

## Calculating Annual Membership Dues For Public Sector Employers Who Do Not Pay FICA

Membership dues for Public Sector Employers who do not pay FICA on behalf of employees are based on the organization's payroll amounts. Calculating your organization's membership dues is an easy process:

**Step 1:** First, take the total amount of payroll for the four most recent quarterly payrolls and add them together.

**Step 2:** Next, subtract any individual employee's pay in excess of the IRS threshold of \$127,200 from the total above.

**Step 3:** Next, multiply that number by 6.2%.

**Step 4:** Finally, take the sum from step 3 and multiply it by 4% to get your membership dues. The minimum annual dues for 2018 are \$1,400 and the maximum are \$5,600.

If you have 10 or fewer employees, please ask us about our special Small Business membership option. We also have an option for employers with multiple locations. You can call 1.800.884.1328 for assistance.

### Sample Calculation:

Step 1: Total Payroll for 4 quarters – assuming each quarterly payroll equals \$2,625,000	10,250,000
Step 2: Subtract Individual employees' pay above \$127,000 – assuming 1 employee paid 377,200	(377,200- 127,200) = 250,000
Annual base for calculating dues	10,000,000
	<b>10,000,000.00</b>
<b>Step 3: Multiply times 6.2%</b>	620,000.00
<b>Step 4: Step 3 times 4%</b>	24,800.00
	Maximum annual dues: <b>\$5,600</b>
<b>Annual Membership Dues Amount</b>	<b>\$5,600</b>