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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 2027 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 2027 apply to compensation paid in calendar year 2027.

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 2027 under section 3201(b) on employees is 4.9 percent of compensation. The tier 2 tax rate for 2027 under section 3221(b) on employers is 13.1 percent of compensation. The tier 2 tax rate for 2027 under section 3211(b) on employee representatives is 13.1 percent of compensation.

Authority: 26 U.S.C. 3241.

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