

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.

**USAID**

**This document has been archived. The “[Why and When](#)” list at the AAPD Archive identifies why the document has been archived and where current guidance may be found. Internal users may also access the [OAA Policy Division webpage](#) to locate current policy and regulations.**

**TITLE: CIB 96-10 - 1996 FICA and Medicare Tax Rates for PSCs**

February 27, 1996

MEMORANDUM FOR ALL CONTRACTING OFFICERS AND NEGOTIATORS

TO: Distribution List FAC

FROM: DAA/M, Michael D. Sherwin, Procurement Executive

SUBJECT: 1996 FICA and Medicare Tax Rates for Personal  
Services Contracts (PSCs)

**CONTRACT INFORMATION BULLETIN 96-10**

**This CIB supersedes CIB 95-11.**

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 1996.

FICA 6.2% of the first \$62,700  
Medicare 1.45% of the total wage