January 2020

TCU/IAM Financial Secretary-Treasurers
NLRA Lodges Subject to Social Security Tax

Dear Brothers and Sisters:

Social Security tax rates for 2020 remain the same as in 2019. The employer and employee rate remains at 7.65% (Social Security is 6.2%, Medicare is 1.45%). The annual maximum compensation subject to Social Security Tax increased to $137,700. These rates will remain in effect throughout the year unless we notify you of a change.

SOCIAL SECURITY EARNINGS/TAX RATES FOR THE YEAR 2020

<table>
<thead>
<tr>
<th>Tax &amp; Wage Maximums</th>
<th>Employer Tax Rate</th>
<th>Employee Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Security (0 to $137,700)</td>
<td>6.2%</td>
<td>6.2%</td>
</tr>
<tr>
<td>*Medicare (No maximum)</td>
<td>1.45%</td>
<td>1.45%</td>
</tr>
</tbody>
</table>

Please insert this revised notice in Section 7 of your FST’s Handbook after the Tax Worksheet and discard the outdated notice. Do not use the line-by-line payroll form instructions in Section 7, which do not apply to Lodges subject to Social Security taxes. Please contact your Grand Lodge Auditor if you have any questions or need assistance.

Sincerely and fraternally,

Stanley L. Boyd
National Secretary Treasurer