

January 18, 2000

MEMORANDUM FOR ALL CONTRACTING OFFICERS AND NEGOTIATORS

To: Distribution List FAC

From: M/OP, Rodney W. Johnson, Director

Subject: 2000 FICA and Medicare Tax Rates for Personal Services Contracts (PSCs)

Contract Information Bulletin 00 - 03

This Contract Information Bulletin supersedes and cancels CIB 99-11.

U.S. Agency for International Development is 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 2000.

FICA 6.2% of the first \$76,200
Medicare 1.45% of the total wage