

HIGH EARNER MEDICARE TAX TRACKING SPREADSHEET

Payroll Template for Additional Medicare Tax Withholding (IRS Form 8959 Compliance)

EMPLOYEE NAME	<input type="text"/>
EMPLOYEE ID	<input type="text"/>
TAX YEAR	<input type="text"/>
ADDITIONAL MEDICARE THRESHOLD	<input type="text" value="\$200,000.00"/>

WITHHOLDING THRESHOLD RULE

- Employers must begin withholding Additional Medicare Tax (0.9%) in the pay period in which wages exceed \$200,000, regardless of the employee's filing status.
- Standard Medicare Tax (1.45%) applies to all wages. Additional Medicare Tax (0.9%) applies only to cumulative wages exceeding \$200,000.

TOTALS

Note on Employer Obligations: Employers are required to begin withholding Additional Medicare Tax once individual YTD compensation reaches \$200,000, regardless of the employee's filing status or joint household income. There is no employer matching contribution for the Additional Medicare Tax. All calculations and logic should be verified against the official IRS guidelines and local payroll configurations.

