



Tax Reduction Letter

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Internal Revenue Code Section 3301

Rate of tax.

There is hereby imposed on every employer (as defined in section 3306(a)) for each calendar year an excise tax, with respect to having individuals in his employ, equal to—

- (1) 6.2 percent in the case of calendar years 1988 through 2010 and the first 6 months of calendar year 2011; or
- (2) 6.0 percent in the case of the remainder of calendar year 2011 and each calendar year thereafter;

of the total wages (as defined in section 3306(b)) paid by him during the calendar year (or portion of the calendar year) with respect to employment (as defined in section 3306(c)).