



CITY OF HOLLYWOOD, FLORIDA POLICE OFFICERS' RETIREMENT SYSTEM

**4205 Hollywood Boulevard, Suite 4
Hollywood, Florida 33021**

Telephone: (954) 967- 4395 Fax: (954) 967- 4387 Toll Free: (866) 738- 4776

Legislation Update

Payroll Tax Extension

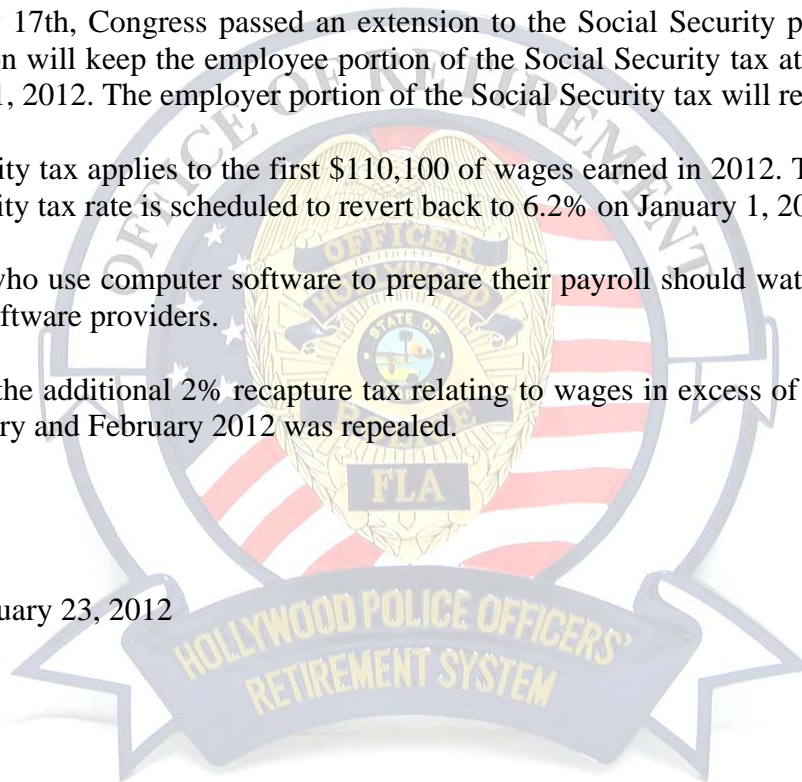
On February 17th, Congress passed an extension to the Social Security payroll tax cut. The extension will keep the employee portion of the Social Security tax at 4.2% through December 31, 2012. The employer portion of the Social Security tax will remain at 6.2%.

Social Security tax applies to the first \$110,100 of wages earned in 2012. The employees Social Security tax rate is scheduled to revert back to 6.2% on January 1, 2013.

Employers who use computer software to prepare their payroll should watch for updates from their software providers.

In addition, the additional 2% recapture tax relating to wages in excess of \$ 18,350 paid during January and February 2012 was repealed.

Posted: February 23, 2012



Respectfully,



David M. Williams, Plan Administrator
FOR THE BOARD

