

SOCIAL SECURITY

Payroll Tax Withholding Deferral

SOCIAL SECURITY PAYROLL TAX DEFERRAL. From Army G-1 Compensation and Entitlements: In order to provide relief during the COVID-19 pandemic, a Presidential Memorandum was issued on August 8, 2020 and guidance followed by Internal Revenue Service on August 28, 2020, to temporarily defer Social Security (Old Age, Survivors, and Disability Insurance (OASDI), as seen on the Leave and Earnings Statement as “FICA-SOC SECURIT” tax withholdings.

a. **MILITARY MEMBERS:** Beginning the September 2020 mid-month pay period ending on September 15, 2020, DFAS will temporarily defer the withholding of your 6.2% Social Security tax if your monthly rate of basic pay is less than \$8,666.66. Military members are not eligible to opt-out of the deferral if their Social Security wages fall within the stated limits. Per current IRS guidance, collection of the **deferred taxes will be taken from military member’s wages between January 1 and April 30, 2021.**

b. **DA CIVILIAN MEMBERS:** Effective pay period ending September 12, 2020, DFAS will temporarily defer the civilian employee 6.2% share of Social Security (Old Age, Survivors, and Disability Insurance or OASDI) tax withholding. This applies to all employees making \$4000 or less in wages subject to OASDI in any given pay period and is effective through the end of the 2020 calendar year. Civilian employees are not eligible to opt-out of the deferral if their OASDI wages fall within the stated limits. **Collection of the deferred taxes will be taken from your wages between January 1 and April 30, 2021.**