

Problem 14

The Vendy Corporation has only five employees who are all paid \$850 per week. Compute the total FICA taxes that the employer would withhold from the five employees each week and the amount the company would pay as its own liability for the employer's share of the FICA taxes on the weekly wages of the five employees. OASDI tax rate is 6.2% with a \$93,000 wage base. HI tax rate is 1.45%.

Employees' total OASDI.....	\$ _____
Employees' total HI.....	\$ _____
Employer's total OASDI.....	\$ _____
Employer's total HI.....	\$ _____