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Did You Know...

The standard mileage rate issued by the Internal Revenue Service (IRS) is 44.5 cents per mile for 2006?

Each year, the IRS establishes an optional standard mileage rate that employers can use to reimburse employees for business use of their personal vehicles. The IRS calculates the mileage rate annually based on a study of fixed and variable vehicle operating costs. Although many employers choose to reimburse employees at the standard mileage rate, they may reimburse employees at a different rate or choose not to provide any reimbursement.

New York State employers paid higher federal unemployment insurance (UI) taxes for calendar year 2005?

Employers are subject to annual Federal Unemployment Tax Act (FUTA) taxes each January for the prior calendar year. When NYS employers paid their 2005 FUTA taxes this past January, they saw a reduction in their FUTA tax credit for the second year in a row. Why? Because NYS was unable to pay the balance of a federal loan that was taken to meet its UI benefit obligations. The FUTA tax rate is currently 6.2%. Normally, employers that pay their NYS UI taxes in full and on time receive a credit of 5.4% toward their FUTA taxes, or a tax rate of 0.8%. For calendar year 2005, the credit was reduced to 4.8%, resulting in a FUTA tax rate of 1.4%.

Covered employers must post their OSHA Form 300A no later than February 1st?

Unless specifically exempted from OSHA's general recordkeeping requirements, OSHA requires employers with eleven or more employees to document and maintain records of each work-related injury and illness. A summary of the total number of work-related injuries and illnesses that occurred during calendar year 2005 must be recorded on an *OSHA Form 300A* and be conspicuously posted at each work site from **February 1, 2006, to April 30, 2006.**

Pay Increases of 3.1% - 3.6% Expected in 2006 According to Survey?

The results of a survey of 1,056 large organizations conducted by Hewitt Associates found that

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projected base salary increases for 2006 will remain about the same as they were in 2005. Salaried exempt employees are projected to receive average pay increases of 3.6%, non-union hourly employees 3.5%, and union employees 3.1%. The survey also found that an increasing number of employers are implementing variable pay plans (e.g., bonuses, recognition awards, stock options) that are tied to performance and must be re-earned each year.

Best Practices

It can't be stressed enough the importance of staying abreast of federal and state employment regulations in order to ensure your organization remains in compliance and to avoid costly fines and penalties.

Call AMTEK's Human Resource Hot Line at 1.800.457.8829 if you have questions or to learn more about our HR programs and services.

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