

TITLE: Payroll Tax Withholdings and Disability Insurance Rates

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ISSUER: Ernie Thomas
Controller
Accounting and Disbursements Division

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POLICY: To provide employees with information regarding required payroll tax withholdings for Federal Income Tax, State Income Tax, Social Security, Medicare Tax, and State Disability Insurance Rate for calendar year 2025.

MAJOR CHANGES: This bulletin replaces Bulletin 121904.2 Payroll Tax Withholdings and Disability Insurance Rates. This provides guidelines and resources where employees can see the changes in the withholding tables and rate changes for the 2025 calendar year applicable to the employee's eligibility and filing statuses.

GUIDELINES: The following guidelines apply:

I. Federal Tax Withholding

The W-4 Form is an IRS form that employees complete to let their employer know how much money to withhold from their paycheck for federal taxes. For more information on Form W-4, see IRS Publication 15-T at <https://www.irs.gov/pub/irs-pdf/p15t.pdf>. Form W-4 Employee's Withholding Certificate can be obtained at <https://www.irs.gov/pub/irs-pdf/fw4.pdf>

The Federal Income Tax withholding tables are revised effective January 1, 2025. For the Federal Income Tax tables in effect for calendar year 2025, visit the Internal Revenue Service at https://www.irs.gov/publications/p15#en_US_2019_publink100020274/irs-pdf/p15.pdf

II. State Tax Withholding

Form DE-4 Employee's Withholding Allowance Certificate can be obtained at http://www.edd.ca.gov/pdf_pub_ctr/de4.pdf

ROUTING
All Employees
All Locations

The State Income Tax withholding tables are revised effective January 1, 2025. For the State Income Tax tables in effect for calendar year 2025, visit the California Employment Development Department, Withholding Schedules for 2025 – Method A at https://edd.ca.gov/siteassets/files/pdf_pub_ctr/25metha.pdf

III. Changes to Federal and State Tax Withholdings

Changes to an employee's Federal Income Tax or State Income Tax withholdings must be made via Employee Self Service (ESS). Employee Self Service may be accessed using the following:

Inside the LAUSD network – <https://ess.lausd.net>

Outside the LAUSD network – <https://gp.lausd.net>

Instructions on how to view/update withholdings for Form W-4 and/or DE-4 via Employee Self Service (ESS) are available on the Payroll Administration website, LAUSD MyPay at <https://www.lausd.org/Page/1090>.

If claiming an exempt status, a 2025 Form W-4 and/or DE-4 must be completed and can be downloaded from the Payroll Administration website, W2/Tax Info. Submit completed Form W-4 and/or DE-4 to Payroll Administration via US mail. Generally, a Form W-4 and/or DE-4 received by Payroll Administration Branch on or before the 10th of the month will be effective for the next payday.

Failure to complete Form W-4 and/or DE-4 accurately may result in over-withholding or under-withholding of taxes from salary payments. Any excess withholding due to inaccurate W-4 and/or DE-4 cannot be refunded by the District.

IV. Social Security and Medicare

The maximum wages subject to Social Security/OASDI (Old Age, Survivors, and Disability Insurance) in 2025 is \$176,100.00 for both employees and employers (STRS and PARS members are exempt). The employee and the employer rate for 2025 is 6.2%. The maximum employee tax withholding and employer tax are each \$10,918.20.

The employee and the employer rates for Medicare remain unchanged at 1.45%. There is no maximum wage cap for either employee withholding or employer tax.

Additional Medicare Tax: Wages paid to employees in excess of \$200,000 require additional tax withholding of 0.9%. This additional tax withholding is applied after wages paid for the calendar year exceeds \$200,000.

V. State Disability Insurance

The collective bargaining agreements for Unit B (Instructional Aides), Unit C (Operation/Support Services), Unit D (Office-Technical and Business Services), Unit E (Skilled Crafts), Unit F (Teacher Assistants), and Unit G (Playground Aides) provide for unit members to pay State Disability Insurance coverage through Payroll deduction. Eligible employees in Unit S (Classified Supervisors) also pay for this coverage.

As mandated by the State, and effective with salary payments made on or after January 1, 2025, the SDI rate is 1.2% paid by the employee. This rate is applied to all subject wages for the 2025 calendar year.

Visit the following for the rate and additional information on SDI at [Contribution Rates, Withholding Schedules, and Meals and Lodging Values \(ca.gov\)](#)

AUTHORITY: Internal Revenue Service
California Employment Development Department

ASSISTANCE: For additional information regarding tax rates, please contact the Internal Revenue Service, your Local Franchise Tax Board Office, the State Disability Office, or your tax advisor. The Payroll Administration staff is not authorized to provide tax advice.