FEDERAL UNEMPLOYMENT TAX ACT (FUTA)

Payroll Ledger Template

Company Name	
Employer ID (FEIN)	
Tax Year / Quarter	
Date Prepared	

EMP. ID	EMPLOYEE NAME	GROSS WAGES THIS PERIOD	EXEMPT WAGES	FUTA SUBJECT WAGES	PRIOR CUMULATIVE SUBJECT WAGES	TAXABLE FUTA WAGES (CAPPED AT $7,000)	FUTA TAX RATE	FUTA LIABILITY
Total							-	

FUTA Calculation Notes & Instructions:

1. **FUTA Wage Limit:** The Federal Unemployment Tax Act (FUTA) tax applies to the first $7,000 paid to each employee as wages during the calendar year.
2. **FUTA Tax Rate:** The standard FUTA tax rate is 6.0%. However, employers who pay their state unemployment taxes on time generally receive a maximum credit offset of up to 5.4%, resulting in an effective net FUTA tax rate of 0.6% (0.006).
3. **Exempt Wages:** Certain payments are exempt from FUTA tax (e.g., fringe benefits, group term life insurance, retirement/pension contributions depending on plan type).

Prepared By (Signature / Date)

Approved By (Signature / Date)