

The image features a large, light gray watermark of the USAID seal in the background. The seal is circular and contains the text "UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT" around the perimeter. In the center of the seal is a shield with a map of the United States, and the word "USAID" is written in a large, bold, sans-serif font across the middle of the shield.

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

April 18, 1997

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
