

2026 FAST FACTS WESTERN STATES



Resources:

Dept. of Labor: www.dol.gov
Internal Revenue Service: www.irs.gov

FEDERAL

Minimum Wage	\$7.25
Tipped Minimum Wage	\$2.13

Employers are required to follow Federal minimum wage rules when State minimum wage is less than the Federal minimum wage.

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) ¹	UNEMPLOYMENT RATE (NEW EMPLOYER) ²	MINIMUM HOURLY WAGE	MIN. TIPPED HOURLY WAGE
WESTERN STATES						
Alaska	None	\$4,200	1.00%-5.4% (Employee contribution rate of 0.50% not included in this rate)	1.00% (Employee contribution rate of 0.50% 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	0.56% - 7.34%**	3.05%	\$15.16***	\$12.14***
Hawaii	1.4%-11%****	\$64,500	0.0% - 5.6%	2.4%	\$16.00	\$14.75
Idaho	5.3%	\$58,300	0.208%-5.40%	1.0%**	\$7.25	\$3.35
Montana	5.65%	\$47,300	0.13%-6.12%	1.18% - 2.18%*	\$10.85	N/A
Nevada	None	\$43,700	0.25%-5.4%	2.95%	\$12.00	N/A
New Mexico	1.5%-5.9%****	\$34,800	0.33%-6.4%	1.00% - or varies by industry	\$12.00	\$3.00
Oregon	4.75%-9.9%****	\$56,700	0.9% - 5.4%	2.40%	\$16.30 metro, \$15.05 standard, \$14.05 non-urban All rates through 06/30/2026	N/A
Utah	4.5%	\$50,700	0.2%-7.1%	Varies by industry	\$7.25	\$2.13
Washington	None	\$78,200	0.00% - 5.4%**	Varies by industry	\$17.13***	N/A
Wyoming	None	\$33,800	0.18%-8.72%	Varies by industry	\$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.