

fective Date of 1988 Amendment note under section 1402 of this title.

§ 3128. Short title

This chapter may be cited as the “Federal Insurance Contributions Act.”

(Aug. 16, 1954, ch. 736, 68A Stat. 429, §3125; renumbered §3126, Pub. L. 86-778, title I, §103(q)(1), Sept. 13, 1960, 74 Stat. 939; renumbered §3127, Pub. L. 99-509, title IX, §9002(a)(1), Oct. 21, 1986, 100 Stat. 1970; renumbered §3128, Pub. L. 100-647, title VIII, §8007(a)(1), Nov. 10, 1988, 102 Stat. 3781.)

EFFECTIVE DATE OF 1986 AMENDMENT

Amendment by Pub. L. 99-509, except as otherwise provided, effective with respect to payments due with respect to wages paid after Dec. 31, 1986, including wages paid after such date by a State (or political subdivision thereof) that modified its agreement pursuant to section 418(e)(2) of Title 42, The Public Health and Welfare, see section 9002(d) of Pub. L. 99-509, set out as a note under section 418 of Title 42.

CHAPTER 22—RAILROAD RETIREMENT TAX ACT

Subchapter	Sec. ¹
A. Tax on employees	3201
B. Tax on employee representatives	3211
C. Tax on employers	3221
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E. Tier 2 tax rate determination.	3241

AMENDMENTS

2001—Pub. L. 107-90, title II, §204(e)(5), Dec. 21, 2001, 115 Stat. 893, added item for subchapter E.

Subchapter A—Tax on Employees

Sec.	
3201.	Rate of tax.
3202.	Deduction of tax from compensation.

§ 3201. Rate of tax

(a) Tier 1 tax

In addition to other taxes, there is hereby imposed on the income of each employee a tax equal to the applicable percentage of the compensation received during any calendar year by such employee for services rendered by such employee. For purposes of the preceding sentence, the term “applicable percentage” means the percentage equal to the sum of the rates of tax in effect under subsections (a) and (b) of section 3101 for the calendar year.

(b) Tier 2 tax

In addition to other taxes, there is hereby imposed on the income of each employee a tax equal to the percentage determined under section 3241 for any calendar year of the compensation received during such calendar year by such employee for services rendered by such employee.

(c) Cross reference

For application of different contribution bases with respect to the taxes imposed by subsections (a) and (b), see section 3231(e)(2).

(Aug. 16, 1954, ch. 736, 68A Stat. 431; Aug. 31, 1954, ch. 1164, pt. II, §206(a), 68 Stat. 1040; Pub. L.

86-28, pt. II, §201(a), May 19, 1959, 73 Stat. 28; Pub. L. 88-133, title II, §201, Oct. 5, 1963, 77 Stat. 221; Pub. L. 89-97, title I, §§105(b)(1), 111(c)(1), July 30, 1965, 79 Stat. 335, 342; Pub. L. 89-212, §§4, 5(a), Sept. 29, 1965, 79 Stat. 861; Pub. L. 89-699, title III, §301(a), Oct. 30, 1966, 80 Stat. 1078; Pub. L. 89-700, title III, §301(v), (vi), Oct. 30, 1966, 80 Stat. 1088, 1089; Pub. L. 93-69, title I, §102(a), July 10, 1973, 87 Stat. 162; Pub. L. 94-93, title II, §201, Aug. 9, 1975, 89 Stat. 466; Pub. L. 94-455, title XIX, §1903(a)(6), Oct. 4, 1976, 90 Stat. 1807; Pub. L. 97-34, title VII, §741(a), Aug. 13, 1981, 95 Stat. 347; Pub. L. 98-76, title II, §§211(a), 221, Aug. 12, 1983, 97 Stat. 419, 420; Pub. L. 100-203, title IX, §9031(a), Dec. 22, 1987, 101 Stat. 1330-296; Pub. L. 101-508, title V, §5125(a), Nov. 5, 1990, 104 Stat. 1388-285; Pub. L. 107-90, title II, §204(c), Dec. 21, 2001, 115 Stat. 892; Pub. L. 113-295, div. A, title II, §221(a)(100)(A), Dec. 19, 2014, 128 Stat. 4052.)

AMENDMENTS

2014—Subsec. (b). Pub. L. 113-295 amended subsec. (b) generally. Prior to amendment, subsec. (b) consisted of pars. (1) and (2) establishing the tier 2 tax and its applicable percentage.

2001—Subsec. (b). Pub. L. 107-90 amended heading and text of subsec. (b) generally. Prior to amendment, text read as follows: “In addition to other taxes, there is hereby imposed on the income of each employee a tax equal to 4.90 percent of the compensation received during any calendar year by such employee for services rendered by such employee.”

1990—Subsec. (a). Pub. L. 101-508 substituted “applicable” for “following” before “percentage of the” and provision defining the term “applicable percentage” for provision specifying that in the case of compensation received during 1985 the rate of tax was 7.05 percent, for 1986 or 1987 the rate was 7.15 percent, for 1988 or 1989 the rate was 7.51 percent, and 1990 or thereafter the rate was 7.65 percent.

1987—Subsec. (b). Pub. L. 100-203 amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: “In addition to other taxes, there is hereby imposed on the income of each employee a tax equal to the following percentage of the compensation received during any calendar year by such employee for services rendered by such employee:

“In the case of compensation received during:	The rate shall be:
1985	3.50
1986 or thereafter	4.25.”

1983—Pub. L. 98-76, §221, amended section generally, substituting a two tiered tax system with accompanying tax rate tables and a cross reference to section 3231 of this title, for provisions which had taxed an employee at 2.75 percent of so much of the compensation paid in any calendar month to such employee for services rendered by him as was not in excess of an amount equal to one-twelfth of the current maximum annual taxable “wages” as defined in section 3121 for any month and which had provided that the rate of tax imposed by subsection (a) be increased by the rate of the tax imposed with respect to wages by section 3101(a) plus the rate imposed by section 3101(b) of so much of the compensation paid in any calendar month to such employee for services rendered by him as was not in excess of an amount equal to one-twelfth of the current maximum annual taxable “wages” as defined in section 3121 for any month.

Pub. L. 98-76, §211(a), substituted “2.75 percent” for “2.0 percent”.

1981—Subsec. (a). Pub. L. 97-34 added subsec. (a). Subsec. (b). Pub. L. 97-34 designated existing provisions as subsec. (b) and substituted “The rate of tax imposed by subsection (a) shall be increased by” for “In

¹ Section numbers editorially supplied.