

Railroad Retirement Board Reminders for 2012

2012 Tier I Earnings Base and Tax Rateg

\$110,100.00 - Annual Maximum
4.2% - Employee Tax Rate
6.2% - Employer Tax Rate
\$4,624.20 - Maximum Employee Tax
\$6,826.20 - Maximum Employer Tax

2012 Tier II Earnings Base and Tax Rates

\$81,900.00 - Annual Maximum
3.9% - Employee Tax Rate
\$3,194.10 - Maximum Employee Tax
12.1% - Employer Tax Rate
\$9,909.90 - Maximum Employer Tax

2012 Medicare Hospital Insurance Earnings Base and Tax Rate

Annual Maximum - No Limit
1.45% - Employee and Employer Tax Rate

2012 Total Tier I, Tier II, & Medicare Hospital Insurance Maximum Tax

Based on Earnings of \$110,100.00

\$9,414.75 - Employees
\$18,332.55 - Employers
(Additional Taxes are 1.45% of Earnings in Excess of \$110,100.00)

Amount Needed for Quarter of Social Security Coverage

\$1,130.00 in 2012 (Up to 4)

2012 Employer RUIA Tax Rate

2.15% - 12% on First \$1,365.00 Per Month

Employee RUIA 2011 Qualifying Earnings

\$3,325.00 - For Benefit Year 2012 (Beginning July 1, 2012)

RUIA Daily Benefit Rate

\$66.00 - For Benefit Year 2012 (Beginning July 1, 2012)

Work Deduction Exempt Amounts

- Full Retirement Age (FRA)
(for months prior to FRA in the calendar year)
\$38,880.00 - Annual
\$3,240.00 - Monthly
(\$1.00 Deduction for Each \$3.00 of Excess Earnings)

- Under FRA
\$14,640.00 - Annual
\$1,220.00 - Monthly
(\$1.00 Deduction for Each \$2.00 of Excess Earnings)

Basic Medicare Premium

\$99.90 - Beneficiaries who paid a monthly premium of \$96.40 in 2011 will have an increase of \$3.50 in premiums to \$99.90, the basic premium for 2012. Beneficiaries who paid \$110.50 or \$115.40 in 2011 will have premium decreases for 2012.

Cost-of-Living Increase, December 2011

Tier I – 3.6%
Tier II – 1.2%