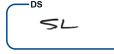


1263 South Stewart Street  
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Phone: (775) 888-7460  
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**MEMORANDUM**  
**CONSTRUCTION OFFICE**

**January 7, 2022**

**To: All District and Resident Engineers**  
**From: Sam Lompa, P.E., Chief Construction Engineer**   
**Subject: Labor Surcharge (Subsection 109.03 Special Provisions)**

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Effective January 1, 2023, the labor surcharge rate applicable to force account work was decreased from 21.19% to 19.87%.

For your reference, I have attached a breakdown of how the labor surcharge is established. If you have any questions, please contact Kristen McDaniel.

Km:rl

FICA (SOCIAL SECURITY)

800-772-1213 [www.socialsecurity.gov](http://www.socialsecurity.gov)

PERCENT PAID ON FIRST \$160,200

PERCENT PAID ON FIRST NO LIMIT

6.200% (Social Security)

1.450% (Medicare)

7.650%

WORKMANS COMP (EFF 03-01-22)

STATE OF NEVADA RISK MANAGEMENT

CLASS 5506 [www.doi.nv.gov](http://www.doi.nv.gov)

4.74%

EMPLOYMENT SECURITY – 775-684-6326

[www.nvdetr.org](http://www.nvdetr.org)

STATE UNEMPLOYMENT RATE FOR  
NEW EMPLOYER'S CONTRIBUTION IS  
PAID ON FIRST \$40,100 AFTER 4 OR 5  
YEARS, RATE IS RE-EVALUATED AND  
MAY BE ADJUSTED

5.40%

IRS – FUTA TAX

800-829-1040 – FEDERAL

[www.nvdetr.org](http://www.nvdetr.org)

UNEMPLOYMENT – CONTRIBUTION  
IS PAID ON FIRST \$7,000

ACTUAL RATE IS 6.0%, BUT A  
CREDIT FOR STATE TAX (5.4%) IS

DEDUCTED

.600%

MODIFIED BUSINESS TAX

1.475%

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19.865%

**TOTAL**

**19.87%**