

# 2026 FAST FACTS WESTERN STATES



## Resources:

Dept. of Labor: [www.dol.gov](http://www.dol.gov)  
Internal Revenue Service: [www.irs.gov](http://www.irs.gov)

FEDERAL	
Minimum Wage	\$7.25
Tipped Minimum Wage	\$2.13
<i>Employers are required to follow Federal minimum wage rules when State minimum wage is less than the Federal minimum wage.</i>	
MILEAGE RATES	
Business	72.5 cents/mile
Medical	20.5 cents/mile
Moving	20.5 cents/mile
Charitable	14 cents/mile
SUPPLEMENTAL WAGE/BONUS RATES	
Flat Rate Withholding Method (Unchanged from 2025)	22%
Pay Over \$1 Million (Unchanged from 2025)	37%

\*Rates vary by industry.  
\*\*Rates include surcharges.  
\*\*\*Special rules apply to minimum wage standards for this state. Please refer to state laws.  
\*\*\*\*For specific rate please reference the state withholding tables.

FICA (MEDICARE)	
Maximum Taxable Earnings	No Limit
Employee/Employer Tax Rate (Unchanged from 2025)	1.45%
Additional Medicare Tax Withholding on Wages> \$200,000 (No Employer Match)	0.90%
FICA (SOCIAL SECURITY)	
Maximum Taxable Earnings (Increased from \$176,100 in 2025)	\$184,500
Employee/Employer Tax Rate (Unchanged from 2025)	6.2%
FUTA (EMPLOYER-PAID)	
Maximum Taxable Earnings	\$7,000
Percent of Taxable Wages	6.0%
Maximum Credit (Results to a normal net tax of 0.6%)	5.4%
RETIREMENT PLANS	
Contribution Limit - 401(k) & 403(b) plans (Increased from \$23,500 in 2025)	\$24,500
Catch-up Contribution Limit - 401(k) & 403(b) plans (Age 50 or older) (Increased from \$7,500 in 2025)	\$8,000
Super Catch Up Contribution Limits (Individuals age 60-63 by end of year)	\$11,250
Contribution Limit - Simple IRA (Increased from \$16,000 in 2024)	\$16,500
Catch-up Contribution Limit- Simple IRA (Increased from \$3,500 in 2025)	\$4,000
HEALTH SAVINGS ACCOUNTS	
Self-Only Contribution Limit (Employee & Employer) (Increased from \$4,300 in 2025)	\$4,400
Family Contribution Limit (Employee & Employer) (Increased from \$8,550 in 2025)	\$8,750
Catch-up Contribution Limit (Employee & Employer) (Unchanged from 2025)	\$1,000

STATE	WAGE WITHHOLDING RATE	UNEMPLOYMENT TAXABLE WAGE BASE LIMIT	UNEMPLOYMENT RATE RANGE (EMPLOYERS) <sup>1</sup>	UNEMPLOYMENT RATE (NEW EMPLOYER) <sup>2</sup>	MINIMUM HOURLY WAGE	MIN. TIPPED HOURLY WAGE
WESTERN STATES						
Alaska	None	\$4,200	1.00%-5.4% (Alaska has an employee contribution rate of 0.50% that is not included in this rate)	1.00% (Alaska has an employee contribution rate of 0.50% that is not included in this rate)	\$13.00	N/A
Arizona	0.5% - 3.5%****	\$8,000	0.03%-8.36%	2.00%	\$15.15	\$12.15
California	1.1%-14.63%****	\$7,000	1.5%-6.2%	3.40%	\$16.90	N/A
Colorado	4.40%	\$30,600	0.72% - 10.85%**	Non-Construction: 1.7%, Construction 1.7% (NAICS code 236), 4.76% (NAICS code 237) 1.7% (NAICS code 238)	\$15.16***	\$12.14***
Hawaii	None	\$64,500	0.0% - 5.6%	2.4%	\$6.00	\$14.75
Idaho	5.8%	\$58,300	0.208%-5.40%	1.0%**	\$7.25	\$3.35
Montana	5%	\$47,300	0.00%-6.12%	1.00% - 2.10%*	\$10.85	N/A
Nevada	None	\$43,700	0.25%-5.4%	2.95%	\$12.00	N/A
New Mexico	1.7%-5.9%****	\$34,800	0.33%-6.4%	1.00% - 1.28%*	\$12.00	\$3.00
Oregon	8.00%	\$56,700	0.9% - 5.4%	2.40%	\$15.05 standard, \$16.30 metro, \$14.05 non-urban	N/A
Utah	None	\$50,700	0.1%-7.1%	1.2% - 6.0% (7.1% for new out of state contractors)	\$7.25	\$2.13
Washington	None	\$78,200	0.00% - 8.15%**	Rate is 90% of average industry rate	\$17.13	N/A
Wyoming	None	\$33,800	0.14%-10.00%	2.5% - 10.00%	\$5.15	\$2.13

1. Rates include applicable agency surcharges. Reimbursable and exempt employers not included. 2. Rates do not include surcharges unless noted.  
Up to date as of 01/09/2026 and is provided by each independently owned Journey location. This does not provide any legal, accounting, or financial advice.

For more information, contact us:

[www.JourneyPayrollHR.com](http://www.JourneyPayrollHR.com)