

FRANZEN & FRANZEN, LLP

CERTIFIED PUBLIC ACCOUNTANTS

November 8, 2012 – 2013 California State Disability Insurance Rate & Wage Base

The California Employment Development Department recently announced the 2013 State Disability Insurance (SDI) rate and wage base.

For 2013, the SDI rate is 1.0%, with a maximum wage base of \$100,880. This results in a maximum payment of \$1,008.80.

For 2012, the SDI rate is 1.0%, with a maximum wage base of \$95,585. The maximum payment for 2012 is \$955.85.

The SDI program and its administration are funded entirely by employees through wage withholdings. SDI is a wage continuation plan for employees who are unable to work because of non-occupational illness or injury. The SDI withholding rate is the same for all employees. It is an annual rate that is set each fall and may increase, decrease, or remain the same, depending on the balance in the SDI fund on September 30, the amount of disbursement, and the amount of wages paid.

If you have any questions, or would like further information, please contact our office.