

# 2026 FAST FACTS SOUTHERN 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 50-59 or 64+) (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 \$16,500 in 2025)	\$17,000
Catch-up Contribution Limit- Simple IRA (Increased from \$3,500 in 2025)	\$4,000
Super Catch Up Contribution Limit - Simple IRA	\$5,250
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
SOUTHERN STATES						
Alabama	2% - 5%****	\$8,000	0.2% - 5.4%	2.7%	\$7.25	\$2.13
Arkansas	2% - 3.9%****	\$7,000	0.2% - 10.1%**	2.0%**	\$11.00***	\$2.63***
Florida	None	\$7,000	0.1% - 5.4%	2.7%	\$14.00 through 09/29/2026 \$15.00 beginning 09/30/2026	\$10.98 through 09/29/2026 \$11.98 beginning 09/30/2026
Georgia	5.19%	\$9,500	0.04% - 8.1%	2.7%	\$5.15***	\$2.13
Kentucky	3.5%	\$12,000	0.3% - 9%	2.7% - 9%	\$7.25	\$2.13
Louisiana	3%	\$7,000	0.09% - 6.2%	1.14% - 2.79%	\$7.25	\$2.13
Mississippi	4%	\$14,000	0.2% - 5.6%	1.2% - 1.4%**	\$7.25	\$2.13
North Carolina	3.99%	\$34,200	0.06% - 5.76%	1.00%	\$7.25	\$2.13
Oklahoma	2.5% - 4.5%****	\$25,000	0.2% - 5.8%	1.50%	\$7.25***	\$3.63***
South Carolina	0% - 6%****	\$14,000	0.06% - 5.46%	1.06%	\$7.25	\$2.13
Tennessee	None	\$7,000	0.01% - 10%	2.7%	\$7.25	\$2.13
Texas	None	\$9,000	0.32% - 6.32%	2.7% or industry avg., higher rate applies	\$7.25	\$2.13
Virginia	2% - 5.75%****	\$8,000	0.1% - 6.2%	2.5%	\$12.77	\$2.13***
West Virginia	2.22% - 4.82%****	\$9,500	1.5% - 8.5%	2.7%	\$8.75***	\$2.62***

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.