	15.6	43.2	41.1
19	Health Benefits (Including Prescription Drug and Dental Programs)	24.4	20.5	14.9
19	Workers' Compensation	1.0	2.4	0.7
19	Unemployment Insurance	0.1	0.0	0.0
19	Temporary Disability Insurance	0.2	0.2	0.0
19	Unused Sick Leave	0.1	0.1	0.0
TOTAL		41.4	66.4	56.7

In addition to these fringe benefit rates, the employer's share of FICA/Medicare taxes will be charged to Federal, Dedicated, and Non-State funded programs at the rate imposed by the Federal Government applied to the specified taxable wage base. The rate for the Calendar Year 2018 was 6.20 percent of the first \$128,400 of the gross wages for the Social Security portion, and 1.45 percent of gross wages (no ceiling) for the Medicare portion. The rate for Calendar Year 2019 is 6.20 percent of the first \$132,900 of the gross wages for the Social Security portion, and 1.45 percent of gross wages (no ceiling) for the Medicare portion.

<u>Object Account</u>	<u>Description</u>	<u>PERS etc.</u>	<u>Police and Firemen</u>	<u>State Police</u>
19	FICA	6.20	6.20	--
19	Medicare	<u>1.45</u>	<u>1.45</u>	<u>1.45</u>
	TOTAL	<u>7.65</u>	<u>7.65</u>	<u>1.45</u>



David Ridolfino
 Acting Director

Old-Age, Survivors, and Disability Insurance (OASDI)

Tax Rates (percent)	
Social Security (Old-Age, Survivors, and Disability Insurance) Employers and Employees, each ^a	6.20
Medicare (Hospital Insurance) Employers and Employees, each ^{a,b}	1.45
Maximum Taxable Earnings (dollars)	
Social Security	132,900
Medicare (Hospital Insurance)	No limit
Earnings Required for Work Credits (dollars)	
One Work Credit (One Quarter of Coverage)	1,360
Maximum of Four Credits a Year	5,440
Earnings Test Annual Exempt Amount (dollars)	
Under Full Retirement Age for Entire Year	17,640
For Months Before Reaching Full Retirement Age in Given Year	46,920
Beginning with Month Reaching Full Retirement Age	No limit
Maximum Monthly Social Security Benefit for Workers Retiring at Full Retirement Age (dollars)	2,861
Full Retirement Age	66
Cost-of-Living Adjustment (percent)	2.8

a. Self-employed persons pay a total of 15.3 percent—12.4 percent for OASDI and 2.9 percent for Medicare.

b. This rate does not reflect the additional 0.9 percent in Medicare taxes certain high-income taxpayers are required to pay. See IRS information on this topic.

Supplemental Security Income (SSI)

Monthly Federal Payment Standard (dollars)	
Individual	771
Couple	1,157
Cost-of-Living Adjustment (percent)	2.8
Resource Limits (dollars)	
Individual	2,000
Couple	3,000
Monthly Income Exclusions (dollars)	
Earned Income ^a	65
Unearned Income	20
Substantial Gainful Activity (SGA) Level for the Nonblind Disabled (dollars)	1,220

a. The earned income exclusion consists of the first \$65 of monthly earnings, plus one-half of remaining earnings.

