

## Social Security and Medicare Tax

### Reimbursement of Social Security and Medicare Tax Contributions

Various public school entities within the commonwealth (including school districts, intermediate units, career and technology centers, and charter schools) are eligible for the School Employees' Social Security Subsidy.

Reimbursement is available for the Social Security and Medicare tax contributions paid on behalf of their employees. This amount, equal to the sum of (a) 50% of contributions for "existing" employees and (b) the greater of 50% or the market value/personal income aid ratio for "new" employees, is paid in twelve installments each year on the first Thursday of each month.

Existing employees are defined as:

- employees hired before July 1, 1994, **or**
- previously employed by a PA public school prior to July 1, 1994.

New employees are defined as:

- employees hired on or after July 1, 1994, **and**
- not previously employed by a PA public school prior to July 1, 1994.

#### Online Reporting

The reporting of wage data, used to calculate reimbursement, is performed securely online via the web-based Social Security Reimbursement (SSR) application.

Information should be reported on a quarterly basis: PDE-339 is due in October, January and April; PDE-2105 is due in July and requires a signed copy to be mailed to PDE.

#### Other Information

Information pertaining to the Social Security and Medicare tax contribution rates and the maximum taxable earnings for Social Security or Medicare tax purposes can be found in the following document, taken from the [U.S. Social Security Administration's](#) question and answer section of their website.

- [2010 contribution rates and maximum taxable earnings](#) (PDF)