2012 Income Tax Changes

Effective pay period beginning January 1, 2012, tax changes were implemented for Federal and state income tax withholdings. No retroactive adjustments will be made to employee's withholding. The following changes were implemented:

Federal Income Tax

- The withholding allowance per exemption increased from $3,700 to $3,800.
- The SINGLE, HEAD OF HOUSEHOLD, and MARRIED tax tables have changed.
- The annual amount to add to a nonresident alien's taxable wages prior to calculating withholding has been increased from $2,100 to $2,150.

Federal FICA Contribution

- The U.S. Federal Social Security (OASDI) wage base increased from $106,800 to $110,100. There remains no limit on Medicare wages.
- The employee Social Security withholding tax rate remains at 4.2% through February and is subject to change by Congress.
- The employer Social Security withholding tax rate remains unchanged at 6.2%.
- The employee and employer Medicare withholding tax rate remains unchanged at 1.45%.

California State Tax

- The low income exemption amount for MARRIED WITH 0 OR 1 ALLOWANCE and SINGLE increased from $12,182 to $12,527.
- The low income exemption amount for MARRIED WITH 2 OR MORE ALLOWANCES and HEAD OF HOUSEHOLD is increased from $24,364 to $25,054.
- The standard deduction for MARRIED WITH 0 OR 1 ALLOWANCE and SINGLE increased from $3,670 to $3,769.
- The standard deduction for MARRIED WITH 2 OR MORE ALLOWANCES and HEAD OF HOUSEHOLD increased from $7,340 to $7,538.
- The SINGLE, MARRIED, and HEAD OF HOUSEHOLD withholding tables have changed.
- The annual personal exemption credit increased from $108.90 to $112.20.

District of Columbia Tax

- All marital statuses now use the same withholding tax table.
- The withholding tax table brackets and rates changed.

Minnesota State Tax

- The annual amount, per exemption, has increased from $3,700 to $3,800.
- The SINGLE and MARRIED withholding tables changed.

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New Mexico State Tax

- The annual exemption amount increased from $3,750 to $3,800.
- The SINGLE (including HEAD of HOUSEHOLD) and MARRIED withholding tables changed.

Oregon State Tax

- The standard deduction amount for SINGLE FILERS CLAIMING LESS THAN 3 ALLOWANCES increased from $1,980 to $2,025.
- The standard deduction amount for SINGLE FILERS CLAIMING 3 OR MORE ALLOWANCES increased from $3,960 to $4,055.
- The standard deduction amount for MARRIED filers increased from $3,960 to $4,055.
- The annual tax credit amount, per exemption, has increased from $179 to $183.
- The annualized deduction for federal tax withheld increased from a maximum of $5,950 to $6,100.
- The tax tables changed for all filers.

Indiana Local Tax

The Taxing Authorities documentation was updated to include the following local income tax changes effective November 1, 2011:

- Hancock County (CAGIT/CEDIT tax): 1.65% for Resident and no change for Non-resident.

Pennsylvania Local Tax

There are major changes to the Pennsylvania Local Tax for 2012.

Tax-Related Questions

If you have pay questions related to these tax changes, please call the payroll hotline at:
1-303-969-7732 or 1-800-662-4324.

Any questions concerning this notice, contact:
NSSC Customer Contact Center
1-877-677-2123 (1-877-NSSC123) or nssc-contactcenter@nasa.gov

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