



Transportation Communications Union/IAM

International Association of Machinists and Aerospace Workers



God Bless America

Stanley L. Boyd
National Secretary-Treasurer

January 2019

TCU/IAM Financial Secretary-Treasurers

Dear Brothers and Sisters:

Railroad Retirement tax rates for 2019 remain the same as in 2018. The employer and employee Tier I rate remains at 7.65% (Tier I is 6.2%, Medicare is 1.45%). The employer Tier II remains at 13.1%. The employee Tier II rate remains at 4.9%. The annual maximum compensation amounts subject to Tier I and Tier II tax have increased and are shown below. These rates will remain in effect throughout the year unless we notify you of a change.

RAILROAD RETIREMENT EARNINGS/TAX RATES FOR THE YEAR 2019

| <u>Employee Earnings Subject To RR Tax</u> | <u>Employer Tax Rate</u> | <u>Employee Tax Rate</u> |
|--|--------------------------|--------------------------|
| Tier I (0 to \$132,900) | 6.2% | 6.2% |
| Tier II (0 to \$98,700) | 13.1% | 4.9% |
| *Medicare (No Limit) | 1.45% | 1.45% |

Please insert this revised notice in Section 7 of your FST's Handbook after the Railroad Retirement Tax Worksheet and discard the outdated notice. **Please contact your Grand Lodge Auditor if you have any questions or need assistance.**

Sincerely and fraternally,

Stanley L. Boyd
National Secretary Treasurer