



## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

#### Publication of the Tier 2 Tax Rates

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Notice.

**SUMMARY:** Publication of the tier 2 tax rates for calendar year 2026 as required by section 3241(d) of the Internal Revenue Code. Tier 2 taxes on railroad employees, employers, and employee representatives are one source of funding for benefits under the Railroad Retirement Act.

**DATES:** The tier 2 tax rates for calendar year 2026 apply to compensation paid in calendar year 2026.

**FOR FURTHER INFORMATION CONTACT:** Kathleen Edmondson,  
CC:EEE:EOET:ET1, Internal Revenue Service, 1111 Constitution Avenue, NW,  
Washington, DC 20224, telephone number (202) 317-6798 (not a toll-free number).

#### **SUPPLEMENTARY INFORMATION:**

*Tier 2 Tax Rates:* The tier 2 tax rate for 2026 under section 3201(b) on employees is 4.9 percent of compensation. The tier 2 tax rate for 2026 under section 3221(b) on employers is 13.1 percent of compensation. The tier 2 tax rate for 2026 under section 3211(b) on employee representatives is 13.1 percent of compensation.

Authority: 26 U.S.C. 3241.

**Philip J. Lindenmuth,**

*Acting Associate Chief Counsel (Employee Benefits, Exempt Organizations and Employment Taxes).*