

Table 1. Do You Need To Pay Employment Taxes?

IF you ...	THEN you need to ...
<p>A Pay cash wages of \$2,400 or more in 2022 to any one household employee.</p> <p>Don't count wages you pay to:</p> <ul style="list-style-type: none"> • Your spouse, • Your child under the age of 21, • Your parent (see <i>Wages not counted</i>, later, for an exception), or • Any employee under the age of 18 at any time in 2022 (see <i>Wages not counted</i>, later, for an exception). 	<p>Withhold and pay social security and Medicare taxes.</p> <ul style="list-style-type: none"> • The taxes are 15.3%¹ of cash wages. • Your employee's share is 7.65%.¹ (You can choose to pay it yourself and not withhold it.) • Your share is 7.65%.
<p>B Pay total cash wages of \$1,000 or more in any calendar quarter of 2021 or 2022 to household employees.</p> <p>Don't count wages you pay to:</p> <ul style="list-style-type: none"> • Your spouse, • Your child under the age of 21, or • Your parent. 	<p>Pay FUTA tax.</p> <ul style="list-style-type: none"> • The tax is 6% of cash wages. • Wages over \$7,000 a year per employee aren't taxed. • You may also owe state unemployment tax.
<p>¹ In addition to withholding Medicare tax at 1.45%, you must withhold a 0.9% Additional Medicare Tax from wages you pay to an employee in excess of \$200,000 in a calendar year. You're required to begin withholding Additional Medicare Tax in the pay period in which you pay wages in excess of \$200,000 to an employee and continue to withhold it each pay period until the end of the calendar year. Additional Medicare Tax is only imposed on the employee. There is no employer share of Additional Medicare Tax. All wages that are subject to Medicare tax are subject to Additional Medicare Tax withholding if paid in excess of the \$200,000 withholding threshold.</p>	
<p>Note. If neither A nor B above applies, you don't need to pay any federal employment taxes. But you may still need to pay state employment taxes.</p>	