



IN THE BUSINESS OF YOUR SUCCESS™

2015 Statutory Change Matrix

| <b>Federal Notice Changes</b>                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                        |
|------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| <b>Tax</b>                                                       | <b>Issue / Change</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>New item / rate</b> |
| Health Spending Accounts Contribution Limits                     | HSA Contribution Limits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                        |
|                                                                  | Self Only Coverage                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | \$3,350.00             |
|                                                                  | Family Coverage                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | \$6,650.00             |
|                                                                  | Flexible Spending Arrangement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$2,550.00             |
| Pension Plan Contribution & Discrimination Testing Limit Changes | 401(k) Deferral / 401(k) Roth Contribution                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | \$18,000.00            |
| Pension Plan Contribution & Discrimination Testing Limit Changes | 401(k) Deferral / 401(k) Roth "Age 50" catch up limit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | \$6,000.00             |
| Pension Plan Contribution & Discrimination Testing Limit Changes | 401(k) Deferral / 401(k) Roth Compensation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | \$265,000.00           |
| Federal Contractor Minimum wage                                  | Effective 1/1/2015 \$10.10 per hour. Minimum hour cash wage (tipped employees) - \$4.90 per hour. Maximum hourly tip credit \$5.20                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | \$10.10                |
| Social Security / Medicare                                       | The Social Security Administration has announced the 2015 Social Security and Medicare Wage Bases and Rates. Effective January 1, 2015, the Social Security Wage increases from \$117,000 to \$118,500. The Medicare Wage Base continues to be unlimited. The Employee and Employer withholding rate for Social Security tax remains 6.2% effective January 1, 2015. The 1.45% withholding rate for Medicare tax remains in effect for both the Employee and Employer. Also, the additional 0.9% Medicare tax imposed on wages in excess of \$200,000 remains in effect for 2015. For Employee withholding purposes, taxable wages in excess of \$200,000 will continue to be taxed at 2.35% (1.45% + 0.9%). The Medicare surtax applies to Employee withholding only; Employers are not subject to the additional Medicare tax. | \$118,500.00           |
| Nonresident Alien Employee                                       | Federal will be changing the Amount to Add to Nonresident Alien Employee Wages, effective 01/01/14                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | \$2,250.00             |
| Annual Exemption amount                                          | FIT Withholding (Exemption/Allowance/Standard Deduction) Amount                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | \$4,000.00             |
| Earned Income Credit                                             | The 2015 maximum Earned Income Credit amount is \$6,242 for taxpayers filing jointly who have 3 or more qualifying children, up from a total of \$6,143 for tax year 2014. The revenue procedure has a table providing maximum credit amounts for other categories, income thresholds and phaseouts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | \$6,242.00             |
| Annual lease value                                               | Annual lease value - use IRS tables                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                        |



| <b>Federal Notice Changes, continued</b> |                                                                                                                                                                                                                                                                                                                                                              |                        |
|------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| <b>Tax</b>                               | <b>Issue / Change</b>                                                                                                                                                                                                                                                                                                                                        | <b>New item / rate</b> |
| Adoption Assistance                      | The 2014 inflation-adjusted amounts for adoption assistance were released in IRS Revenue Procedure 2013-35 (Rev. Proc. 2013-35). The maximum amount that can be excluded for employer-provided adoption assistance increased from \$13,190 to \$13,400 for 2015. Also, the maximum credit allowed for adoptions increased from \$13,190 to \$13,400 for 2015 | \$13,400.00            |
| Qualified Transportation Limits          | For 2015, the maximum amount to be excluded from qualified parking expenses remains at \$250 a month. The maximum amount to be excluded for the combined value of transit passes and transportation in a commuter highway vehicle remains at \$130 a month.                                                                                                  | \$250.00               |
| Mileage rate                             | The IRS has announced that the business standard mileage rate for transportation expenses paid or incurred beginning January 1, 2015, will be 57.5 cents per mile, up one cent from the 56.5 cents rate in effect during 2014                                                                                                                                | \$0.57 per mile        |

| <b>Earnings Statement Enhancement</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |  |
|---------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
|                                       | <b>Issue / Change</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |  |
| <b>New check features</b>             | Effective for payrolls dates January 1, 2014 or later, ADP Totalsource will be enhancing the appearance of how certain items under the "Deductions" heading on worksite employee's Earnings Statements will display for employees who live and / or work in California and Hawaii.                                                                                                                                                                                                                                                 |  |
|                                       | Direct Deposit deductions are being moved out of the "Other Deductions" heading to under the "Net Pay" heading. Beneath it will be all the individual direct deposit categories (checking, savings, etc.) and their respective amounts. If the employee's entire check is direct deposited, the total "Net Pay" will be a combination of the direct deposit amounts. If the employee also receives a check (he or she has a balance after the specified direct deposit amounts), the "Net Pay" will also include the check amount. |  |
|                                       | A new literal entitled "Net Check" will display immediately following the "Net Pay" grouping. When a check is issued to the employee, the actual check amount will be displayed. If no check is issued (in other words the entire pay is being direct deposited), the "Net Check" amount will be zero. If the employee's entire pay is in the form of a check (no direct deposits), the amounts for displayed in "Net Pay" and "Net Check" will be the same.                                                                       |  |
|                                       | Because these literal changes are also on the Pay Statements totals page, note that when balancing that the "Net Check" total balances to "Net Pay" on other payroll reports. If you have any questions regarding this topic, please contact your Payroll Service Representative for more information.                                                                                                                                                                                                                             |  |



| State Withholding Changes |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |        |
|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| State                     | Issue / Change                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |        |
| Maryland                  | Employees may be entitled to claim an EITC on their 2014 federal and Maryland income tax returns if both their federal adjusted gross income and their earned income are less than the following: • \$46,997 (\$52,427 married filing jointly) with three or more qualifying children, • \$43,756 (\$49,186 married filing jointly) with two qualifying children, • \$38,511 (\$43,941 married filing jointly) with one qualifying child, • \$14,590 (\$20,020 married filing jointly) with no qualifying children.                                 |        |
| Massachusetts             | Massachusetts will be changing their SIT Withholding Rate from 5.25% (0.0525) to 5.20% (0.0520)                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 5.20%  |
| Indiana                   | The Indiana adjustable gross income tax rate will decrease from .034% to .033%, effective for withholding purposes for periods beginning on or after January 1, 2015. Please Note: Supplement Wages are treated the same as regular wages for withholding purposes. Therefore, the withholding is calculated by taking the supplemental payment, less any exemptions and/or allowances claimed on Form WH-4, times the state income tax withholding rate, which will be 3.3% for Indiana, and then calculate the applicable Indiana County Tax Rate | 0.033% |

| State Supplemental Withholding Changes |                                                                                                                                                          |          |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| State                                  | Issue / Change                                                                                                                                           | New Rate |
| Indiana                                | The Indiana adjusted gross income tax rate has been reduced from .034 to .033, effective for withholding purposes beginning on or after January 1, 2015. | 0.033%   |
| North Carolina                         | Bonus / supplemental withholding rate                                                                                                                    | 5.750%   |



| State Pay Rate Changes |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |          |
|------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| State                  | Issue / Change                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | New Rate |
| Arizona                | Effective January 1, 2015, The Minimum Wage Rate will be changing from \$7.90 per hour to \$8.05 per hour. Arizona's Tipped Employee Minimum Hourly Rate is \$3.00 per hour less than the minimum wage. Therefore, the rate will be changing from \$4.90 per hour to \$5.05 per hour in Direct (Cash) Wages                                                                                                                                                                                                                                                                                                                                                                                                                             | \$8.05   |
| Arkansas               | Effective 1/1/15 the minimum wage will be changing from \$6.25 per hour to \$7.50 per hour.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | \$7.50   |
| Colorado               | Effective 1/1/15 the minimum wage will be changing from \$8.00 per hour to \$8.23 per hour.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | \$8.23   |
| Connecticut            | Effective 1/1/2015 9.15 per hour. Connecticut Tipped Employee Maximum Tip Credit and Minimum Cash Wage for "Service Employees (waiters/waitresses at hotels and restaurants)" will change to: • \$3.37 per hour (36.8% of the minimum wage) and the minimum cash wage is \$5.78 per hour (\$5.78 + \$3.37 = \$9.15), effective 01/01/2015. Connecticut Tipped Employee Maximum Tip Credit and Minimum Cash Wage for "Bartenders" will change to: • \$1.69 per hour (18.5% of the minimum wage) and the minimum cash wage is \$7.46 per hour (\$7.46 + \$1.69 = \$9.15), effective 01/01/2015. Connecticut Tipped Employee Minimum Hourly Rate for "All Other Tipped Employees" will change to: • \$8.80 per hour, effective 01/01/2015. | \$9.15   |
| Delaware               | Effective 1/1/2015 - 8.25 per hour                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | \$8.25   |
| Florida                | The Minimum Wage Rate will be changing from \$7.93 per hour to \$8.05 per hour. • The Tipped Employee Minimum Hourly Rate will be changing from \$4.91 per hour to \$5.03 per hour in Direct (Cash) Wages. Therefore, the Maximum Tip Credit will be remaining at \$3.02 per hour.                                                                                                                                                                                                                                                                                                                                                                                                                                                      | \$8.05   |
| Guam                   | Guam passed Bill No. 316-32 on July 1, 2014 which increases the minimum wage from \$7.25 to \$8.25 per hour beginning January 1, 2015.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | \$8.25   |
| Hawaii                 | Effective 1/1/2015 - 7.75 per hour                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | \$7.75   |
| Maryland               | Effective 1/1/2015 - 8.00 per hour                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | \$8.00   |
| Massachusetts          | Effective 1/1/2015 - 9.00 per hour                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | \$9.00   |
| Missouri               | The Minimum Wage Rate will be changing from \$7.50 per hour to \$7.65 per hour. • The Tipped Employee Minimum Hourly Rate will continue to be "half of the state minimum wage rate" (legislated requirement) or \$3.825                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | \$7.65   |
| Montana                | Effective 1/1/2015 - 8.05 per hour                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | \$8.05   |
| Nebraska               | Effective 1/1/2015 - 8.00 per hour                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | \$8.00   |
| New Jersey             | Effective January 1, 2015, the Minimum Wage Rate will be changing from \$8.25 per hour to \$8.38 per hour. • The Maximum Tip Credit for employers not subject to the Fair Labor Standards Act is up to a maximum of the current minimum wage (\$8.38 effective 01/01/15). Cash and gratuities must equal the minimum wage for Tipped Employees                                                                                                                                                                                                                                                                                                                                                                                          | \$8.38   |
| New York               | Effective 1/1/2015 - 8.75 per hour - (\$9.00 effective December 31, 2015)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | \$8.75   |



| State Pay Rate Changes, continued |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |          |
|-----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| State                             | Issue / Change                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | New Rate |
| Ohio                              | The Minimum Wage Rate will be changing from \$7.95 per hour to \$8.10 per hour. The wage hike will apply to employers grossing more than \$297,000 per year, rising on January 1st from the current \$292,000 annually. The Tipped Employee Minimum Hourly Rate will be changing from \$3.98 per hour to \$4.05 per hour. Therefore, the Maximum Tip Credit will be changing from \$3.97 per hour to \$4.05 per hour ( $4.05 + 4.05 = 8.10$ ).                                                                       | \$8.10   |
| Oregon                            | Effective 1/1/2015, the Minimum Wage Rate will be changing from \$9.10 per hour to \$9.25 per hour. No Tipped Employee Minimum Hourly rate                                                                                                                                                                                                                                                                                                                                                                           | \$9.25   |
| Rhode Island                      | The Minimum Wage Rate will be changing from \$8.00 per hour to \$9.00 per hour. Tipped employees must be paid a minimum hourly rate of \$2.89 per hour in direct wages (no change). Therefore, the maximum tip credit will be increasing from \$5.11 to \$6.11 per hour.                                                                                                                                                                                                                                             | \$9.00   |
| South Dakota                      | The Minimum Wage Rate will be changing from \$7.25 per hour to \$8.50 per hour. • The Tipped Employee Minimum Hourly Rate will be changing from \$2.13 per hour to at least 50 percent of the prevailing state. • The Subminimum Wage Rate will remain at \$4.25 per hour minimum wage. Therefore, the minimum cash wage will be \$4.25 per hour.                                                                                                                                                                    | \$8.50   |
| Vermont                           | Effective 1/1/2015 - 9.15 per hour                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | \$9.15   |
| Washington                        | The Minimum Wage Rate will be changing from \$9.32 per hour to \$9.47 per hour. • No Tipped Employee Minimum Hourly Rate, Tipped employees must be paid Direct (Cash) Wage of \$9.47 per hour as Washington does not recognize the Tip Credit.                                                                                                                                                                                                                                                                       | \$9.47   |
| West virginia                     | WV has a state Minimum Wage law and for employees who are covered under WV minimum wage laws and therefore not subject to FLSA, effective as of 01/01/2015. • The Minimum Wage Rate is \$8.00 per hour. • The Tipped Employee Minimum Hourly Rate is \$2.40 per hour in Direct (Cash) Wages. Therefore, the Maximum Tip Credit is \$5.60 per hour. ( $2.40 + 5.60 = 8.00$ ).** **Note: employers can only take the tip credit as long as the employee's minimum cash wage (\$2.40) plus tips totals \$8.00 per hour. | \$8.00   |

| City / County Pay Rate Changes |                                              |          |
|--------------------------------|----------------------------------------------|----------|
| City / County                  | Issue / Change                               | New Rate |
| San Jose, California           | Minimum wage rate effective January 1, 2015. | \$10.30  |
| Richmond, California           | Minimum wage rate effective January 1, 2015. | \$9.60   |
| San Diego, California          | Minimum wage rate effective January 1, 2015. | \$9.75   |
| San Francisco, California      | Minimum wage rate effective January 1, 2015. | \$10.74  |
| Las Cruces City, New Mexico    | Minimum wage rate effective January 1, 2015. | \$8.00   |
| Albuquerque, New Mexico        | Minimum wage rate effective January 1, 2015. | \$8.75   |



| <b>State Withholding Notices</b> |                                                                    |                 |
|----------------------------------|--------------------------------------------------------------------|-----------------|
| <b>Tax</b>                       | <b>Issue / Change</b>                                              | <b>New Rate</b> |
| California                       | Annual Exemption Allowance change - Single                         | \$3,992.00      |
| California                       | Annual Exemption Allowance change - Married                        | \$7,984.00      |
| Colorado                         | Annual Exemption Allowance change                                  | \$4,000.00      |
| Illinois                         | Annual Exemption Allowance change                                  | \$2,150.00      |
| Kentucky                         | Annual Standard Deduction Amount                                   | \$2,440.00      |
| Maine                            | Annual Exemption Allowance change                                  | \$4,000.00      |
| Maine                            | Annual Exemption Allowance change for Nonresident aliens           | \$6,300.00      |
| Minnesota                        | Annual Exemption Allowance change                                  | \$3,950.00      |
| New York                         | Annual Exemption Allowance change - single                         | \$7,350.00      |
| New York                         | Annual Exemption Allowance change - married                        | \$7,850.00      |
| New Mexico                       | Annual Exemption Allowance change                                  | \$4,000.00      |
| Oregon                           | Annual Exemption Allowance change                                  | \$4,295.00      |
| North Dakota                     | Annual Exemption Allowance change                                  | \$3,950.00      |
| Missouri                         | Annual Exemption Allowance change                                  | \$6,200.00      |
| Missouri                         | Annual Standard Deduction Amount- Married and Spouse Does Not Work | \$12,400.00     |
| Missouri                         | Annual Standard Deduction Amount-Head of Household                 | \$9,100.00      |
| Vermont                          | Annual Exemption Allowance change                                  | \$4,000.00      |

| <b>State Unemployment Wage Base Changes</b> |                                                                                    |                              |
|---------------------------------------------|------------------------------------------------------------------------------------|------------------------------|
| <b>Tax</b>                                  | <b>Issue / Change</b>                                                              | <b>New Wage base minimum</b> |
| Alaska                                      | Effective 1/1/2015 taxable wage base increase                                      | \$38,700.00                  |
| Arkansas                                    | Effective 1/1/2015 taxable wage base will remain at                                | \$12,000.00                  |
| California                                  | The State Disability Insurance (SDI) Taxable Wage Base from \$101,636 to \$104,378 |                              |
| California                                  | The State Disability Insurance (SDI) rate will be changing from 1.0% to 0.9%.      | 0.9%                         |
| Colorado                                    | Effective 1/1/2015 taxable wage base increase                                      | \$11,800.00                  |
| Delaware                                    | Effective 1/1/2015 taxable wage base will remain at                                | \$18,500.00                  |
| Florida                                     | Effective 1/1/2015 taxable wage base decrease                                      | \$7,000.00                   |
| Hawaii                                      | Effective 1/1/2015 taxable wage base increase                                      | \$40,900.00                  |
| Idaho                                       | Effective 1/1/2015 taxable wage base increase                                      | \$36,000.00                  |
| Illinois                                    | Effective 1/1/2015 taxable wage base will remain at                                | \$12,960.00                  |
| Iowa                                        | Effective 1/1/2015 taxable wage base increase                                      | \$27,300.00                  |
| Kansas                                      | Effective 1/1/2015 taxable wage base increase                                      | \$12,000.00                  |
| Kentucky                                    | Effective 1/1/2015 taxable wage base increase                                      | \$9,900.00                   |
| Massachusetts                               | Effective 1/1/2015 taxable wage base increase                                      | \$15,000.00                  |
| Michigan                                    | Will not be changing taxable wage base                                             | \$9,500.00                   |



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2015 Statutory Change Matrix

| State Unemployment Wage Base Changes, continued |                                                                                                                 |                       |
|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|-----------------------|
| Tax                                             | Issue / Change                                                                                                  | New Wage base minimum |
| Minnesota                                       | Effective 1/1/2015 taxable wage base increase                                                                   | \$30,000.00           |
| Montana                                         | Effective 1/1/2015 taxable wage base increase                                                                   | \$29,500.00           |
| Nevada                                          | Effective 1/1/2015 taxable wage base increase                                                                   | \$27,800.00           |
| New Jersey                                      | Effective 1/1/2015 taxable wage base increase                                                                   | \$32,000.00           |
| New Mexico                                      | Effective 1/1/2015 taxable wage base will remain at                                                             | \$23,400.00           |
| New York                                        | Effective 1/1/2015 taxable wage base increase                                                                   | \$10,500.00           |
| North Carolina                                  | Effective 1/1/2015 taxable wage base increase                                                                   | \$21,700.00           |
| North Dakota                                    | Effective 1/1/2015 taxable wage base increase                                                                   | \$35,600.00           |
| Oklahoma                                        | Effective 1/1/2015 taxable wage base decrease                                                                   | \$17,000.00           |
| Oregon                                          | Effective 1/1/2015 taxable wage base increase                                                                   | \$35,700.00           |
| Pennsylvania                                    | Effective 1/1/2015 taxable wage base increase                                                                   | \$9,000.00            |
| Rhode Island                                    | Effective 1/1/2015 taxable wage base increase - Tier 1                                                          | \$21,200.00           |
| Rhode Island                                    | Effective 1/1/2015 taxable wage base increase - Tier 2                                                          | \$22,700.00           |
| Rhode Island                                    | Taxable wage base TDI (Temporary Disability Insurance) will be changing from \$62,700 to \$64,200 per employee. | \$64,200.00           |
| South Carolina                                  | Effective 1/1/2015 taxable wage base increase                                                                   | \$14,000.00           |
| South Dakota                                    | Effective 1/1/2015 taxable wage base increase                                                                   | \$15,000.00           |
| Utah                                            | Effective 1/1/2015 taxable wage base increase                                                                   | \$31,300.00           |
| Vermont                                         | Effective 1/1/2015 taxable wage base increase                                                                   | \$16,400.00           |
| Virginia                                        | Will not be changing taxable wage base                                                                          | \$8,000.00            |
| Washington                                      | Effective 1/1/2015 taxable wage base increase                                                                   | \$42,100.00           |
| Wyoming                                         | Effective 1/1/2015 taxable wage base increase                                                                   | \$24,700.00           |

| Local Withholding Changes |                                                                                                                                                                                                                      |          |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| State                     | Issue / Change                                                                                                                                                                                                       | New Rate |
| New York (Yonkers)        | Withholding rate effective 1/1/2015, 16.75% of New York State Income Tax                                                                                                                                             | 16.75%   |
| Ohio                      | The City of Huber Heights, OH voted to increase their income tax rate from 2.00% to 2.25% during the November Municipal Tax Election. The resident credit will remain 100%.                                          | 2.25%    |
| Ohio                      | The City of Sidney, OH voted to increase their income tax rate from 1.50% to 1.75% during the November Municipal Tax Election. The resident credit will remain 100%.                                                 | 1.75%    |
| Ohio                      | The Village of Obetz, OH and Praise-Obetz JEDZ #0775 voted to increase their income tax rate from 2.00% to 2.50% during the November Municipal Tax Election. Obetz, OH will continue to offer a 100% resident credit | 2.50%    |
| Ohio                      | The Village of Lithopolis, OH will increase their municipal income tax rate from 1.00% to 1.50% effective January 1, 2015                                                                                            | 1.50%    |



| Local Withholding Changes, continued |                                                                                                                                                                                                                                              |          |
|--------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| State                                | Issue / Change                                                                                                                                                                                                                               | New Rate |
| Ohio                                 | The Brimfield Tallmadge JEDD, OH will increase their municipal income tax rate from 1.00% to 1.25% effective January 1, 2015                                                                                                                 | 1.25%    |
| Ohio                                 | Effective January 1, 2015 the City of Upper Arlington, OH will increase their income tax rate from 2.00% to 2.50%. Upper Arlington will continue to offer a 100% resident credit.                                                            | 2.50%    |
| Ohio                                 | Effective January 1, 2015 the City of Brunswick, OH will renew the .50% income tax levy through December 31, 2017. Therefore, the tax rate will continue to be 1.85% until December 31, 2017.                                                | 0.50%    |
| Ohio                                 | The City of Mount Healthy, OH voted to increase their income tax rate from 1.5% to 2.0% during the November 2014 Municipal Tax Election. The resident credit remains 100% with a limit up to 1.6%.                                           | 2.00%    |
| Ohio                                 | During the November 2014 Municipal Tax Election, the Village of Minerva Park, OH voted to increase their income tax rate from 1.0% to 2.0%, effective January 1, 2015. The village does not offer a resident credit; it was repealed in 2013 | 2.00%    |
| Ohio                                 | The City of Sandusky, OH is increasing their tax rate from 1.0% to 1.25% effective January 1, 2015. The city does not offer a resident credit                                                                                                | 1.25%    |
| Ohio                                 | The Village of Edgerton, OH is increasing their tax rate from 1.0% to 1.75% effective January 1, 2015. The resident credit will remain 100%.                                                                                                 | 1.75%    |
| Ohio                                 | The City of Huber Heights, OH voted to increase their income tax rate from 2.00% to 2.25% during the November Municipal Tax Election. The resident credit will remain 100%.                                                                  | 2.25%    |
| Ohio                                 | The City of Sidney, OH voted to increase their income tax rate from 1.50% to 1.75% during the November Municipal Tax Election. The resident credit will remain 100%.                                                                         | 1.75%    |
| Ohio                                 | The City of Rocky River, OH voted to increase their income tax rate from 1.50% to 2.00% during the November Municipal Tax Election. In addition, the resident credit has changed from 1.00% to 1.50%.                                        | 1.50%    |
| Ohio                                 | The Village of Deshler, OH passed legislation to increase their income tax rate from .75% to 1.00%.                                                                                                                                          | 1.00%    |
| Ohio                                 | The City of Piqua, OH voted to increase their income tax rate from 1.75% to 2.00% during the November Municipal Tax Election. The resident credit will remain at 100%.                                                                       | 2.00%    |
| Ohio                                 | The City of Oberlin, OH passed legislation to increase their income tax rate from 1.90% to 2.50% effective January 1, 2015 through December 31, 2024.                                                                                        | 2.50%    |
| Ohio                                 | The City of Lyndhurst, OH passed legislation to increase their income tax rate from 1.50% to 2.00%.                                                                                                                                          | 2.00%    |
| Ohio                                 | The Village of New Concord, OH # 6206/4144 passed legislation increasing their income tax rate from 1.00% to 1.50%. The resident credit will remain 100% up to the current income tax rate.                                                  | 1.50%    |





| <b>Local Withholding Changes, continued</b> |                                                                                                                                                                                                                                                                                                    |                 |
|---------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| <b>State</b>                                | <b>Issue / Change</b>                                                                                                                                                                                                                                                                              | <b>New Rate</b> |
| Ohio                                        | The City of Circleville, OH will increase their municipal income tax rate from 1.50% to 2.00% effective January 1, 2015                                                                                                                                                                            | 2.00%           |
| Ohio                                        | The Village of Obetz, OH and Praire-Obetz JEDZ voted to increase their income tax rate from 2.00% to 2.50% during the November Municipal Tax Election. Obetz, OH will continue to offer a 100% resident credit.                                                                                    | 2.50%           |
| Ohio                                        | Effective January 1, 2015 through December 31, 2018, the Village of New London, OH has voted and passed legislation to continue the additional.50% income tax levy which results in the income tax rate being 1.50%. There will be no changes to the resident credit the credit will remain at 1%. | 1.50%           |
| Ohio                                        | Effective January 1, 2015 the City of Wyoming, OH will increase their income tax rate from 0.8% to 1.00%. Wyoming will continue not to offer a resident credit.                                                                                                                                    | 1.00%           |
| Ohio                                        | The Village of Moscow, OH passed legislation to repeal its 1% municipal income tax effective January 1, 2015.                                                                                                                                                                                      | 0.00%           |

| <b>New Local Withholding Tax</b> |                                                                                                                                                                                                                                                       |                 |
|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| <b>State</b>                     | <b>Issue / Change</b>                                                                                                                                                                                                                                 | <b>New Rate</b> |
| Ohio                             | Effective January 1, 2015 the Village of Conesville, OH # 2651 has established a 1.00% withholding income tax for all residents and those working in the Village of Conesville.                                                                       | 1.00%           |
| Ohio                             | Effective January 1, 2015 Scioto Township JEDD, OH # 2655 has established a 2.00% withholding income tax for employees working in Scioto Township JEDD including employees of the Pickaway Correctional Institution and Correctional Reception Center | 2.00%           |
| Ohio                             | Effective January 1, 2015 the Village of Empire, OH # 2654 has established a 1.00% withholding income tax for all residents and those working in the Village of Empire.                                                                               | 1.00%           |

| <b>County Tax Changes</b> |                           |                 |
|---------------------------|---------------------------|-----------------|
| <b>State</b>              | <b>Issue / Change</b>     | <b>New Rate</b> |
| Maryland                  | Caroline County           | 0.0273%         |
| Maryland                  | Carroll County            | 0.0304%         |
| Maryland                  | Charles County            | 0.0303%         |
| Indiana                   | Allen County Resident     | 1.3500%         |
| Indiana                   | Allen County Non-Resident | 0.6375%         |
| Indiana                   | Hancock Resident          | 1.6500%         |
| Indiana                   | Hancock Non-Resident      | 0.4500%         |
| Indiana                   | Jasper Resident           | 2.9640%         |
| Indiana                   | Madison Non-Resident      | 0.4375%         |



| County Tax Changes, continued |                                                                                                                                                                                                                                                                                                              |                   |
|-------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| State                         | Issue / Change                                                                                                                                                                                                                                                                                               | New Rate          |
| Indiana                       | Washington Resident                                                                                                                                                                                                                                                                                          | 2.0000%           |
| Indiana                       | Benton#1502 has decreased the income tax rate from 2.29% to 1.79%.                                                                                                                                                                                                                                           | 1.7900%           |
| Indiana                       | Brown #1508 has increased the income tax rate from 2.20% to 2.3955%                                                                                                                                                                                                                                          | 2.3955%           |
| Indiana                       | Vermillion #2065 has increased the income tax rate from .1% to .2% (resident and nonresident)                                                                                                                                                                                                                | 0.2000%           |
| Indiana                       | Adams Resident income tax rate will change from 1.124% to 1.624%.                                                                                                                                                                                                                                            | 1.6240%           |
| Indiana                       | Adams Non-resident income tax rate will change from .674% to .799%.                                                                                                                                                                                                                                          | 0.7990%           |
| Indiana                       | Elkhart Resident income tax rate will change from 1.50% to 2.00%.                                                                                                                                                                                                                                            | 2.0000%           |
| Indiana                       | Jennings Resident income tax rate will change from 1.25% to 1.75%.                                                                                                                                                                                                                                           | 1.7500%           |
| Indiana                       | Knox Non-resident income tax rate will change from .65% to .55%.                                                                                                                                                                                                                                             | 0.5500%           |
| Indiana                       | Knox Resident income tax rate will change from 1.10% to 1.00%.                                                                                                                                                                                                                                               | 1.0000%           |
| Indiana                       | Marion Non-resident income tax rate will change from .4050% to .4425%.                                                                                                                                                                                                                                       | 0.4425%           |
| Indiana                       | Marion Resident income tax rate will change from 1.62% to 1.77%.                                                                                                                                                                                                                                             | 1.7700%           |
| Indiana                       | Parke Resident income tax rate will change from 2.30% to 2.45%.                                                                                                                                                                                                                                              | 2.4500%           |
| Indiana                       | Randolph Resident income tax rate will change from 1.50% to 2.25%.                                                                                                                                                                                                                                           | 2.2500%           |
| Indiana                       | Wabash Non-resident income tax rate will change from .75% to .50%.                                                                                                                                                                                                                                           | 0.5000%           |
| Kentucky                      | Effective January 1, 2015, the Boone County Ordinance tax (imposed under County Ordinance #07-27) increases its: • Taxable Wage Base to \$58,627 (from \$57,482); and • Maximum Tax to \$469.02 (from \$459.86). The withholding rate for the Boone County Ordinance tax remains unchanged at .008 for 2015. | 1.3000% / 0.8000% |
| Maryland                      | Carroll County – from (.0304) to (.0303)                                                                                                                                                                                                                                                                     | .0303             |

| New Local School Taxes |                                                                  |          |
|------------------------|------------------------------------------------------------------|----------|
| State                  | Issue / Change                                                   | New Rate |
| Ohio                   | Northwood LSD #3389 (SD#8706) enacted a 0.25% income tax.        | 0.25%    |
| Ohio                   | Tri-County North LSD #3388 (SD#6806) enacted a 1.00% income tax. | 1%       |



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## 2015 Statutory Change Matrix

| <b>Ohio School Tax Withholding Changes</b> |                                                                                     |                 |
|--------------------------------------------|-------------------------------------------------------------------------------------|-----------------|
| <b>State</b>                               | <b>Issue / Change</b>                                                               | <b>New Rate</b> |
| Ohio                                       | Berne-Union LSD #0651 (SD#2302) withholding rate will change from 1.00% to 2.00%    | 2.00%           |
| Ohio                                       | Cloverleaf LSD #0678 (SD#5204) withholding rate will change from .50% to 1.25%.     | 1.25%           |
| Ohio                                       | Jefferson LSD #6992 (SD#4901) withholding rate will change from .50% to 1.00%.      | 1.00%           |
| Ohio                                       | Jonathan Alder LSD #0680 (SD#4902) withholding rate will change from .75% to 1.25%. | 1.25%           |
| Ohio                                       | Riverside LSD #6996 (SD#4604) withholding rate will change from 2.00% to 1.75%.     | 1.75%           |

| <b>New Occupational Tax</b> |                                                                                                                                                                                                                                               |                 |
|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| <b>State</b>                | <b>Issue / Change</b>                                                                                                                                                                                                                         | <b>New Rate</b> |
| Kentucky                    | The City of Ryland Heights, Kentucky enacted a 1.0% Occupational License Tax (OLT) effective January 1, 2015. The 1.0%-OLT is imposed on the earnings of residents and non-residents working within Ryland Heights beginning January 1, 2015. | 1.00%           |
| Kentucky                    | The City of Columbia, Kentucky enacted a 1.0% Occupational License Tax (OLT) effective January 1, 2015. The earnings of both residents and non-residents working within the City of Columbia are subject to the OLT.                          | 1.00%           |