

**TITLE: CIB 97-11 1997 FICA and Medicare Tax Rates for Personal Services Contracts**

April 18, 1997

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MEMORANDUM FOR ALL CONTRACTING OFFICERS AND NEGOTIATORS

TO: Distribution List FAC

FROM: M/OP/OD, Marcus L. Stevenson, Procurement Executive

SUBJECT: 1997 FICA and Medicare Tax Rates for Personal Services Contracts (PSC's)

**CONTRACT INFORMATION BULLETIN 97 - 11 (Corrected)**

This CIB supersedes CIB 96-10.

As you know, we are required to pay the employer's share of FICA (social security) taxes under PSCs with U.S. citizens or U.S. resident aliens, pursuant to AIDAR Appendix D. In order for you to ensure that sufficient funds are available and budgeted for this purpose, here are the FICA and Medicare tax rates and bases for calendar year 1997.

FICA 6.2 of the first \$65,400  
Medicare 1.45% of the total wage

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