

TIP CREDIT UNDER HAWAII WAGE & HOUR LAW

Effective Date	Wage + Tips Must Equal At Least \$ Per Hour	Maximum allowed Tip Credit Towards Minimum Wage	Adjusted Minimum Wage Less Tip Credit
Jan. 1, 2026	\$16.00 + \$7.00 tips = \$23.00 per hour	\$1.25	\$14.75

FEDERAL MILEAGE RATES

The business mileage rate for 2026 has been released by the IRS.

	2026 Miles Only
Federal Min. Wage	\$7.25 per hour (use state rate)
Business Mileage	72.5 cents/mile
Charitable Mileage	14 cents/mile
Medical Mileage	20.5 cents/mile

SOCIAL SECURITY TAX

The employer and employee tax rates for Social Security remain the same at 6.2% each. The 2026 Social Security wage base increased to \$184,500 with maximum withholding of \$11,439 for both employees and employers.

SUTA TAX

The Hawaii SUTA wage cap is \$64,500 for the 2026 year.

SUPPLEMENTAL TAX RATES

Supplemental Tax Rates		Percent
Federal	Up to \$1,000,000.00	22%
Federal	\$1,000,000 and over	37%
Hawaii	Aggregate with regular wages	N/A

BANKS & FEDERAL HOLIDAYS

Holiday	Day	Date	ProService Closed	Fed/Banks Closed
New Year's Day	Thurs	1/01	X	X
Martin Luther King Jr. Day	Mon	1/19		X
Presidents Day	Mon	2/16	X	X
Memorial Day	Mon	5/25	X	X
Juneteenth Day	Fri	6/19		X
Independence Day	Fri	7/03	X	X
Labor Day	Mon	9/07	X	X
Columbus Day	Mon	10/12		X
Veterans Day	Wed	11/11		X
Thanksgiving Day	Thurs	11/26	X	X
Christmas Day	Fri	12/25	X	X

2026 Federal Rates:	
Federal Min. Wage	\$7.25 per hour (use state rate)

DEFERRED COMPENSATION

Deferred Compensation	Limit	Catch up (50 -59)	Catch up (60 -63)
401(k)	\$24,500.00*	\$8,000.00*	\$11,250.00*
403(b)	\$24,500.00*	\$8,000.00*	\$11,250.00*
457	\$24,500.00*	\$8,000.00*	\$11,250.00*
Simple IRA/401(k)	\$17,000.00*	\$4,000.00*	\$5,250.00*
IRA (after tax deduction)	\$7,500.00*	\$1,100.00*	\$1,100.00*
Health Care FSA	\$3,400.00*	N/A	
Dependent Care FSA	\$7,500.00*	N/A	
Parking/Transit Account	\$340.00/mo*	N/A	
HSA – Simple Coverage	\$4,400.00*	55+ \$1,000	
HSA – Family Coverage	\$8,750.00*	55+ \$1,000	

*Verify all limits with your plan administrator

IMPORTANT CONTACT INFORMATION

Department	Phone	Website
IRS	800.829.0115	irs.gov
Hawaii Department of Taxation	808.587.4242	tax.hawaii.gov
Hawaii Department of Labor	808.586.8844	labor.hawaii.gov
Social Security Administration	800.772.1213	ssa.gov
US Department of Labor/FLSA	866.487.2365	dol.gov
Child Support Enforcement Agency	808.692.8265	ag.hawaii.gov/csea