

Transportation Communications Union/IAM

International Association of Machinists and Aerospace Workers



Gregory Kocialski
National Secretary-Treasurer

January 2026

TCU/IAM Financial Secretary-Treasurers

Dear Brothers and Sisters:

Railroad Retirement tax rates for 2026 remain the same as in 2025. The employer and employee Tier I rate remains at 7.65% (Tier I is 6.2%, Medicare is 1.45%). The employer Tier II rate remains at 13.1%. The employee Tier II rate remains at 4.9%. The annual maximum compensation amounts subject to Tier I and Tier II tax have increased and are shown below. These rates will remain in effect throughout the year unless we notify you of a change.

RAILROAD RETIREMENT EARNINGS/TAX RATES FOR THE YEAR 2026

<u>Employee Earnings Subject to RR Tax</u>	<u>Employer Tax Rate</u>	<u>Employee Tax Rate</u>
Tier I (0 to \$184,500)	6.2%	6.2%
Tier II (0 to \$137,100)	13.1%	4.9%
*Medicare (No Limit)	1.45%	1.45%

Please insert this revised notice in Section 7 of your FST's Handbook after the Railroad Retirement Tax Worksheet and discard the outdated notice. **Please contact your International Auditor if you have any questions or need assistance.**

Yours truly,

A handwritten signature in black ink, appearing to read 'Gregory Kocialski'.

Gregory Kocialski
National Secretary-Treasurer

♦ 3 Research Place ♦ Rockville, Maryland 20850-3279 ♦

Phone—301-840-8731 ♦ Fax—301-330-7664 ♦ Website—www.tcunion.org ♦

<https://www.facebook.com/TCUnionHQ> <https://twitter.com/TCUnionHQ> <https://www.instagram.com/tcunionhq>

