Employment Development Department
State of California

Note: Edits have been made on page 114 of this guide in the “Alternate Base Period” section which are not reflected in the hardcopy version.
Also, please ignore all references to the “Fax on Demand” service. Fax on Demand is no longer available. We regret any inconvenience this may cause.

CALIFORNIA

Employer’s Guide 2012

2012 Payroll Tax Rates, Taxable Wage Limits, and Maximum Benefit Awards

Unemployment Insurance (UI)

The UI taxable wage limit for 2012 is $7,000 per employee, per year. The UI tax rate for new employers is 3.4 percent (.034) for up to three years.* The UI tax rate for experienced employers varies based on each employer's experience and the balance in the UI Fund. The 2012 maximum UI weekly benefit award is $450. Please refer to page 8 for additional information.

Employment Training Tax (ETT)

The 2012 ETT rate is 0.1 percent (.001) of the first $7,000 per employee, per year. Please refer to page 8 for additional information.*

State Disability Insurance (SDI)

The 2012 SDI tax rate, which includes Disability Insurance (DI) and Paid Family Leave (PFL), is 1.0 percent (.01). The SDI taxable wage limit is $95,585 per employee, per year.* The 2012 maximum weekly DI/PFL benefit award is $1,011. Please refer to page 8 for additional information.

California Personal Income Tax (PIT) Withholding

California PIT withholding is based on the amount of wages paid, the number of withholding allowances claimed by the employee, and the payroll period. Please refer to page 12 for more information on PIT withholding and page 36 for the California PIT withholding schedules.

*UI, ETT, and SDI rate information is available on the Employment Development Department (EDD) 24-hour automated call system at (916) 653-7795.

What's New in 2012?

Beginning in the spring of 2012, UI claimants will have an option to select an alternate base period when they are not monetarily eligible for a valid UI claim using the standard base period. Refer to page 108 for additional information on the alternate base period or the EDD's Web site at **www.edd.ca.gov**.

Hot Topics

Fraud Prevention, Detection, Reporting, and UI Rate Manipulation – For information on how to prevent and detect UI fraud, see page 100.

Important Information

e-Services for Business

Employers can register, view and manage their payroll tax account, file reports, make deposits, and pay liabilities. For more information, please refer to page 87 or go to EDD's Web site at **https://eddservices.edd.ca.gov**.

Tax Seminars

The EDD continues to partner with other agencies to provide you with the information you need. To find out more about a tax seminar near you or to register online, access the EDD's Web site at **www.edd.ca.gov/Payroll_Tax_Seminars/**.

Web-Based Seminars

The EDD has Web-based seminars on employee and independent contractor issues available in both English and Spanish. Access the EDD's Web site at **www.edd.ca.gov/Payroll_Taxes/Web_Based_Seminars.htm** for additional information.

Value of Meals and Lodging

If you provide meals and/or lodging to your employees, you are required to report their value as wages. For the value of meals and lodging or additional information, see page 11.

Dear California Employer:

The Employment Development Department (EDD) is focused on ways to make working and running a business in California easier and more convenient. Last year, we introduced employers to our new e-Services for business, which provides a fast, easy, and secure method for employers and agents to manage their payroll tax accounts online. Our online services are available 24 hours a day, 7 days a week for your convenience. Tutorials and frequently asked questions are available to make the transition from paper to electronic filing easy.

Join the many employers taking advantage of this new tool to save time, paper, and mailing costs by enrolling in e-Services for Business at: **https://eddservices.edd.ca.gov**.

For additional information regarding reporting responsibilities, the EDD offers no-fee payroll tax seminars, both classroom-style and online, to help employers understand and comply with State payroll tax laws. Classroom seminars are offered in a variety of locations throughout California, while online courses allow you to learn anytime, wherever you choose to access the Internet. You can sign up for a seminar or begin an online course at **www.edd.ca.gov/Payroll_Taxes_Seminars/**.

I encourage you to stay connected with the EDD through our e-mail subscription service. Simply select the "About EDD Tax" link in the first paragraph on the main page of the payroll tax site, then use the "Get Email Notices" found in the "Quick Links" to take you to the option to subscribe and start your subscription today. You can also stay connected through Twitter, Facebook, YouTube, or by regularly checking our Web site at **www.edd.ca.gov** for information about payroll taxes and other EDD services. Our "Payroll Tax News" at **www.edd.ca.gov/Payroll_Taxes/** provides a great way to keep up-to-date on news related to payroll taxes.

We appreciate your vital contribution to California's economy, and we look forward to serving you in the coming year.

Sincerely,

PAM HARRIS
Chief Deputy Director

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Learn more about payroll taxes through the EDD's seminars and online courses at
www.edd.ca.gov/Payroll_Tax_Seminars/

This guide is published to help you understand your rights and responsibilities as an employer.

How to Use This Guide
Information in this guide is presented in a chronological sequence, beginning with what you need to know or do first, such as who is an employer, when to register, who is an employee, and what are wages.

To simplify reporting requirements, the Employment Development Department (EDD) follows federal tax guidelines and due dates whenever possible; however, California laws and rates may differ from federal laws and rates. The EDD administers payroll tax reporting laws according to the California Unemployment Insurance Code (CUIC) and California Code of Regulations (CCR).

Regardless of the size of your business, this guide is an important resource on the procedures required for compliance with California payroll tax laws. It clarifies both the provisions of the CUIC and CCR and their application to your business.

This guide provides general information that applies to the majority of employers. The guide provides references to additional information on specialized topics. Information on detailed or complex issues that only apply to a small number of employers is not included in the guide.

How to Obtain Assistance and Additional Information
If you have questions that are not addressed in this guide or need additional information, you can access reference materials on the EDD's Web site at **www.edd.ca.gov** or contact the Taxpayer Assistance Center toll-free at (888) 745-3886. For your convenience, the EDD's Web site and the telephone number are listed at the bottom of most pages. Also, this guide is available on the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de44.pdf**. To access the guide, and other online forms and publications, you will need the free Adobe® Reader®, which can be downloaded from **www.adobe.com/products/acrobat/readstep2.html**.

The EDD also offers workshops on California payroll tax reporting requirements and customized seminars and presentations to help you:

- Understand your California payroll tax reporting requirements.
- Avoid common pitfalls and costly mistakes.
- Control Unemployment Insurance costs.
- Learn the differences between employees and independent contractors.
- Understand your reporting requirements for new employees and independent contractors.
- Discover no-cost services and resources available to you.

We tailor our education and outreach activities to meet your needs, such as providing seminars in Spanish, accommodations for the hearing-impaired, and personalized consultations. We offer seminars, workshops, and presentations at locations throughout California. To find out more about a payroll tax education event near you, contact the Taxpayer Assistance Center at (888) 745-3886 or register online by accessing the EDD's Web site at **www.edd.ca.gov/Payroll_Tax_Seminars**.

Other Services
This guide also contains useful information on the many services that the EDD offers specifically for employers. The EDD supplies information on a wide range of programs, including programs offering tax credits. The EDD also provides a number of employment services, such as job development and job search workshops that are designed to reduce unemployment and, consequently, your taxes. Whether you are a new or established employer, we offer a variety of services to assist you in building a more successful business while complying with California laws.

We Want to Hear From You
Please let us know what you think about our products and services, especially what we can do to improve this guide to better meet your needs. Please send your comments and suggestions to:

Employment Development Department
Publications and Marketing Services Group, MIC 93
P.O. Box 826880
Sacramento, CA 94280-0001
E-mail: pmsg@edd.ca.gov

Fax: (916) 654-6969

Other Web Site of Interest

www.taxes.ca.gov – This is a joint Web site sponsored by the Board of Equalization, Employment Development Department, Franchise Tax Board, and Internal Revenue Service.

e-Services for Business

- Manage your Employer Payroll Tax Account
- Register as an Employer
- File Reports
- Pay Deposits and Liabilities
- Make Address Changes

To use e-Services for Business, go to the EDD's Web site at **https://eddservices.edd.ca.gov**

Personal Computer

Access EDD's Web site at **www.edd.ca.gov** to:

- Download and order forms, instructions, and publications at **www.edd.ca.gov/Forms/**
- Obtain answers to Frequently Asked Questions at **www.edd.ca.gov/Payroll_Taxes/FAQs.htm**
- Obtain information on payroll tax seminars at **www.edd.ca.gov/Payroll_Tax_Seminars**
- Obtain information for tax practitioners at **www.edd.ca.gov/Payroll_Taxes/Tax_Practitioners .htm**
- Send comments and questions to the EDD online at **www.edd.ca.gov/About_EDD/Contact_EDD.htm** (click on "ask EDD").

Access the California Tax Service Center Web site at **www.taxes.ca.gov** for federal and California tax information for businesses and individuals.

Self-Service Offices

Tax forms and a free direct-line telephone are available from 8 a.m. to 5 p.m., PT, at our self-service offices.

Bakersfield	2000 K Street, Suite 420, 93301
Capitola	2045 40th Avenue, Suite A, 95010
Chico	240 West 7th Street, 95928
El Centro	1550 West Main Street, 92243
Eureka	409 "K" Street, Suite 202, 95501
Los Angeles	5401 S. Crenshaw Blvd., Suite A, 90043
Modesto	3340 Tully Road, Suite E-10, 95350
Monterey	480 Webster Street, Suite 150, 93940
San Francisco	745 Franklin Street, Suite 400, 94102
Santa Rosa	50 "D" Street, Room 415, 95404
Vallejo	1440 Marin Street, Suite 114, 94590
Ventura	4820 McGrath Street, Suite 200, 93003

Telephone

Toll-free from the U.S. or Canada:
(888) 745-3886
Hearing impaired: (800) 547-9565
Outside U.S. or Canada:
(916) 464-3502

Staff is available Monday through Friday from 8 a.m. to 5 p.m., Pacific Time (PT), to answer your questions.

Fax on Demand

Call (877) 547-4503 to get most tax forms, publications, and information sheets faxed to you. You can also listen to recorded messages on various payroll tax topics. Request Document No. 1001 for a catalog of all available documents.

Walk-In Offices

For information and advice on your payroll tax responsibilities, visit your local Employment Tax Office between 8 a.m. and 5 p.m., PT, Monday through Friday:

Anaheim	2099 S. State College Blvd., #401, 92806
Fresno	1050 "O" Street, 93721
Oakland	7677 Oakport, Suite 400, 94621
Redding	1255 Shasta Street, 96001
Sacramento	3321 Power Inn Road, Suite 220, 95826
San Bernardino	658 East Brier Drive, Suite 300, 92408
San Diego	10636 Scripps Summit Court, Suite 202, 92131
San Jose	906 Ruff Drive, 95110
Santa Fe Springs	10330 Pioneer Blvd., Suite 150, 90670
Van Nuys	6150 Van Nuys Blvd., Room 210, 91401

To find an office near you, go to www.edd.ca.gov/Office _Locator/

Forms and Publications

For a listing of forms and publications, access the EDD's Web site at **www.edd.ca.gov/Forms/**

Learn more about payroll taxes through the EDD's seminars and online courses at www.edd.ca.gov/Payroll_Tax_Seminars/

HOW TO GET STARTED?

To help you meet your employer reporting and tax payment obligations, we have highlighted some essential steps to ensure that you get off to a good start. Please keep in mind that your employer requirements may **not** be limited to what is listed on this page.

Step 1

Are You an Employer?

If you employ one or more employees and pay wages in excess of $100 in a calendar quarter, you are an employer and must register with the Employment Development Department (EDD).

NOTE: If you pay wages to people who work in or around your home, you may be considered a household employer. Household employers are required to register only after they have paid $750 in cash wages in a calendar quarter. Refer to page 6 for additional information.

Step 2

***ACTION REQUIRED*: Complete and submit a *Registration Form for Commercial Employers* (DE 1)** no later than 15 days after the date you paid in excess of $100 in wages. A "commercial employer" is a business connected with commerce or trade, operating primarily for profit. This form is appropriate for most employers.

NOTE: Industries such as agriculture, government, nonprofit, or household are required to register using an alternate form. Refer to page 6 to determine the appropriate registration form for your type of industry.

Be sure to complete all items on the DE 1. You will be assigned an EDD eight-digit employer account number, which identifies your business for the purpose of reporting and paying payroll taxes. Include your EDD employer account number on all correspondence, including reports and payments that you send to the EDD.

Refer to page 6 for information on how to register online using the EDD's e-Services for Business Web site or by telephone using the EDD's Tele-Reg service.

Step 3

***ACTION REQUIRED*:**

- **Report new employee(s)** within 20 days of the employee's start-of-work date. All employees who are newly hired, rehired, or returning to work from a furlough, separation, leave of absence without pay, or termination **must be reported** to the EDD on the *Report of New Employee(s)* (DE 34) form. If you acquire an ongoing business and employ any of the former owner's workers, these employees are considered new hires, and you should report them to the EDD's New Employee Registry. For additional information on reporting new employees, refer to page 69.
- **Report independent contractor information** within 20 days of paying an independent contractor $600 or more, or entering into a contract for $600 or more, whichever is earlier. Independent contractor information must be reported to the EDD by completing the *Report of Independent Contractor(s)* (DE 542) form. For additional information on Independent Contractor Reporting, refer to page 71.
- **Provide your employees** with pamphlets on employee withholdings and Unemployment Insurance (UI), State Disability Insurance (SDI), and Paid Family Leave (PFL). For additional information on employee pamphlets, refer to page 90.
- **Post an employee notice** with UI, SDI, and PFL claim and benefit information. This notice should be posted in a prominent location, easily seen by your employees. The appropriate notice will be sent to you after you register. For additional information on employee notices, refer to page 90.

Step 4

***ACTION REQUIRED*: Make your UI, Employment Training Tax (ETT), SDI, and California Personal Income Tax (PIT) deposits** by submitting a *Payroll Tax Deposit* (DE 88) coupon with your remittance by mail or through Electronic Funds Transfer (EFT) or the credit card program (some limitations may apply). Your SDI and PIT withholdings deposit due dates are based on your federal deposit schedule/requirement and the amount of accumulated PIT that you have withheld. Your UI and ETT payments are due quarterly. For additional information on your deposit requirements, refer to pages 74 and 75.

Step 5

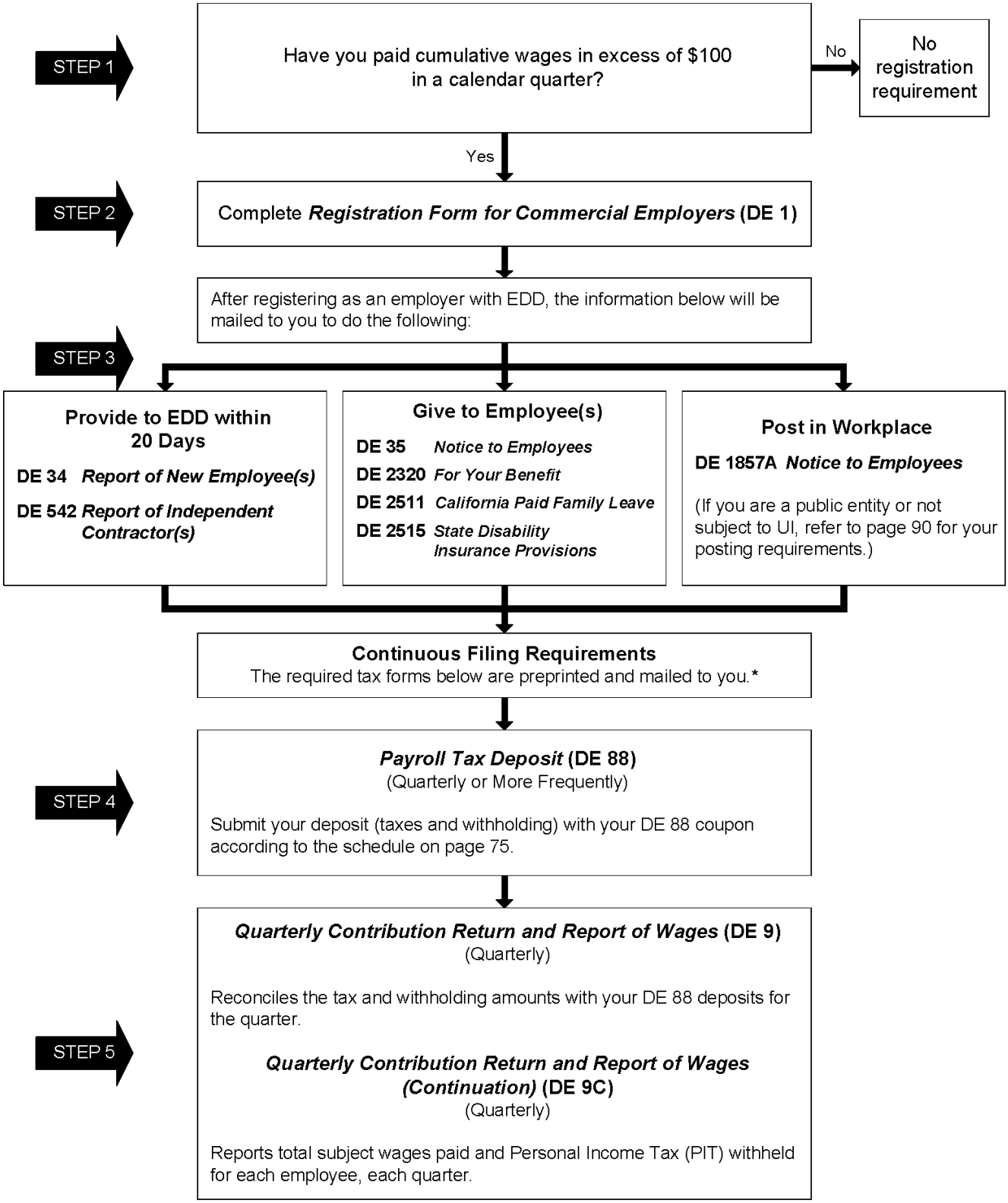
***ACTION REQUIRED*: File a *Quarterly Contribution Return and Report of Wages* (DE 9)** to reconcile the tax and withholding amounts with your DE 88 deposits for the quarter. Also, **file a *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C)** to report total subject wages paid, PIT wages, and PIT withheld for each employee for each quarter.

These reports are due on January 1, April 1, July 1, and October 1 each year. These reports must be submitted even if you had no payroll during a calendar quarter. For additional information about these forms, refer to pages 79 and 82.

NOTE: Failure to complete the above steps on time may result in penalty and interest charges.

Most forms and publications are available on the EDD's Web site at **www.edd.ca.gov/Payroll_Taxes/Forms_and_Publications.htm** or by contacting our Taxpayer Assistance Center at (888) 745-3886. If outside the U.S. or Canada, call (916) 464-3502.

For information on your federal employment tax reporting requirements, access the IRS Web site at **www.irs.gov** or contact the IRS at (800) 829-1040.



*To ensure that you receive your forms, it is important that the EDD has your correct mailing address and that you notify the EDD of any address change. Most forms are available on the EDD's Web site at **www.edd.ca.gov**, or by calling the Taxpayer Assistance Center at (888) 745-3886 or Fax on Demand at (877) 547-4503.

2012 FORMS AND DUE DATES

Due	Form	Name
Within 15 calendar days after paying over $100 in wages.	DE 1	*Registration Form for Commercial Employers* (If you are **not** a commercial employer, refer to page 6.)
Within 20 days of start of work for new or rehired employees.	DE 34	*Report of New Employee(s)*
Within 20 days of paying an independent contractor $600 or more or entering into a contract for $600 or more, whichever is earlier.	DE 542	*Report of Independent Contractor(s)*

Due	Delinquent if Not Filed by[1]	Report	Quarter
April 1, 2012	April 30, 2012	DE 9/DE 9C	**1st** (January, February, March)
July 1, 2012	July 31, 2012	DE 9/DE 9C	**2nd** (April, May, June)
October 1, 2012	October 31, 2012	DE 9/DE 9C	**3rd** (July, August, September)
January 1, 2013	January 31, 2013	DE 9/DE 9C	**4th** (October, November, December)

CALIFORNIA DEPOSIT REQUIREMENTS

If Your Federal Deposit Schedule/Requirement Is[1]	And You Have Accumulated State PIT Withholding of	If Payday Is	PIT and SDI Deposit Due by[2]
Next Banking Day	Less than $350	Any day	Quarterly[3]
	$350 to $500	Any day	15th of the following month
	More than $500	Any day	Next Banking Day
Semi-weekly	Less than $350	Any day	Quarterly[3]
	$350 to $500	Any day	15th of the following month
	More than $500	Wed., Thurs., or Fri.	Following Wednesday[7]
	More than $500	Sat., Sun., Mon., or Tues.	Following Friday[7]
Monthly	Less than $350	Any day	Quarterly[3]
	$350 or more	Any day	15th of the following month
Quarterly[4, 5] or Annually[6]	Less than $350	Any day	April 30, 2012 July 31, 2012 October 31, 2012 January 31, 2013
	$350 or more	Any day	15th of the following month

NOTE:

1. Electronic transactions for Next Banking Day deposits must be settled in the State's bank account on or before the third banking day following the payroll date.
2. If the due date falls on a Saturday, Sunday, or legal holiday, the due date is extended to the next business day. For example, if a deposit is due on Friday, but Friday is a holiday, the deposit due date is extended to the following Monday.
3. If you have accumulated less than $350 of PIT and choose to make an additional deposit before the quarterly due date, designate the "DEPOSIT SCHEDULE" as QUARTERLY on your DE 88 coupon.
4. If you are not required to follow one of the above federal deposit schedules/requirements, you are still required to make California payroll tax deposits of accumulated SDI deductions and PIT withholding quarterly or more often, based on the guidelines in this table.
5. A deposit of employer UI and ETT taxes not previously paid is also due each quarter by the due dates shown.
6. If your federal deposit requirement is annually, you are required to make California payroll tax deposits quarterly or monthly based on the guidelines in this table.
7. The transition period of the semi-weekly schedule allows employers to make deposits in any of the three business days following the last pay date. If any of the transition period days is a legal holiday, the employer is given an extra business day to make the deposit.

WHO IS AN EMPLOYER?

An employer is a person or legal entity that hires one or more persons to work for a wage, salary, or other compensation. Employers include sole proprietors, joint ventures, partnerships, co-ownerships, corporations, S corporations, limited liability companies, limited liability partnerships, nonprofit organizations, associations, trusts, charitable foundations, public entities, and State and federal agencies.

Private households, local college clubs, and local chapters of fraternities and sororities that employ workers to perform household services are "household employers." For more information on household employment, obtain a *Household Employer's Guide* (DE 8829) by accessing the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de8829.pdf** or contacting the Taxpayer Assistance Center at (888) 745-3886.

NOTE: If you acquired an existing business, refer to "What is a Successor Employer?" on page 89 for further details.

When Do I Become an Employer?

When you employ one or more employees and pay wages in excess of $100 in a calendar quarter, you become an employer. Wages are compensation for services performed, including, but not limited to, cash payments, commissions, bonuses, and the reasonable cash value of nonmonetary payments for services, such as meals and lodging. For more information, refer to "What are Wages?" on page 10.

WHEN TO REGISTER

All employers conducting business in California are subject to the employment tax laws of the California Unemployment Insurance Code (CUIC). Once a business hires an employee, and pays in excess of $100 in a calendar quarter, the business is considered an employer and must complete and submit a registration form to the Employment Development Department (EDD) within 15 days after paying wages.

Employers are responsible for reporting wages paid to their employees and paying Unemployment Insurance (UI) tax and Employment Training Tax (ETT) on those wages, as well as withholding and remitting State Disability Insurance (SDI) tax and California Personal Income Tax (PIT) due on those wages. Once subject, an employer **must** report wages for that year and the following year, regardless of the amount of wages paid.

❑ ***ACTION REQUIRED:*** Register with the EDD for an employer account number if you employ one or more employees and pay wages in excess of $100 in a calendar quarter.

How to Register for an EDD Employer Account Number

Complete the appropriate registration form for your industry.

- DE 1 Commercial
- DE 1AG Agricultural
- DE 1GS Government/Schools/Indian Tribes
- DE 1HW Household
- DE 1NP Nonprofit
- DE 1P Personal Income Tax Only

Options for Filing your Registration Form

1. You can complete the DE 1, DE 1AG, DE 1HW, and DE 1NP online using the EDD's e-Services for Business Web site at **https://eddservices.edd.ca.gov**. You will receive a confirmation number and your account number will be mailed to you. See options 2 and 3 for filing a DE 1GS or a DE 1P.
2. You can call the EDD's Tele-Reg at (916) 654-8706 to register by telephone. When registering via Tele-Reg, you will receive your EDD employer account number over the telephone.
3. To obtain a paper registration form:
   - Access the EDD's Web site at **www.edd.ca.gov/Payroll_Taxes/Forms_and_Publications.htm**.
   - Call the Fax on Demand system at (877) 547-4503.
   - Contact the Taxpayer Assistance Center at (888) 745-3886.

Please mail or fax the completed registration form to:

Employment Development Department
Account Services Group, MIC 28
P.O. Box 826880
Sacramento, CA 94280-0001

Fax: (916) 654-9211

IF YOU REGISTER ONLINE OR VIA TELE-REG, DO NOT SEND A PAPER FORM TO THE EDD.

NOTE: If you employ workers in and around your private residence, refer to the *Household Employer's Guide* (DE 8829) for your reporting requirements. The DE 8829 is available on the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de8829.pdf**.

REMEMBER:

- Employment occurs when an employer engages the services of an employee for pay.
- You become an employer when you employ one or more employees and pay wages in excess of $100 in a calendar quarter.
- You must complete a registration form and submit it to the EDD within 15 days of paying wages in excess of $100.
- Employers are responsible for reporting wages paid to employees and paying UI and ETT on the wages, as well as withholding and remitting SDI and PIT.

WHO IS AN EMPLOYEE?

An "employee" includes all of the following:

- Any officer of a corporation.
- Any worker who is an employee under the usual common law rules.
- Any worker whose services are specifically covered by law.

An employee may perform services on a temporary or less than full-time basis. The law does not exclude services from employment that are commonly referred to as day labor, part-time help, casual labor, temporary help, probationary, or outside labor.

"COMMON LAW" EMPLOYEE OR INDEPENDENT CONTRACTOR

What Is "Common Law"?

Common law, as we know it, has evolved slowly over the years based upon decisions rendered by the courts on individual cases. The **common law** rules of employment, as they exist today, are the total of all court decisions related to the question of what constitutes an employment relationship.

When Does an Employer-Employee Relationship Exist?

An employer-employee relationship exists when a person who hires an individual to perform services has the right to exercise control over the manner and means by which the individual performs those services. The **"right to control,"** whether or not exercised, is the most important factor in determining the relationship. Tax decisions by the California Unemployment Insurance Appeals Board (CUIAB) are based on the right to control factor along with the examination of secondary factors, when necessary.

NOTE: California does not provide relief under the "Safe Harbor" provisions of the Internal Revenue Code. Therefore, it is important that workers are properly classified under the usual common law rules which determine employer-employee relationships.

How Can I Get Additional Information on This Topic?

Incorrectly classifying your workers can be a costly mistake. If you have incorrectly treated employees as independent contractors, you could be liable for back taxes, penalties, and interest. To help you determine if you have correctly classified your workers, the EDD has several resources available:

- ***Employment Determination Guide* (DE 38)** - Asks a series of "Yes" or "No" questions regarding your treatment of workers to help determine if a problem may exist and whether you need to seek additional guidance. To obtain this guide, access the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de38.pdf**.
- ***Determination of Employment Work Status for Purposes of State of California Employment Taxes and Personal Income Tax Withholding* (DE 1870)** - Provides a series of questions regarding your relationship with the workers. After you complete and return this form, the EDD will send you a written determination stating whether your workers are employees or independent contractors based on the facts that you have provided. To obtain this publication, access the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de1870.pdf**.
- **Information Sheets** on general and industry-specific issues, including Information Sheet: *Employment* (DE 231). To obtain Information Sheets, access the EDD's Web site at **www.edd.ca.gov/Payroll_Taxes/Forms_and_Publications.htm**, call our automated Fax on Demand system at (877) 547-4503, or contact the Taxpayer Assistance Center at (888) 745-3886.
- **Independent Contractor Information** - published material - *Frequently Asked Questions and Answers About the California Independent Contractor Reporting Law* (DE 542FAQ) and *Independent Contractor Misconceptions* (DE 573M). To obtain these publications, access the EDD's Web sites at **www.edd.ca.gov/pdf_pub_ctr/de542faq.pdf** and **www.edd.ca.gov/pdf_pub_ctr/de573m.pdf**.
- **Precedent Tax Decisions** by the CUIAB - Available on the CUIAB's Web site at **www.cuiab.ca.gov/precedent_decisions.shtm**.
- **Payroll Tax Seminars** on employee and independent contractor issues - Access the EDD's Web site at **www.edd.ca.gov/Payroll_Tax_Seminars/** or contact the Taxpayer Assistance Center at (888) 745-3886.
- **Web-Based Seminars** on employee and independent contractor issues are available in both English and Spanish. Access the EDD's Web site at **www.edd.ca.gov/Payroll_Taxes/Web_Based_Seminars.htm** for additional information.
- **Live Assistance** on worker classification issues - Contact the Taxpayer Assistance Center at (888) 745-3886.

***REMEMBER*:**

- An employee includes any officer of a corporation, a worker who is an employee under common law, and a worker whose services are specifically covered by law. (Refer to the "Types of Employment" tables starting on page 16 for additional information.)
- An employee may perform services on a temporary or less than full-time basis.
- The "right to control" is the most important factor in determining an employer-employee relationship.
- The EDD has several resources available to help you correctly classify your workers.

WHAT ARE STATE PAYROLL TAXES?

The EDD administers the following California payroll tax programs:

- Unemployment Insurance (UI)
- Employment Training Tax (ETT)
- State Disability Insurance (SDI)
- California Personal Income Tax (PIT) withholding

NOTE: Paid Family Leave (PFL) is a component of the State Disability Insurance Program.

The UI and ETT are employer paid contributions. The SDI and PIT are withheld from employee wages. Wages are subject to all four payroll taxes unless otherwise stated.

UNEMPLOYMENT INSURANCE (UI)

What Is UI Tax?

The UI Program was established as part of a national program administered by the U.S. Department of Labor under the Social Security Act. The UI Program provides temporary payments to individuals who are unemployed through no fault of their own.

Who Pays It?

The UI Program is funded through payroll taxes paid by the employer. Tax-rated employers pay a percentage on the first $7,000 in wages paid to each employee in a calendar year. The UI rate schedule and amount of taxable wages are determined annually. New employers pay 3.4 percent (.034) for up to three years. The UI rate could increase to a maximum of 6.2 percent (.062) or decrease to a minimum of 1.5 percent (0.015) based on an employer's experience rating and the balance in the UI Fund. For a detailed explanation of the experience rating method, refer to the Information Sheet: *California System of Experience Rating* (DE 231Z) by accessing the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de231z.pdf**.

Government entities and certain nonprofit employers may elect the reimbursable method of financing UI in which they reimburse the UI Fund on a dollar-for-dollar basis for all benefits paid to their former employees.

EMPLOYMENT TRAINING TAX (ETT)

What Is ETT?

The ETT provides funds to train employees in targeted industries to improve the competitiveness of California businesses. The ETT fund promotes a healthy labor market by helping California businesses invest in a skilled and productive workforce and develop the skills of new and incumbent workers.

Who Pays It?

The ETT is an employer-paid tax. Employers subject to ETT pay 0.1 percent (.001) on the first $7,000 in wages paid to each employee in a calendar year.

STATE DISABILITY INSURANCE (SDI)

What Is SDI Tax?

The SDI tax allows the Disability Insurance Fund to pay Disability Insurance (DI) and Paid Family Leave (PFL) benefits to eligible claimants. The DI benefits are paid to eligible workers experiencing a loss of wages when they are unable to perform their regular or customary work due to a non-work-related illness or injury, pregnancy, and childbirth. The PFL is a component of SDI. The PFL benefits are paid to individuals unable to work because they need to care for a seriously ill child, spouse, parent, or registered domestic partner, or bond with a new child.

Who Pays It?

The SDI tax is a deduction from employees' wages. Employers withhold 1.0 percent (.01) for SDI on the first $95,585 in wages paid to each employee in a calendar year.

CALIFORNIA PERSONAL INCOME TAX (PIT)

What Is PIT?

California PIT is a tax levied on the income of California residents and on income that nonresidents derive within California. The EDD administers the reporting, collection, and enforcement of PIT wage withholding. The Franchise Tax Board (FTB) and EDD administer the California PIT program for the Governor to provide resources needed for California public services such as schools, public parks, roads, health, and human services.

Who Pays It?

California PIT is withheld from employees' wages based on the *Employee's Withholding Allowance Certificate* (Form W-4 or DE 4) on file with their employer.

STATE PAYROLL TAXES

	Unemployment Insurance (UI)	Employment Training Tax (ETT)	State Disability Insurance (SDI)	California Personal Income Tax (PIT)
Who Pays?	Employer	Employer	Employee (employer withholds from employee wages).	Employee (employer withholds from employee wages).
Taxable Wages	First $7,000 of subject wages per employee, per year.	First $7,000 of subject wages per employee, per year.	First $95,585 of subject wages per employee, per year.	No limit. Please refer to PIT withholding schedules on page 36.
Tax Rate	New employer tax rate is 3.4 percent (.034) for up to three years. Following this period, the tax rate is calculated annually based on each employer's previous experience. The EDD notifies employers of their new rate each December.	Set by statute at 0.1 percent (.001) of UI taxable wages for employers with positive UI reserve account balances and employers subject to Section 977(c) of the CUIC.	The 2012 SDI tax rate is 1.0 percent (.01). The SDI taxable wages and tax rate are set by law, and may change each year.	Withheld based on the employee's Form W-4 or DE 4.
Maximum Tax (Except if employer is subject under Section 977[c]) of the CUIC.	$434 per employee, per year. (The amount has been calculated at the highest UI tax rate of 6.2 percent [$7000 x .062].)	$7 per employee, per year ($7,000 x .001).	$955.85 per employee, per year ($95,585 x .01).	No maximum.
NOTE: Some types of employment are not subject to payroll taxes and/or PIT withholding. Please refer to the "Types of Employment" table on page 16. Certain types of wages and benefits are not subject to payroll taxes. Please refer to the "Types of Payments" tables starting on page 26.				

HELP US FIGHT FRAUD

The "underground economy" comprises those individuals and businesses that deal in cash and/or use other schemes to conceal their activities and their true tax liability from government licensing and taxing agencies. When businesses operate in the underground economy, they gain an unfair competitive advantage over businesses that comply with the law because they do not pay workers' compensation and State and federal payroll taxes. This causes unfair competition in the marketplace and forces law-abiding businesses to pay higher taxes. To address this, the EDD, in partnership with several other governmental entities, follows up on leads and conducts on-site inspections of businesses throughout the State.* To learn more about the EDD's Underground Economy Operation (UEO) programs, access the EDD's Web site at **www.edd.ca.gov/Payroll_Taxes/Underground_Economy_Operations.htm**.

To report businesses that are paying workers undocumented cash payments, failing to carry workers' compensation insurance, or not complying with labor and licensing laws, please download and complete an *Underground Economy Operations Lead Referral/Complaint Form* (DE 660 in English or DE 660/S/ in Spanish) available at **www.edd.ca.gov/pdf_pub_ctr/de660.pdf or de660s.pdf** or contact UEO at:

Hotline: **(800) 528-1783**
Fax: **(916) 227-2772**
E-mail: **ueo@edd.ca.gov**
Online: **www.edd.ca.gov (Select "Report Fraud")**

- To obtain the brochure *Paying Cash Wages "Under the Table"* (DE 573CA in English or DE 573CA/S/ in Spanish), access the EDD's Web site at **www.edd.ca.gov/Payroll_Taxes/Forms_and_Publications.htm**, call our automated Fax on Demand system at (877) 547-4503, or contact the Taxpayer Assistance Center at (888) 745-3886.
- Further information about how to help EDD fight fraud may be found in the *Help Us Fight Fraud* (DE 2370) brochure at **www.edd.ca.gov/pdf_pub_ctr/de2370.pdf**.

*More information about the Joint Enforcement Strike Force effort may be found in the Information Sheet: *Employment Enforcement Task Force* (DE 631) on the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de631.pdf**.

WHAT ARE WAGES?

Wages are all compensation for an employee's personal services, whether paid by check or cash, or the reasonable cash value of noncash payments such as meals and lodging. The method of payment, whether by private agreement, consent, or mandate, does not change the taxability of wages paid to employees. Payments are considered wages even if the employee is: a casual worker, a day or contract laborer, part-time or temporary worker, or paid by the day, hour, or any other method or measurement. Supplemental payments, including bonuses, overtime pay, sales awards, commissions, and vacation pay are also considered wages.

SUBJECT WAGES

Generally, all wages are considered subject wages and are used to determine the amount of Unemployment Insurance (UI), State Disability Insurance (SDI), and Paid Family Leave (PFL) benefits a claimant should receive. Subject wages are the full amount of wages, regardless of the UI and SDI taxable wage limits. Refer to inside cover for UI/SDI taxable wage limits. Enter the Total Subject Wages in "Item G" for each employee on the *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C). Certain types of employment and payments are not considered subject (refer to the "Types of Employment" tables starting on page 16 and "Types of Payments" tables starting on page 26).

PERSONAL INCOME TAX (PIT) WAGES

Personal Income Tax (PIT) wages are cash and noncash payments subject to State income tax. Wages that must be reported on an individual's California income tax return are PIT wages. Most payments for employees' services are reportable as PIT wages. An employee's calendar year total for PIT wages should agree with the amount reported on the employee's federal *Wage and Tax Statement* (Form W-2) in Box 16 (State wages, tips, etc.). The PIT wages for each employee must be reported quarterly in "Item H" on the DE 9C. For additional information, obtain the Information Sheet: *Personal Income Tax Wages Reported on the Quarterly Contribution Return and Report of Wages (Continuation) (DE 9C)* (DE 231PIT). To obtain the DE 231PIT, access the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de231pit.pdf**, call the automated Fax on Demand system at (877) 547-4503, or contact the Taxpayer Assistance Center at (888) 745-3886.

NOTE: Some wages excluded from PIT withholding are still considered PIT wages and must be reported to the EDD (for example, wages paid to agricultural workers).

DIFFERENCE BETWEEN SUBJECT WAGES AND PIT WAGES

In most situations, when wages are subject to UI, ETT, SDI, and PIT withholding, subject wages and PIT wages are the same. Examples of when subject wages and PIT wages are different are:

- Employee salary reduction contributions to a qualified retirement or pension plan are included as subject wages, but are not reportable as PIT wages (refer to the "Retirement and Pension Plans" section of the "Types of Payments" table on page 26).
- Under certain situations, wages paid to family employees (minor child under 18, registered domestic partner, spouse, and parent) may not be reported as subject wages but are reportable as PIT wages (refer to the "Family Employees" section of the "Types of Employment" table on page 16).
- Payments made to employees of churches are not reported as subject wages, but are reportable as PIT wages (refer to the "Nonprofit Organization Employees" section of the "Types of Employment" table on page 16).

EMPLOYERS SUBJECT TO CALIFORNIA PERSONAL INCOME TAX (PIT) ONLY

Employers, who are only required to withhold California PIT, but not the other payroll taxes, are still required to register with EDD using the *Registration Form for Employers Depositing Only Personal Income Tax Withholding* (DE 1P). The employer is liable for the required PIT, whether or not it is withheld. By law, the filing of federal Form 1099-MISC (issued to the worker) with the Internal Revenue Service or Franchise Tax Board does not relieve the employer of liability.

Learn more about payroll taxes through the EDD's seminars and online courses at www.edd.ca.gov/Payroll_Tax_Seminars/

MEALS AND LODGING

Meals and lodging that are provided free of charge or at a reduced rate to an employee are wages. If your employees are covered under a contract of employment or union agreement, the taxable value of meals and lodging cannot be less than the estimated value stated in the contract or agreement.

If the cash value is not stated in an employment contract or union agreement, please refer to the table below for the value of the meals and/or lodging. To determine the value of lodging, multiply the amount you could rent the property for (ordinary rental value) by 66 2/3 percent (0.6667). Ordinary rental value may be calculated on a monthly or weekly basis as follows:

Value of Meals						Value of Lodging	
Year	3 Meals per Day	Breakfast	Lunch	Dinner	Meal Not Identified	Minimum Per Week	Maximum Per Month
2012	$ 10.55	$ 2.30	$ 3.20	$ 5.05	$ 3.65	$ 39.10	$ 1,206
2011	$ 10.30	$ 2.25	$ 3.15	$ 4.90	$ 3.60	$ 38.70	$ 1,193
2010	$ 10.35	$ 2.25	$ 3.15	$ 4.95	$ 3.60	$ 38.60	$ 1,190
2009	$ 10.00	$ 2.20	$ 3.00	$ 4.80	$ 3.50	$ 37.20	$ 1,145

The values above apply to non-maritime employees only.

For more information on meals and lodging, including values for those provided to maritime employees, access the EDD's Web site at **www.edd.ca.gov/Payroll_Taxes/Rates_and_Withholding.htm** or call the Taxpayer Assistance Center at (888) 745-3886. If outside the U.S. or Canada, call (916) 464-3502.

ADDITIONAL INFORMATION

- Fax on Demand (request Document No. 1001 for a catalog of available documents) (877) 547-4503
- Who is an Employee Page 7
- Types of Employment (table) Page 16
- Types of Payments (table) Page 26
- EDD Web site (forms and publications) **www.edd.ca.gov/Payroll_Taxes/Forms_and_Publications.htm**
- Information Sheets:
  - DE 231A – *Wages*
  - DE 231PIT – *Personal Income Tax Wages Reported on the Quarterly Contribution Return and Report of Wages (Continuation) (DE 9C)*
  - DE 231W – *Personal Income Tax Adjustment Process*

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PERSONAL INCOME TAX (PIT) WAGES SUBJECT TO CALIFORNIA WITHHOLDING

With certain exceptions, compensation for services performed by an employee is considered wages and subject to California Personal Income Tax (PIT) withholding. California wages include, but are not limited to, salaries, bonuses, commissions, fees (except fees paid to public officials), and payments in forms other than checks or cash. Wages in any form other than checks or cash are measured by the fair market value of the goods, lodging, meals, or other compensation given in payment for the employee's services.

How to Determine Which Wages Require PIT Withholding

Most wages require California PIT withholding. In order to determine which wages require PIT withholding, refer to the "Types of Employment" table on page 16 and the "Types of Payments" table on page 26. These tables identify special classes of employment and special types of payments and their treatment for UI, ETT, SDI, and California PIT wages and withholding. Also refer to "Who Is an Employee?" on page 7.

To obtain information sheets for specific industries and types of services, access the EDD's Web site at **www.edd.ca.gov/Payroll_Taxes/Forms_and_Publications.htm**, call the automated Fax on Demand system at (877) 547-4503, or contact the Taxpayer Assistance Center at (888) 745-3886. If outside the U.S. or Canada, call (916) 464-3502.

MARITAL STATUS, WITHHOLDING ALLOWANCES, AND EXEMPTIONS (FORM W-4 AND DE 4)

An Internal Revenue Service (IRS) *Employee's Withholding Allowance Certificate* (Form W-4) is normally used for California PIT withholding. However, if an employee wants to claim a different marital status and/or a different number of allowances than are claimed for federal withholding purposes, the employee must file an *Employee's Withholding Allowance Certificate* (DE 4). For instance, California recognizes the "Head of Household" status, and an employee would need to file a DE 4 to claim that status. Additionally, a spouse of a military service member must file a DE 4 to exclude wages from California PIT withholdings if the spouse's tax domicile is outside of California and the spouse moves to California to be with the service member who is in the State due to military orders.

If employees expect to itemize deductions on their California income tax return, they can claim additional withholding allowances, which are greater than their regular withholding allowances. When reduced withholding amounts are appropriate because of large amounts of itemized deductions, employees **must** complete a DE 4, including the attached worksheets, to support additional allowances for the itemized deductions. An online DE 4 calculator is available at **www.taxes.ca.gov/de4.pdf**. For information on treatment of additional withholding allowances for estimated deductions, refer to "Instructions for Additional Withholding Allowances for Estimated Deductions" on page 36 and the "Estimated Deduction" table on page 38.

Use of the DE 4 is optional; however, if employees provide you with a DE 4, you must use it to determine their California PIT withholdings. To obtain copies of the DE 4, access the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de4.pdf,** call the automated Fax on Demand system at (877) 547-4503, contact the Taxpayer Assistance Center at (888) 745-3886, or use the online calculator as mentioned above.

Employees may request that no California PIT be withheld if they:

- Incurred no liability for federal income tax for the preceding taxable year **and**
- Anticipate that no federal income tax liability will be incurred for the current taxable year.

❑ ***ACTION REQUIRED***: Each employee must complete a Form W-4 for federal and California PIT withholding. If the employee wants to claim a different marital status and/or different number of allowances for California PIT withholding, the employee also must complete a DE 4.

If	Then
Employee does not file a DE 4	You **must** use the marital status and allowances claimed (including any additional allowances) by the employee on the federal Form W-4 to calculate the employee's California PIT withholding. **Exception:** Do not withhold any California PIT from wages of employees who have filed "EXEMPT" on their Form W-4 unless you receive a written notice from the IRS or Franchise Tax Board (FTB) to withhold at a special rate. To maintain "EXEMPT" status, the employee **must** file a new Form W-4 **each year** on or before February 15
Employee files a DE 4	You **must** use the DE 4 to calculate and withhold California PIT.
Employee's marital status cannot be determined from the Form W-4 or DE 4	Request the employee correct the Form W-4 or DE 4 or submit a new one. Until the new or corrected form is received, consider the employee as single with zero withholding allowances for California PIT withholding purposes.

EMPLOYER'S OBLIGATIONS FOR THE FORM W-4 AND DE 4

Each employee must complete a Form W-4 for federal and California withholding. Employers withhold taxes based on what the employee reports on the Form W-4. If the employee wants to claim a different marital status and/or different number of allowances for California Personal Income Tax (PIT) withholding, the employee must also complete a DE 4. Employers must retain the Form W-4 and/or DE 4 for payroll records.

If you question the Form W-4 or DE 4 because it meets either of the following two conditions, then you must submit a copy of this form to the Franchise Tax Board (FTB) by fax at (916) 843-1094 or mail to the address shown below. Please retain the original form in the employee's payroll records.

- The employee claims more than 10 withholdings.
- The employee claims exemption from State or federal income tax withholding and the employee's usual weekly wages will exceed $200.

Continue to treat the Form W-4 and/or DE 4 as valid until notified in writing by the FTB of the proper marital status and number of allowances to use for California withholding purposes for the employee.

If an employee disagrees with an FTB determination as it applies to California withholding, the employee may request a review of the determination by writing to:

W-4 Unit
Franchise Tax Board MS F 180
P.O. Box 2952
Sacramento, CA 95812-2952

Fax: (916) 843-1094

The burden of proof rests with the employee to show that the determination is incorrect for California withholding purposes. Continue to withhold California PIT based on the FTB determination until notified in writing by the FTB of any changes. In the event the FTB finds no reasonable basis for the number of withholding allowances claimed on the DE 4, the employee may be subject to a $500 penalty.

The Form W-4/DE 4 is considered invalid* if either of the following two conditions exist:

- The employee makes major changes to Form W-4 or DE 4, such as crossing out words or writing more than is asked.
- The employee admits that Form W-4 or DE 4 is false.

When you receive an invalid Form W-4 or DE 4, **do not** use it to calculate PIT withholding. Tell the employee that it is invalid and ask for another one. If the employee does not give you a valid one, withhold PIT as if the employee was single and claiming no withholding allowances. However, if you have an earlier Form W-4 or DE 4 for this worker that is valid, withhold as you did before.

*Per the Code of Federal Regulations, Title 26, Section 31.3402(f)(2)-1(e) and the California Code of Regulations, Title 22, Section 4340-1(b).

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www.edd.ca.gov/about_EDD/Get_Email_Notices.htm

HOW TO DETERMINE PIT WITHHOLDING AMOUNTS

Refer to page 36 for the 2012 California Personal Income Tax (PIT) withholding schedules and information on how to calculate withholdings.

What if Your Employee Wants Additional PIT Withholding?

In addition to the tax required to be withheld from salaries and wages, you may, upon written request from the employee, agree to withhold an additional amount from the employee's wages. This agreement will be effective for the periods you and the employee mutually agree upon or until written termination of the agreement.

If employees rely on the Form W-4 instructions when calculating California withholding allowances, their California PIT could be significantly underwithheld. This is particularly true if the household income is derived from more than one source. If an employee wants more California PIT withheld than the schedules and the alternate methods allow, the employee should either request additional withholding or, if married, indicate "single" on the DE 4. For more information, refer to the DE 4 form and instructions. An online DE 4 calculator is available at **www.taxes.ca.gov/de4.pdf**.

HOW TO WITHHOLD PIT ON SUPPLEMENTAL WAGES

Supplemental wages include, but are not limited to, bonuses, overtime pay, sales awards, commissions, stock options, vacation pay, dismissal or severance pay. Under certain circumstances, bonuses and stock options are taxed at a different flat rate than other types of supplemental wages (refer to "Supplemental Wages" below). This only applies to stock options that are considered wages subject to PIT withholding.

If the supplemental wage is given to the employee at the same time as the employee's regular wages are paid, you are ***required*** to treat the sum of the payments as regular wages and withhold PIT based on the regular payroll period using the PIT withholding schedules.

If the supplemental wage is **not** given to the employee at the same time as the employee's regular wages are paid, you may use either of the following two options:

1. Compute the amount of PIT to withhold from the supplemental wage based on the combined regular wages and the supplemental wage. Compute the PIT withholding on the total of the supplemental wage and the current or most recent regular (gross) wage payment using the PIT withholding schedules. From that amount, subtract the PIT you withheld from the regular wages. The difference is the PIT amount you should withhold from the supplemental wages.

   or

2. Withhold the percentage noted below on the following types of supplemental wages without allowing for any withholding allowances claimed by the employee:

Supplemental Wages	Percentage
Bonuses and stock options	10.23 percent (.1023)
Other types (such as overtime pay, commissions, sales awards, severance, and vacation pay)	6.6 percent (.066)

To find out if stock options are wages subject to PIT withholding, obtain the Information Sheet: *Stock Options* (DE 231SK) by accessing the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de231sk.pdf**, or the automated Fax on Demand system at (877) 547-4503, or calling the Taxpayer Assistance Center at (888) 745-3886.

QUARTERLY ESTIMATED PAYMENTS

Wages are subject to mandatory California PIT withholding at the time they are paid to the employee. Quarterly estimates paid directly to the Franchise Tax Board (FTB) are intended to satisfy taxes on income that is not subject to withholding. Quarterly estimates paid by an employee directly to the FTB in lieu of proper withholdings from wages may result in an assessment to the employer. If you have questions regarding quarterly estimated payments, contact the FTB at (800) 852-5711.

WAGES PAID TO CALIFORNIA RESIDENTS

If	Then
A California resident performs services in California or in another state.	Wages paid to the resident employee are subject to California PIT withholding, and PIT must be withheld from all wages paid, in accordance with the employee's Form W-4 or DE 4. The wages paid must be reported as PIT wages on the *Quarterly Contribution Return and Report* of Wages *(Continuation)* (DE 9C). The PIT withheld must also be reported on the DE 9C.
A California resident performs services that are subject to personal income tax withholding laws of both California and another state, political subdivision, or the District of Columbia.	Make the withholding required by the other jurisdiction, and: • For California, withhold the amount by which the California withholding amount exceeds the withholding amount for the other jurisdiction, **or** • Do not withhold any California PIT if the withholding amount for the other jurisdiction is equal to, or greater than, the withholding amount for California. The wages reported as PIT wages on the *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C) are the same wages that are entered in "Box 16" on your employee's Form W-2. The PIT withheld must also be reported on the DE 9C.

WAGES PAID TO NONRESIDENTS OF CALIFORNIA

If	Then
A nonresident employee performs all services in California (may include spouse of a military service member).	The wages paid to the nonresident employee are subject to California PIT withholding. The PIT must be withheld from all wages paid in accordance with the employee's Form W-4 or DE 4. However, the spouse of a military service member may exclude wages from California PIT withholding by filing a DE 4 (refer to page 12). The wages paid must be reported as PIT wages on the DE 9C. The PIT withheld must also be reported on the DE 9C.
A nonresident employee performs services both in California as well as in another state.	Only the wages earned in California are subject to California PIT withholding. The amount of wages subject to California PIT withholding is that portion of the total number of working days employed in California compared to the total number of working days employed in both California and the other state. The California wages must be reported as PIT wages on the DE 9C. The PIT withheld must also be reported on the DE 9C. **NOTE:** For employees whose compensation depends on the volume of business transacted, the amount of earnings subject to California PIT withholding is that portion received for the volume of business transacted in California compared to the total volume of business in both California and the other state.

PIT Withholding on Payments to Nonresident Independent Contractors

Please refer to the Franchise Tax Board (FTB), (Publication 1017) Resident and Nonresident Withholding Guidelines, for guidance regarding PIT withholding on payments to nonresident independent contractors for services performed in California. Publication 1017 can be obtained by calling the FTB at (800) 852-5711 or by accessing their Web site at **www.ftb.ca.gov/forms/2011/11_1017.pdf.**

ADDITIONAL INFORMATION

- Fax on Demand (request Document No. 1001 for a catalog of all available documents) (877) 547-4503
- EDD Web site (forms and publications) **www.edd.ca.gov/Payroll_Taxes/Forms_and_Publications.htm**
- Information Sheets:
  - DE 231D – *Multistate Employment*
  - DE 231P – *Withholding From Pensions, Annuities, and Certain Other Deferred Income*
  - DE 231PS – *Personal Income Tax Withholding - Supplemental Wage Payments, Moving Expense Reimbursement - WARN Act Payments*
  - DE 231R – *Third-Party Sick Pay*
- Types of Employment (table) Page 16
- Types of Payments (table) Page 26

TYPES OF EMPLOYMENT

This table identifies special classes of employment and whether the type of employment is subject to California payroll taxes. For additional information on the taxability for a particular type of employment, refer to the Code section(s) noted under the specific tax. If you have questions regarding an individual's proper status in working for/with you, please contact the Taxpayer Assistance Center at (888) 745-3886.

In addition to this table, EDD has prepared the "Types of Payments" table on page 26 and information sheets for specific industries, types of services, or types of payments. To obtain the information sheets, access the EDD's Web site at **www.edd.ca.gov/Payroll_Taxes/Forms_and_Publications.htm**, call the automated Fax on Demand system at (877) 547-4503, or contact the Taxpayer Assistance Center at (888) 745-3886. If outside the U.S. or Canada, call (916) 464-3502.

Types of Employment	TREATMENT FOR TAX PURPOSES			
	Unemployment Insurance and Employment Training Tax[1]	**State Disability Insurance**	**Personal Income Tax Withholding**	**Personal Income Tax Wages**
Agricultural Labor Also refer to the federal Agricultural Employer's Tax Guide Internal Revenue Service (IRS) (Publication 51, Circular A).	Subject California Unemployment Insurance Code (CUIC) Section 611	Subject CUIC Section 611	Not subject[2] CUIC Section 13009(a)	Reportable CUIC Section 13009.5
Artists and Authors: A. Common law employees.	Subject CUIC Section 621(b)	Subject CUIC Section 621(b)	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
B. Statutory employees hired for specific work in the motion picture, radio, or television industry. Refer to Information Sheet: *Statutory Employees* (DE 231SE).	Subject CUIC Sections 601.5 and 621(d)	Subject CUIC Sections 601.5 and 621(d)	Not subject Title 22 California Code of Regulations (CCR), Section 4304-1	Not reportable CUIC Section 13009.5
Automotive Repair Industry Refer to Information Sheet: *Automotive Repair Industry* (DE 231B).	Subject CUIC Section 621(b)	Subject CUIC Section 621(b)	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
Barber and Beauty Shops Refer to Information Sheet: *Barbering and Cosmetology Industry* (DE 231C).	Subject CUIC Section 621(b)	Subject CUIC Section 621(b)	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
Baseball Players	Subject unless under agreement to perform for expenses and a share of the profits of the club. CUIC Section 653	Subject unless under agreement to perform for expenses and a share of the profits of the club. CUIC Section 653	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
Brokers and/or Salespersons (does not apply to nonprofit or public agencies): A. Gas, oil, or mineral. B. Real estate. C. Yacht.	Not subject if all three of the conditions in endnote 3 are met. CUIC Section 650	Not subject if all three of the conditions in endnote 3 are met. CUIC Section 650	Not subject if all three of the conditions in endnote 3 are met. CUIC Section 13004.1	Not reportable if all three of the conditions in endnote 3 are met. CUIC Section 13004.1
D. Cemetery.	Not subject if all three of the conditions in endnote 3 are met. CUIC Section 650	Not subject if all three of the conditions in endnote 3 are met. CUIC Section 650	Subject if common law employee. CUIC Section 13009	Reportable if common law employee. CUIC Section 13009.5

See page 25 for endnotes

Types of Employment	TREATMENT FOR TAX PURPOSES			
	Unemployment Insurance and Employment Training Tax[1]	**State Disability Insurance**	**Personal Income Tax Withholding**	**Personal Income Tax Wages**
Casual Labor: Refer to Information Sheet: *Casual Labor* (DE 231K). A. Part-time or temporary workers.	Subject CUIC Section 621(b)	Subject CUIC Section 621(b)	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
B. Service **not** in the course of employer's trade or business: • Noncash payments (e.g., meals and lodging).	Not subject CUIC Section 936	Not subject CUIC Section 936	Not subject CUIC Section 13009(h)	Not reportable CUIC Section 13009.5
• Cash payments.	Subject **only** if $50 or more is paid in a quarter **and** employee works some part of 24 or more different days in that quarter or on 24 or more days in the preceding quarter. CUIC Section 640	Subject **only** if $50 or more is paid in a quarter **and** employee works some part of 24 or more different days in that quarter or on 24 or more days in the preceding quarter. CUIC Section 640	Subject **only** if $50 or more is paid in a quarter **and** employee works some part of 24 or more different days in that quarter or on 24 or more days in the preceding quarter. CUIC Section 13009(c)	Reportable **only** if $50 or more is paid in a quarter **and** employee works some part of 24 or more different days in that quarter or on 24 or more days in the preceding quarter. CUIC Section 13009.5
Construction Contractors Refer to Information Sheet: *Construction Industry* (DE 231G).	Subject unless contractor has a valid contractor's license and is not a common law employee. CUIC Sections 621(b) or 621.5	Subject unless contractor has a valid contractor's license and is not a common law employee. CUIC Sections 621(b) or 621.5	Subject unless contractor has a valid contractor's license and is not a common law employee. CUIC Sections 13009 or 13004.5	Reportable unless contractor has a valid contractor's license and is not a common law employee. CUIC Section 13009.5
Domestic (Household) Employment Refer to Household (Domestic) Employment on page 19.				
Election Campaign Workers for candidates or committees. Refer to Information Sheet: *Election Campaign Workers* (DE 231V).	Not subject CUIC Section 636	Not subject CUIC Section 636	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
Election Officials or Election Workers	Subject if the individual's remuneration reasonably expected to be received during the calendar year for such service will be $1,000 or more. CUIC Section 634.5(c)(7)	Generally not subject, unless an elective coverage agreement is in place. CUIC Section 605 and 2606	Not subject. Considered a fee paid to a public official. CUIC Section 13009 and Title 22, CCR, Section 4309-2(b)(2)	Not reportable. Considered a fee paid to a public official. CUIC Section 13009.5

See page 25 for endnotes

Types of Employment	TREATMENT FOR TAX PURPOSES			
	Unemployment Insurance and Employment Training Tax[1]	State Disability Insurance	Personal Income Tax Withholding	Personal Income Tax Wages
Family Employees Minor child under 18 employed by a father or mother; an individual employed by spouse, registered domestic partner, son, or daughter. Refer to Information Sheet: *Family Employment* (DE 231FAM) and Information Sheet: *Specialized Coverage* (DE 231SC).	Not subject – only applies to sole proprietorships and partnerships. CUIC Section 631	Not subject unless an approved elective coverage agreement is in effect. (This only applies to sole proprietorships and partnerships.) CUIC Section 631	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
Federal Employees: A. Members of the U.S. Armed Forces.	Not subject CUIC Section 632	Not subject CUIC Section 632	Subject if stationed in and domiciled in California; both conditions must be present. Title 22, CCR, Section 4305-1(d)	Reportable if stationed in and domiciled in California; both conditions must be present. CUIC Section 13009.5
B. Federal civilian employees.	Not subject Certain nonprofit organizations which are instrumentalities of the federal government pay cost of benefits. CUIC Section 632	Not subject CUIC Section 632	Subject Title 22, CCR, Section 4305-1(d)	Reportable CUIC Section 13009.5
Fishing and Related Activities Refer to Information Sheet: *Commercial Fishing* (DE 231CF).	Subject CUIC Section 621(b)	Subject CUIC Section 621(b)	Not subject CUIC Section 13009(j)	Not reportable CUIC Section 13009.5
Foreign Government and International Organizations	Not subject CUIC Sections 643, 644, and 644.5	Not subject CUIC Sections 643, 644, and 644.5	Not subject CUIC Section 13009(d)	Not reportable CUIC Section 13009.5
Foreign Service Performed by a U.S. Citizen: A. U.S. Government employee.	Not subject CUIC Section 632	Not subject CUIC Section 632	Subject if employee is a California resident. CUIC Section 13009	Reportable if employee is a California resident. CUIC Section 13009.5
B. For an American employer or a foreign subsidiary of U.S. corporation or other private employer. Refer to Information Sheet: *Foreign Employment and Employment on American Vessels or Aircraft* (DE 231FE).	Subject if the conditions in endnote 4 are met. CUIC Section 610	Subject if the conditions in endnote 4 are met. CUIC Section 610	Subject if employee is a California resident and the conditions in endnote 4 are met. CUIC Section 13009	Reportable if employee is a California resident and the conditions in endnote 4 are met. CUIC Section 13009.5
Golf Caddies	Not subject CUIC Section 651	Not subject CUIC Section 651	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
Homeworkers (Industrial): A. Common law employees Refer to Information Sheet: *Employment* (DE 231).	Subject CUIC Section 621(b)	Subject CUIC Section 621(b)	Subject CUIC Section 13009	Reportable CUIC Section 13009.5

See page 25 for endnotes

Types of Employment	TREATMENT FOR TAX PURPOSES			
	Unemployment Insurance and Employment Training Tax[1]	**State Disability Insurance**	**Personal Income Tax Withholding**	**Personal Income Tax Wages**
Homeworkers (Industrial): (cont.) B. Statutory employees Refer to Information Sheet: *Statutory Employees* (DE 231SE).	Subject CUIC Section 621(c)(1)(C)	Subject CUIC Section 621(c)(1)(C)	Not subject Title 22, CCR, Section A304-1	Not reportable CUIC Section 13009.5
Hotel and Restaurant Industries Refer to Information Sheet: *Restaurant and Hotel Industries* (DE 231E).	Subject CUIC Section 621(b)	Subject CUIC Section 621(b)	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
Household (Domestic) Employment In private homes, local college clubs, fraternities, and sororities. Refer to Information Sheet: *Household Employment* (DE 231L), *Household Employer's Guide* (DE 8829), and the federal Household Employer's Tax Guide (IRS Publication 926).	Subject for the remainder of the calendar year and the following calendar year once $1,000 or more in cash is paid in any calendar quarter for household services. CUIC Sections 629, 639, and 682	Subject for the remainder of the calendar year and the following calendar year once $750 or more in cash is paid in any calendar quarter for household services. CUIC Sections 684 and 2606.5	Not subject[2] CUIC Section 13009(b)	Reportable if otherwise required to register with EDD. CUIC Section 13009.5
Interns Working in Hospitals (Also, refer to "Students" item D Nurse working for a hospital or nursing school.)	Not subject CUIC Section 645	Not subject CUIC Section 645 unless employed by a nonprofit or district hospital. CUIC Section 2606	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
Janitors (Business Services Industry) Refer to Information Sheet: *Service Industries* (DE 231I).	Subject CUIC Section 621(b)	Subject CUIC Section 621(b)	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
Jockeys or Exercise Persons working freelance, if licensed by the California Horse Racing Board.	Not subject CUIC Section 654	Not subject CUIC Section 654	Subject if a common law employee. CUIC Section 13009	Reportable if a common law employee. CUIC Section 13009.5
Manufacturing Industry	Subject CUIC Section 621(b)	Subject CUIC Section 621(b)	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
Ministers of churches and members of religious orders, performing duties as such, may elect coverage. Refer to Information Sheet: *Specialized Coverage* (DE 231SC).	Not subject CUIC Section 634.5(b)	Not subject unless an approved elective coverage agreement is in effect. CUIC Section 634.5(b)	Not subject[2] CUIC Section 13009(f)	Reportable if otherwise required to register with EDD. CUIC Section 13009.5
Multistate Employment Refer to Information Sheet: *Multistate Employment* (DE 231D).	Subject CUIC Section 602 and 603	Subject CUIC Section 602 and 603	Go to **www.edd.ca.gov/pdf_pub_ctr/de231d.pdf**	Go to **www.edd.ca.gov/pdf_pub_ctr/de231d.pdf**
Newspaper Carriers under 18 years old delivering to consumers.	Not subject if not regular, full-time work. CUIC Section 634.5(g) and 649(a)	Not subject if not regular, full-time work. CUIC Section 634.5(g) and 649(a)	Not subject[2] CUIC Section 13009(g)(1)	Not reportable CUIC Section 13009.5

See page 25 for endnotes

Types of Employment	TREATMENT FOR TAX PURPOSES			
	Unemployment Insurance and Employment Training Tax[1]	State Disability Insurance	Personal Income Tax Withholding	Personal Income Tax Wages
Newspaper and Magazine Vendors buying at fixed prices and retaining excess from sales to consumers.	Not subject CUIC Section 634.5(h) and 649(b)	Not subject CUIC Section 634.5(h) and 649(b)	Not subject CUIC Section 13009(g)(2)	Not reportable CUIC Section 13009.5
Nonprofit Organization Employees: Refer to Information Sheet: *Nonprofit and/or Public Entities* (DE 231NP). A. Churches, conventions, or associations of churches, or religious organizations which are operated primarily for religious purposes and operated, supervised, controlled, or principally supported by a church, convention, or association of churches. (Also refer to Ministers and members of religious orders.)	Not subject CUIC Section 634.5(a)	Not subject, CUIC Sections 634.5(a) and 645, unless employed by a nonprofit hospital CUIC Section 2606 or while an approved elective coverage agreement is in effect.	Subject CUIC Section 13009 (except ministers and members of religious orders)	Reportable CUIC Section 13009.5
B. Elected or appointed officials of nonprofit fraternal organizations earning less than $100 per month.	Not subject CUIC Section 652	Not subject CUIC Section 652	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
C. All other nonprofit organizations exempt under Internal Revenue Code (IRC) Section 501(c)(3) except those under "A" and "B" above.	Subject (Employees earning less than $50 in any quarter are exempt.) CUIC Section 641	Subject (Employees earning less than $50 in any quarter are exempt.) CUIC Section 641	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
D. All other organizations exempt under IRC Section 501(a), other than a pension, profit-sharing, or stock bonus plan described in IRC Section 401(a) or under IRC Section 521.	Subject CUIC Section 608	Subject CUIC Section 608	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
Nonresidents of California: A. U.S. Residents: • Service performed in California.	Subject CUIC Section 601	Subject CUIC Section 601	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
• Service performed outside U.S.	Subject if employee is a U.S. citizen, and the employer's principal place of business in U.S. is in California.[4] CUIC Section 610	Subject if employee is a U.S. citizen, and the employer's principal place of business in U.S. is in California.[4] CUIC Section 610	Not subject CUIC Section 13009	Not reportable CUIC Section 13009.5

See page 25 for endnotes

Types of Employment	TREATMENT FOR TAX PURPOSES			
	Unemployment Insurance and Employment Training Tax[1]	**State Disability Insurance**	**Personal Income Tax Withholding**	**Personal Income Tax Wages**
Nonresidents of California: (cont.) B. Aliens Working in California: • Residents of Canada or Mexico entering California frequently in transportation service across the border.	Subject (unless railroad service) CUIC Section 621(b)	Subject (unless railroad service) CUIC Section 621(b)	Not subject CUIC Section 13009(e) and Title 22, CCR, Section 4309-2(f)(2)(A)	Not reportable CUIC Section 13009.5
• Residents of Canada or Mexico entering California frequently for construction, maintenance, or operation of waterway, bridge, etc., traversing the border.	Subject CUIC Section 621(b)	Subject CUIC Section 621(b)	Not subject CCR, Title 22 Section 4309-2(f)(2)(B)	Not reportable CUIC Section 13009.5
• Residents of any foreign country entering California frequently, employed wholly within California.	Subject CUIC Section 621(b)	Subject CUIC Section 621(b)	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
• Workers from any foreign country or its possession lawfully admitted on a temporary basis to perform agricultural labor.	Subject CUIC Section 611	Subject CUIC Section 611	Not subject[2] CUIC Section 13009(a)	Reportable CUIC Section 13009.5
• Students, scholars, trainees, or teachers as nonimmigrant aliens under sections of the Immigration and Nationality Act (INA).[6]	Subject unless excluded per CUIC Section 642 or if a nonresident nonimmigrant temporarily residing in U.S. performs services for a CUIC Section 608 nonprofit employer to carry out the purpose specified in the employee's "F," "J," "M," or "Q" type visa.	Subject unless excluded per CUIC Section 642 or if a nonresident nonimmigrant temporarily residing in the U.S. performs services for a CUIC Section 608 nonprofit employer to carry out the purpose specified in the employee's "F," "J," "M," or "Q" type visa.	Subject unless exempted by regulations or treaty with a foreign government. Treaty must specify exemption from "State or local taxes." CUIC Section 13009(e)	Reportable CUIC Section 13009.5
• Professional athlete, in California for occasional or incidental engagements.	Not subject CUIC Section 655	Not subject CUIC Section 655	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
Officer of a Corporation performing services as an employee: A. Corporation subject to Federal Unemployment Tax Act (FUTA). Refer to *Sole Shareholder/ Corporate Officer Exclusion Statement* (DE 459).	Subject CUIC Section 621(a)	Subject unless sole shareholder or only shareholder other than his/her spouse or registered domestic partner and has filed an exclusion for SDI (DE 459). CUIC Sections 621(a) and 637.1	Subject unless agricultural labor. CUIC Section 13009 and 13009(a)	Reportable CUIC Section 13009.5

See page 25 for endnotes

Types of Employment	TREATMENT FOR TAX PURPOSES			
	Unemployment Insurance and Employment Training Tax[1]	State Disability Insurance	Personal Income Tax Withholding	Personal Income Tax Wages
B. Corporation not subject to FUTA.	Subject unless excluded as an officer and/or director who is sole shareholder or the only shareholder other than his/her spouse or registered domestic partner. CUIC Section 637	Subject unless excluded as an officer and/or director who is the sole shareholder or the only shareholder other than his/her spouse. CUIC Section 637	Subject unless agricultural labor. CUIC Section 13009 and 13009 (a)	Reportable if otherwise required to register with EDD. CUIC Section 13009.5
Patients employed by hospitals.	Not subject CUIC Section 647	Not subject unless nonprofit or district hospital. CUIC Sections 647 and 2606	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
Private Postsecondary School Intermittent and Adjunct Instructors Services must be performed for an institution that meets the requirements of the Education Code, Article 9 (commencing with Section 94900), Chapter 8, Part 59.	Subject CUIC Section 621(b)	Not subject if the conditions in endnote 5 are met. CUIC Section 633	Not subject if the conditions in endnote 5 are met. CUIC Section 13009(r)	Not reportable if the conditions in endnote 5 are met. CUIC Section 13009.5
Public Entity Employees of cities and counties, local public agencies, and schools. Refer to Information Sheet: *Nonprofit and/or Public Entities* (DE 231NP) and Information Sheet: *Specialized Coverage* (DE 231SC).	Subject CUIC Section 605	Not subject unless employed by a district hospital or public housing administration agency operated by state or local governmental subdivisions or an approved elective coverage agreement is in effect. CUIC Sections 605 and 2606	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
Restaurant and Hotel Industries Refer to Information Sheet: *Restaurant and Hotel Industries* (DE 231E).	Subject CUIC Section 621(b)	Subject CUIC Section 621(b)	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
Salespersons: Refer to Information Sheet: *Salespersons* (DE 231N). A. Common law employees.	Subject CUIC Section 621(b)	Subject CUIC Section 621(b)	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
B. Real estate or direct sales salespersons.	Not subject if all three conditions in endnote 3 are met. CUIC Section 650	Not subject if all three conditions in endnote 3 are met. CUIC Section 650	Not subject if all three conditions in endnote 3 are met. CUIC Section 13004.1	Not reportable if all three conditions in endnote 3 are met. CUIC Section 13009.5

See page 25 for endnotes

Types of Employment	TREATMENT FOR TAX PURPOSES			
	Unemployment Insurance and Employment Training Tax[1]	**State Disability Insurance**	**Personal Income Tax Withholding**	**Personal Income Tax Wages**
C. Traveling or City Salespersons. Refer to Information Sheet: *Statutory Employees* (DE 231SE).	Subject CUIC Section 621(c)(1)(B)	Subject CUIC Section 621(c)(1)(B)	Not subject Title 22, CCR, Section 4304-1	Not reportable CUIC Section 13009.5
Services on or in Connection With an American Aircraft or Vessel, and such services are subject to the Federal Unemployment Tax Act (FUTA). Refer to Information Sheet: *Foreign Employment and Employment on American Vessels or Aircraft* (DE 231FE).	Subject if the operations are ordinarily and regularly directed and controlled from the employer's California office. CUIC Sections 125.3, 125.5, and 609	Subject if the operations are ordinarily and regularly directed and controlled from the employer's California office. CUIC Sections 125.3, 125.5, and 609	Subject if services are performed on an aircraft by a California resident or by a nonresident if over 50 percent of the nonresident's scheduled flight time is in California. CUIC Section 13009 and Title 49, U.S. Code, Section 40116 Not subject if services are performed on a vessel.	Reportable if services are performed on an aircraft by a California resident or by a nonresident if over 50 percent of the nonresident's scheduled flight time is in California. CUIC Section 13009.5 and Title 49, U.S. Code, Section 40116 Not reportable if services are performed on a vessel.
Standby Employee doing no actual work in period for which paid.	Subject CUIC Section 926	Subject CUIC Section 926	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
State Government and Political Subdivisions, services performed as:				
A. An elected official.	Not subject CUIC Section 634.5 (c)(1)	Not subject CUIC Section 634.5 (c)(1)	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
B. A member of a legislative body, or a member of the judiciary, or a State or political subdivision thereof.	Not subject CUIC Section 634.5 (c)(2)	Not subject CUIC Section 634.5 (c)(2)	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
C. A member of a State National Guard, Ready Reserve, or Air National Guard.	Not subject CUIC Section 634.5 (c)(4)	Not subject CUIC Section 634.5 (c)(4)	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
D. An employee serving on a temporary basis in case of fire, storm, snow, earthquake, flood, or other similar emergency.	Not subject CUIC Section 634.5 (c)(5)	Not subject CUIC Section 634.5 (c)(5)	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
E. In a position which, under or pursuant to State law, is designated as either of the following: • A major, nontenured policy-making or advisory position.	Not subject CUIC Section 634.5 (c) (6)(A)	Not subject CUIC Section 634.5 (c) (6)(A)	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
• A policymaking or advisory position, the performance of the duties of which ordinarily does not require more than eight hours per week.	Not subject CUIC Section 634.5 (c) (6)(B)	Not subject CUIC Section 634.5 (c) (6)(B)	Subject CUIC Section 13009	Reportable CUIC Section 13009.5

See page 25 for endnotes

Types of Employment	TREATMENT FOR TAX PURPOSES			
	Unemployment Insurance and Employment Training Tax[1]	**State Disability Insurance**	**Personal Income Tax Withholding**	**Personal Income Tax Wages**
State Government and Political Subdivisions,[9] services performed as: (cont.) F. Employees of State or local governments and instrumentalities not included above.	Subject CUIC Section 605	Not subject unless an approved election by a bargaining unit is in effect. CUIC Section 710.5	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
G. Fees of public officials.	Subject CUIC Section 926	Subject CUIC Section 926	Not reportable CCR, Title 22 Section 4309-2(b)	Not reportable CUIC Section 13009.5
Students: A. Working for a public or private school, college, or university, if enrolled and regularly attending classes at that school.	Not subject CUIC Section 642	Not subject CUIC Section 642	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
B. Spouse or registered domestic partner of student, if such person is advised at the time service commences at the school that employment is provided under a program to provide financial assistance to the student by the school, college, or university, and that employment will not be covered by unemployment insurance or State disability insurance.	Not subject CUIC Section 642	Not subject CUIC Section 642	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
C. Under age 22 enrolled in a full-time program at a nonprofit or public education institution. Institution must normally maintain a regular faculty and curriculum and normally have a regularly organized body of students where its educational activities are located. Student's service must be taken for credit at such an institution. It must combine academic instruction with work experience. It must be an integral part of such program, and the institution must have so certified to the employer.	Not subject unless program established solely for one employer or one group of employers. CUIC Section 646	Not subject unless program established solely for one employer or one group of employers. CUIC Section 646	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
D. Student nurse working for a hospital or nursing school.	Not subject CUIC Section 645	Subject if employed by a nonprofit or district hospital. CUIC Section 2606 Not subject if employed by any other hospital or nursing school. CUIC Section 645	Subject CUIC Section 13009	Reportable CUIC Section 13009.5

See page 25 for endnotes

Types of Employment	TREATMENT FOR TAX PURPOSES			
	Unemployment Insurance and Employment Training Tax[1]	State Disability Insurance	Personal Income Tax Withholding	Personal Income Tax Wages
Students: (cont.) E. Full-time students[7] working for an organized camp.[8]	Not subject CUIC Section 642.1	Not subject CUIC Section 642.1	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
Temporary Services and Employee Leasing Industries Refer to Information Sheet: *Temporary Services and Employee Leasing Industries* (DE 231F).	Subject CUIC Section 621(b) and 606.5	Subject CUIC Section 621(b) and 606.5	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
Transcribers of depositions, court proceedings, and hearings performed away from the office of the person, firm, or association obligated to produce a transcript of the proceedings.	Not subject CUIC Section 630	Not subject CUIC Section 630	Not subject CCR, Title 22 Section 4304-1	Not reportable CUIC Section 13009.5

1 Employers who have elected the “cost of benefits method" (i.e., “reimbursable method”) of financing Unemployment Insurance contributions or who have a negative reserve account balance are not required to contribute to the Employment Training Tax Fund.

2 Subject if employer and employee voluntarily agree to withhold California Personal Income Tax.

3 Not subject if all three of the following conditions are met:
a) The individual has the required license to perform the services or is in the business of in-person demonstration and sales presentation of consumer products in the home.
b) Substantially all payments are directly related to sales or other output.
c) Services are performed pursuant to a written contract that provides the individual will not be treated as an employee with respect to those services for State tax purposes.

4 Services are included if the employer’s principal place of business in the U.S. is in California or if the employer has no place of business in the U.S. but:
a) The employer is an individual who is a resident of California, or
b) The employer is a corporation or, limited liability company, which is organized under the laws of California, or
c) The employer is a partnership or a trust and the number of partners or trustees who are residents of California is greater than the number who are residents of any one other state.

If none of the criteria above applies, but the employer has elected coverage in California or the employer has not elected coverage in any state and an individual has filed for benefits in California, based on such service.

5 Not subject if service is performed under written contract with **all** of the following provisions:
a) Any federal or State income tax liability shall be the responsibility of the party providing the services.
b) No disability insurance coverage is provided under the contract.
c) The party performing the services certifies that he/she is doing so as a secondary occupation or as a supplemental source of income.

6 “Employment” excludes services performed by a nonresident alien for the period temporarily in the U.S. as a nonimmigrant under Section 3306(c) (19) of the IRC.

7 Full-time student – enrolled full-time for the current term of an academic year or, if between terms, for the immediately preceding period with a reasonable assurance of enrollment in the immediately subsequent period.

8 Organized camp – offers outdoor group living experience for social, spiritual, educational, or recreational purposes; must not operate more than seven months a year, or at least two-thirds of its previous yearly gross income must have been in any six of the 12 months of the year.

9 An elected official is not eligible to collect unemployment insurance benefits based on income earned from his or her service as an elected official.

NOTE: A registered domestic partner means an individual partner in a domestic relationship within the meaning of Section 297 of the Family Code.

The California Unemployment Insurance Code is available online at **www.leginfo.ca.gov/calaw.html**.

See page 25 for endnotes

TYPES OF PAYMENTS

This table identifies special types of payments and whether the type of payment is subject to California payroll taxes. For additional information on the taxability for a particular type of payment, refer to the Code section(s) noted under the specific tax. If you have questions regarding if or how an individual payment is taxed, please call the Taxpayer Assistance Center at (888) 745-3886.

In addition to this table, EDD has prepared the "Types of Employment" table on page 16 and information sheets for specific industries, types of services, or types of payments. To obtain the information sheets, access the EDD's Web site at **www.edd.ca.gov/Payroll_Taxes/Forms_and_Publications.htm**, call the automated Fax on Demand system at (877) 547-4503, or contact the Taxpayer Assistance Center at (888) 745-3886. If outside U.S. or Canada call (916) 464-3502.

Types of Payments	TREATMENT FOR TAX PURPOSES			
	Unemployment Insurance and Employment Training Tax[1]	**State Disability Insurance**	**Personal Income Tax Withholding**	**Personal Income Tax Wages**
Adoption Assistance: Payments as defined in the Internal Revenue Code (IRC) Section 137. A. If the adoption assistance program is **not** under an IRC Section 125 Cafeteria Plan.	Subject California Unemployment Insurance Code (CUIC) Section 926	Subject CUIC Section 926	Not subject CUIC Section 13009(q)[5]	Not reportable CUIC Section 13009.5
B. If the adoption assistance program is under an IRC Section 125 Cafeteria Plan: • Employer contributions (into the plan).	Subject CUIC Section 926	Subject CUIC Section 926	Not subject CUIC Section 13009(i)(5)[5]	Not reportable CUIC Section 13009.5
• Employee contributions (into the plan).	Subject CUIC Section 926	Subject CUIC Section 926	Not subject CUIC Section 13009(i)(5)[5]	Not reportable CUIC Section 13009.5
• Payments from the plan.	Not subject CUIC Section 926	Not subject CUIC Section 926	Not subject CUIC Section 13009(i)(5)	Not reportable CUIC Section 13009.5
Board of Director Fees A director of a corporation or association performing services in the capacity of a director.	Not subject CUIC Section 622	Not subject CUIC Section 622	Subject if a common law employee. CUIC Section 13009. Not subject if corporation pays compensation to a nonresident corporate director for director services performed in California. CUIC Section 13020(c)	Reportable if a common law employee. CUIC Section 13009. Not reportable if corporation pays compensation to a nonresident corporate director for director services performed in California. CUIC Section 13009.5
Bonuses	Subject CUIC Section 926	Subject CUIC Section 926	Subject CUIC Section 13009	Reportable - refer to page 14. CUIC Section 13009.5
Business Expenses: A. Employer reimbursement of required or necessary business expenses incurred by the employee while performing services for the employer.	Not subject CUIC Section 929	Not subject CUIC Section 929	Not subject CUIC Section 13009(q)	Not reportable CUIC Section 13009.5
B. Long-term travel expenses allowed under IRC Section 162.	Not subject CUIC Section 929	Not subject CUIC Section 929	Subject CUIC Section 13009	Reportable CUIC Section 13009.5

See page 35 for endnotes

Types of Payments	TREATMENT FOR TAX PURPOSES			
	Unemployment Insurance and Employment Training Tax[1]	State Disability Insurance	Personal Income Tax Withholding	Personal Income Tax Wages
Cafeteria Plan Payments Under IRC Section 125 Refer to Information Sheet: *Taxability of Employee Benefits* (DE 231EB).	Generally not subject CUIC Section 938.3(d)	Generally not subject CUIC Section 938.3(d)	Not subject CUIC Section 13009(i)(5)	Not reportable if excluded from taxable income. CUIC Section 13009.5
Commissions	Subject CUIC Section 926	Subject CUIC Section 926	Subject – refer to page 14. CUIC Section 13009	Reportable – refer to page 14. CUIC Section 13009.5
Debts Paid by Employer: (Amounts in lieu of cash wages offset by the employer.)				
A. Amounts paid against a debt due from employee.	Subject CUIC Section 926	Subject CUIC Section 926	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
B. Amounts applied to a debt owed to a third-party by the employee.	Subject CUIC Section 926	Subject CUIC Section 926	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
Deceased Employee Wages Wages paid to beneficiary or estate after the date of the worker's death.	Subject in the calendar year in which the employee died. CUIC Section 938.7	Subject in the calendar year in which the employee died. CUIC Section 938.7	Not subject CUIC Section 13009(q)	Not reportable CUIC Section 13009.5
Dependent Care Assistance Programs (Limited to $5,000; $2,500 if married, filing separately.)	Not subject if at the time paid or furnished, it is reasonable to believe the amounts are excludable from gross income under IRC Section 129. CUIC Section 938.3(b)	Not subject if at the time paid or furnished, it is reasonable to believe the amounts are excludable from gross income under IRC Section 129. CUIC Section 938.3(b)	Not subject if at the time paid or furnished, it is reasonable to believe the amounts are excludable from gross income under IRC Section 129. CUIC Section 13009(q)	Not reportable if at the time paid or furnished, it is reasonable to believe the amounts are excludable from gross income under IRC Section 129. CUIC Section 13009.5
Dismissal or Severance Pay	Subject CUIC Section 926 unless conditions under CUIC Section 1265 met.	Subject CUIC Section 926 unless conditions under CUIC Section 1265 met	Subject CUIC Section 13009 (q)	Reportable CUIC Section 13009.5
Educational Assistance (Payments under IRC Section 127) Undergraduate and graduate level courses excluded up to $5,250 (maximum), per employee, per calendar year.	Not subject if at the time paid or furnished, it is reasonable to believe the amounts are excludable from gross income under IRC Section 127. CUIC Section 938.3(a)	Not subject if at the time paid or furnished, it is reasonable to believe the amounts are excludable from gross income under IRC Section 127. CUIC Section 938.3(a)	Not subject if the amounts are excludable from gross income under IRC Section 127. CUIC Section 13009(q)	Not reportable if the amounts are excludable from gross income under IRC Section 127. CUIC Section 13009.5

See page 35 for endnotes

Types of Payments	TREATMENT FOR TAX PURPOSES			
	Unemployment Insurance and Employment Training Tax[1]	State Disability Insurance	Personal Income Tax Withholding	Personal Income Tax Wages
Employee Achievement Awards	Not subject if at the time awarded, it is reasonable to believe the amount is excludable from gross income under IRC Section 74(c). CUIC Section 938.3(c)	Not subject if at the time awarded, it is reasonable to believe the amount is excludable from gross income under IRC Section 74(c). CUIC Section 938.3(c)	Not subject if at the time awarded, it is reasonable to believe the amount is excludable from gross income under IRC Section 74(c). CUIC Section 13009(q)	Not reportable if at the time awarded, it is reasonable to believe the amount is excludable from gross income under IRC Section 74(c). CUIC Section 13009.5
Fringe Benefits:				
A. Employee use of employer's vehicle for personal use.	Subject CUIC Section 926	Subject CUIC Section 926	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
B. Employer-paid transportation costs that have no business connection and are not excluded under IRC Section132.	Subject CUIC Section 926	Subject CUIC Section 926	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
C. Employer-paid FICA, SDI, and/or Medicare. Refer to Information Sheet: *Social Security/Medicare/SDI Taxes Paid by an Employer* (DE 231Q).	Subject CUIC Section 926	Subject CUIC Section 926	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
D. Employer-paid FICA and/or Medicare for domestic service in private home or agricultural labor. Refer to Information Sheet: *Social Security/ Medicare/SDI Taxes Paid by an Employer* (DE 231Q).	Not subject CUIC Section 935	Not subject CUIC Section 935	Not subject CUIC Section 13009(a) and 13009(b)	Reportable CUIC Section 13009.5
E. Benefits excluded from gross income under IRC Section 132 (i.e., services supplied to employees at no additional cost to the employer, discounts, parking, bus passes, athletic facilities, free coffee, moving expenses, qualified retirement planning services, etc.).	Not subject CUIC Section 938.3(c)	Not subject CUIC Section 938.3(c)	Not subject CUIC Section 13009(q)	Not reportable CUIC Section 13009.5
F. Rideshare subsidies defined in Revenue and Taxation Code (R&TC) Section 17149. Subsidies include vanpool, commuter bus, bus pool, etc.	Not subject unless the subsidies exceed the federal limits of IRC Section 132. CUIC Section 926	Not subject unless the subsidies exceed the federal limits of IRC Section 132. CUIC Section 926	Not subject CUIC Section 13009(q)	Not reportable CUIC Section 13009.5
Gifts of nominal value given as an expression of goodwill and not based on the rate of pay, length or degree of prior personal service, or required under union agreement or contract of hire.	Not subject CUIC Section 926 and CCR, Title 22 Section 926-2	Not subject CUIC Section 926 and CCR, Title 22 Section 926-2	Not subject CUIC Section 13009(q)	Not reportable CUIC Section 13009.5
Group Legal Services	Subject CUIC Section 926 and IRC Section 120	Subject CUIC Section 926 and IRC Section 120	Subject CUIC Section 13009	Reportable CUIC Section 13009.5

See page 35 for endnotes

Types of Payments	TREATMENT FOR TAX PURPOSES			
	Unemployment Insurance and Employment Training Tax[1]	State Disability Insurance	Personal Income Tax Withholding	Personal Income Tax Wages
Health Plans: A. Employer-provided coverage under accident or health plans or medical expense reimbursements.	Not subject CUIC Section 931	Not subject CUIC Section 931	Not subject (subject for 2% shareholder-employees of S corporations) CUIC Section 13009(q)	Not reportable (reportable for 2% shareholder-employees of S corporations) CUIC Section 13009.5
B. Employer-provided coverage under accident or health plans or medical expense reimbursements to an employee's registered domestic partner.	Subject CUIC Sections 926 and 939 unless qualifies as a dependent under IRC Section 152	Subject CUIC Sections 926 and 939 unless qualifies as a dependent under IRC Section 152	Not subject CUIC Section 13009(q)	Not reportable CUIC Section 13009.5
Health Savings Accounts (HSAs): Contributions as defined in IRC Section 106(d). A. Contributions to a HSA **not** under an IRC Section 125 Cafeteria Plan.	Subject CUIC Section 926	Subject CUIC Section 926	Subject CUIC Section 13009(q) and R&TC Section 17131.4	Reportable CUIC Section 13009.5 and R&TC Section 17131.4
B. Contributions to a HSA under an IRC Section 125 Cafeteria Plan.	Subject CUIC Section 926	Subject CUIC Section 926	Subject CUIC Section 13009(q) and R&TC Section 17131.5	Reportable CUIC Section 13009.5 and R&TC Section 17131.5
Life Insurance Premiums Paid on Behalf of Employees	Not subject CUIC Section 931(c)	Not subject CUIC Section 931(c)	Not subject if group-term life insurance. CUIC Section 13009(l)	Reportable if face value of group-term life insurance exceeds $50,000. CUIC Section 13009.5 refer to endnote 3
Lodging	Subject CUIC Section 926 and Title 22, CCR, Sections 926-3, 926-4, and 926-5	Subject CUIC Section 926 and Title 22, CCR, Sections 926-3, 926-4, and 926-5	Subject unless furnished on employer's premises, for the employer's convenience, and as a condition of employment. Title 22, CCR, Section 4309-1(b)(9)	Reportable unless furnished on employer's premises, for the employer's convenience, and as a condition of employment. CUIC Section 13009.5
Meals	Subject CUIC Section 926 and Title 22, CCR, Section 926-3, 926-4, and 926-5	Subject CUIC Section 926 and Title 22, CCR, Section 926-3, 926-4, and 926-5	Subject unless furnished for employer's convenience and on employer's premises. Title 22, CCR, Section 4309-1(b)(9)	Reportable unless furnished for employer's convenience and on employer's premises. CUIC Section 13009.5
Moving Expenses: A. Qualified expenses.	Not subject if you reasonably believe expenses are deductible by the employee under IRC Section 217. CUIC Section 937	Not subject if you reasonably believe expenses are deductible by the employee under IRC Section 217. CUIC Section 937	Not subject CUIC Section 13009(m) and IRC Section 217	Not reportable CUIC Section 13009.5 and IRC Section 217
B. Nonqualified expenses.	Subject CUIC Section 926	Subject CUIC Section 926	Subject CUIC Section 13009	Reportable CUIC Section 13009.5

See page 35 for endnotes

Types of Payments	TREATMENT FOR TAX PURPOSES			
	Unemployment Insurance and Employment Training Tax[1]	State Disability Insurance	Personal Income Tax Withholding	Personal Income Tax Wages
Noncash Payments: Refer to "Lodging" and "Meals" sections in this table.				
A. Household employees- For Personal Income Tax (PIT) wages, refer to Information Sheet: *Personal Income Tax Wages Reported on the Quarterly Report of Wages and Withholdings for Employers of Household Workers (DE 3BHW)* (DE 231PH).	Refer to *Household Employer's Guide* (DE 8829) or Information Sheet: *Household Employment* (DE 231L). Title 22, CCR, Section 926-3	Refer to *Household Employer's Guide* (DE 8829) or Information Sheet: *Household Employment* (DE 231L). Title 22, CCR, Section 926-3	Not subject[2] CUIC Section 13009(b)	Reportable[2] CUIC Section 13009.5
B. Services not in the course of employer's trade or business.	Not subject CUIC Section 936	Not subject CUIC Section 936	Not subject CUIC Section 13009(h)	Not reportable CUIC Section 13009.5
Railroad Retirement Tax Act and Railroad Unemployment Insurance Act (payments to employees covered by these acts).	Not subject CUIC Section 635	Not subject CUIC Section 635	Subject Title 22, CCR, Section 4304-1	Reportable CUIC Section 13009.5
Retirement and Pension Plans: Refer to Information Sheet: *Withholding From Pensions, Annuities, and Certain Other Deferred Income* (DE 231P).				
A. Payments from a qualified plan.[3]	Not subject CUIC Section 934	Not subject CUIC Section 934	Subject if employee is a California resident, unless recipient elects exemption from withholding. CUIC Section 13028	Not reportable CUIC Section 13009.5
B. Employee contributions to a qualified cash or deferred compensation plan as defined in IRC Section 401(k).	Subject CUIC Section 928.5(a)	Subject CUIC Section 928.5(a)	Not subject if payments are not includable in gross income for California income tax purposes. CUIC Section 13009(i)(5)	Not reportable if payments are not includable in gross income for California income tax purposes. CUIC Section 13009.5
C. Employer contributions to a qualified cash or deferred compensation plan as defined in IRC Section 401(k).	Not subject unless the contributions result from a salary reduction agreement. CUIC Section 934	Not subject unless the contributions result from a salary reduction agreement. CUIC Section 934	Not subject if payments are not includable in gross income for California income tax purposes. CUIC Section 13009(i)(1)	Not reportable if payments are not includable in gross income for California income tax purposes. CUIC Section 13009.5
D. Employer contributions to a Simplified Employee Plan-Individual Retirement Arrangement (SEP-IRA) as defined in IRC Section 408(k).	Not subject unless the contributions result from a salary reduction agreement. CUIC Section 934(c)	Not subject unless the contributions result from a salary reduction agreement. CUIC Section 934(c)	Not subject if payments are not includable in gross income for California income tax purposes. CUIC Section 13009(i)(1)	Not reportable if payments are not includable in gross income for California income tax purposes. CUIC Section 13009.5

See page 35 for endnotes

Types of Payments	TREATMENT FOR TAX PURPOSES			
	Unemployment Insurance and Employment Training Tax[1]	State Disability Insurance	Personal Income Tax Withholding	Personal Income Tax Wages
Retirement and Pension Plans: (cont.)				
E. Employer contributions to a Savings Incentive Match Plan for Employees of Small Employers Individual Retirement Account (SIMPLE IRA) as defined in IRC Section 408(p).	Not subject CUIC Section 934(d)	Not subject CUIC Section 934(d)	Not subject if payments are not includable in gross income for California income tax purposes. CUIC Section 13009(i)(2)	Not reportable if payments are not includable in gross income for California income tax purposes. CUIC Section 13009.5
F. Employee contributions to a SIMPLE IRA under salary reduction agreement as defined in IRC Section 408(p).	Subject CUIC Section 926	Subject CUIC Section 926	Not subject if payments are not includable in gross income for California income tax purpose. CUIC Section 13009(i)(2)	Not subject if payments are not includable in gross income for California income tax purpose. CUIC Section 13009.5
G. Employee contributions to a "Deemed IRA" as defined in IRC Section 498(q).	Subject CUIC Section 926	Subject CUIC Section 926	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
H. Employee contributions to a Roth contribution program as defined in IRC Section 402A.	Subject CUIC Section 926	Subject CUIC Section 926	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
I. Employer contributions to a qualified annuity contract as defined in IRC Section 403(a) (applies to IRC Section 501[c][3] organizations and public school employees).	Not subject CUIC Section 934(b)	Not subject CUIC Section 934(b)	Not subject CUIC Section 13009(i)(2)	Not reportable CUIC Section 13009.5
J. Employer contributions to a qualified annuity contract as defined in IRC Section 403(b) (applies to IRC Section 501[c][3] organizations and public school employers).	Not subject unless the contributions result from a salary reduction agreement. CUIC Section 934(e)	Not subject unless the contributions result from a salary reduction agreement. CUIC Section 934(e)	Not subject CUIC Section 13009(i)(2)	Not reportable CUIC Section 13009.5
K. Employer contributions under an exempt governmental deferred compensation plan as defined in IRC Section 3121(v)(3).	Not subject CUIC Section 934(f)	Not subject CUIC Section 934(f)	Not subject CUIC Section 13009(q)	Not reportable CUIC Section 13009.5
L. Employer contributions to certain nonqualified deferred compensation plans.	Subject at the time services are performed or when there is no substantial risk of a forfeiture of the right to the amount, whichever is later. CUIC Section 928.5(c)	Subject at the time services are performed or when there is no substantial risk of a forfeiture of the right to the amount, whichever is later. CUIC Section 928.5(c)	Subject CUIC Section 13009(q) and CUIC Section 13003(b)(4)	Reportable CUIC Section 13009.5 and CUIC Section 13003(b)(4)
M. Payments upon death or retirement for disability to employee or his/her dependent made under a plan providing for employees or a class or classes of employees.	Not subject CUIC Section 938	Not subject CUIC Section 938	Not subject CUIC Section 13009(q)	Not reportable CUIC Section 13009.5
Salary Advances	Subject at the time the advance is paid, **not** when it is deducted from future earnings (wage payments). CUIC Section 926	Subject at the time the advance is paid, **not** when it is deducted from future earnings (wage payments). CUIC Section 926	Subject at the time the advance is paid, **not** when it is deducted from future earnings (wage payments). CUIC Section 13009	Reportable at the time the advance is paid, **not** when it is deducted from future earnings (wage payments). CUIC Section 13009.5

See page 35 for endnotes

Types of Payments	TREATMENT FOR TAX PURPOSES			
	Unemployment Insurance and Employment Training Tax[1]	**State Disability Insurance**	**Personal Income Tax Withholding**	**Personal Income Tax Wages**
Scholarship Payments, Fellowship Grants, Tuition Reductions, or Stipend Award	Not subject if it is reasonable to believe that the benefit is excludable from gross income under IRC Section 117. CUIC Section 938.3(c)	Not subject if it is reasonable to believe that the benefit is excludable from gross income under IRC Section 117. CUIC Section 938.3(c)	Not subject if it is reasonable to believe that the benefit is excludable from gross income under IRC Section 117. CUIC Section 13009(q)	Not reportable if it is reasonable to believe that the benefit is excludable from gross income under IRC Section 117. CUIC Section 13009.5
Sickness or Injury Payments under:				
A. Workers' Compensation law.	Not subject CUIC Section 931(a)	Not subject CUIC Section 931(a)	Not subject CUIC Section 13009(q)	Not reportable CUIC Section 13009.5
B. Employer plans and contracts of insurance.	Not subject after the end of six calendar months after the calendar month employee last worked for employer. CUIC Section 933	Not subject after the end of six calendar months after the calendar month employee last worked for employer. CUIC Section 933	Subject to the extent the payments into the plan were made by the employer and were not included in the gross taxable income of the employee. CUIC Section 13009	Reportable to the extent the payments into the plan were made by the employer and were not included in the gross taxable income of the employee. CUIC Section 13009.5
C. Sick pay while employed.	Subject CUIC Section 931	Subject CUIC Section 931	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
D. A plan entirely funded by employees.	Not subject CUIC Section 926	Not subject CUIC Section 926	Not subject CUIC Section 13009(q)	Not reportable CUIC Section 13009.5
Sick Pay Paid by Third-Party Payers such as insurance companies and trusts: Reporting is the responsibility of the last employer if timely notified by the payer. Refer to Information Sheet: *Third-Party Sick Pay* (DE 231R).				
A. Third-party payer notifies the recipient's last employer within 15 days after payment. Refer to *Request for State Income Tax Withholding from Sick Pay* (DE 4S).	Subject – recipient's employer is responsible for reporting UI and ETT. CUIC Section 931.5	Not subject CUIC Section 931.5	Subject if employee requests withholding by filing form DE 4S with the third-party who is responsible for reporting PIT withholding. CUIC Section 931.5 and 13028.6	Reportable – recipient's employer is responsible for reporting PIT wages. CUIC Section 13009.5(a)(3)(A)
B. Third-party payer **does not** notify the recipient's last employer within 15 days after payment. Third-party payer is responsible for reporting UI, ETT, any voluntary PIT withholding, and PIT wages.	Subject – third-party payer is responsible for reporting UI and ETT. CUIC Section 931.5	Not subject – neither employer nor third-party payer are required to report. CUIC Section 931.5	Subject if employee requests withholding by filing form DE 4S with the third-party payer. CUIC Section 931.5 and 13028.6(c)	Reportable – third-party payer is responsible for reporting PIT wages. CUIC Section 13009.5(a)(3)(B)

See page 35 for endnotes

Types of Payments	TREATMENT FOR TAX PURPOSES			
	Unemployment Insurance and Employment Training Tax[1]	State Disability Insurance	Personal Income Tax Withholding	Personal Income Tax Wages
Sick Pay Paid by Third-Party Payers (cont.) C. Sick pay paid after the end of six calendar months after the calendar month the employee last worked for the employer, and the third-party payer notifies the recipient's last employer within 15 days after payment.	Not subject – neither employer nor third-party payer are required to report. CUIC Section 933	Not subject – neither employer nor third-party payer are required to report. CUIC Section 933	Subject if employee requests withholding by filing form DE 4S with the third-party who is responsible for reporting PIT withholding. CUIC Sections 931.5 and 13028.6(c)	Reportable – recipient's employer is responsible for reporting PIT wages. CUIC Section 13009.5(a)(3)(A)
D. Sick pay paid after the end of six calendar months after the calendar month the employee last worked for the employer, and the third-party payer **does not** notify the recipient's last employer within 15 days after payment.	Not subject – neither employer nor third-party payer is required to report. CUIC Section 933	Not subject – neither employer nor third-party payer is required to report. CUIC Section 933	Subject if employee requests withholding by filing form DE 4S with the third-party payer. CUIC Section 13009	Reportable – third-party payer is responsible for reporting PIT wages. CUIC Section 13009.5(a)(3)(B)
Stock Options: Refer to page 14 and Information Sheet: *Stock Options* (DE 231SK) A. Incentive Stock Option (ISO): • Qualifying Disposition (after minimum holding period).	Not subject CUIC Section 928	Not subject CUIC Section 928	Not subject CUIC Section 13003(b)(4) and 13009	Not reportable CUIC Section 13009
• Disqualifying Disposition.	Not subject CUIC Section 928	Not subject CUIC Section 928	Not subject CUIC Section 13003(b)(4) and 13009	Reportable when disposed CUIC Section 13009
B. Employee Stock Purchase Plan (ESPP): • Qualifying Disposition.	Not subject CUIC Section 928	Not subject CUIC Section 928	Not subject CUIC Section 13003(b)(4) and 13009	Not reportable CUIC Section 13009
• Disqualifying Disposition.	Not subject CUIC Section 928	Not subject CUIC Section 928	Not subject CUIC Section 13003(b)(4) and 13009	Reportable when disposed CUIC Section 13009
C. Nonstatutory Stock Option (NSO): • With Readily Ascertainable Fair Market Value when granted.	Subject when granted CUIC Section 928	Subject when granted CUIC Section 928	Subject when granted CUIC Section 13003(b)(4) and 13009	Reportable when granted CUIC Section 13009
• Without Readily Ascertainable Fair Market Value when granted.	Subject when exercised CUIC Section 928	Subject when exercised CUIC Section 928	Subject when exercised CUIC Section 13003(b)(4) and 13009	Reportable when exercised CUIC Section 13009

See page 35 for endnotes

Types of Payments	TREATMENT FOR TAX PURPOSES			
	Unemployment Insurance and Employment Training Tax[1]	State Disability Insurance	Personal Income Tax Withholding	Personal Income Tax Wages
Stock Options: (cont.) D. California Qualified Stock Option: • Defined by R&TC Section 17502.	Not subject CUIC Section 928	Not subject CUIC Section 928	Not subject CUIC Section 13003(b)(4)	Not reportable CUIC Section 13009
• Not defined by R&TC Section 17502.	Same treatment as NSO	Same treatment as NSO	Same treatment as NSO	Same treatment as NSO
Supplemental Unemployment Compensation Plan Benefits paid under an employer's plan.	Not subject CUIC Section 1265	Not subject CUIC Section 1265	Subject CUIC Section 13028.5	Reportable Section 13009.5
Supplemental Wages	Subject CUIC Section 926	Subject CUIC Section 926	Subject- refer to page 14. CUIC Section 13009	Reportable - refer to page 14. CUIC Section 13009.5
Tips: Refer to Information Sheet: *Tips* (DE 231T) A. Cash tips that are received by the employee while performing services in employment **and** included in a written statement furnished to the employer.	Subject if $20 or more in a month. CUIC Section 927 and Title 22, CCR, Section 927-1	Subject if $20 or more in a month. CUIC Section 927 and Title 22, CCR, Section 927-1	Subject if $20 or more in a month. CUIC Section 13009 and 13009(n)(2)	Reportable if $20 or more in a month. CUIC Section 13009.5
B. Employer controlled tips, such as banquet tips, that are received by the employee from the employer while performing services in employment.	Subject CUIC Section 926	Subject CUIC Section 926	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
C. Noncash tips.	Not subject IRC Section 3121(a)(12)(A)	Not subject IRC Section 3121(a)(12)(A)	Not subject CUIC Section 13009(n)(1)	Not reportable CUIC Section 13009.5
Tuition Programs Payments as defined in R&TC Section 17140, including Golden State Scholarshare Trust. A. Contribution to trust by participant.	Not subject CUIC Section 926	Not subject CUIC Section 926	Not subject CUIC Section 13009(q)	Not reportable CUIC Section 13009.5
B. Contribution to trust by participant's employer.	Subject CUIC Section 926 and R&TC Section 17140(c)(2)	Subject CUIC Section 926 and R&TC Section 17140(c)(2)	Subject CUIC Section 13009(q)	Reportable CUIC Section 13009.5
C. Distribution from trust to school or participant for educational expenses.	Not subject CUIC Section 926	Not subject CUIC Section 926	Not subject CUIC Section 13009(q)	Not reportable CUIC Section 13009.5

See page 35 for endnotes

Types of Payments	TREATMENT FOR TAX PURPOSES			
	Unemployment Insurance and Employment Training Tax[1]	State Disability Insurance	Personal Income Tax Withholding	Personal Income Tax Wages
Vacation Pay, Sick Pay, and Holiday Pay Only when earned, but not paid, prior to termination of employment due to a voluntary quit, discharge, or layoff due to lack of work with no specific date to return to work.	Not subject CUIC Section 1265.5, 1265.6, and 1265.7	Not subject CUIC Section 1265.5, 1265.6, and 1265.7	Subject CUIC Section 13009	Reportable CUIC Section 13009.5
Worker Adjustment and Retraining Notification (WARN) Payments received by an individual from an employer who has failed to provide the advance notice of a facility closure as required by federal and California WARN legislation.	Not subject CUIC Section 1265.1	Not subject CUIC Section 1265.1	Subject CUIC Section 13009(q)	Reportable CUIC Section 13009.5
Workers' Compensation	Not subject CUIC Section 931(a)	Not subject CUIC Section 931(a)	Not subject CUIC Section 13009(q)	Not reportable CUIC Section 13009.5

1 Employers who have elected the "cost of benefit reimbursable method" of financing Unemployment Insurance contributions or who have a negative reserve account balance are not required to contribute to the Employment Training Tax fund.

2 Subject if employer and employee voluntarily agree to withhold California PIT.

3 Pension, annuity, and other deferred income distributions reported on Form 1099-R.

4 Employer should report the same amount as PIT wages that is reported for federal income tax wages.

5 California Assembly Bill (AB) 36 was signed by Governor Brown on April 7, 2011. This bill brings California into conformity with the Federal government regarding the Health Care Acts of 2010 for State income tax purposes. State law provisions will no longer consider health care payments for adult children as income for California PIT purposes and therefore not subject to California PIT withholding.

NOTE: A registered domestic partner means an individual partner in a domestic relationship within the meaning of Section 297 of the Family Code.

The California Unemployment Insurance Code is available online at **www.leginfo.ca.gov/calaw.html**.

Subscribe to the EDD's free e-mail subscription services
www.edd.ca.gov/about_EDD/Get_Email_Notices.htm

CALIFORNIA WITHHOLDING SCHEDULES FOR 2012

California provides two methods for determining the amount of wages and salaries to be withheld for state personal income tax:

- METHOD A - WAGE BRACKET TABLE METHOD **(Limited to wages/salaries less than $1 million)**
- METHOD B - EXACT CALCULATION METHOD

METHOD A provides a quick and easy way to select the appropriate withholding amount, based on the payroll period, filing status, and number of withholding allowances (regular and additional) if claimed. The STANDARD DEDUCTION and EXEMPTION ALLOWANCE CREDIT are **already** included in the wage bracket tables. Even though this method involves fewer computations than Method B, it cannot be used with your computer in determining amounts to be withheld.

METHOD B may be used to calculate withholding amounts either manually or by computer. This method will give an exact amount of tax to withhold. To use this method, you must enter the payroll period, filing status, number of withholding allowances, standard deduction, and exemption allowance credit amounts. These amounts are included in TABLES 1 through 5 of the EXACT CALCULATION Section.

If there are any questions concerning the operation/methodology of Method B for computer software, you may contact:

Franchise Tax Board, Statistical Research Section – 516, Mail Stop A-351
P.O. Box 942840, Sacramento, CA 94240.

SPECIAL NOTE FOR MARRIED EMPLOYEES WITH EMPLOYED SPOUSES: to avoid underwithholding of State income tax liability we recommend that you use one of the following options: Single filing status to compute withholding amounts for the employee and spouse; **or** withhold an additional flat amount of tax.

Instructions for additional withholding allowances for estimated deductions:

All additional allowances for ESTIMATED DEDUCTIONS that are claimed on a DE 4 must be used to reduce the amount salaries and wages subject to withholding by using steps 1 and 2 shown below. If the Form W-4 is used for California withholding purposes, all additional allowances for ESTIMATED DEDUCTIONS claimed must be treated as regular withholding allowances; **unless** the employee requests in writing that they be treated in accordance with the following:

1. Subtract the employee's estimated deduction allowance shown in the "TABLE 2 - ESTIMATED DEDUCTION TABLE" from the gross wages subject to withholding; and

2. Compute the tax to be withheld using:

   METHOD A - WAGE BRACKET TABLE METHOD; or
   METHOD B - EXACT CALCULATION METHOD

If the DE 4 is used for California withholding purposes, compute the tax to be deducted and withheld based on the total number of regular withholding allowances claimed on line 1 of DE 4.

If the Form W-4 is used for California withholding purposes, compute the tax to be deducted and withheld based on the total number of withholding allowances claimed on line 1 of Form W-4; minus the number of additional allowances for estimated deductions claimed. If Form W-4 does not separately identify the number of additional allowances for estimated deductions, the employee's request must specify the number claimed. The employee's request will remain in effect until the employee terminates it by furnishing a signed written notice or by furnishing a DE 4.

Employers may require employees to file DE 4 when they wish to use additional allowances for estimated deductions to reduce the amount of wages subject to withholding.

CALIFORNIA WITHHOLDING SCHEDULES FOR 2012

METHOD A - WAGE BRACKET TABLE METHOD

To determine the amount of tax to be withheld follow these steps:

Step 1 Determine if the employee's gross wages are **less** than, or equal to, the amount shown in “TABLE 1 - LOW INCOME EXEMPTION TABLE”. If so, no income tax is required to be withheld.

Step 2 If the employee claims any additional withholding allowances for deductions, subtract the amount shown in "TABLE 2 - ESTIMATED DEDUCTION TABLE" from the gross wages.

Step 3 Subtract the number of additional withholding allowances from the total allowances to obtain the net allowances for tax computational purposes.

Step 4 Refer to the correct wage bracket table to arrive at the amount of tax to be withheld.

EXAMPLE A: METHOD A - WAGE BRACKET TABLE METHOD. Weekly earnings of $900.00, married, and claiming five withholding allowances on form W-4 or DE 4, three of which are for estimated deductions.

Step 1 Earnings for the weekly pay period of $900.00 are GREATER than the amount shown in “TABLE 1 - LOW INCOME EXEMPTION TABLE” ($482.00); therefore, income tax should be withheld.

Step 2	Earnings for the payroll period	$900.00
	Subtract amount from “TABLE 2 - ESTIMATED DEDUCTION TABLE”	-58.00
	Salaries and wages subject to withholding	$842.00
Step 3	Total number of withholding allowances claimed	5
	Subtract number of estimated deduction allowances claimed	-3
	Net allowances for tax computation purposes	2
Step 4	Refer to the appropriate wage bracket table (weekly taxable earnings of $842.00 with two deductions) to arrive at the amount of tax to be withheld.	$8.91

EXAMPLE B: METHOD A - WAGE BRACKET TABLE METHOD. Monthly earnings of $3,400.00, married, and claiming six withholding allowances on Form W-4 or DE 4, two of which are for estimated deductions.

Step 1 Earnings for the monthly payroll period are GREATER than the amount shown in "TABLE 1 – LOW INCOME EXEMPTION TABLE" ($2,088.00); therefore, income tax should be withheld.

Step 2	Earnings for the payroll period.	$3,400.00
	Subtract amount from “TABLE 2 - ESTIMATED DEDUCTION TABLE”.	-167.00
	Salaries and wages subject to withholding.	$3,233.00
Step 3	Total number of withholding allowances claimed.	6
	Subtract number of estimated deduction allowances claimed.	-2
	Net allowances for tax computation purposes.	4
Step 4	Refer to the appropriate wage bracket table (monthly taxable earnings of $3,233.00 with four deductions) to arrive at the amount of tax to be withheld.	$6.86

TABLE 1 - LOW INCOME EXEMPTION TABLE

PAYROLL PERIOD	SINGLE, DUAL INCOME MARRIED OR MARRIED WITH MULTIPLE EMPLOYERS	MARRIED ALLOWANCES ON DE 4 OR W-4 '0' OR '1'	MARRIED ALLOWANCES ON DE 4 OR W-4 '2' OR MORE	UNMARRIED HEAD OF HOUSEHOLD
WEEKLY	$241	$241	$482	$482
BIWEEKLY	$482	$482	$964	$964
SEMI-MONTHLY	$522	$522	$1,044	$1,044
MONTHLY	$1,044	$1,044	$2,088	$2,088
QUARTERLY	$3,132	$3,132	$6,264	$6,264
SEMI-ANNUAL	$6,264	$6,264	$12,527	$12,527
ANNUAL	$12,527	$12,527	$25,054	$25,054
DAILY/MISCELLANEOUS	$48	$48	$96	$96

TABLE 2 - ESTIMATED DEDUCTION TABLE

ADDITIONAL WITHHOLDING ALLOWANCES *	PAYROLL PERIOD WEEKLY	BI-WEEKLY	SEMI-MONTHLY	MONTHLY	QUARTERLY	SEMI-ANNUAL	ANNUAL	DAILY/ MISC.
1	$19	$38	$42	$83	$250	$500	$1,000	$4
2	$38	$77	$83	$167	$500	$1,000	$2,000	$8
3	$58	$115	$125	$250	$750	$1,500	$3,000	$12
4	$77	$154	$167	$333	$1,000	$2,000	$4,000	$15
5	$96	$192	$208	$417	$1,250	$2,500	$5,000	$19
6	$115	$231	$250	$500	$1,500	$3,000	$6,000	$23
7	$135	$269	$292	$583	$1,750	$3,500	$7,000	$27
8	$154	$308	$333	$667	$2,000	$4,000	$8,000	$31
9	$173	$346	$375	$750	$2,250	$4,500	$9,000	$35
10**	$192	$385	$417	$833	$2,500	$5,000	$10,000	$38

* Number of Additional Withholding Allowances for Estimated Deductions claimed on Form DE-4 or W-4.

* * If the number of Additional Withholding Allowances for Estimated Deductions claimed is greater than 10, multiply the amount shown for one Additional Allowance by the number claimed.

SINGLE PERSONS, DUAL INCOME MARRIED
OR MARRIED WITH MULTIPLE EMPLOYERS----WEEKLY PAYROLL PERIOD

FOR WAGES PAID IN 2012

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$160											
160	170	1.02										
170	180	1.13										
180	190	1.24										
190	200	1.35										
200	210	1.46										
210	220	1.58										
220	230	1.80										
230	240	2.02										
240	250	2.24	0.09									
250	260	2.46	0.31									
260	270	2.68	0.53									
270	280	2.90	0.75									
280	290	3.12	0.97									
290	300	3.34	1.19									
300	310	3.56	1.41									
310	320	3.78	1.63									
320	330	4.00	1.85									
330	340	4.22	2.07									
340	350	4.44	2.29	0.13								
350	360	4.66	2.51	0.35								
360	370	4.88	2.73	0.57								
370	380	5.10	2.95	0.79								
380	390	5.32	3.17	1.01								
390	400	5.54	3.39	1.23								
400	410	5.76	3.61	1.45								
410	420	6.17	4.02	1.86								
420	430	6.61	4.46	2.30	0.14							
430	440	7.05	4.90	2.74	0.58							
440	460	7.71	5.56	3.40	1.24							
460	480	8.59	6.44	4.28	2.12							
480	500	9.47	7.32	5.16	3.00	0.85						
500	520	10.35	8.20	6.04	3.88	1.73						
520	540	11.23	9.08	6.92	4.76	2.61	0.45					
540	560	12.11	9.96	7.80	5.64	3.49	1.33					
560	580	12.99	10.84	8.68	6.52	4.37	2.21	0.06				
580	600	13.87	11.72	9.56	7.40	5.25	3.09	0.94				
600	620	15.01	12.85	10.69	8.54	6.38	4.23	2.07				
620	640	16.33	14.17	12.01	9.86	7.70	5.55	3.39	1.23			
640	680	18.31	16.15	13.99	11.84	9.68	7.53	5.37	3.21	1.06		
680	720	20.95	18.79	16.63	14.48	12.32	10.17	8.01	5.85	3.70	1.54	
720	760	23.59	21.43	19.27	17.12	14.96	12.81	10.65	8.49	6.34	4.18	2.03
760	800	26.23	24.07	21.91	19.76	17.60	15.45	13.29	11.13	8.98	6.82	4.67
800	840	29.23	27.07	24.92	22.76	20.60	18.45	16.29	14.14	11.98	9.82	7.67
840	880	32.75	30.59	28.44	26.28	24.12	21.97	19.81	17.66	15.50	13.34	11.19
880	920	36.27	34.11	31.96	29.80	27.64	25.49	23.33	21.18	19.02	16.86	14.71
920	960	39.79	37.63	35.48	33.32	31.16	29.01	26.85	24.70	22.54	20.38	18.23
960	1000	43.31	41.15	39.00	36.84	34.68	32.53	30.37	28.22	26.06	23.90	21.75
1000	1040	47.17	45.01	42.85	40.70	38.54	36.39	34.23	32.07	29.92	27.76	25.61
1040	1080	51.26	49.10	46.95	44.79	42.63	40.48	38.32	36.17	34.01	31.85	29.70
1080	1120	55.35	53.19	51.04	48.88	46.73	44.57	42.41	40.26	38.10	35.95	33.79

1120 and over (Table Amount PLUS 10.23 Percent of the Amount Over 1100)

MARRIED PERSONS----WEEKLY PAYROLL PERIOD

FOR WAGES PAID IN 2012

IF WAGES ARE...		AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...										
AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$160											
160	170	1.02										
170	180	1.13										
180	190	1.24										
190	200	1.35										
200	210	1.46										
210	220	1.57										
220	230	1.68										
230	240	1.79										
240	250	1.90										
250	260	2.01										
260	270	2.12										
270	280	2.23	0.07									
280	290	2.34	0.18									
290	300	2.45	0.29									
300	310	2.56	0.40									
310	320	2.67	0.51									
320	330	2.78	0.62									
330	340	2.89	0.73									
340	350	3.00	0.84									
350	360	3.11	0.96									
360	370	3.33	1.18									
370	380	3.55	1.40									
380	390	3.77	1.62									
390	400	3.99	1.84									
400	410	4.21	2.06									
410	420	4.43	2.28									
420	430	4.65	2.50									
430	440	4.87	2.72									
440	460	5.20	3.05									
460	480	5.64	3.49									
480	500	6.08	3.93	0.18								
500	520	6.52	4.37	0.62								
520	540	6.96	4.81	1.06								
540	560	7.40	5.25	1.50								
560	580	7.84	5.69	1.94								
580	600	8.28	6.13	2.38	0.22							
600	620	8.72	6.57	2.82	0.66							
620	640	9.16	7.01	3.26	1.10							
640	660	9.60	7.45	3.70	1.54							
660	680	10.04	7.89	4.14	1.98							
680	700	10.48	8.33	4.58	2.42	0.26						
700	720	10.92	8.77	5.02	2.86	0.70						
720	740	11.36	9.21	5.46	3.30	1.14						
740	760	12.01	9.86	5.90	3.74	1.58						
760	780	12.89	10.74	6.34	4.18	2.02						
780	800	13.77	11.62	6.78	4.62	2.46	0.31					
800	820	14.65	12.50	7.22	5.06	2.90	0.75					
820	840	15.53	13.38	8.03	5.88	3.72	1.56					
840	860	16.41	14.26	8.91	6.76	4.60	2.44	0.29				
860	880	17.29	15.14	9.79	7.64	5.48	3.32	1.17				

--- CONTINUED NEXT PAGE ---

MARRIED PERSONS----WEEKLY PAYROLL PERIOD

FOR WAGES PAID IN 2012

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
880	900	18.17	16.02	10.67	8.52	6.36	4.20	2.05				
900	920	19.05	16.90	11.55	9.40	7.24	5.08	2.93	0.77			
920	940	19.93	17.78	12.43	10.28	8.12	5.96	3.81	1.65			
940	960	20.81	18.66	13.31	11.16	9.00	6.84	4.69	2.53	0.38		
960	980	21.69	19.54	14.19	12.04	9.88	7.72	5.57	3.41	1.26		
980	1000	22.57	20.42	15.07	12.92	10.76	8.60	6.45	4.29	2.14		
1000	1020	23.45	21.30	15.95	13.80	11.64	9.48	7.33	5.17	3.02	0.86	
1020	1040	24.33	22.18	16.83	14.68	12.52	10.36	8.21	6.05	3.90	1.74	
1040	1060	25.21	23.06	17.71	15.56	13.40	11.24	9.09	6.93	4.78	2.62	0.46
1060	1080	26.09	23.94	18.59	16.44	14.28	12.12	9.97	7.81	5.66	3.50	1.34
1080	1100	26.97	24.82	19.47	17.32	15.16	13.00	10.85	8.69	6.54	4.38	2.22
1100	1120	27.85	25.70	20.35	18.20	16.04	13.88	11.73	9.57	7.42	5.26	3.10
1120	1140	28.85	26.70	21.23	19.08	16.92	14.76	12.61	10.45	8.30	6.14	3.98
1140	1180	30.83	28.68	22.55	20.40	18.24	16.08	13.93	11.77	9.62	7.46	5.30
1180	1220	33.47	31.32	24.38	22.22	20.07	17.91	15.75	13.60	11.44	9.29	7.13
1220	1260	36.11	33.96	27.02	24.86	22.71	20.55	18.39	16.24	14.08	11.93	9.77
1260	1300	38.75	36.60	29.66	27.50	25.35	23.19	21.03	18.88	16.72	14.57	12.41
1300	1340	41.39	39.24	32.30	30.14	27.99	25.83	23.67	21.52	19.36	17.21	15.05
1340	1380	44.03	41.88	34.94	32.78	30.63	28.47	26.31	24.16	22.00	19.85	17.69
1380	1420	46.67	44.52	37.58	35.42	33.27	31.11	28.95	26.80	24.64	22.49	20.33
1420	1460	49.31	47.16	40.22	38.06	35.91	33.75	31.59	29.44	27.28	25.13	22.97
1460	1500	51.95	49.80	42.86	40.70	38.55	36.39	34.23	32.08	29.92	27.77	25.61
1500	1540	54.59	52.44	45.50	43.34	41.19	39.03	36.87	34.72	32.56	30.41	28.25
1540	1580	57.80	55.64	48.14	45.98	43.83	41.67	39.51	37.36	35.20	33.05	30.89
1580	1620	61.32	59.16	50.78	48.62	46.47	44.31	42.15	40.00	37.84	35.69	33.53
1620	1660	64.84	62.68	54.15	51.99	49.83	47.68	45.52	43.37	41.21	39.05	36.90
1660	1700	68.36	66.20	57.67	55.51	53.35	51.20	49.04	46.89	44.73	42.57	40.42
1700	1740	71.88	69.72	61.19	59.03	56.87	54.72	52.56	50.41	48.25	46.09	43.94
1740	1780	75.40	73.24	64.71	62.55	60.39	58.24	56.08	53.93	51.77	49.61	47.46
1780	1820	78.92	76.76	68.23	66.07	63.91	61.76	59.60	57.45	55.29	53.13	50.98
1820	1860	82.44	80.28	71.75	69.59	67.43	65.28	63.12	60.97	58.81	56.65	54.50
1860	1900	85.96	83.80	75.27	73.11	70.95	68.80	66.64	64.49	62.33	60.17	58.02
1900	1940	89.48	87.32	78.79	76.63	74.47	72.32	70.16	68.01	65.85	63.69	61.54
1940	1980	93.56	91.40	82.31	80.15	77.99	75.84	73.68	71.53	69.37	67.21	65.06
1980	2020	97.65	95.50	85.93	83.77	81.61	79.46	77.30	75.15	72.99	70.83	68.68
2020	2060	101.74	99.59	90.02	87.86	85.71	83.55	81.39	79.24	77.08	74.93	72.77
2060	2100	105.84	103.68	94.11	91.95	89.80	87.64	85.49	83.33	81.17	79.02	76.86
2100	2140	109.93	107.77	98.20	96.05	93.89	91.73	89.58	87.42	85.27	83.11	80.95
2140	2180	114.02	111.86	102.29	100.14	97.98	95.83	93.67	91.51	89.36	87.20	85.05
2180	2220	118.11	115.96	106.39	104.23	102.07	99.92	97.76	95.61	93.45	91.29	89.14

2220 and over (Table Amount PLUS 10.23 Percent of the Amount Over 2200)

UNMARRIED HEAD OF HOUSEHOLD----WEEKLY PAYROLL PERIOD

FOR WAGES PAID IN 2012

IF WAGES ARE...		AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...										
AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$250											
250	260	1.21										
260	270	1.32										
270	280	1.43										
280	290	1.54										
290	300	1.65										
300	310	1.76										
310	320	1.87										
320	330	1.98										
330	340	2.09										
340	350	2.20	0.04									
350	360	2.31	0.15									
360	370	2.42	0.26									
370	380	2.53	0.37									
380	390	2.64	0.48									
390	400	2.75	0.59									
400	410	2.86	0.70									
410	420	2.97	0.81									
420	430	3.08	0.92									
430	440	3.28	1.12									
440	450	3.50	1.34									
450	460	3.72	1.56									
460	470	3.94	1.78									
470	480	4.16	2.00									
480	490	4.38	2.22	0.07								
490	500	4.60	2.44	0.29								
500	520	4.93	2.77	0.62								
520	540	5.37	3.21	1.06								
540	560	5.81	3.65	1.50								
560	580	6.25	4.09	1.94								
580	600	6.69	4.53	2.38	0.22							
600	620	7.13	4.97	2.82	0.66							
620	640	7.57	5.41	3.26	1.10							
640	660	8.01	5.85	3.70	1.54							
660	680	8.45	6.29	4.14	1.98							
680	700	8.89	6.73	4.58	2.42	0.26						
700	740	9.55	7.39	5.24	3.08	0.92						
740	780	10.43	8.27	6.12	3.96	1.80						
780	820	11.31	9.15	7.00	4.84	2.68	0.53					
820	860	12.81	10.65	8.49	6.34	4.18	2.03					
860	900	14.57	12.41	10.25	8.10	5.94	3.79	1.63				
900	950	16.55	14.39	12.23	10.08	7.92	5.77	3.61	1.45			
950	1000	18.75	16.59	14.43	12.28	10.12	7.97	5.81	3.65	1.50		
1000	1050	21.39	19.23	17.07	14.92	12.76	10.61	8.45	6.29	4.14	1.98	
1050	1100	24.69	22.53	20.37	18.22	16.06	13.91	11.75	9.59	7.44	5.28	3.13
1100	1150	27.99	25.83	23.67	21.52	19.36	17.21	15.05	12.89	10.74	8.58	6.43
1150	1200	31.29	29.13	26.97	24.82	22.66	20.51	18.35	16.19	14.04	11.88	9.73
1200	1250	34.94	32.78	30.63	28.47	26.32	24.16	22.00	19.85	17.69	15.54	13.38
1250	1300	39.34	37.18	35.03	32.87	30.72	28.56	26.40	24.25	22.09	19.94	17.78
1300	1400	45.94	43.78	41.63	39.47	37.32	35.16	33.00	30.85	28.69	26.54	24.38
1400	1500	55.43	53.27	51.11	48.96	46.80	44.65	42.49	40.33	38.18	36.02	33.87

1500 and over (Table Amount PLUS 10.23 Percent of the Amount Over 1450)

SINGLE PERSONS, DUAL INCOME MARRIED
OR MARRIED WITH MULTIPLE EMPLOYERS----BIWEEKLY PAYROLL PERIOD

FOR WAGES PAID IN 2012

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$260											
260	280	1.38										
280	300	1.60										
300	320	1.82										
320	340	2.04										
340	360	2.26										
360	380	2.48										
380	400	2.70										
400	420	2.92										
420	440	3.17										
440	460	3.61										
460	480	4.05										
480	500	4.49	0.18									
500	520	4.93	0.62									
520	540	5.37	1.06									
540	560	5.81	1.50									
560	580	6.25	1.94									
580	600	6.69	2.38									
600	620	7.13	2.82									
620	640	7.57	3.26									
640	660	8.01	3.70									
660	680	8.45	4.14									
680	700	8.89	4.58	0.26								
700	720	9.33	5.02	0.70								
720	740	9.77	5.46	1.14								
740	760	10.21	5.90	1.58								
760	780	10.65	6.34	2.02								
780	800	11.09	6.78	2.46								
800	820	11.53	7.22	2.90								
820	860	12.78	8.47	4.16								
860	900	14.54	10.23	5.92	1.61							
900	940	16.30	11.99	7.68	3.37							
940	980	18.06	13.75	9.44	5.13	0.82						
980	1020	19.82	15.51	11.20	6.89	2.58						
1020	1070	21.80	17.49	13.18	8.87	4.56	0.24					
1070	1120	24.00	19.69	15.38	11.07	6.76	2.44					
1120	1170	26.20	21.89	17.58	13.27	8.96	4.64	0.33				
1170	1220	28.40	24.09	19.78	15.47	11.16	6.84	2.53				
1220	1270	31.66	27.35	23.04	18.72	14.41	10.10	5.79	1.48			
1270	1320	34.96	30.65	26.34	22.02	17.71	13.40	9.09	4.78	0.46		
1320	1370	38.26	33.95	29.64	25.32	21.01	16.70	12.39	8.08	3.76		
1370	1420	41.56	37.25	32.94	28.62	24.31	20.00	15.69	11.38	7.06	2.75	
1420	1470	44.86	40.55	36.24	31.92	27.61	23.30	18.99	14.68	10.36	6.05	1.74
1470	1520	48.16	43.85	39.54	35.22	30.91	26.60	22.29	17.98	13.66	9.35	5.04
1520	1620	53.11	48.80	44.49	40.17	35.86	31.55	27.24	22.93	18.61	14.30	9.99
1620	1720	61.10	56.79	52.47	48.16	43.85	39.54	35.23	30.91	26.60	22.29	17.98
1720	1820	69.90	65.59	61.27	56.96	52.65	48.34	44.03	39.71	35.40	31.09	26.78
1820	1920	78.70	74.39	70.07	65.76	61.45	57.14	52.83	48.51	44.20	39.89	35.58
1920	2020	87.50	83.19	78.87	74.56	70.25	65.94	61.63	57.31	53.00	48.69	44.38
2020	2120	97.40	93.09	88.78	84.46	80.15	75.84	71.53	67.22	62.90	58.59	54.28
2120	2220	107.63	103.32	99.01	94.69	90.38	86.07	81.76	77.45	73.13	68.82	64.51

2220 and over (Table Amount PLUS 10.23 Percent of the Amount Over 2170)

FOR WAGES PAID IN 2012

IF WAGES ARE...		AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...										
AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$260											
260	280	1.38										
280	300	1.60										
300	320	1.82										
320	340	2.04										
340	360	2.26										
360	380	2.48										
380	400	2.70										
400	420	2.92										
420	440	3.14										
440	460	3.36										
460	480	3.58										
480	500	3.80										
500	520	4.02										
520	540	4.24										
540	560	4.46	0.14									
560	580	4.68	0.36									
580	600	4.90	0.58									
600	620	5.12	0.80									
620	640	5.34	1.02									
640	660	5.56	1.24									
660	680	5.78	1.46									
680	700	6.00	1.68									
700	720	6.23	1.91									
720	740	6.67	2.35									
740	760	7.11	2.79									
760	780	7.55	3.23									
780	800	7.99	3.67									
800	820	8.43	4.11									
820	840	8.87	4.55									
840	860	9.31	4.99									
860	880	9.75	5.43									
880	900	10.19	5.87									
900	920	10.63	6.31									
920	940	11.07	6.75									
940	960	11.51	7.19									
960	980	11.95	7.63	0.13								
980	1000	12.39	8.07	0.57								
1000	1020	12.83	8.51	1.01								
1020	1060	13.49	9.17	1.67								
1060	1100	14.37	10.05	2.55								
1100	1140	15.25	10.93	3.43								
1140	1180	16.13	11.81	4.31								
1180	1220	17.01	12.69	5.19	0.88							
1220	1260	17.89	13.57	6.07	1.76							
1260	1300	18.77	14.45	6.95	2.64							
1300	1340	19.65	15.33	7.83	3.52							
1340	1380	20.53	16.21	8.71	4.40	0.09						
1380	1420	21.41	17.09	9.59	5.28	0.97						
1420	1460	22.29	17.97	10.47	6.16	1.85						
1460	1500	23.17	18.85	11.35	7.04	2.73						

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FOR WAGES PAID IN 2012

IF WAGES ARE...		AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...										
AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
1500	1540	24.91	20.59	12.23	7.92	3.61						
1540	1580	26.67	22.35	13.11	8.80	4.49	0.18					
1580	1620	28.43	24.11	13.99	9.68	5.37	1.06					
1620	1660	30.19	25.87	15.18	10.87	6.56	2.25					
1660	1700	31.95	27.63	16.94	12.63	8.32	4.01					
1700	1740	33.71	29.39	18.70	14.39	10.08	5.77	1.46				
1740	1780	35.47	31.15	20.46	16.15	11.84	7.53	3.22				
1780	1820	37.23	32.91	22.22	17.91	13.60	9.29	4.98	0.66			
1820	1860	38.99	34.67	23.98	19.67	15.36	11.05	6.74	2.42			
1860	1900	40.75	36.43	25.74	21.43	17.12	12.81	8.50	4.18			
1900	1940	42.51	38.19	27.50	23.19	18.88	14.57	10.26	5.94	1.63		
1940	1980	44.27	39.95	29.26	24.95	20.64	16.33	12.02	7.70	3.39		
1980	2020	46.03	41.71	31.02	26.71	22.40	18.09	13.78	9.46	5.15	0.84	
2020	2060	47.79	43.47	32.78	28.47	24.16	19.85	15.54	11.22	6.91	2.60	
2060	2100	49.55	45.23	34.54	30.23	25.92	21.61	17.30	12.98	8.67	4.36	0.05
2100	2140	51.31	46.99	36.30	31.99	27.68	23.37	19.06	14.74	10.43	6.12	1.81
2140	2180	53.07	48.75	38.06	33.75	29.44	25.13	20.82	16.50	12.19	7.88	3.57
2180	2220	54.83	50.51	39.82	35.51	31.20	26.89	22.58	18.26	13.95	9.64	5.33
2220	2260	56.59	52.27	41.58	37.27	32.96	28.65	24.34	20.02	15.71	11.40	7.09
2260	2300	59.03	54.72	43.34	39.03	34.72	30.41	26.10	21.78	17.47	13.16	8.85
2300	2350	62.00	57.69	45.32	41.01	36.70	32.39	28.08	23.76	19.45	15.14	10.83
2350	2400	65.30	60.99	47.52	43.21	38.90	34.59	30.28	25.96	21.65	17.34	13.03
2400	2450	68.60	64.29	50.41	46.10	41.78	37.47	33.16	28.85	24.54	20.22	15.91
2450	2500	71.90	67.59	53.71	49.40	45.08	40.77	36.46	32.15	27.84	23.52	19.21
2500	2550	75.20	70.89	57.01	52.70	48.38	44.07	39.76	35.45	31.14	26.82	22.51
2550	2600	78.50	74.19	60.31	56.00	51.68	47.37	43.06	38.75	34.44	30.12	25.81
2600	2650	81.80	77.49	63.61	59.30	54.98	50.67	46.36	42.05	37.74	33.42	29.11
2650	2700	85.10	80.79	66.91	62.60	58.28	53.97	49.66	45.35	41.04	36.72	32.41
2700	2750	88.40	84.09	70.21	65.90	61.58	57.27	52.96	48.65	44.34	40.02	35.71
2750	2800	91.70	87.39	73.51	69.20	64.88	60.57	56.26	51.95	47.64	43.32	39.01
2800	2850	95.00	90.69	76.81	72.50	68.18	63.87	59.56	55.25	50.94	46.62	42.31
2850	2900	98.30	93.99	80.11	75.80	71.48	67.17	62.86	58.55	54.24	49.92	45.61
2900	2950	101.60	97.29	83.41	79.10	74.78	70.47	66.16	61.85	57.54	53.22	48.91
2950	3000	104.90	100.59	86.71	82.40	78.08	73.77	69.46	65.15	60.84	56.52	52.21
3000	3100	109.85	105.54	91.66	87.35	83.03	78.72	74.41	70.10	65.79	61.47	57.16
3100	3200	118.23	113.92	98.26	93.95	89.63	85.32	81.01	76.70	72.39	68.07	63.76
3200	3300	127.03	122.72	105.65	101.34	97.03	92.72	88.40	84.09	79.78	75.47	71.16
3300	3400	135.83	131.52	114.45	110.14	105.83	101.52	97.20	92.89	88.58	84.27	79.96
3400	3500	144.63	140.32	123.25	118.94	114.63	110.32	106.00	101.69	97.38	93.07	88.76
3500	3600	153.43	149.12	132.05	127.74	123.43	119.12	114.80	110.49	106.18	101.87	97.56
3600	3700	162.23	157.92	140.85	136.54	132.23	127.92	123.60	119.29	114.98	110.67	106.36
3700	3800	171.03	166.72	149.65	145.34	141.03	136.72	132.40	128.09	123.78	119.47	115.16
3800	3900	179.96	175.65	158.45	154.14	149.83	145.52	141.20	136.89	132.58	128.27	123.96
3900	4000	190.19	185.88	167.25	162.94	158.63	154.32	150.00	145.69	141.38	137.07	132.76
4000	4100	200.42	196.11	176.97	172.66	168.34	164.03	159.72	155.41	151.10	146.78	142.47

4100 and over (Table Amount PLUS 10.23 Percent of the Amount Over 4050)

UNMARRIED HEAD OF HOUSEHOLD----BIWEEKLY PAYROLL PERIOD

FOR WAGES PAID IN 2012

IF WAGES ARE...		AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...										
AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$560											
560	580	3.08										
580	600	3.30										
600	620	3.52										
620	640	3.74										
640	660	3.96										
660	680	4.18										
680	700	4.40	0.09									
700	720	4.62	0.31									
720	740	4.84	0.53									
740	760	5.06	0.75									
760	780	5.28	0.97									
780	800	5.50	1.19									
800	820	5.72	1.41									
820	840	5.94	1.63									
840	860	6.16	1.85									
860	880	6.56	2.25									
880	900	7.00	2.69									
900	920	7.44	3.13									
920	940	7.88	3.57									
940	960	8.32	4.01									
960	980	8.76	4.45	0.13								
980	1000	9.20	4.89	0.57								
1000	1040	9.86	5.55	1.23								
1040	1080	10.74	6.43	2.11								
1080	1120	11.62	7.31	2.99								
1120	1160	12.50	8.19	3.87								
1160	1200	13.38	9.07	4.75	0.44							
1200	1250	14.37	10.06	5.74	1.43							
1250	1300	15.47	11.16	6.84	2.53							
1300	1350	16.57	12.26	7.94	3.63							
1350	1400	17.67	13.36	9.04	4.73	0.42						
1400	1450	18.77	14.46	10.14	5.83	1.52						
1450	1500	19.87	15.56	11.24	6.93	2.62						
1500	1550	20.97	16.66	12.34	8.03	3.72						
1550	1600	22.07	17.76	13.44	9.13	4.82	0.51					
1600	1650	23.19	18.88	14.57	10.26	5.94	1.63					
1650	1700	25.39	21.08	16.77	12.46	8.14	3.83					
1700	1750	27.59	23.28	18.97	14.66	10.34	6.03	1.72				
1750	1800	29.79	25.48	21.17	16.86	12.54	8.23	3.92				
1800	1850	31.99	27.68	23.37	19.06	14.74	10.43	6.12	1.81			
1850	1950	35.29	30.98	26.67	22.36	18.04	13.73	9.42	5.11	0.80		
1950	2050	39.69	35.38	31.07	26.76	22.44	18.13	13.82	9.51	5.20	0.88	
2050	2150	46.07	41.76	37.45	33.14	28.83	24.51	20.20	15.89	11.58	7.27	2.95
2150	2250	52.67	48.36	44.05	39.74	35.43	31.11	26.80	22.49	18.18	13.87	9.55
2250	2350	59.27	54.96	50.65	46.34	42.03	37.71	33.40	29.09	24.78	20.47	16.15
2350	2450	65.87	61.56	57.25	52.94	48.63	44.31	40.00	35.69	31.38	27.07	22.75
2450	2550	74.28	69.97	65.66	61.34	57.03	52.72	48.41	44.10	39.78	35.47	31.16
2550	2650	83.08	78.77	74.46	70.14	65.83	61.52	57.21	52.90	48.58	44.27	39.96
2650	2750	91.88	87.57	83.26	78.94	74.63	70.32	66.01	61.70	57.38	53.07	48.76
2750	2850	100.68	96.37	92.06	87.74	83.43	79.12	74.81	70.50	66.18	61.87	57.56
2850	2950	110.85	106.54	102.23	97.92	93.60	89.29	84.98	80.67	76.36	72.04	67.73

2950 and over (Table Amount PLUS 10.23 Percent of the Amount Over 2900)

SINGLE PERSONS, DUAL INCOME MARRIED
OR MARRIED WITH MULTIPLE EMPLOYERS----SEMI-MONTHLY PAYROLL PERIOD

FOR WAGES PAID IN 2012

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$300											
300	320	1.68										
320	340	1.90										
340	360	2.12										
360	380	2.34										
380	400	2.56										
400	420	2.78										
420	440	3.00										
440	460	3.22										
460	480	3.53										
480	500	3.97										
500	540	4.63										
540	580	5.51	0.84									
580	620	6.39	1.72									
620	660	7.27	2.60									
660	700	8.15	3.48									
700	740	9.03	4.36									
740	780	9.91	5.24	0.56								
780	820	10.79	6.12	1.44								
820	860	11.67	7.00	2.32								
860	900	12.55	7.88	3.20								
900	940	14.31	9.63	4.96	0.28							
940	980	16.07	11.39	6.72	2.04							
980	1020	17.83	13.15	8.48	3.80							
1020	1060	19.59	14.91	10.24	5.56	0.89						
1060	1100	21.35	16.67	12.00	7.32	2.65						
1100	1140	23.11	18.43	13.76	9.08	4.41						
1140	1180	24.87	20.19	15.52	10.84	6.17	1.49					
1180	1220	26.63	21.95	17.28	12.60	7.93	3.25					
1220	1260	28.39	23.71	19.04	14.36	9.69	5.01	0.34				
1260	1300	30.15	25.47	20.80	16.12	11.45	6.77	2.10				
1300	1340	32.39	27.72	23.04	18.37	13.69	9.02	4.34				
1340	1380	35.03	30.36	25.68	21.01	16.33	11.66	6.98	2.31			
1380	1420	37.67	33.00	28.32	23.65	18.97	14.30	9.62	4.95	0.27		
1420	1460	40.31	35.64	30.96	26.29	21.61	16.94	12.26	7.59	2.91		
1460	1500	42.95	38.28	33.60	28.93	24.25	19.58	14.90	10.23	5.55	0.88	
1500	1540	45.59	40.92	36.24	31.57	26.89	22.22	17.54	12.87	8.19	3.52	
1540	1580	48.23	43.56	38.88	34.21	29.53	24.86	20.18	15.51	10.83	6.16	1.48
1580	1620	50.87	46.20	41.52	36.85	32.17	27.50	22.82	18.15	13.47	8.80	4.12
1620	1660	53.51	48.84	44.16	39.49	34.81	30.14	25.46	20.79	16.11	11.44	6.76
1660	1700	56.15	51.48	46.80	42.13	37.45	32.78	28.10	23.43	18.75	14.08	9.40
1700	1750	59.12	54.45	49.77	45.10	40.42	35.75	31.07	26.40	21.72	17.05	12.37
1750	1800	63.17	58.49	53.82	49.14	44.47	39.79	35.12	30.44	25.77	21.09	16.42
1800	1850	67.57	62.89	58.22	53.54	48.87	44.19	39.52	34.84	30.17	25.49	20.82
1850	1900	71.97	67.29	62.62	57.94	53.27	48.59	43.92	39.24	34.57	29.89	25.22
1900	1950	76.37	71.69	67.02	62.34	57.67	52.99	48.32	43.64	38.97	34.29	29.62
1950	2000	80.77	76.09	71.42	66.74	62.07	57.39	52.72	48.04	43.37	38.69	34.02
2000	2100	87.37	82.69	78.02	73.34	68.67	63.99	59.32	54.64	49.97	45.29	40.62
2100	2200	96.17	91.49	86.82	82.14	77.47	72.79	68.12	63.44	58.77	54.09	49.42
2200	2300	106.28	101.61	96.93	92.26	87.58	82.91	78.23	73.56	68.88	64.21	59.53
2300	2400	116.51	111.84	107.16	102.49	97.81	93.14	88.46	83.79	79.11	74.44	69.76

2400 and over (Table Amount PLUS 10.23 Percent of the Amount Over 2350)

MARRIED PERSONS----SEMI-MONTHLY PAYROLL PERIOD

FOR WAGES PAID IN 2012

IF WAGES ARE...		AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...										
AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$300											
300	320	1.68										
320	340	1.90										
340	360	2.12										
360	380	2.34										
380	400	2.56										
400	420	2.78										
420	440	3.00										
440	460	3.22										
460	480	3.44										
480	500	3.66										
500	520	3.88										
520	540	4.10										
540	560	4.32										
560	580	4.54										
580	600	4.76	0.09									
600	620	4.98	0.31									
620	640	5.20	0.53									
640	660	5.42	0.75									
660	680	5.64	0.97									
680	700	5.86	1.19									
700	720	6.08	1.41									
720	740	6.30	1.63									
740	760	6.52	1.85									
760	780	6.78	2.10									
780	800	7.22	2.54									
800	820	7.66	2.98									
820	840	8.10	3.42									
840	860	8.54	3.86									
860	880	8.98	4.30									
880	900	9.42	4.74									
900	920	9.86	5.18									
920	940	10.30	5.62									
940	960	10.74	6.06									
960	980	11.18	6.50									
980	1000	11.62	6.94									
1000	1040	12.28	7.60									
1040	1080	13.16	8.48	0.35								
1080	1120	14.04	9.36	1.23								
1120	1160	14.92	10.24	2.11								
1160	1200	15.80	11.12	2.99								
1200	1240	16.68	12.00	3.87								
1240	1280	17.56	12.88	4.75	0.08							
1280	1320	18.44	13.76	5.63	0.96							
1320	1360	19.32	14.64	6.51	1.84							
1360	1400	20.20	15.52	7.39	2.72							
1400	1440	21.08	16.40	8.27	3.60							
1440	1480	21.96	17.28	9.15	4.48							
1480	1520	22.84	18.16	10.03	5.36	0.68						
1520	1560	23.72	19.04	10.91	6.24	1.56						
1560	1600	24.60	19.92	11.79	7.12	2.44						

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FOR WAGES PAID IN 2012

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
1600	1640	25.85	21.17	12.67	8.00	3.32						
1640	1680	27.61	22.93	13.55	8.88	4.20						
1680	1720	29.37	24.69	14.43	9.76	5.08	0.41					
1720	1760	31.13	26.45	15.31	10.64	5.96	1.29					
1760	1800	32.89	28.21	16.63	11.95	7.28	2.60					
1800	1840	34.65	29.97	18.39	13.71	9.04	4.36					
1840	1880	36.41	31.73	20.15	15.47	10.80	6.12	1.45				
1880	1920	38.17	33.49	21.91	17.23	12.56	7.88	3.21				
1920	1960	39.93	35.25	23.67	18.99	14.32	9.64	4.97	0.29			
1960	2000	41.69	37.01	25.43	20.75	16.08	11.40	6.73	2.05			
2000	2040	43.45	38.77	27.19	22.51	17.84	13.16	8.49	3.81			
2040	2080	45.21	40.53	28.95	24.27	19.60	14.92	10.25	5.57	0.90		
2080	2120	46.97	42.29	30.71	26.03	21.36	16.68	12.01	7.33	2.66		
2120	2160	48.73	44.05	32.47	27.79	23.12	18.44	13.77	9.09	4.42		
2160	2200	50.49	45.81	34.23	29.55	24.88	20.20	15.53	10.85	6.18	1.50	
2200	2250	52.47	47.79	36.21	31.53	26.86	22.18	17.51	12.83	8.16	3.48	
2250	2300	54.67	49.99	38.41	33.73	29.06	24.38	19.71	15.03	10.36	5.68	1.01
2300	2350	56.87	52.19	40.61	35.93	31.26	26.58	21.91	17.23	12.56	7.88	3.21
2350	2400	59.07	54.39	42.81	38.13	33.46	28.78	24.11	19.43	14.76	10.08	5.41
2400	2450	61.27	56.59	45.01	40.33	35.66	30.98	26.31	21.63	16.96	12.28	7.61
2450	2500	64.26	59.58	47.21	42.53	37.86	33.18	28.51	23.83	19.16	14.48	9.81
2500	2550	67.56	62.88	49.41	44.73	40.06	35.38	30.71	26.03	21.36	16.68	12.01
2550	2600	70.86	66.18	51.61	46.93	42.26	37.58	32.91	28.23	23.56	18.88	14.21
2600	2650	74.16	69.48	54.44	49.77	45.09	40.42	35.74	31.07	26.39	21.72	17.04
2650	2700	77.46	72.78	57.74	53.07	48.39	43.72	39.04	34.37	29.69	25.02	20.34
2700	2750	80.76	76.08	61.04	56.37	51.69	47.02	42.34	37.67	32.99	28.32	23.64
2750	2800	84.06	79.38	64.34	59.67	54.99	50.32	45.64	40.97	36.29	31.62	26.94
2800	2850	87.36	82.68	67.64	62.97	58.29	53.62	48.94	44.27	39.59	34.92	30.24
2850	2900	90.66	85.98	70.94	66.27	61.59	56.92	52.24	47.57	42.89	38.22	33.54
2900	2950	93.96	89.28	74.24	69.57	64.89	60.22	55.54	50.87	46.19	41.52	36.84
2950	3000	97.26	92.58	77.54	72.87	68.19	63.52	58.84	54.17	49.49	44.82	40.14
3000	3100	102.21	97.53	82.49	77.82	73.14	68.47	63.79	59.12	54.44	49.77	45.09
3100	3200	108.81	104.13	89.09	84.42	79.74	75.07	70.39	65.72	61.04	56.37	51.69
3200	3300	115.41	110.73	95.69	91.02	86.34	81.67	76.99	72.32	67.64	62.97	58.29
3300	3400	122.56	117.88	102.29	97.62	92.94	88.27	83.59	78.92	74.24	69.57	64.89
3400	3500	131.36	126.68	108.89	104.22	99.54	94.87	90.19	85.52	80.84	76.17	71.49
3500	3600	140.16	135.48	116.99	112.31	107.64	102.96	98.29	93.61	88.94	84.26	79.59
3600	3700	148.96	144.28	125.79	121.11	116.44	111.76	107.09	102.41	97.74	93.06	88.39
3700	3800	157.76	153.08	134.59	129.91	125.24	120.56	115.89	111.21	106.54	101.86	97.19
3800	3900	166.56	161.88	143.39	138.71	134.04	129.36	124.69	120.01	115.34	110.66	105.99
3900	4000	175.36	170.68	152.19	147.51	142.84	138.16	133.49	128.81	124.14	119.46	114.79
4000	4100	184.16	179.48	160.99	156.31	151.64	146.96	142.29	137.61	132.94	128.26	123.59
4100	4200	192.96	188.28	169.79	165.11	160.44	155.76	151.09	146.41	141.74	137.06	132.39
4200	4300	203.06	198.38	178.59	173.91	169.24	164.56	159.89	155.21	150.54	145.86	141.19
4300	4400	213.29	208.61	187.87	183.20	178.52	173.85	169.17	164.50	159.82	155.15	150.47

4400 and over (Table Amount PLUS 10.23 Percent of the Amount Over 4350)

UNMARRIED HEAD OF HOUSEHOLD----SEMI-MONTHLY PAYROLL PERIOD

FOR WAGES PAID IN 2012

IF WAGES ARE...		AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...										
AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$600											
600	620	3.26										
620	640	3.48										
640	660	3.70										
660	680	3.92										
680	700	4.14										
700	720	4.36										
720	740	4.58										
740	760	4.80	0.12									
760	780	5.02	0.34									
780	800	5.24	0.56									
800	820	5.46	0.78									
820	840	5.68	1.00									
840	860	5.90	1.22									
860	880	6.12	1.44									
880	900	6.34	1.66									
900	940	6.67	1.99									
940	980	7.50	2.83									
980	1020	8.38	3.71									
1020	1060	9.26	4.59									
1060	1100	10.14	5.47	0.79								
1100	1140	11.02	6.35	1.67								
1140	1180	11.90	7.23	2.55								
1180	1220	12.78	8.11	3.43								
1220	1260	13.66	8.99	4.31								
1260	1300	14.54	9.87	5.19	0.52							
1300	1350	15.53	10.86	6.18	1.51							
1350	1400	16.63	11.96	7.28	2.61							
1400	1450	17.73	13.06	8.38	3.71							
1450	1500	18.83	14.16	9.48	4.81	0.13						
1500	1550	19.93	15.26	10.58	5.91	1.23						
1550	1600	21.03	16.36	11.68	7.01	2.33						
1600	1650	22.13	17.46	12.78	8.11	3.43						
1650	1700	23.23	18.56	13.88	9.21	4.53						
1700	1750	24.33	19.66	14.98	10.31	5.63	0.96					
1750	1800	25.76	21.08	16.41	11.73	7.06	2.38					
1800	1900	29.06	24.38	19.71	15.03	10.36	5.68	1.01				
1900	2000	33.46	28.78	24.11	19.43	14.76	10.08	5.41	0.73			
2000	2100	37.86	33.18	28.51	23.83	19.16	14.48	9.81	5.13	0.46		
2100	2200	42.26	37.58	32.91	28.23	23.56	18.88	14.21	9.53	4.86	0.18	
2200	2300	48.26	43.59	38.91	34.24	29.56	24.89	20.21	15.54	10.86	6.19	1.51
2300	2400	54.86	50.19	45.51	40.84	36.16	31.49	26.81	22.14	17.46	12.79	8.11
2400	2500	61.46	56.79	52.11	47.44	42.76	38.09	33.41	28.74	24.06	19.39	14.71
2500	2600	68.06	63.39	58.71	54.04	49.36	44.69	40.01	35.34	30.66	25.99	21.31
2600	2700	75.32	70.65	65.97	61.30	56.62	51.95	47.27	42.60	37.92	33.25	28.57
2700	2800	84.12	79.45	74.77	70.10	65.42	60.75	56.07	51.40	46.72	42.05	37.37
2800	2900	92.92	88.25	83.57	78.90	74.22	69.55	64.87	60.20	55.52	50.85	46.17
2900	3000	101.72	97.05	92.37	87.70	83.02	78.35	73.67	69.00	64.32	59.65	54.97
3000	3100	110.69	106.02	101.34	96.67	91.99	87.32	82.64	77.97	73.29	68.62	63.94
3100	3200	120.92	116.25	111.57	106.90	102.22	97.55	92.87	88.20	83.52	78.85	74.17
3200	3300	131.15	126.48	121.80	117.13	112.45	107.78	103.10	98.43	93.75	89.08	84.40

3300 and over (Table Amount PLUS 10.23 Percent of the Amount Over 3250)

SINGLE PERSONS, DUAL INCOME MARRIED
OR MARRIED WITH MULTIPLE EMPLOYERS----MONTHLY PAYROLL PERIOD

FOR WAGES PAID IN 2012

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$600											
600	640	3.37										
640	680	3.81										
680	720	4.25										
720	760	4.69										
760	800	5.13										
800	840	5.57										
840	880	6.01										
880	920	6.45										
920	960	7.06										
960	1000	7.94										
1000	1050	8.93										
1050	1100	10.03	0.68									
1100	1150	11.13	1.78									
1150	1200	12.23	2.88									
1200	1250	13.33	3.98									
1250	1300	14.43	5.08									
1300	1350	15.53	6.18									
1350	1400	16.63	7.28									
1400	1450	17.73	8.38									
1450	1500	18.83	9.48	0.13								
1500	1600	20.48	11.13	1.78								
1600	1700	22.68	13.33	3.98								
1700	1800	24.88	15.53	6.18								
1800	1900	29.06	19.71	10.36	1.01							
1900	2000	33.46	24.11	14.76	5.41							
2000	2100	37.86	28.51	19.16	9.81	0.46						
2100	2200	42.26	32.91	23.56	14.21	4.86						
2200	2300	46.66	37.31	27.96	18.61	9.26						
2300	2400	51.06	41.71	32.36	23.01	13.66	4.31					
2400	2500	55.46	46.11	36.76	27.41	18.06	8.71					
2500	2600	59.86	50.51	41.16	31.81	22.46	13.11	3.76				
2600	2700	65.44	56.09	46.74	37.39	28.04	18.69	9.34				
2700	2800	72.04	62.69	53.34	43.99	34.64	25.29	15.94	6.59			
2800	2900	78.64	69.29	59.94	50.59	41.24	31.89	22.54	13.19	3.84		
2900	3000	85.24	75.89	66.54	57.19	47.84	38.49	29.14	19.79	10.44	1.09	
3000	3100	91.84	82.49	73.14	63.79	54.44	45.09	35.74	26.39	17.04	7.69	
3100	3200	98.44	89.09	79.74	70.39	61.04	51.69	42.34	32.99	23.64	14.29	4.94
3200	3300	105.04	95.69	86.34	76.99	67.64	58.29	48.94	39.59	30.24	20.89	11.54
3300	3400	111.64	102.29	92.94	83.59	74.24	64.89	55.54	46.19	36.84	27.49	18.14
3400	3500	118.24	108.89	99.54	90.19	80.84	71.49	62.14	52.79	43.44	34.09	24.74
3500	3600	126.34	116.99	107.64	98.29	88.94	79.59	70.24	60.89	51.54	42.19	32.84
3600	3700	135.14	125.79	116.44	107.09	97.74	88.39	79.04	69.69	60.34	50.99	41.64
3700	3800	143.94	134.59	125.24	115.89	106.54	97.19	87.84	78.49	69.14	59.79	50.44
3800	3900	152.74	143.39	134.04	124.69	115.34	105.99	96.64	87.29	77.94	68.59	59.24
3900	4000	161.54	152.19	142.84	133.49	124.14	114.79	105.44	96.09	86.74	77.39	68.04
4000	4200	174.74	165.39	156.04	146.69	137.34	127.99	118.64	109.29	99.94	90.59	81.24
4200	4400	192.34	182.99	173.64	164.29	154.94	145.59	136.24	126.89	117.54	108.19	98.84
4400	4600	212.57	203.22	193.87	184.52	175.17	165.82	156.47	147.12	137.77	128.42	119.07
4600	4800	233.03	223.68	214.33	204.98	195.63	186.28	176.93	167.58	158.23	148.88	139.53
4800	5000	253.49	244.14	234.79	225.44	216.09	206.74	197.39	188.04	178.69	169.34	159.99

5000 and over (Table Amount PLUS 10.23 Percent of the Amount Over 4900)

FOR WAGES PAID IN 2012

IF WAGES ARE...		AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...										
AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$600											
600	640	3.37										
640	680	3.81										
680	720	4.25										
720	760	4.69										
760	800	5.13										
800	840	5.57										
840	880	6.01										
880	920	6.45										
920	960	6.89										
960	1000	7.33										
1000	1040	7.77										
1040	1080	8.21										
1080	1120	8.65										
1120	1160	9.09										
1160	1200	9.53	0.18									
1200	1240	9.97	0.62									
1240	1280	10.41	1.06									
1280	1320	10.85	1.50									
1320	1360	11.29	1.94									
1360	1400	11.73	2.38									
1400	1440	12.17	2.82									
1440	1480	12.61	3.26									
1480	1520	13.05	3.70									
1520	1560	13.55	4.20									
1560	1600	14.43	5.08									
1600	1640	15.31	5.96									
1640	1680	16.19	6.84									
1680	1720	17.07	7.72									
1720	1760	17.95	8.60									
1760	1800	18.83	9.48									
1800	1840	19.71	10.36									
1840	1880	20.59	11.24									
1880	1920	21.47	12.12									
1920	1960	22.35	13.00									
1960	2000	23.23	13.88									
2000	2040	24.11	14.76									
2040	2080	24.99	15.64									
2080	2140	26.09	16.74	0.48								
2140	2200	27.41	18.06	1.80								
2200	2260	28.73	19.38	3.12								
2260	2320	30.05	20.70	4.44								
2320	2380	31.37	22.02	5.76								
2380	2440	32.69	23.34	7.08								
2440	2500	34.01	24.66	8.40								
2500	2560	35.33	25.98	9.72	0.37							
2560	2620	36.65	27.30	11.04	1.69							
2620	2680	37.97	28.62	12.36	3.01							
2680	2740	39.29	29.94	13.68	4.33							
2740	2800	40.61	31.26	15.00	5.65							
2800	2860	41.93	32.58	16.32	6.97							

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FOR WAGES PAID IN 2012

IF WAGES ARE...		AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...										
AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
2860	2920	43.25	33.90	17.64	8.29							
2920	2980	44.57	35.22	18.96	9.61	0.26						
2980	3040	45.89	36.54	20.28	10.93	1.58						
3040	3100	47.21	37.86	21.60	12.25	2.90						
3100	3160	48.53	39.18	22.92	13.57	4.22						
3160	3220	49.85	40.50	24.24	14.89	5.54						
3220	3280	52.14	42.79	25.56	16.21	6.86						
3280	3340	54.78	45.43	26.88	17.53	8.18						
3340	3400	57.42	48.07	28.20	18.85	9.50	0.15					
3400	3460	60.06	50.71	29.52	20.17	10.82	1.47					
3460	3520	62.70	53.35	30.84	21.49	12.14	2.79					
3520	3580	65.34	55.99	32.82	23.47	14.12	4.77					
3580	3640	67.98	58.63	35.46	26.11	16.76	7.41					
3640	3700	70.62	61.27	38.10	28.75	19.40	10.05	0.70				
3700	3800	74.14	64.79	41.62	32.27	22.92	13.57	4.22				
3800	3900	78.54	69.19	46.02	36.67	27.32	17.97	8.62				
3900	4000	82.94	73.59	50.42	41.07	31.72	22.37	13.02	3.67			
4000	4100	87.34	77.99	54.82	45.47	36.12	26.77	17.42	8.07			
4100	4200	91.74	82.39	59.22	49.87	40.52	31.17	21.82	12.47	3.12		
4200	4300	96.14	86.79	63.62	54.27	44.92	35.57	26.22	16.87	7.52		
4300	4400	100.54	91.19	68.02	58.67	49.32	39.97	30.62	21.27	11.92	2.57	
4400	4500	104.94	95.59	72.42	63.07	53.72	44.37	35.02	25.67	16.32	6.97	
4500	4600	109.34	99.99	76.82	67.47	58.12	48.77	39.42	30.07	20.72	11.37	2.02
4600	4700	113.74	104.39	81.22	71.87	62.52	53.17	43.82	34.47	25.12	15.77	6.42
4700	4800	118.14	108.79	85.62	76.27	66.92	57.57	48.22	38.87	29.52	20.17	10.82
4800	4900	122.54	113.19	90.02	80.67	71.32	61.97	52.62	43.27	33.92	24.57	15.22
4900	5000	128.52	119.17	94.42	85.07	75.72	66.37	57.02	47.67	38.32	28.97	19.62
5000	5100	135.12	125.77	98.82	89.47	80.12	70.77	61.42	52.07	42.72	33.37	24.02
5100	5200	141.72	132.37	103.22	93.87	84.52	75.17	65.82	56.47	47.12	37.77	28.42
5200	5300	148.32	138.97	108.89	99.54	90.19	80.84	71.49	62.14	52.79	43.44	34.09
5300	5400	154.92	145.57	115.49	106.14	96.79	87.44	78.09	68.74	59.39	50.04	40.69
5400	5500	161.52	152.17	122.09	112.74	103.39	94.04	84.69	75.34	65.99	56.64	47.29
5500	5600	168.12	158.77	128.69	119.34	109.99	100.64	91.29	81.94	72.59	63.24	53.89
5600	5700	174.72	165.37	135.29	125.94	116.59	107.24	97.89	88.54	79.19	69.84	60.49
5700	5800	181.32	171.97	141.89	132.54	123.19	113.84	104.49	95.14	85.79	76.44	67.09
5800	5900	187.92	178.57	148.49	139.14	129.79	120.44	111.09	101.74	92.39	83.04	73.69
5900	6000	194.52	185.17	155.09	145.74	136.39	127.04	117.69	108.34	98.99	89.64	80.29
6000	6200	204.42	195.07	164.99	155.64	146.29	136.94	127.59	118.24	108.89	99.54	90.19
6200	6400	217.62	208.27	178.19	168.84	159.49	150.14	140.79	131.44	122.09	112.74	103.39
6400	6600	230.82	221.47	191.39	182.04	172.69	163.34	153.99	144.64	135.29	125.94	116.59
6600	6800	245.12	235.77	204.59	195.24	185.89	176.54	167.19	157.84	148.49	139.14	129.79
6800	7000	262.72	253.37	217.79	208.44	199.09	189.74	180.39	171.04	161.69	152.34	142.99
7000	7200	280.32	270.97	233.98	224.63	215.28	205.93	196.58	187.23	177.88	168.53	159.18
7200	7400	297.92	288.57	251.58	242.23	232.88	223.53	214.18	204.83	195.48	186.13	176.78
7400	7600	315.52	306.17	269.18	259.83	250.48	241.13	231.78	222.43	213.08	203.73	194.38
7600	7800	333.12	323.77	286.78	277.43	268.08	258.73	249.38	240.03	230.68	221.33	211.98
7800	8000	350.72	341.37	304.38	295.03	285.68	276.33	266.98	257.63	248.28	238.93	229.58
8000	8200	368.32	358.97	321.98	312.63	303.28	293.93	284.58	275.23	265.88	256.53	247.18
8200	8400	385.92	376.57	339.58	330.23	320.88	311.53	302.18	292.83	283.48	274.13	264.78
8400	8600	406.12	396.77	357.18	347.83	338.48	329.13	319.78	310.43	301.08	291.73	282.38
8600	8800	426.58	417.23	375.75	366.40	357.05	347.70	338.35	329.00	319.65	310.30	300.95

8800 and over (Table Amount PLUS 10.23 Percent of the Amount Over 8700)

UNMARRIED HEAD OF HOUSEHOLD----MONTHLY PAYROLL PERIOD

FOR WAGES PAID IN 2012

IF WAGES ARE...		AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...										
AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	1400											
1400	1450	8.77										
1450	1500	9.32										
1500	1550	9.87	0.52									
1550	1600	10.42	1.07									
1600	1650	10.97	1.62									
1650	1700	11.52	2.17									
1700	1750	12.07	2.72									
1750	1800	12.62	3.27									
1800	1850	13.17	3.82									
1850	1900	14.01	4.66									
1900	1950	15.11	5.76									
1950	2000	16.21	6.86									
2000	2050	17.31	7.96									
2050	2100	18.41	9.06									
2100	2150	19.51	10.16	0.81								
2150	2200	20.61	11.26	1.91								
2200	2250	21.71	12.36	3.01								
2250	2300	22.81	13.46	4.11								
2300	2350	23.91	14.56	5.21								
2350	2400	25.01	15.66	6.31								
2400	2450	26.11	16.76	7.41								
2450	2500	27.21	17.86	8.51								
2500	2600	28.86	19.51	10.16	0.81							
2600	2700	31.06	21.71	12.36	3.01							
2700	2800	33.26	23.91	14.56	5.21							
2800	2900	35.46	26.11	16.76	7.41							
2900	3000	37.66	28.31	18.96	9.61	0.26						
3000	3100	39.86	30.51	21.16	11.81	2.46						
3100	3200	42.06	32.71	23.36	14.01	4.66						
3200	3300	44.26	34.91	25.56	16.21	6.86						
3300	3400	46.46	37.11	27.76	18.41	9.06						
3400	3500	48.66	39.31	29.96	20.61	11.26	1.91					
3500	3600	51.52	42.17	32.82	23.47	14.12	4.77					
3600	3700	55.92	46.57	37.22	27.87	18.52	9.17					
3700	3800	60.32	50.97	41.62	32.27	22.92	13.57	4.22				
3800	3900	64.72	55.37	46.02	36.67	27.32	17.97	8.62				
3900	4000	69.12	59.77	50.42	41.07	31.72	22.37	13.02	3.67			
4000	4100	73.52	64.17	54.82	45.47	36.12	26.77	17.42	8.07			
4100	4200	77.92	68.57	59.22	49.87	40.52	31.17	21.82	12.47	3.12		
4200	4300	82.32	72.97	63.62	54.27	44.92	35.57	26.22	16.87	7.52		
4300	4500	89.93	80.58	71.23	61.88	52.53	43.18	33.83	24.48	15.13	5.78	
4500	4700	103.13	93.78	84.43	75.08	65.73	56.38	47.03	37.68	28.33	18.98	9.63
4700	4900	116.33	106.98	97.63	88.28	78.93	69.58	60.23	50.88	41.53	32.18	22.83
4900	5100	129.53	120.18	110.83	101.48	92.13	82.78	73.43	64.08	54.73	45.38	36.03
5100	5300	142.73	133.38	124.03	114.68	105.33	95.98	86.63	77.28	67.93	58.58	49.23
5300	5500	159.44	150.09	140.74	131.39	122.04	112.69	103.34	93.99	84.64	75.29	65.94
5500	5700	177.04	167.69	158.34	148.99	139.64	130.29	120.94	111.59	102.24	92.89	83.54
5700	5900	194.64	185.29	175.94	166.59	157.24	147.89	138.54	129.19	119.84	110.49	101.14
5900	6100	212.24	202.89	193.54	184.19	174.84	165.49	156.14	146.79	137.44	128.09	118.74
6100	6300	231.61	222.26	212.91	203.56	194.21	184.86	175.51	166.16	156.81	147.46	138.11
6300	and over	(Table Amount PLUS 10.23 Percent of the Amount Over 6200)										

SINGLE PERSONS, DUAL INCOME MARRIED
OR MARRIED WITH MULTIPLE EMPLOYERS----DAILY / MISCELLANEOUS PAYROLL PERIOD

FOR WAGES PAID IN 2012

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$28											
28	30	0.16										
30	32	0.18										
32	34	0.20										
34	36	0.23										
36	38	0.25										
38	40	0.27										
40	42	0.29										
42	44	0.32										
44	46	0.36										
46	48	0.41										
48	50	0.45	0.02									
50	54	0.52	0.09									
54	58	0.61	0.18									
58	62	0.69	0.26									
62	66	0.78	0.35									
66	70	0.87	0.44	0.01								
70	74	0.96	0.53	0.10								
74	78	1.05	0.62	0.19								
78	82	1.13	0.70	0.28								
82	86	1.28	0.85	0.42								
86	90	1.45	1.02	0.59	0.17							
90	94	1.63	1.20	0.77	0.34							
94	98	1.80	1.38	0.95	0.52	0.09						
98	102	1.98	1.55	1.12	0.69	0.26						
102	106	2.16	1.73	1.30	0.87	0.44	0.01					
106	110	2.33	1.90	1.47	1.05	0.62	0.19					
110	114	2.51	2.08	1.65	1.22	0.79	0.36					
114	118	2.68	2.26	1.83	1.40	0.97	0.54	0.11				
118	122	2.87	2.44	2.01	1.58	1.16	0.73	0.30				
122	126	3.14	2.71	2.28	1.85	1.42	0.99	0.56	0.13			
126	130	3.40	2.97	2.54	2.11	1.68	1.25	0.83	0.40			
130	135	3.70	3.27	2.84	2.41	1.98	1.55	1.12	0.69	0.26		
135	140	4.03	3.60	3.17	2.74	2.31	1.88	1.45	1.02	0.59	0.17	
140	145	4.36	3.93	3.50	3.07	2.64	2.21	1.78	1.35	0.92	0.50	0.07
145	150	4.69	4.26	3.83	3.40	2.97	2.54	2.11	1.68	1.25	0.83	0.40
150	155	5.02	4.59	4.16	3.73	3.30	2.87	2.44	2.01	1.58	1.16	0.73
155	160	5.35	4.92	4.49	4.06	3.63	3.20	2.77	2.34	1.91	1.49	1.06
160	165	5.72	5.29	4.86	4.43	4.00	3.58	3.15	2.72	2.29	1.86	1.43
165	170	6.16	5.73	5.30	4.87	4.44	4.02	3.59	3.16	2.73	2.30	1.87
170	175	6.60	6.17	5.74	5.31	4.88	4.46	4.03	3.60	3.17	2.74	2.31
175	180	7.04	6.61	6.18	5.75	5.32	4.90	4.47	4.04	3.61	3.18	2.75
180	185	7.48	7.05	6.62	6.19	5.76	5.34	4.91	4.48	4.05	3.62	3.19
185	190	7.92	7.49	7.06	6.63	6.20	5.78	5.35	4.92	4.49	4.06	3.63
190	200	8.58	8.15	7.72	7.29	6.86	6.44	6.01	5.58	5.15	4.72	4.29
200	210	9.54	9.11	8.68	8.25	7.82	7.39	6.96	6.54	6.11	5.68	5.25

210 and over (Table Amount PLUS 10.23 Percent of the Amount Over 205)

FOR WAGES PAID IN 2012

IF WAGES ARE...		AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...										
AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$32											
32	34	0.20										
34	36	0.23										
36	38	0.25										
38	40	0.27										
40	42	0.29										
42	44	0.31										
44	46	0.34										
46	48	0.36										
48	50	0.38										
50	52	0.40										
52	54	0.42										
54	56	0.45	0.02									
56	58	0.47	0.04									
58	60	0.49	0.06									
60	62	0.51	0.08									
62	64	0.53	0.10									
64	66	0.56	0.13									
66	68	0.58	0.15									
68	70	0.60	0.17									
70	72	0.63	0.20									
72	74	0.67	0.24									
74	76	0.72	0.29									
76	78	0.76	0.33									
78	80	0.80	0.37									
80	82	0.85	0.42									
82	84	0.89	0.46									
84	86	0.94	0.51									
86	88	0.98	0.55									
88	90	1.02	0.59									
90	92	1.07	0.64									
92	94	1.11	0.68									
94	96	1.16	0.73									
96	98	1.20	0.77	0.02								
98	100	1.24	0.81	0.07								
100	102	1.29	0.86	0.11								
102	104	1.33	0.90	0.15								
104	106	1.38	0.95	0.20								
106	108	1.42	0.99	0.24								
108	110	1.46	1.03	0.29								
110	112	1.51	1.08	0.33								
112	114	1.55	1.12	0.37								
114	118	1.62	1.19	0.44	0.01							
118	122	1.71	1.28	0.53	0.10							
122	126	1.79	1.36	0.62	0.19							
126	130	1.88	1.45	0.70	0.28							
130	134	1.97	1.54	0.79	0.36							
134	138	2.06	1.63	0.88	0.45	0.02						
138	142	2.15	1.72	0.97	0.54	0.11						
142	146	2.23	1.80	1.06	0.63	0.20						
146	150	2.32	1.89	1.14	0.72	0.29						

--- CONTINUED NEXT PAGE ---

FOR WAGES PAID IN 2012

IF WAGES ARE...		AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...										
AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
150	154	2.49	2.06	1.23	0.80	0.37						
154	158	2.66	2.23	1.32	0.89	0.46	0.03					
158	162	2.84	2.41	1.41	0.98	0.55	0.12					
162	166	3.01	2.59	1.52	1.09	0.66	0.23					
166	170	3.19	2.76	1.69	1.27	0.84	0.41					
170	174	3.37	2.94	1.87	1.44	1.01	0.58	0.15				
174	178	3.54	3.11	2.05	1.62	1.19	0.76	0.33				
178	182	3.72	3.29	2.22	1.79	1.36	0.94	0.51	0.08			
182	186	3.89	3.47	2.40	1.97	1.54	1.11	0.68	0.25			
186	190	4.07	3.64	2.57	2.15	1.72	1.29	0.86	0.43			
190	195	4.27	3.84	2.77	2.34	1.91	1.49	1.06	0.63	0.20		
195	200	4.49	4.06	2.99	2.56	2.13	1.71	1.28	0.85	0.42		
200	205	4.71	4.28	3.21	2.78	2.35	1.93	1.50	1.07	0.64	0.21	
205	210	4.93	4.50	3.43	3.00	2.57	2.15	1.72	1.29	0.86	0.43	
210	215	5.15	4.72	3.65	3.22	2.79	2.37	1.94	1.51	1.08	0.65	0.22
215	220	5.37	4.94	3.87	3.44	3.01	2.59	2.16	1.73	1.30	0.87	0.44
220	225	5.59	5.16	4.09	3.66	3.23	2.81	2.38	1.95	1.52	1.09	0.66
225	230	5.87	5.45	4.31	3.88	3.45	3.03	2.60	2.17	1.74	1.31	0.88
230	235	6.20	5.78	4.53	4.10	3.67	3.25	2.82	2.39	1.96	1.53	1.10
235	240	6.53	6.11	4.75	4.32	3.89	3.47	3.04	2.61	2.18	1.75	1.32
240	245	6.86	6.44	5.05	4.62	4.19	3.76	3.33	2.90	2.48	2.05	1.62
245	250	7.19	6.77	5.38	4.95	4.52	4.09	3.66	3.23	2.81	2.38	1.95
250	255	7.52	7.10	5.71	5.28	4.85	4.42	3.99	3.56	3.14	2.71	2.28
255	260	7.85	7.43	6.04	5.61	5.18	4.75	4.32	3.89	3.47	3.04	2.61
260	265	8.18	7.76	6.37	5.94	5.51	5.08	4.65	4.22	3.80	3.37	2.94
265	270	8.51	8.09	6.70	6.27	5.84	5.41	4.98	4.55	4.13	3.70	3.27
270	280	9.01	8.58	7.19	6.77	6.34	5.91	5.48	5.05	4.62	4.19	3.76
280	290	9.67	9.24	7.85	7.43	7.00	6.57	6.14	5.71	5.28	4.85	4.42
290	300	10.33	9.90	8.51	8.09	7.66	7.23	6.80	6.37	5.94	5.51	5.08
300	310	10.99	10.56	9.17	8.75	8.32	7.89	7.46	7.03	6.60	6.17	5.74
310	320	11.84	11.41	9.83	9.41	8.98	8.55	8.12	7.69	7.26	6.83	6.40
320	330	12.72	12.29	10.58	10.15	9.72	9.30	8.87	8.44	8.01	7.58	7.15
330	340	13.60	13.17	11.46	11.03	10.60	10.18	9.75	9.32	8.89	8.46	8.03
340	350	14.48	14.05	12.34	11.91	11.48	11.06	10.63	10.20	9.77	9.34	8.91
350	360	15.36	14.93	13.22	12.79	12.36	11.94	11.51	11.08	10.65	10.22	9.79
360	370	16.24	15.81	14.10	13.67	13.24	12.82	12.39	11.96	11.53	11.10	10.67
370	380	17.12	16.69	14.98	14.55	14.12	13.70	13.27	12.84	12.41	11.98	11.55
380	390	18.00	17.57	15.86	15.43	15.00	14.58	14.15	13.72	13.29	12.86	12.43
390	400	19.03	18.60	16.74	16.31	15.88	15.46	15.03	14.60	14.17	13.74	13.31
400	410	20.05	19.62	17.71	17.28	16.85	16.42	15.99	15.56	15.13	14.70	14.28

410 and over (Table Amount PLUS 10.23 Percent of the Amount Over 405)

UNMARRIED HEAD OF HOUSEHOLD----DAILY / MISCELLANEOUS PAYROLL PERIOD

FOR WAGES PAID IN 2012

IF WAGES ARE...		AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...										
AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$56											
56	58	0.31										
58	60	0.33										
60	62	0.35										
62	64	0.37										
64	66	0.40										
66	68	0.42										
68	70	0.44	0.01									
70	72	0.46	0.03									
72	74	0.48	0.06									
74	76	0.51	0.08									
76	78	0.53	0.10									
78	80	0.55	0.12									
80	82	0.57	0.14									
82	84	0.59	0.17									
84	86	0.62	0.19									
86	88	0.66	0.23									
88	90	0.70	0.28									
90	92	0.75	0.32									
92	94	0.79	0.36									
94	96	0.84	0.41									
96	100	0.90	0.47	0.04								
100	104	0.99	0.56	0.13								
104	108	1.08	0.65	0.22								
108	112	1.17	0.74	0.31								
112	116	1.25	0.83	0.40								
116	120	1.34	0.91	0.48	0.06							
120	125	1.44	1.01	0.58	0.15							
125	130	1.55	1.12	0.69	0.26							
130	135	1.66	1.23	0.80	0.37							
135	140	1.77	1.34	0.91	0.48	0.06						
140	145	1.88	1.45	1.02	0.59	0.17						
145	150	1.99	1.56	1.13	0.70	0.28						
150	155	2.10	1.67	1.24	0.81	0.39						
155	160	2.21	1.78	1.35	0.92	0.50	0.07					
160	165	2.33	1.90	1.47	1.05	0.62	0.19					
165	170	2.55	2.12	1.69	1.27	0.84	0.41					
170	175	2.77	2.34	1.91	1.49	1.06	0.63	0.20				
175	180	2.99	2.56	2.13	1.71	1.28	0.85	0.42				
180	185	3.21	2.78	2.35	1.93	1.50	1.07	0.64	0.21			
185	190	3.43	3.00	2.57	2.15	1.72	1.29	0.86	0.43			
190	200	3.76	3.33	2.90	2.48	2.05	1.62	1.19	0.76	0.33		
200	210	4.29	3.86	3.43	3.00	2.57	2.15	1.72	1.29	0.86	0.43	
210	220	4.95	4.52	4.09	3.66	3.23	2.81	2.38	1.95	1.52	1.09	0.66
220	230	5.61	5.18	4.75	4.32	3.89	3.47	3.04	2.61	2.18	1.75	1.32
230	240	6.27	5.84	5.41	4.98	4.55	4.13	3.70	3.27	2.84	2.41	1.98
240	250	7.00	6.57	6.14	5.71	5.28	4.85	4.42	3.99	3.56	3.14	2.71
250	260	7.88	7.45	7.02	6.59	6.16	5.73	5.30	4.87	4.44	4.02	3.59
260	270	8.76	8.33	7.90	7.47	7.04	6.61	6.18	5.75	5.32	4.90	4.47
270	280	9.64	9.21	8.78	8.35	7.92	7.49	7.06	6.63	6.20	5.78	5.35
280	290	10.59	10.16	9.73	9.30	8.87	8.44	8.01	7.58	7.16	6.73	6.30
290	and over	(Table Amount PLUS 10.23 Percent of the Amount Over 285)										

METHOD B - EXACT CALCULATION METHOD

This method is based upon applying a given percentage to the wages (after deductions) which fall within a taxable income class, adding to this product the accumulated tax for all lower tax brackets; and then subtracting a tax credit based upon the number of allowances claimed on the Employee's Withholding Allowance Certificate (Form W-4 or DE 4). **This method also takes into consideration the special treatment of additional allowances for estimated deductions.**

The steps in computing the amount of tax to be withheld are as follows:

Step 1 Determine if the employee's gross wages are **less** than, or equal to, the amount shown in "TABLE 1 - LOW INCOME EXEMPTION TABLE." If so, no income tax is required to be withheld.

Step 2 If the employee claims any additional withholding allowances for estimated deductions on a DE 4 form, subtract the amount shown in "TABLE 2 - ESTIMATED DEDUCTION TABLE" from the gross wages.

Step 3 Subtract the standard deduction amount shown in "TABLE 3 - STANDARD DEDUCTION TABLE" to arrive at the employee's taxable income.

Step 4 Use "TABLE 5 - TAX RATE TABLE" for the payroll period and marital status to find the applicable line on which the taxable income is located. Perform the indicated calculations to arrive at the computed tax liability.

Step 5 Subtract the tax credit shown in "TABLE 4 – EXEMPTION ALLOWANCE TABLE"***** from the computed tax liability to arrive at the amount of tax to be withheld.

***** If the employee uses additional allowances claimed for estimated deductions, such allowances **MUST NOT** be used in the determination of tax credits to be subtracted.

EXAMPLE A: Weekly earnings of $210.00, single, and claiming one withholding allowance on form W-4 or DE 4.

Step 1 Earnings for the weekly payroll period are LESS than the amount shown in "TABLE 1 - LOW INCOME EXEMPTION TABLE" ($241.00); therefore, no income tax is to be withheld.

EXAMPLE B: Biweekly earnings of $1,250.00, married, and claiming three withholding allowances, one of which is for estimated deductions.

Step 1 Earnings for the biweekly payroll period are GREATER than the amount shown in "TABLE 1 – LOW INCOME EXEMPTION TABLE" ($964.00); therefore, income tax should be withheld.

Step 2	Earnings for biweekly payroll period.	$1,250.00
	Subtract amount from "TABLE 2 - ESTIMATED DEDUCTION TABLE".	-38.00
	Salaries and wages subject to withholding.	$1,212.00
Step 3	Subtract amount from "TABLE 3 - STANDARD DEDUCTION TABLE".	-290.00
	Taxable income.	$922.00
Step 4	Tax computation from "TABLE 5 - TAX RATE TABLE":	
	Entry covering $922.00 (over $564.00 but not over $1,336.00).	
	• 2.2% amount over $564.00 (.022 x ($922.00 – 564.00)).	$ 7.88
	• Plus the marginal amount.	+6.20
	• Computed tax.	14.08
Step 5	Subtract amount from "TABLE 4 – EXEMPTION ALLOWANCE TABLE" for two regular withholding allowances.	-8.63
	Net amount of tax to be withheld.	$ 5.45

NOTE: Table 5 provides a method comparable to the federal alternative method for percentage calculation of withholding. This method is a minor simplification of the exact calculation method described above in that the tax rate applies to the total taxable income with the excess amount subtracted.

METHOD B - EXACT CALCULATION METHOD (CONTINUED)

EXAMPLE C: Monthly earnings of $3,800.00, married, and claiming five withholding allowances on Form W-4 or DE 4.

Step 1 Earnings for the monthly payroll period are GREATER than the amount shown in "TABLE 1 – LOW INCOME EXEMPTION TABLE" ($2,088.00); therefore, income tax should be withheld.

	Earnings for monthly payroll period.	$3,800.00
Step 2	Not applicable - no estimated deduction allowance claimed.	
Step 3	Subtract amount from "TABLE 3 - STANDARD DEDUCTION TABLE"	-628.00
	Taxable income.	$3,172.00
Step 4	Tax computation from "TABLE 5 - TAX RATE TABLE":	
	• Entry covering $3,172.00 (over $2,892.00 but not over $4,564.00)	
	• 4.4% of amount over $2,892.00 (.044 x ($3,172.00 - $2,892.00))	$ 12.32
	• Plus marginal tax amount.	+50.20
	• Computed tax.	$ 62.52
Step 5	Subtract amount from "TABLE 4 – EXEMPTION ALLOWANCE TABLE" for 5 regular withholding allowances.	-46.75
	Net amount of tax to be withheld.	$ 15.77

EXAMPLE D: Weekly earnings of $800.00, unmarried head of household, three withholding allowances on Form W-4 or DE 4.

Step 1 Earnings for the weekly payroll period are GREATER than the amount shown in "TABLE 1 – LOW INCOME EXEMPTION TABLE" ($482.00); therefore, income tax should be withheld.

	Earnings for weekly payroll period.	$ 800.00
Step 2	Not applicable - no estimated deduction allowance claimed.	
Step 3	Subtract amount from "TABLE 3 - STANDARD DEDUCTION TABLE".	-145.00
	Taxable income.	$ 655.00
Step 4	Tax computation from "TABLE 5 - TAX RATE TABLE":	
	• Entry covering $655.00 (over $282.00 but not over $667.00).	
	• 2.2% of amount over $282.00 (.022 x ($655.00 - $282.00)).	$ 8.21
	• Plus marginal tax amount.	+ 3.10
	• Computed tax.	$ 11.31
Step 5	Subtract amount from "TABLE 4 - EXEMPTION ALLOWANCE TABLE" for 3 regular withholding allowances.	- 6.47
	Net amount of tax to be withheld.	$ 4.84

NOTE: Employers may determine the amount of income tax to be withheld for an annual payroll period and prorate the tax back to the payroll period. This method may be useful to employers who have employees being paid for more than one payroll period and want to conserve computer memory by storing only the annual tax rates, wage brackets, deduction values, and tax credits.

EXAMPLE E: Semi-monthly earnings of $1,800.00, married, and claiming four allowances on Form W-4 or DE 4.

Step 1 Earnings for the semi-monthly payroll period are GREATER than the amount shown in "TABLE 1 - LOW INCOME EXEMPTION TABLE" ($1,044.00); therefore, income tax should be withheld.

	Annualized wages and salary (24 x $1,800.00).	$43,200.00
Step 2	Not applicable - no estimated deduction allowance claimed.	
Step 3	Subtract amount from "TABLE 3 - STANDARD DEDUCTION TABLE".	-7,538.00
	Taxable income.	$35,662.00
Step 4	Tax computation from “TABLE 5 - TAX RATE TABLE”:	
	• Entry covering $35,662.00(over $34,692.00 but not over $54,754.00)	
	• 4.4% of amount over $34,692.00 (.044 x ($35,662.00 - $34,692.00)).	$ 42.68
	• Plus marginal tax amount.	+602.27
	• Computed annual tax.	$ 644.95
Step 5	Subtract amount from "TABLE 4 - EXEMPTION ALLOWANCE TABLE" for 4 regular withholding allowances.	-448.80
	Annual amount of tax to be withheld.	$ 196.15
	Divide by number of payroll periods in year (24).	$ 8.17

METHOD B - EXACT CALCULATION METHOD (CONTINUED)

NOTE: Employers may determine the amount of income tax to be withheld for an annual payroll period and figure the tax for the payroll period. This method may be useful to employers who have employees being paid for a lump sum, or a yearly amount not withheld on; and want to conserve computer memory by storing only the annual tax rates, wage brackets, deduction values, and tax credits.

EXAMPLE F: Annual earnings of $45,000.00, monthly pay period, married, and claiming four allowances on Form W-4 or DE 4.

Step 1 Earnings for the annual payroll period are GREATER than the amount shown in "TABLE 1 - LOW INCOME EXEMPTION TABLE" ($25,054.00); therefore, income tax should be withheld.

	Annualized wages and/or monthly salary (12 x $3,750.00).	$45,000.00
Step 2	Not applicable - no estimated deduction allowance claimed.	
Step 3	Subtract amount from "TABLE 3 - STANDARD DEDUCTION TABLE".	-7,538.00
	Taxable income.	$37,462.00
Step 4	Tax computation from “TABLE 5 - TAX RATE TABLE”:	
	• Entry covering $37,462.00(over $34,692.00 but not over $54,754.00)	
	• 4.4% of amount over $34,692.00 (.044 x ($37,462.00 - $34,692.00)).	$ 121.88
	• Plus marginal tax amount.	+602.27
	• Computed annual tax.	$ 724.15
Step 5	Subtract amount from "TABLE 4 - EXEMPTION ALLOWANCE TABLE" for 4 regular withholding allowances.	-448.80
	Annual amount of tax to be withheld.	$ 275.35
	(Divide by number of payroll periods in year [12])	$ 22.95

CALIFORNIA WITHHOLDING SCHEDULES FOR 2012
METHOD B---EXACT CALCULATION METHOD

TABLE 1 - LOW INCOME EXEMPTION TABLE

PAYROLL PERIOD	SINGLE, DUAL INCOME MARRIED OR MARRIED WITH MULTIPLE EMPLOYERS	MARRIED ALLOWANCES ON DE 4 OR W-4 '0' OR '1'	MARRIED ALLOWANCES ON DE 4 OR W-4 '2' OR MORE	UNMARRIED HEAD OF HOUSEHOLD
WEEKLY	$241	$241	$482	$482
BIWEEKLY	$482	$482	$964	$964
SEMI-MONTHLY	$522	$522	$1,044	$1,044
MONTHLY	$1,044	$1,044	$2,088	$2,088
QUARTERLY	$3,132	$3,132	$6,264	$6,264
SEMI-ANNUAL	$6,264	$6,264	$12,527	$12,527
ANNUAL	$12,527	$12,527	$25,054	$25,054
DAILY/MISCELLANEOUS	$48	$48	$96	$96

TABLE 2 - ESTIMATED DEDUCTION TABLE

ADDITIONAL WITHHOLDING ALLOWANCES *	PAYROLL PERIOD WEEKLY	BI-WEEKLY	SEMI-MONTHLY	MONTHLY	QUARTERLY	SEMI-ANNUAL	ANNUAL	DAILY/ MISC.
1	$19	$38	$42	$83	$250	$500	$1,000	$4
2	$38	$77	$83	$167	$500	$1,000	$2,000	$8
3	$58	$115	$125	$250	$750	$1,500	$3,000	$12
4	$77	$154	$167	$333	$1,000	$2,000	$4,000	$15
5	$96	$192	$208	$417	$1,250	$2,500	$5,000	$19
6	$115	$231	$250	$500	$1,500	$3,000	$6,000	$23
7	$135	$269	$292	$583	$1,750	$3,500	$7,000	$27
8	$154	$308	$333	$667	$2,000	$4,000	$8,000	$31
9	$173	$346	$375	$750	$2,250	$4,500	$9,000	$35
10**	$192	$385	$417	$833	$2,500	$5,000	$10,000	$38

***** Number of Additional Withholding Allowances for Estimated Deductions claimed on Form DE 4 or W-4.

****** If the number of Additional Withholding Allowances for Estimated Deductions claimed is greater than 10, multiply the amount shown for one Additional Allowance by the number claimed.

CALIFORNIA WITHHOLDING SCHEDULES FOR 2012
METHOD B---EXACT CALCULATION METHOD

TABLE 3 - STANDARD DEDUCTION TABLE

PAYROLL PERIOD	SINGLE, DUAL INCOME MARRIED OR MARRIED WITH MULTIPLE EMPLOYERS	MARRIED ALLOWANCES ON DE 4 OR W-4 '0' OR '1'	MARRIED ALLOWANCES ON DE 4 OR W-4 '2' OR MORE	UNMARRIED HEAD OF HOUSEHOLD
WEEKLY	$72	$72	$145	$145
BIWEEKLY	$145	$145	$290	$290
SEMI-MONTHLY	$157	$157	$314	$314
MONTHLY	$314	$314	$628	$628
QUARTERLY	$942	$942	$1,885	$1,885
SEMI-ANNUAL	$1,885	$1,885	$3,769	$3,769
ANNUAL	$3,769	$3,769	$7,538	$7,538
DAILY/MISCELLANEOUS	$14	$14	$29	$29

TABLE 4 - EXEMPTION ALLOWANCE TABLE

ALLOWANCES ON DE 4 OR W-4	PAYROLL PERIOD WEEKLY	BI-WEEKLY	SEMI-MONTHLY	MONTHLY	QUARTERLY	SEMI-ANNUAL	ANNUAL	DAILY/ MISC.
0	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
1	$2.16	$4.32	$4.68	$9.35	$28.05	$56.10	$112.20	$0.43
2	$4.32	$8.63	$9.35	$18.70	$56.10	$112.20	$224.40	$0.86
3	$6.47	$12.95	$14.03	$28.05	$84.15	$168.30	$336.60	$1.29
4	$8.63	$17.26	$18.70	$37.40	$112.20	$224.40	$448.80	$1.73
5	$10.79	$21.58	$23.38	$46.75	$140.25	$280.50	$561.00	$2.16
6	$12.95	$25.89	$28.05	$56.10	$168.30	$336.60	$673.20	$2.59
7	$15.10	$30.21	$32.73	$65.45	$196.35	$392.70	$785.40	$3.02
8	$17.26	$34.52	$37.40	$74.80	$224.40	$448.80	$897.60	$3.45
9	$19.42	$38.84	$42.08	$84.15	$252.45	$504.90	$1,009.80	$3.88
10*	$21.58	$43.15	$46.75	$93.50	$280.50	$561.00	$1,122.00	$4.32

* If the number of allowances claimed exceeds 10, you may determine the amount of tax credit to be allowed by multiplying the amount for one allowance by the total number of allowances.

For example, the amount of tax credit for a married taxpayer with 15 allowances, as determined on Form DE 4 or W-4, on a weekly payroll period would be $32.40.

CALIFORNIA WITHHOLDING SCHEDULES FOR 2012
METHOD B---EXACT CALCULATION METHOD

TABLE 5 - TAX RATE TABLE

ANNUAL PAYROLL PERIOD

SINGLE PERSONS, DUAL INCOME MARRIED,
OR MARRIED WITH MULTIPLE EMPLOYERS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...		PLUS
$0	$7,316 ...	1.100%	$0	$0.00
$7,316	$17,346 ...	2.200%	$7,316	$80.48
$17,346	$27,377 ...	4.400%	$17,346	$301.14
$27,377	$38,004 ...	6.600%	$27,377	$742.50
$38,004	$48,029 ...	8.800%	$38,004	$1,443.88
$48,029	$1,000,000 ...	10.230%	$48,029	$2,326.08
$1,000,000	and over	11.330%	$1,000,000	$99,712.71

MARRIED PERSONS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...		PLUS
$0	$14,632 ...	1.100%	$0	$0.00
$14,632	$34,692 ...	2.200%	$14,632	$160.95
$34,692	$54,754 ...	4.400%	$34,692	$602.27
$54,754	$76,008 ...	6.600%	$54,754	$1,485.00
$76,008	$96,058 ...	8.800%	$76,008	$2,887.76
$96,058	$1,000,000 ...	10.230%	$96,058	$4,652.16
$1,000,000	and over	11.330%	$1,000,000	$97,125.43

UNMARRIED/HEAD OF HOUSEHOLD

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...		PLUS
$0	$14,642 ...	1.100%	$0	$0.00
$14,642	$34,692 ...	2.200%	$14,642	$161.06
$34,692	$44,721 ...	4.400%	$34,692	$602.16
$44,721	$55,348 ...	6.600%	$44,721	$1,043.44
$55,348	$65,376 ...	8.800%	$55,348	$1,744.82
$65,376	$1,000,000 ...	10.230%	$65,376	$2,627.28
$1,000,000	and over	11.330%	$1,000,000	$98,239.32

DAILY / MISCELLANEOUS PAYROLL PERIOD

SINGLE PERSONS, DUAL INCOME MARRIED,
OR MARRIED WITH MULTIPLE EMPLOYERS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...		PLUS
$0	$28 ...	1.100%	$0	$0.00
$28	$67 ...	2.200%	$28	$0.31
$67	$105 ...	4.400%	$67	$1.17
$105	$146 ...	6.600%	$105	$2.84
$146	$185 ...	8.800%	$146	$5.55
$185	$3,846 ...	10.230%	$185	$8.98
$3,846	and over	11.330%	$3,846	$383.50

MARRIED PERSONS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...		PLUS
$0	$56 ...	1.100%	$0	$0.00
$56	$134 ...	2.200%	$56	$0.62
$134	$210 ...	4.400%	$134	$2.34
$210	$292 ...	6.600%	$210	$5.68
$292	$370 ...	8.800%	$292	$11.09
$370	$3,846 ...	10.230%	$370	$17.95
$3,846	and over	11.330%	$3,846	$373.54

UNMARRIED/HEAD OF HOUSEHOLD

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...		PLUS
$0	$56 ...	1.100%	$0	$0.00
$56	$133 ...	2.200%	$56	$0.62
$133	$172 ...	4.400%	$133	$2.31
$172	$213 ...	6.600%	$172	$4.03
$213	$251 ...	8.800%	$213	$6.74
$251	$3,846 ...	10.230%	$251	$10.08
$3,846	and over	11.330%	$3,846	$377.85

CALIFORNIA WITHHOLDING SCHEDULES FOR 2012
METHOD B---EXACT CALCULATION METHOD

TABLE 5 - TAX RATE TABLE

QUARTERLY PAYROLL PERIOD

SINGLE PERSONS, DUAL INCOME MARRIED,
OR MARRIED WITH MULTIPLE EMPLOYERS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...		PLUS
$0	$1,829 ...	1.100%	$0	$0.00
$1,829	$4,337 ...	2.200%	$1,829	$20.12
$4,337	$6,844 ...	4.400%	$4,337	$75.30
$6,844	$9,501 ...	6.600%	$6,844	$185.61
$9,501	$12,007 ...	8.800%	$9,501	$360.97
$12,007	$249,999 ...	10.230%	$12,007	$581.50
$249,999	and over	11.330%	$249,999	$24,928.08

MARRIED PERSONS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...		PLUS
$0	$3,658 ...	1.100%	$0	$0.00
$3,658	$8,674 ...	2.200%	$3,658	$40.24
$8,674	$13,688 ...	4.400%	$8,674	$150.59
$13,688	$19,002 ...	6.600%	$13,688	$371.21
$19,002	$24,014 ...	8.800%	$19,002	$721.93
$24,014	$249,999 ...	10.230%	$24,014	$1,162.99
$249,999	and over	11.330%	$249,999	$24,281.26

UNMARRIED/HEAD OF HOUSEHOLD

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...		PLUS
$0	$3,661 ...	1.100%	$0	$0.00
$3,661	$8,673 ...	2.200%	$3,661	$40.27
$8,673	$11,180 ...	4.400%	$8,673	$150.53
$11,180	$13,837 ...	6.600%	$11,180	$260.84
$13,837	$16,344 ...	8.800%	$13,837	$436.20
$16,344	$249,999 ...	10.230%	$16,344	$656.82
$249,999	and over	11.330%	$249,999	$24,559.73

SEMI-ANNUAL PAYROLL PERIOD

SINGLE PERSONS, DUAL INCOME MARRIED,
OR MARRIED WITH MULTIPLE EMPLOYERS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...		PLUS
$0	$3,658 ...	1.100%	$0	$0.00
$3,658	$8,674 ...	2.200%	$3,658	$40.24
$8,674	$13,688 ...	4.400%	$8,674	$150.59
$13,688	$19,002 ...	6.600%	$13,688	$371.21
$19,002	$24,014 ...	8.800%	$19,002	$721.93
$24,014	$499,998 ...	10.230%	$24,014	$1,162.99
$499,998	and over	11.330%	$499,998	$49,856.15

MARRIED PERSONS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...		PLUS
$0	$7,316 ...	1.100%	$0	$0.00
$7,316	$17,348 ...	2.200%	$7,316	$80.48
$17,348	$27,376 ...	4.400%	$17,348	$301.18
$27,376	$38,004 ...	6.600%	$27,376	$742.41
$38,004	$48,028 ...	8.800%	$38,004	$1,443.86
$48,028	$499,998 ...	10.230%	$48,028	$2,325.97
$499,998	and over	11.330%	$499,998	$48,562.50

UNMARRIED/HEAD OF HOUSEHOLD

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...		PLUS
$0	$7,322 ...	1.100%	$0	$0.00
$7,322	$17,346 ...	2.200%	$7,322	$80.54
$17,346	$22,360 ...	4.400%	$17,346	$301.07
$22,360	$27,674 ...	6.600%	$22,360	$521.69
$27,674	$32,688 ...	8.800%	$27,674	$872.41
$32,688	$499,998 ...	10.230%	$32,688	$1,313.64
$499,998	and over	11.330%	$499,998	$49,119.45

CALIFORNIA WITHHOLDING SCHEDULES FOR 2012
METHOD B---EXACT CALCULATION METHOD

TABLE 5 - TAX RATE TABLE

SEMI-MONTHLY PAYROLL PERIOD

SINGLE PERSONS, DUAL INCOME MARRIED, OR MARRIED WITH MULTIPLE EMPLOYERS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$305 ...	1.100%	$0	$0.00
$305	$723 ...	2.200%	$305	$3.36
$723	$1,141 ...	4.400%	$723	$12.56
$1,141	$1,584 ...	6.600%	$1,141	$30.95
$1,584	$2,001 ...	8.800%	$1,584	$60.19
$2,001	$41,667 ...	10.230%	$2,001	$96.89
$41,667	and over	11.330%	$41,667	$4,154.72

MARRIED PERSONS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$610 ...	1.100%	$0	$0.00
$610	$1,446 ...	2.200%	$610	$6.71
$1,446	$2,282 ...	4.400%	$1,446	$25.10
$2,282	$3,168 ...	6.600%	$2,282	$61.88
$3,168	$4,002 ...	8.800%	$3,168	$120.36
$4,002	$41,667 ...	10.230%	$4,002	$193.75
$41,667	and over	11.330%	$41,667	$4,046.88

UNMARRIED/HEAD OF HOUSEHOLD

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$610 ...	1.100%	$0	$0.00
$610	$1,446 ...	2.200%	$610	$6.71
$1,446	$1,863 ...	4.400%	$1,446	$25.10
$1,863	$2,306 ...	6.600%	$1,863	$43.45
$2,306	$2,724 ...	8.800%	$2,306	$72.69
$2,724	$41,667 ...	10.230%	$2,724	$109.47
$41,667	and over	11.330%	$41,667	$4,093.34

MONTHLY PAYROLL PERIOD

SINGLE PERSONS, DUAL INCOME MARRIED, OR MARRIED WITH MULTIPLE EMPLOYERS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$610 ...	1.100%	$0	$0.00
$610	$1,446 ...	2.200%	$610	$6.71
$1,446	$2,282 ...	4.400%	$1,446	$25.10
$2,282	$3,168 ...	6.600%	$2,282	$61.88
$3,168	$4,002 ...	8.800%	$3,168	$120.36
$4,002	$83,334 ...	10.230%	$4,002	$193.75
$83,334	and over	11.330%	$83,334	$8,309.41

MARRIED PERSONS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$1,220 ...	1.100%	$0	$0.00
$1,220	$2,892 ...	2.200%	$1,220	$13.42
$2,892	$4,564 ...	4.400%	$2,892	$50.20
$4,564	$6,336 ...	6.600%	$4,564	$123.77
$6,336	$8,004 ...	8.800%	$6,336	$240.72
$8,004	$83,334 ...	10.230%	$8,004	$387.50
$83,334	and over	11.330%	$83,334	$8,093.76

UNMARRIED/HEAD OF HOUSEHOLD

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$1,220 ...	1.100%	$0	$0.00
$1,220	$2,892 ...	2.200%	$1,220	$13.42
$2,892	$3,726 ...	4.400%	$2,892	$50.20
$3,726	$4,612 ...	6.600%	$3,726	$86.90
$4,612	$5,448 ...	8.800%	$4,612	$145.38
$5,448	$83,334 ...	10.230%	$5,448	$218.95
$83,334	and over	11.330%	$83,334	$8,186.69

CALIFORNIA WITHHOLDING SCHEDULES FOR 2012
METHOD B---EXACT CALCULATION METHOD

TABLE 5 - TAX RATE TABLE

WEEKLY PAYROLL PERIOD

SINGLE PERSONS, DUAL INCOME MARRIED, OR MARRIED WITH MULTIPLE EMPLOYERS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...		PLUS
$0	$141 ...	1.100%	$0	$0.00
$141	$334 ...	2.200%	$141	$1.55
$334	$526 ...	4.400%	$334	$5.80
$526	$731 ...	6.600%	$526	$14.25
$731	$924 ...	8.800%	$731	$27.78
$924	$19,231 ...	10.230%	$924	$44.76
$19,231	and over	11.330%	$19,231	$1,917.57

MARRIED PERSONS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...		PLUS
$0	$282 ...	1.100%	$0	$0.00
$282	$668 ...	2.200%	$282	$3.10
$668	$1,052 ...	4.400%	$668	$11.59
$1,052	$1,462 ...	6.600%	$1,052	$28.49
$1,462	$1,848 ...	8.800%	$1,462	$55.55
$1,848	$19,231 ...	10.230%	$1,848	$89.52
$19,231	and over	11.330%	$19,231	$1,867.80

UNMARRIED/HEAD OF HOUSEHOLD

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...		PLUS
$0	$282 ...	1.100%	$0	$0.00
$282	$667 ...	2.200%	$282	$3.10
$667	$860 ...	4.400%	$667	$11.57
$860	$1,064 ...	6.600%	$860	$20.06
$1,064	$1,257 ...	8.800%	$1,064	$33.52
$1,257	$19,231 ...	10.230%	$1,257	$50.50
$19,231	and over	11.330%	$19,231	$1,889.24

BIWEEKLY PAYROLL PERIOD

SINGLE PERSONS, DUAL INCOME MARRIED, OR MARRIED WITH MULTIPLE EMPLOYERS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...		PLUS
$0	$282 ...	1.100%	$0	$0.00
$282	$668 ...	2.200%	$282	$3.10
$668	$1,052 ...	4.400%	$668	$11.59
$1,052	$1,462 ...	6.600%	$1,052	$28.49
$1,462	$1,848 ...	8.800%	$1,462	$55.55
$1,848	$38,462 ...	10.230%	$1,848	$89.52
$38,462	and over	11.330%	$38,462	$3,835.13

MARRIED PERSONS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...		PLUS
$0	$564 ...	1.100%	$0	$0.00
$564	$1,336 ...	2.200%	$564	$6.20
$1,336	$2,104 ...	4.400%	$1,336	$23.18
$2,104	$2,924 ...	6.600%	$2,104	$56.97
$2,924	$3,696 ...	8.800%	$2,924	$111.09
$3,696	$38,462 ...	10.230%	$3,696	$179.03
$38,462	and over	11.330%	$38,462	$3,735.59

UNMARRIED/HEAD OF HOUSEHOLD

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...		PLUS
$0	$564 ...	1.100%	$0	$0.00
$564	$1,334 ...	2.200%	$564	$6.20
$1,334	$1,720 ...	4.400%	$1,334	$23.14
$1,720	$2,128 ...	6.600%	$1,720	$40.12
$2,128	$2,514 ...	8.800%	$2,128	$67.05
$2,514	$38,462 ...	10.230%	$2,514	$101.02
$38,462	and over	11.330%	$38,462	$3,778.50

REQUIRED FORMS

Under California law, you are required to report specific information periodically or upon notification or request. Timely filing of the required forms will avoid penalty and interest charges. In addition, it will enable the Employment Development Department (EDD) to pay Unemployment Insurance, State Disability Insurance, and Paid Family Leave benefits. Timely filing also assists the California Department of Child Support Services and the Department of Justice in the collection of delinquent child support obligations.

The required reporting forms are:

- *Report of New Employee(s*) (DE 34)
- *Report of Independent Contractor(s)* (DE 542)
- *Payroll Tax Deposit* (DE 88)
- *Quarterly Contribution Return and Report of Wages* (DE 9)
- *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C)

Registered employers automatically receive the forms by mail. New employers receive the required reporting forms by mail after they register with the EDD and obtain their EDD eight-digit employer account number. Please use the forms mailed to you. If you do not have a form, you can obtain blank forms and detailed instructions by accessing the EDD's Web site at **www.edd.ca.gov/Payroll_Taxes/Forms_and_Publications.htm** or calling the Taxpayer Assistance Center at (888) 745-3886. You may also file and pay online using the EDD's e-Services for Business at **https://eddservices.edd.ca.gov**. If you are not able to obtain the forms by the delinquency date, you may file an informal report. Detailed instructions on completing informal reports are explained later in this chapter under the topic "Filing an Informal Report."

When sending payments to the EDD, always include your EDD employer account number and make checks/money orders **payable to** the "Employment Development Department."

REMEMBER:

- Use black ink only.
- Print or type the information. If printing, stay within the boxes.
- Include the cents on your wage and tax reports. Do not round to the nearest dollar or use dashes.
- Make sure your EDD eight-digit employer account number appears on your tax forms, tax payments and any correspondence you send to the EDD.
- Note the correct calendar quarter on your tax forms and tax payments.
- Remove all stubs and vouchers from your checks.
- Do not use staples, paper clips, or tape.
- Do not use highlighters.
- Do not use another employer's preprinted forms.

Use the preprinted envelope provided by the EDD. If you do not have a preprinted envelope, send your form and payment to:

Employment Development Department
P.O. Box 826276
Sacramento, CA 94230-6276

The information on the following pages explains the **purpose** of the required reporting forms, **how to obtain** the forms, and the **due dates**.

GO GREEN – Join e-Services for Business Today
https://eddservices.edd.ca.gov

Subscribe to the EDD's free e-mail subscription services
www.edd.ca.gov/about_EDD/Get_Email_Notices.htm

REPORT OF NEW EMPLOYEE(S) (DE 34)

Overview

Purpose: All employers are required to report new employees to the New Employee Registry (NER). The NER assists California's Department of Child Support Services and Department of Justice in locating parents to collect delinquent child support payments. Employers must also report the actual start-of-work date (not the date hired) for each newly hired employee so that the NER data can be cross-matched to the Unemployment Insurance (UI) benefit payment file. This will result in the early detection and prevention of UI benefit overpayments.

Filing Options for Reporting New Employees
The following options are available to report new employees:
1. File online at **https://eddservices.edd.ca.gov**. It's fast, easy, and secure.
2. Obtain DE 34 forms from the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de34.pdf**.
3. Order DE 34 forms by contacting the Taxpayer Assistance Center at (916) 657-0529 or (888) 745-3886.

When Due: You must report all newly hired employees **within 20 days** of the start-of-work date. If an employee returns to work after a layoff or leave of absence and is required to complete a new IRS Employee's Withholding Allowance Certificate (Form W-4), you must report the employee as a new hire. If the returning employee was not formally terminated or removed from payroll records, you do not need to report the employee as a new hire.

The following information must be included when reporting new employees:

Employer Information	Employee Information
• EDD employer account number • Federal Employer Identification Number (FEIN) • Business name • Business address • Business telephone number • Contact person	• First name, middle initial, and last name • Social Security Number • Home address • Start-of-work date

Refer to sample DE 34 form on page 70.

Filing an Informal Report
If you are not able to obtain a DE 34 by the due date, file an informal report or a copy of the employee's Form W-4 to avoid penalty and interest charges. Your informal report must include all the information listed in the table above.

Mail or fax your new employee information to:

Employment Development Department
Document Management Group, MIC 96
P.O. Box 997016
West Sacramento, CA 95799-7016

Fax: (916) 319-4400

If you are reporting a large number of new employees, we encourage you to send the information electronically. Multistate employers who report new hires electronically may select one state in which they have employees to report all of their new hires.

You can file online from the EDD's e-Services for Business Web site at **https://eddservices.edd.ca.gov**. It's fast, easy, and secure. **IF YOU FILE ELECTRONICALLY, DO NOT FILE A PAPER DE 34.** For additional information on electronic filing, contact the:

Employment Development Department
e-File & Child Support Group, MIC 15A
P.O. Box 826880
Sacramento, CA 94280-0001

Telephone: (916) 651-6945

Registered employers may report new employees using the EDD's e-Services for Business Web site at **https://eddservices.edd.ca.gov**.

EDD Employment Development Department State of California

REPORT OF NEW EMPLOYEE(S)

See detailed instructions on reverse. Please type or print.
NOTE: Report new employees within 20 days of start-of-work date.

00340600

DATE	CA EMPLOYER ACCOUNT NO.	BRANCH CODE	FEDERAL ID NO.
031012 D Y Y	00000000		XXXXXXXXX

BUSINESS NAME	CONTACT PERSON	TELEPHONE NO.
EMPLOYER CITY STORE	JANE JONES	(123) 555-7899

ADDRESS STREET	CITY	STATE	ZIP
123 MAIN STREET	ANYTOWN,	CA	12345

EMPLOYEE FIRST NAME	MI	EMPLOYEE LAST NAME
CINDY	V	SMITH

SOCIAL SECURITY NO.	STREET NO.	STREET NAME	UNIT/APT
000000000	222	MAPLE STREET	

CITY	STATE	ZIP	START-OF-WORK DATE
ANYTOWN	CA	12345	022612

EMPLOYEE FIRST NAME	MI	EMPLOYEE LAST NAME

SOCIAL SECURITY NO.	STREET NO.	STREET NAME	UNIT/APT

CITY	STATE	ZIP	START-OF-WORK DATE

EMPLOYEE FIRST NAME	MI	EMPLOYEE LAST NAME

SOCIAL SECURITY NO.	STREET NO.	STREET NAME	UNIT/APT

CITY	STATE	ZIP	START-OF-WORK DATE

EMPLOYEE FIRST NAME	MI	EMPLOYEE LAST NAME

SOCIAL SECURITY NO.	STREET NO.	STREET NAME	UNIT/APT

CITY	STATE	ZIP	START-OF-WORK DATE

EMPLOYEE FIRST NAME	MI	EMPLOYEE LAST NAME

SOCIAL SECURITY NO.	STREET NO.	STREET NAME	UNIT/APT

CITY	STATE	ZIP	START-OF-WORK DATE

DE 34 Rev. 7 (1-11) **(INTERNET)** Page 1 of 2

MAIL TO: Employment Development Department / P.O. Box 997016, Document Management Group, MIC 96 CU
West Sacramento, CA 95799-7016 or fax to (916) 319-4400

REPORT OF INDEPENDENT CONTRACTOR(S) (DE 542)

Overview

Purpose: Any business or government entity that is required to file a federal Form 1099-MISC for personal services performed must also report specific information to EDD regarding any independent contractor providing services to you or your business. The independent contractor information assists California's Department of Child Support Services and Department of Justice in locating parents for the purpose of collecting delinquent child support. An independent contractor is an individual who is not a common law or statutory employee of a business/government entity for California purposes and who receives compensation for or executes a contract for services performed for a business/government entity, either in or outside of California.

Filing Options for Reporting Independent Contractors:
1. File online at **https://eddservices.edd.ca.gov**. It's fast, easy, and secure.
2. Obtain DE 542 forms from the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de542.pdf**.
3. Order DE 542 forms by contacting the Taxpayer Assistance Center at (916) 657-0529 or (888) 745-3886.

When Due: Independent contractor information must be reported to the EDD **within 20 days** of either making payments totaling $600 or more, or entering into a contract for $600 or more with an independent contractor in any calendar year, whichever occurs first. This is in addition to your requirement to report the total annual payments to the Internal Revenue Service on a Form 1099-MISC after the close of the calendar year.

The following information must be included when reporting independent contractors:

Business or Government Entity (Service-Recipient) Information	Independent Contractor (Service-Provider) Information
• Federal Employer Identification Number (FEIN) • EDD employer account number • Social Security Number (if no FEIN number or EDD employer account number) • Business or government entity name, address, and telephone number	• First name, middle initial, and last name *(do not use company name)* • Social Security Number *(do not use FEIN)* • Address • Start date of contract • Amount of contract (including cents) • Contract expiration date or check box if the contract is ongoing

Refer to sample DE 542 form on page 72.

Filing an Informal Report

If you are not able to obtain a DE 542 form by the due date, you may file an informal report to avoid penalty and interest charges. Your informal report must include all the information listed in the table above.

Mail or fax your independent contractor information to:

Employment Development Department
Document Management Group, MIC 96
P.O. Box 997350
Sacramento, CA 95899-7350

Fax: (916) 319-4410

If you are reporting a large number of independent contractors, we encourage you to send the information electronically. You can file online from the EDD's e-Services for Business Web site at **https://eddservices.edd.ca.gov**. **IF YOU FILE ELECTRONICALLY, DO NOT FILE A PAPER DE 542.** For additional information on electronic filing, contact the:

Employment Development Department
e-File & Child Support Group, MIC 15A
P.O. Box 826880
Sacramento, CA 94280-0001

Telephone: (916) 651-6945

FOR ILLUSTRATIVE PURPOSES ONLY

REQUIRED FORMS

Employment Development Department
State of California

REPORT OF INDEPENDENT CONTRACTOR(S)

See detailed instructions on reverse side. Please type or print.

05420101

SERVICE-RECIPIENT (BUSINESS OR GOVERNMENT ENTITY):

DATE	FEDERAL ID NO.	CA EMPLOYER ACCOUNT NO.	SOCIAL SECURITY NO.
031012	xxxxxxxxx	00000000	

SERVICE-RECIPIENT NAME / BUSINESS NAME	CONTACT PERSON
EMPLOYER CITY STORE	JANE JONES

ADDRESS	TELEPHONE NO.
123 MAIN STREET	123 555-7899

CITY	STATE	ZIP
ANYTOWN	CA	12345

SERVICE-PROVIDER (INDEPENDENT CONTRACTOR):

FIRST NAME	MI	LAST NAME
FRED	Z	HILL

SOCIAL SECURITY NO.	STREET NO.	STREET NAME	UNIT/APT
000000000	421	OAK AVENUE	12345

CITY	STATE	ZIP
ANYTOWN	CA	12345

START DATE OF CONTRACT (M M D D Y Y)	AMOUNT OF CONTRACT	CONTRACT EXPIRATION DATE (M M D D Y Y)	CHECK HERE IF CONTRACT IS ONGOING
040312	1000.00	063012	

FIRST NAME	MI	LAST NAME

SOCIAL SECURITY NO.	STREET NO.	STREET NAME	UNIT/APT

CITY	STATE	ZIP

START DATE OF CONTRACT (M M D D Y Y)	AMOUNT OF CONTRACT	CONTRACT EXPIRATION DATE (M M D D Y Y)	CHECK HERE IF CONTRACT IS ONGOING

FIRST NAME	MI	LAST NAME

SOCIAL SECURITY NO.	STREET NO.	STREET NAME	UNIT/APT

CITY	STATE	ZIP

START DATE OF CONTRACT (M M D D Y Y)	AMOUNT OF CONTRACT	CONTRACT EXPIRATION DATE (M M D D Y Y)	CHECK HERE IF CONTRACT IS ONGOING

Fast, Easy, and Convenient!
Visit EDD's Web site at www.edd.ca.gov

DE 542 Rev. 5 (1-11) **(INTERNET)** MAIL TO: Employment Development Department • P.O. Box 997350, MIC 96 • Sacramento, CA 95899-7350 or Fax to (916) 319-4410

Page 1 of 2

PAYROLL TAX DEPOSIT (DE 88)

Overview

Purpose: The *Payroll Tax Deposit* (DE 88) coupon is used to report and pay Unemployment Insurance (UI), Employment Training Tax (ETT), State Disability Insurance (SDI) withholding, and Personal Income Tax (PIT) withholding to the EDD.

Filing Options: By March of each year, a DE 88 coupon booklet with preprinted payroll tax rates is mailed to you. Preprinted envelopes are also sent with each DE 88 booklet. Newly registered employers are sent a DE 88 booklet containing preprinted coupons about six weeks after registering with the EDD. The following are other options available for making your DE 88 payments and obtaining DE 88 forms:

1. Make payments through various online options from the EDD's e-Services for Business Web site at **https://eddservices.edd.ca.gov**. It's fast, easy, and secure.
2. Obtain DE 88 coupons (DE 88ALL) from the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de88all.pdf**.
3. Order DE 88 coupons from the Taxpayer Assistance Center at (916) 657-0529 or (888) 745-3886.
4. Use the tear-out reorder postcard at the back of your DE 88 booklet. Allow six to eight weeks for delivery. If you do not have a reorder postcard, contact:

Employment Development Department
Document Management Group, MIC 96
Attention: Forms Request Desk
P.O. Box 826880
Sacramento, CA 94280-0001

Telephone: (916) 654-7041 or (888) 745-3886
Outside U.S. or Canada call (916) 464-3502

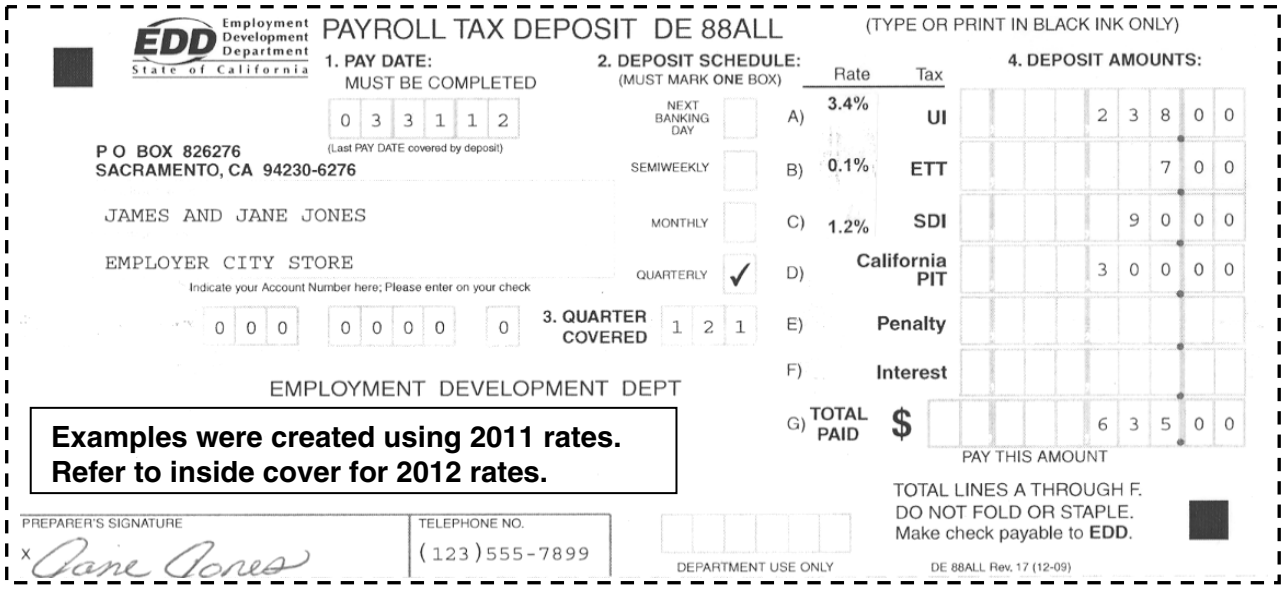
Detailed instructions on completing a DE 88 coupon can be found in the DE 88 coupon booklet or refer to the DE 88ALL-I (instructions) at **www.edd.ca.gov/pdf_pub_ctr/de88alli.pdf**. Simple instructions on how to complete items 1, 2, 3, and 4 on the DE 88/DE 88ALL coupon are available at **www.edd.ca.gov/pdf_pub_ctr/de88allsi.pdf**. If you have questions about completing your DE 88 coupon, please contact the Taxpayer Assistance Center at (916) 657-0529 or (888) 745-3886. You may also view the Web-based tutorial titled "How to Complete a Payroll Tax Deposit (DE 88 or DE 88ALL)" at **www.edd.ca.gov/Payroll_Taxes/Web_Based_Seminars.htm**.

PLEASE DO NOT USE ANOTHER EMPLOYER'S DE 88 COUPON. The coupons that we provide you are encoded with your EDD eight-digit employer account number. If you use another employer's coupon, our computers will read the EDD employer account number coded on the coupon and apply the payment accordingly.

When Due: If you do not withhold PIT or if accumulated PIT withholdings are less than $350, taxes (UI, ETT, SDI, and PIT) are due each quarter on January 1, April 1, July 1, and October 1. **If your PIT withholdings are $350 or more, your SDI and PIT will need to be deposited more often.** For additional information, refer to page 75.
NOTE: Sample forms were completed using 2011 rates. Refer to inside cover for 2012 rates.

FOR ILLUSTRATIVE PURPOSES ONLY

Sample DE 88 Form


EDD Employment Development Department State of California
PAYROLL TAX DEPOSIT DE 88ALL
(TYPE OR PRINT IN BLACK INK ONLY)
1. PAY DATE: MUST BE COMPLETED 0 3 3 1 1 2 (Last PAY DATE covered by deposit)
2. DEPOSIT SCHEDULE: (MUST MARK ONE BOX)
NEXT BANKING DAY
SEMIWEEKLY
MONTHLY
QUARTERLY ✓
4. DEPOSIT AMOUNTS:
Rate Tax
A) 3.4% UI 2 3 8 0 0
B) 0.1% ETT 7 0 0
C) 1.2% SDI 9 0 0 0
D) California PIT 3 0 0 0 0
E) Penalty
F) Interest
G) TOTAL PAID $ 6 3 5 0 0
PAY THIS AMOUNT
P O BOX 826276
SACRAMENTO, CA 94230-6276
JAMES AND JANE JONES
EMPLOYER CITY STORE
Indicate your Account Number here; Please enter on your check
0 0 0 0 0 0 0 0
3. QUARTER COVERED 1 2 1
EMPLOYMENT DEVELOPMENT DEPT
Examples were created using 2011 rates.
Refer to inside cover for 2012 rates.
TOTAL LINES A THROUGH F.
DO NOT FOLD OR STAPLE.
Make check payable to EDD.
PREPARER'S SIGNATURE
x Jane Jones
TELEPHONE NO.
(123)555-7899
DEPARTMENT USE ONLY
DE 88ALL Rev. 17 (12-09)

PAYROLL TAX DEPOSIT (DE 88) (cont.)

Withholding Deposits

All tax payments must be submitted with a properly completed *Payroll Tax Deposit* (DE 88/DE 88ALL) coupon unless payments are made using one of the various electronic payment options available from the EDD's e-Services for Business Web site at **https://eddservices.edd.ca.gov**. Although employer contributions of UI and ETT are due quarterly, withholdings from employees' wages for State Disability Insurance (SDI) and California Personal Income Tax (PIT) may need to be deposited more often. The SDI and PIT deposit due dates are based on each employer's federal deposit schedule/requirement and the amount of accumulated PIT the employer has withheld. Details are provided below and in the table on page 75. For information on federal deposit schedules, download the IRS' Employer's Tax Guide (Publication 15, Circular E) from the IRS Web site at **www.irs.gov** or contact the IRS at (800) 829-3676. **A penalty of ten percent (10%) plus interest** will be charged on late payroll tax payments. The postmark date is used to determine the timeliness of tax payments submitted by mail.

Mail all tax payments with the *Payroll Tax Deposit* (DE 88/DE 88ALL) to:

Employment Development Department
P.O. Box 826276
Sacramento, CA 94230-6276

IMPORTANT: Your *Payroll Tax Deposit* (DE 88/DE 88ALL) coupon and payment **must** be mailed in a **separate** envelope from your *Quarterly Contribution Return and Report of Wages* (DE 9) and *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C).

Please write your EDD eight-digit employer account number on your check or money order, and make payable to the Employment Development Department.

CALIFORNIA DEPOSIT REQUIREMENTS

CALIFORNIA DEPOSIT SCHEDULE	REQUIREMENT DEFINITION
Next Banking Day	You are required to make Next Banking Day SDI and PIT deposits if you are required to make federal Next Banking Day deposits AND you accumulate more than $500* in California PIT during one or more payroll periods. **If you accumulate $350-$500* in PIT during one or more pay period, refer to Monthly requirements below.** The Next Banking Day deposit schedule requires deposits to be made by the next banking day. Banking days do not include Saturdays, Sundays, and legal holidays.
Semi-weekly	You are required to make Semi-weekly SDI and PIT deposits if you are required to make federal Semi-weekly deposits AND you accumulate more than $500* in California PIT during one or more payroll periods. **If you accumulate $350-$500* in PIT during one or more pay periods, refer to Monthly requirements below.** The Semi-weekly deposit schedule requires deposits for paydays on Wednesday, Thursday, and Friday to be made by the following Wednesday. For paydays on Saturday, Sunday, Monday, or Tuesday, deposits must be made by the following Friday. Semi-weekly depositors always have three banking days after the end of the semi-weekly period to make a deposit. If any of the three banking days after the end of the semi-weekly period is a legal holiday, you will have an additional business day to make your deposit.
Monthly	You are required to make Monthly SDI and PIT deposits if you are required to make federal Annual, Quarterly, or Monthly deposits AND you accumulate $350 or more in California PIT during one or more months of a quarter. Monthly deposits are due by the 15th day of the following month. If the 15th is a Saturday, Sunday, or legal holiday, the last timely date would be the next business day. **You are required to make Monthly SDI and PIT deposits if you are required to make federal Semi-weekly or Next Banking Day deposits and you accumulate $350-$500* in California PIT during one or more months of a quarter.**
Quarterly	Quarterly tax payments are due and delinquent on the same dates as the *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C). (Refer to monthly deposit schedule if you are a quarterly depositor but accumulate $350 or more in California PIT during one or more months of the quarter.) Employer contributions for UI and ETT are due Quarterly. However, they may be submitted more often with any required SDI and PIT deposits.

*California PIT deposit threshold may be adjusted annually.

WITHHOLDING DEPOSITS

California Deposit Requirements				
If Your Federal Deposit Schedule/ Requirement Is[1]	**And You Have Accumulated State PIT Withholding of**	**If Payday Is**	**PIT and SDI Deposit Due By[2]**	**California "Deposit Schedule" box to mark on the DE 88/DE 88ALL**
Next Banking Day	Less than $350	Any day	Quarterly[3]	Quarterly
	$350 to $500	Any day	15th of the following month	Monthly
	More than $500	Any day	Next Banking Day	Next Banking Day
Semi-weekly	Less than $350	Any day	Quarterly[3]	Quarterly
	$350 to $500	Any day	15th of the following month	Monthly
	More than $500	Wed., Thurs., or Fri.	Following Wednesday[7]	Semi-weekly
	More than $500	Sat., Sun., Mon., or Tues.	Following Friday[7]	Semi-weekly
Monthly	Less than $350	Any day	Quarterly[3]	Quarterly
	$350 or more	Any day	15th of the following month	Monthly
Quarterly[4,5] or Annually[6]	Less than $350	Any day	April 30, 2012 July 31, 2012 October 31, 2012 January 31, 2013	Quarterly
	$350 or more	Any day	15th of the following month	Monthly

NOTE:

1. Electronic payment transactions for Next Banking Day deposits must be settled* in the State's bank account on or before the third banking day following the payroll date. *Refer to page 126 for a definition of settlement date.
2. If the due date falls on a Saturday, Sunday, or legal holiday, the due date is extended to the next business day. For example, if a deposit is due on Friday, but Friday is a holiday, the deposit due date is extended to the following Monday.
3. If you have accumulated less than $350 of PIT and choose to make an additional deposit before the quarterly due date, designate the "DEPOSIT SCHEDULE" as QUARTERLY on your DE 88 coupon.
4. If you are not required to follow one of the above federal deposit schedules/requirements, you are still required to make California payroll tax deposits of accumulated SDI deductions and PIT withholding quarterly or more often based on the guidelines in this table.
5. A deposit of employer UI and ETT taxes not previously paid is also due each quarter by the due dates shown.
6. If your federal deposit requirement is annually, you are required to make California payroll tax deposits quarterly or monthly based on the guidelines in this table.
7. The transition period of the semi-weekly schedule allows employers to make deposit in any of the three business days following the last pay date. If any of the transition period days is a legal holiday, the employer is given an extra business day to make the deposit.

REMINDERS:

- Once you make a Next Banking Day deposit to IRS, your Federal Deposit Schedule automatically becomes semi-weekly for the remainder of that calendar year and all of the following year.
- Semi-weekly depositors always have three banking days after the end of the semi-weekly period to make a deposit. If any of the three weekdays after the end of a semi-weekly period is a holiday, you will have one additional banking day to deposit.
- Credit card transactions do not satisfy mandatory EFT requirements for SDI and PIT deposits. To ensure your DE 88 credit card payment is timely, you must use the same due dates as shown on the Withholding Deposits schedule above.
- Electronic payment transactions for quarterly deposits must settle into the State's bank account on or before the banking day following the last timely date. For the timely settlement dates, refer to page 76. Go to the EDD's Web site at **https://eddservices.edd.ca.gov** for additional information regarding various electronic payment options.

Due Dates for Quarterly Tax Deposits

Using a *Payroll Tax Deposit* (DE 88) Coupon

Mail your tax payments with a DE 88 to the EDD. Complete all sections on your DE 88 so that your deposit can be applied correctly to your account. Please **use** the preprinted DE 88 coupons and envelopes mailed to you. When your payroll tax deposits are mailed to the EDD, the postmark date is used to determine timeliness. **A penalty of ten percent (10%) plus interest** will be charged on late payroll tax payments. If you mail your DE 88 coupon or use the EDD's e-Services for Business, the filing due dates and delinquency dates for 2012 quarterly payroll tax deposits are:

Reporting Period	Filing Due Date	Delinquent If Not Paid By
January, February, March	April 1, 2012	April 30, 2012
April, May, June	July 1, 2012	July 31, 2012
July, August, September	October 1, 2012	October 31, 2012
October, November, December	January 1, 2013	January 31, 2013

Using e-Services for Business Payment Options

The EDD's e-Services for Business payment transactions for quarterly UI, ETT, SDI and PIT payments must settle in the State's bank account on or before the timely settlement date. Please refer to the last column in the table below for specific settlement dates.

2012 Quarterly Payment Table

Reporting Period	Taxes Due	Last Timely Date (initiate on or before)	Timely Settlement Date
January, February, March	April 1, 2012	April 30, 2012	May 1, 2012
April, May, June	July 1, 2012	July 31, 2012	August 1, 2012
July, August, September	October 1, 2012	October 31, 2012	November 1, 2012
October, November, December	January 1, 2013	January 31, 2013	February 1, 2013

To ensure timely settlement of your electronic payments, please note:

- e-Services for Business payments are processed immediately and must be reported by 3:00 p.m., Pacific Time, to ensure a timely settlement date.
- Electronic Funds Transfer (EFT) Automatic Clearing House (ACH) **debit** transactions must be reported by 3 p.m., Pacific Time, on or before the last timely date to ensure a timely settlement date.
- The EFT ACH **credit** transactions are processed based on individual bank requirements. Ask your bank what day you should report your payment to ensure a timely settlement date.

Late Deposit, Penalty, and Interest

When your tax payments are mailed to the EDD, the postmark date is used to determine timeliness. When tax payments are remitted electronically, the settlement date is used to determine timeliness. If the last timely filing date falls on a Saturday, Sunday, or legal holiday, the next business day is considered to be the last timely date. A **penalty of ten percent (10%) plus interest will be** charged on late payroll tax payments. If you are late sending your payment, you can use the same DE 88 coupon to pay the penalty and interest. Please refer to your *Payroll Tax Deposit* (DE 88) coupon booklet for instructions on how to calculate late penalty and interest or contact the Taxpayer Assistance Center at (888) 745-3886 for assistance. The interest rate is reestablished every six months.

To avoid erroneous penalty and interest on late deposits, be sure your DE 88 is properly completed. It must include your EDD eight-digit employer account number, business name, address, telephone number, pay date, deposit schedule, quarter to which the deposit applies, and the dollar amount (including cents) to be applied to each payroll tax (UI, ETT, SDI, and PIT). Your check or money order should also include your business name and the EDD employer account number. Please use the preprinted DE 88 envelope to mail your DE 88 and payment to EDD. If you do not have a DE 88 coupon, it is not "good cause" for filing or paying your taxes late. To obtain a blank DE 88, go to the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de88all.pdf**.

NOTE: If you **do not** make timely payments, you will receive a *Statement of Account* (DE 2176) that provides details of the delinquent balance due. If the delinquency is not paid, a tax lien may be issued. If a tax lien is issued, it will be recorded at the county recorder's office. Tax lien information is a matter of public record after it is recorded.

Penalty for Failure to Deposit Payroll Taxes
Employers are required to withhold payroll taxes and send them to the EDD. Any person or employer who fails to do this, even by mistake, can be charged with a misdemeanor. If convicted, the person or employer can be fined up to $1,000 or sentenced to jail for up to one year, or both, at the discretion of the court.

Filing an Informal Report
If you are not able to locate a *Payroll Tax Deposit* (DE 88) coupon by the due date, use the form available on the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de88all.pdf** and then request replacement coupons by contacting the Taxpayer Assistance Center at (888) 745-3886. **Do not use DE 88 coupons from another business** as the account information is embedded in the scan line at the bottom of the coupon, and that account may be credited with your deposit. This may result in penalty and interest being established on your account.

If a DE 88 coupon cannot be obtained prior to the delinquency date, file an informal report to avoid penalty and interest charges. An informal DE 88 should include the following:

- Owner name
- EDD eight-digit employer account number
- Business name
- Business address
- Pay date (the date payroll was issued to employees, not the date you prepare the DE 88 form)
- UI tax (if end of quarter payment)
- ETT (if end of quarter payment)
- SDI withheld
- PIT withheld
- Quarter covered (year and quarter that wages were paid)
- Deposit schedule (Next Banking Day, Semi-weekly, Monthly, Quarterly, or Annually)

Sign and date your informal DE 88 and note your business telephone number. Mail the informal report with any payment due to:

Employment Development Department
P.O. Box 826276
Sacramento, CA 94230-6276

Learn more about payroll taxes through seminars and online courses at: **www.edd.ca.gov/Payroll_Tax_Seminars/**.

Correcting Payroll Tax Deposits

Use the following table to determine when you should notify the EDD of any deposit adjustments:

	Reason for Adjustment		How to Make an Adjustment	Form to Use
Correcting *Payroll Tax Deposits* (DE 88) Coupon	Overpaid	UI, ETT, SDI, and/or PIT on a DE 88 **prior to filing your *Quarterly Contribution Return and Report of Wages* (DE 9)**	On the next DE 88 (for the **same calendar quarter**), reduce the amount of taxes due by the amount of the overpayment. **Do not** show credits on the DE 88.	DE 88 (DO NOT USE A DE 9ADJ.)
	Overpaid	UI, ETT, SDI, and/or PIT on a DE 88 **prior to filing your DE 9**, and you cannot reduce the overpayment on your next deposit within the quarter.	Claim refund on Line J when you file your DE 9. **Do not** apply overpayment to another quarter.	File DE 9 at the end of the quarter. (DO NOT USE A DE 9ADJ.)
	Over-withheld	PIT and: • DE 9 was filed. • Form W-2 was issued to the employee. • DE 9C was filed.	**DO NOT**: • Refund PIT overwithholding to the employee, • Change the California PIT withholding amount shown on the Form W-2, **or** • File a claim for refund with the EDD. The employee will receive a credit for the PIT overwithholding when filing a California State income tax return with the Franchise Tax Board (FTB)	None

The *Quarterly Contribution and Wage Adjustment Form* (DE 9ADJ) is available online at **www.edd.ca.gov/pdf_pub_ctr/de9adj.pdf**.

Correcting Payroll Tax Deposits (cont.)

	Reason for Adjustment		How to Make an Adjustment	Form to Use
Correcting *Payroll Tax Deposits* (DE 88) Coupon (cont.)	Underpaid	UI, ETT, SDI, and/or PIT **prior to filing your DE 9**	File a DE 88 and pay the amount due, including penalty and interest. Indicate the payroll date on the DE 88.	DE 88 (DO NOT USE A DE 9ADJ)
	Overpaid/ Underpaid	Provided incorrect UI, ETT, SDI, and/or PIT information on DE 9.	File a DE 9ADJ with correct information. **NOTE:** If taxes are due, send a payment for tax amount plus penalty and interest, if any, with the DE 9ADJ.	Complete the DE 9ADJ, Sections I, II, and III, with the correct information.
	Allocated the wrong amounts to specific funds on a DE 88.		**DO NOT ADJUST**; EDD will make the necessary adjustments at the end of the quarter when your DE 9 is filed.	No form required.

The *Quarterly Contribution and Wage Adjustment Form* (DE 9ADJ) is available online at **www.edd.ca.gov/pdf_ctr/de9adj.pdf**.

IMPORTANT: Do not mail your *Quarterly Contribution Return and Report of Wages* (DE9) or the *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C) with your *Payroll Tax Deposit* (DE 88) coupon.

Failure to provide a completed DE88 with your payment may cause a misallocation of funds, which could result in penalties and interest.

When **written permission** is obtained from an employee**,** you are authorized to adjust any over or underwithholding of California PIT from the employee, if the adjustment is made within the same calendar year and before IRS Form W-2 is issued. You should obtain a receipt from the employee whenever a credit adjustment or repayment of overwithheld tax is made.

Overwithheld SDI and/or California PIT must be credited or refunded to your employee **before** you can take a credit or receive a refund from the EDD. This overpayment can be adjusted in one of the following ways:

- If you have issued an IRS Form W-2 to the employee, you **cannot** adjust any overwithholding of PIT reported. The employee will receive credit for any overwithholding when he/she files a California State income tax return with the FTB.
- If you have issued the IRS Form W-2 showing the wrong amount, you must issue an IRS Corrected Wage and Tax Statement (Form W-2C) to the employee. **DO NOT** send the State copy of the IRS Form W-2C to the EDD or the FTB.

NOTE: A claim for credit or refund must be filed within three years of the delinquent date for the quarter being adjusted.

	Reason for Adjustment		How to Make an Adjustment	Form to Use
Correcting Payroll Tax Deposits Made by Electronic Funds Transfer (EFT)	Overpaid	UI, ETT, SDI, and/or PIT via Electronic Funds Transfer (EFT) **prior to filing your DE 9**	On your next EFT transaction for the same calendar quarter, reduce the amount of taxes due by the amount of the overpayment. **Do not** show the credit on the EFT transaction.	EFT transaction*
	Overpaid	UI, ETT, SDI, and/or PIT via EFT **prior to filing your DE 9**, and you cannot reduce the overpayment on the next deposit within the quarter.	Claim refund on Line J when you file your DE 9 for the quarter. **Do not** apply credit to another quarter.	File DE 9 at the end of the quarter. (DO NOT USE A DE 9ADJ.)
	Underpaid	UI, ETT, SDI, and/or PIT via EFT **prior to filing your DE 9**.	Initiate two separate EFT transactions, one for the delinquent fund(s) and another for the calculated penalty and interest amount. Indicate the delinquent quarter.	EFT transaction*

***Mandatory EFT filers are subject to noncompliance penalty if an SDI/PIT deposit is paid by check with a DE 88 coupon.**

NOTE: If you overpaid or underpaid UI, ETT, SDI, or PIT after filing your DE 9 or allocated the wrong amounts to specific funds on an EFT, refer to the tables on "Correcting Payroll Tax Deposits" on pages 77 and 78.

QUARTERLY CONTRIBUTION RETURN AND REPORT OF WAGES (DE 9)

Overview

Purpose: Employers use the *Quarterly Contribution Return and Report of Wages* (DE 9) to reconcile payroll tax payments and total subject wages reported for the quarter.

How to Obtain: The DE 9 is mailed to you in March, June, September, and December each year. You may also file online using the EDD's e-Services for Business at **https://eddservices.edd.ca.gov**. To obtain a DE 9, access the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de9.pdf** or call the Taxpayer Assistance Center at (888) 745-3886.

When Due: January 1, April 1, July 1, and October 1 each year (refer to the table below for the last timely filing dates). **You must file a DE 9 each quarter even if you paid no wages during the quarter.**

Filing Options:

- File online at **https://eddservices.edd.ca.gov**.
- Obtain DE 9 forms from the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de9.pdf**.
- Order DE 9 forms from the Taxpayer Assistance Center at (916) 657-0529 or (888) 745-3886.

2012 Due Dates for the *Quarterly Contribution Return and Report of Wages* (DE 9)

Report Covering	Due Date	Delinquent If Not Filed By
January, February, March	April 1, 2012	April 30, 2012
April, May, June	July 1, 2012	July 31, 2012
July, August, September	October 1, 2012	October 31, 2012
October, November, December	January 1, 2013	January 31, 2013

Penalty and interest will be charged on late filing of reports.

For assistance completing your DE 9, please contact the Taxpayer Assistance Center at (888) 745 3886. If outside the U.S. or Canada, call (916) 464-3502 or you can also file online with e-Services for Business at: **https://eddservices.edd.ca.gov/**.

Quarter-End Payment Due: If "Line J" on your DE 9 shows payroll taxes **due**, prepare a *Payroll Tax Deposit* (DE 88) and include the correct payment quarter. Send the DE 88 with the amount due to the EDD using the preprinted DE 88 envelope. Your DE 88 and payment **must** be mailed in a **separate** envelope from your DE 9.

NOTE: Mandatory Electronic Funds Transfer (EFT) filers **MUST** remit all SDI and PIT deposits by EFT.

IMPORTANT: Your *Quarterly Contribution Return and Report of Wages* (DE 9) and *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C) **must** be mailed **together** in a **separate** envelope from your *Payroll Tax Deposit* (DE 88/DE 88ALL) coupon and payment.

Correcting a Prior DE 9

If you made an error on a DE 9, you can request a correction as follows:

- If the DE 9 was completed online at the EDD's e-Services for Business Web site, access the DE 9 online and select "Change" to complete a *Quarterly Contribution and Wage Adjustment Form* (DE 9ADJ). Complete the form and select "Submit" to send your request to the EDD. It's fast, easy and secure.
- If the DE 9 was not originally filed through the EDD's e-Services for Business Web site, complete and mail a DE 9ADJ form to the EDD to request an adjustment.

You can obtain a DE 9ADJ and *Instructions for Completing the Quarterly Contribution and Wage Adjustment Form* (DE 9ADJ-I) from:

- The EDD's Web site at **www.edd.ca.gov/Payroll_Taxes/Forms_and_Publications.htm**.
- The Taxpayer Assistance Center at (888) 745-3886. If outside the U.S. or Canada, call (916) 464-3502.

NOTE: Sample forms were completed using 2011 rates. Refer to inside cover for 2012 rates.

File and Pay Online using the EDD's e-Services for Business

https://eddservices.edd.ca.gov

Subscribe to the EDD's free e-mail subscription services

www.edd.ca.gov/about_EDD/Get_Email_Notices.htm

REQUIRED FORMS

EDD Employment Development Department State of California

QUARTERLY CONTRIBUTION RETURN AND REPORT OF WAGES

00090111

PLEASE TYPE THIS FORM—DO NOT ALTER PREPRINTED INFORMATION

YR 12 QTR 1

QUARTER ENDED 03/31/2012 DUE 04/01/2012 DELINQUENT IF NOT POSTMARKED OR RECEIVED BY 04/30/2012

Examples were created using 2011 rates. Refer to inside cover for 2012 rates.

EMPLOYER ACCOUNT NO. 000-0000-0

Minor revisions were made for 2012. For current revision refer to www.edd.ca.gov/pdf_pub_ctr/de9.pdf.

ANYTOWN, CA 12345

DEPT. USE ONLY

EFFECTIVE DATE Mo. Day Yr.

FEIN

ADDITIONAL FEINS

CHECK BOX IF:
A. NO WAGES PAID THIS QUARTER ☐
B. OUT OF BUSINESS/NO EMPLOYEES ☐ Date

C. TOTAL SUBJECT WAGES PAID THIS QUARTER 26,000.00

D. UNEMPLOYMENT INSURANCE (UI) (Total Employee Wages up to $ per employee per calendar year)

(D1) UI Rate % 3.4 TIMES (D2) UI TAXABLE WAGES FOR THE QUARTER 8,000.00 = (D3) UI CONTRIBUTIONS 272.00

E. EMPLOYMENT TRAINING TAX (ETT)

(E1) ETT Rate % 0.1 TIMES UI Taxable Wages for the Quarter (D2) ..... = (E2) ETT CONTRIBUTIONS 8.00

F. STATE DISABILITY INSURANCE (SDI) (Total Employee Wages up to $ per employee per calendar year)

(F1) SDI Rate % 1.2 TIMES (F2) SDI TAXABLE WAGES FOR THE QUARTER 26,000.00 = (F3) SDI EMPLOYEE CONTRIBUTIONS WITHHELD 312.00

G. CALIFORNIA PERSONAL INCOME TAX (PIT) WITHHELD 1,000.00

H. **SUBTOTAL** (Add Items D3, E2, F3, and G) 1,592.00

I. LESS: CONTRIBUTIONS AND WITHHOLDINGS PAID FOR THE QUARTER 1,592.00
(**DO NOT** INCLUDE PENALTY AND INTEREST PAYMENTS)

J. TOTAL TAXES DUE OR OVERPAID (Item H minus Item I) 0.00

If amount due, prepare a *Payroll Tax Deposit* (DE 88), include the correct payment quarter, and mail to: Employment Development Department, P.O. Box 826276, Sacramento, CA 94230-6276. Mailing payments with the DE 9 form delays payment processing and may result in erroneous penalty and interest charges. **Mandatory Electronic Funds Transfer (EFT) filers must remit all SDI/PIT deposits by EFT to avoid a noncompliance penalty.**

K. Be sure to sign this declaration: *I declare that the information herein is true and correct to the best of my knowledge and belief.*

Signature Jane Jones Title OWNER (Owner, Accountant, Preparer, etc.) Phone (123) 555-7899 Date 04/03/2012

SIGN AND MAIL TO: State of California / Employment Development Department / P.O. Box 989071 / West Sacramento CA 95798-9071

DE 9 (1-11) **(INTERNET)** Page 1 of 2

Fast, Easy, and Convenient! Visit EDD's Web site at **www.edd.ca.gov**

Filing an Informal DE 9 Statement
If you are not able to obtain a DE 9 prior to the delinquency date, you can file online from EDD's e-Services for Business Web site at **https://eddservices.edd.ca.gov**.

You can also send the EDD an informal report to avoid penalty and interest charges. Your informal DE 9 should include the following information:

- Owner name
- EDD eight-digit employer account number
- Business name
- Business address
- Payroll quarter
- The following quarterly "totals" for 2012:
  - Total subject wages paid
  - Unemployment Insurance (UI) taxable wages
  - UI contribution
  - Employment Training Tax (ETT) contributions
  - State Disability Insurance (SDI) taxable wages
  - SDI employee contributions withheld
  - California Personal Income Tax (PIT) withheld
  - Subtotal tax liability
  - Less contributions and withholdings amounts paid
  - Total taxes due or overpaid

Sign and date your informal DE 9 and note your business telephone number. Mail the informal report to:

Employment Development Department
P.O. Box 826286
Sacramento, CA 94230-6286

When you file your tax reports and pay on time, you will:

- Ensure the payment of Unemployment Insurance, State Disability Insurance, and Paid Family Leave benefits
- Provide funds for employment training programs
- Ensure the collection of delinquent child support payments
- Avoid penalty and interest charges

Learn more about payroll taxes through our seminars and online courses
www.edd.ca.gov/Payroll_Tax_Seminars/

Subscribe to the EDD's free e-mail subscription services
www.edd.ca.gov/about_EDD/Get_Email_Notices.htm

QUARTERLY CONTRIBUTION RETURN AND REPORT OF WAGES (CONTINUATION) (DE 9C)

Overview

Purpose: Employers use the *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C) to report employee wages subject to Unemployment Insurance (UI), Employment Training Tax (ETT), State Disability Insurance (SDI), and to report Personal Income Tax (PIT) wages and PIT withheld.

How to Obtain: The DE 9C is mailed to you in March, June, September, and December each year. You may also file online using the EDD's e-Services for Business at **https://eddservices.edd.ca.gov**. To obtain a DE 9C, access the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de9c.pdf** or call the Taxpayer Assistance Center at (888) 745-3886.

When Due: January 1, April 1, July 1, and October 1 each year (refer to the table below for last timely filing dates).
You must file a DE 9C each quarter even if you paid no wages during the quarter.

Filing Options:

- File online at **https://eddservices. edd.ca.gov**.
- Obtain DE 9C forms from the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de9c.pdf**.
- Order DE 9C forms from the Taxpayer Assistance Center at (916) 657-0529 or (888) 745-3886.

Refer to sample DE 9C form on page 84.

2012 Due Dates for the *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C)

Report Covering	Due Date	Delinquent If Not Filed By
January, February, March	April 1, 2012	April 30, 2012
April, May, June	July 1, 2012	July 31, 2012
July, August, September	October 1, 2012	October 31, 2012
October, November, December	January 1, 2013	January 31, 2013

For assistance completing your DE 9C, please contact our Taxpayer Assistance Center at (888) 745-3886. If outside the U.S. or Canada, call (916) 464-3502 or you can also file online with e-Services for Business at: **https://eddservices.edd.ca.gov/**.

IMPORTANT: Your *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C) and *Quarterly Contribution Return and Report of Wages* (DE 9) **must** be mailed **together** in a **separate** envelope from your Payroll Tax Deposit (DE 88/DE88ALL coupon and payment.

NOTE:

- **As an active employer, you must file a DE 9C even if you paid no wages during the quarter.** If you have no payroll during a quarter, you are still considered an employer and are required to sign and file a DE 9C. Please enter "0" (zero) in each box in Item A. Check Box "C," sign and date the report, and send it to EDD.
- Wages are reported when they are **paid** to the employee, not when the employee earns the wages. Because UI and SDI benefits are based on the highest quarter of wages, it is important that wages are reported for the correct quarter. If you have any questions on reporting your employees' wages, please contact the Taxpayer Assistance Center at (888) 745-3886.
- A wage item **penalty of $10 per employee** will be charged for late reporting or unreported employee wages.
- If your reports are filed late or you **do not** make timely payments, you will receive a *Statement of Account* (DE 2176) that provides details of the delinquent balance due. If the delinquency is not paid, a tax lien may be issued. If a tax lien is issued, it will be recorded at the county recorder's office. Tax lien information is a matter of public record after it is recorded.
- Employers with 250 or more employees must file electronically. Employers who fail to file electronically after being notified by the EDD of the requirement, will be assessed a penalty of $10 for each wage item not reported electronically unless a request for waiver has been approved.
- Only check Box B if you have been approved by the EDD to report and pay Disability Insurance (DI) as a Voluntary Plan employer (DI provided to employees through a private plan rather than the State's plan).
- To prevent data capture errors, please use black ink when you type or print. If typing, use font size 12 in upper case letters. If printing, stay within the boxes provided on the form. Include cents – do not round to the nearest dollar or use dashes, commas, slashes, or dollar signs.
- Before submitting your DE 9C, make sure the following are correct: the quarter you are reporting, your employer account number, the names of your employees, and their Social Security Numbers.

Correcting a Prior DE 9C

If you made an error on a DE 9C, you can request a correction as follows:

- If the DE 9C was completed online at the EDD's e-Services for Business, access the DE 9C online and select "Change" to complete a *Quarterly Contribution and Wage Adjustment Form* (DE 9ADJ). Complete the form and select "Submit" to send your request to the EDD. It's fast, easy and secure.
- If the DE 9C was not originally filed through the EDD's e-Services for Business Web site, complete and mail a DE 9ADJ form to the EDD to request an adjustment.

You can obtain a DE 9ADJ and *Instructions for Completing the Quarterly Contribution and Wage Adjustment Form* (DE 9ADJ-I) from:

- The EDD's Web site at **www.edd.ca.gov/Payroll_Taxes/Forms_and_Publications.htm**.
- The Taxpayer Assistance Center at (888) 745-3886. If outside the U.S. or Canada, call (916) 646-3502.

Filing an Informal DE 9C Report

If you are not able to obtain a DE 9C prior to the delinquency date, you can file online from EDD's e-Services for Business Web site at **https://eddservices.edd.ca.gov**.

You can also send EDD an informal report to avoid penalty and interest charges. Your informal DE 9C should include the following information:

- Owners name
- EDD eight-digit employer account number
- Business name
- Business address
- Payroll quarter
- Mid-month employment (the number of full-time and part-time employees who worked during, or received pay for the payroll period which includes the 12th day of the month.)
- Individual employee's:
  - Social security number
  - Full name (for example, Jane D. Jones)
  - Total subject wages
  - PIT wages paid
  - PIT withheld from each individual during the quarter
- Subtotals per page (should contain no more than 25 employees and use a font size 12 or larger). If the **TOTAL** report exceeds 250 employees, you must file electronically, refer to page 87.
- Grand total Subject Wages, Grand Total PIT Wages, and Grand Total PIT Withheld

Sign and date your informal DE 9C and note your business telephone number. Mail the informal report to:

Employment Development Department
P.O. Box 826288
Sacramento, CA 94230-6288

GO GREEN – Join e-Services for Business Today
https://eddservices.edd.ca.gov

Learn more about payroll taxes through our seminars and online courses
www.edd.ca.gov/Payroll_Tax_Seminars/

Employment Development Department
State of California

QUARTERLY CONTRIBUTION RETURN AND REPORT OF WAGES (CONTINUATION)

PLEASE TYPE THIS FORM PER INSTRUCTIONS ON REVERSE

Page number _____ of _____

You must FILE this report even if you had no payroll. If you had no payroll, complete Items C or D and P.

009C0111

Examples were created using 2011 rates. Refer to inside cover for 2012 rates.

QUENT IF OSTMARKED CEIVED BY 04/30/2012

YR 12 QTR 1

EMPLOYER ACCOUNT NO.

Minor revisions were made for 2012. For current revision refer to www.edd.ca.gov/pdf_pub_ctr/de9c.pdf.

ANYTOWN, CA 12345

Mo. Day Yr. WIC

A. **EMPLOYEES** full-time and part-time who worked during or received pay subject to UI for the payroll period **which includes the 12th** of the month.

1st Mo. 2 2nd Mo. 2 3rd Mo. 2

B. Check this box if you are reporting ONLY Voluntary Plan DI wages on this page. Report PIT Wages and PIT Withheld, if appropriate. (See instructions for Item B.)

C. NO PAYROLL

D. OUT OF BUSINESS/NO EMPLOYEES

Date_____

E. SOCIAL SECURITY NUMBER	F. EMPLOYEE NAME (FIRST NAME)	(M.I.) (LAST NAME)	G. TOTAL SUBJECT WAGES	H. PIT WAGES	I. PIT WITHHELD
000-00-0000	MARY	J PAYNE	25,000.00	25,000.00	345.10
000-00-0000	CINDY	V SMITH	1,000.00	1,000.00	0.00

J. TOTAL SUBJECT WAGES THIS PAGE	K. TOTAL PIT WAGES THIS PAGE	L. TOTAL PIT WITHHELD THIS PAGE
26,000.00	26,000.00	345.10

M. GRAND TOTAL SUBJECT WAGES	N. GRAND TOTAL PIT WAGES	O. GRAND TOTAL PIT WITHHELD

P. *I declare that the information herein is true and correct to the best of my knowledge and belief.*

Preparer's Signature Jane Jones Title OWNER (Owner, Accountant, Preparer, etc.) Phone (123) 555-7899 Date 04/05/2012

MAIL TO: State of California / Employment Development Department / P.O. Box 989071 / West Sacramento CA 95798-9071

DE 9C (1-11) **(INTERNET)** Page 1 of 2 Fast, Easy, and Convenient! Visit EDD's Web site at **www.edd.ca.gov** CU

FEDERAL FORMS W-2 AND 1099

Wage and Tax Statement (Form W-2)
As an employer, you are required to prepare a federal Wage and Tax Statement (Form W-2) for each of your employees. For 2012, you must provide your employees with Form W-2 by January 31, 2013.* Prepare the Form W-2 on the federal/State four-part paper form. To obtain these forms go to **www.irs.gov**.

If you need information on Form W-2 reporting requirements, refer to the IRS Employer's Tax Guide (Publication 15, Circular E). For federal instructions on completing Form W-2, refer to the IRS publication 2012 Instructions for Forms W-2 and W-3. To obtain these publications, access the IRS Web site at **www.irs.gov** or call IRS at (800) 829-3676.

In addition to the federal information required, you must include California Personal Income Tax (PIT) wages and PIT and State Disability Insurance (SDI) withheld in the following Form W-2 boxes:

FORM W-2	
Box	**Enter**
Box 16 (State wages, tips, etc.)	California PIT wages
Box 17 (State income tax)	California PIT withheld
Box 19 (Local income tax)	The abbreviation "CASDI" and SDI withheld (For additional information, refer to "**NOTE**" below.)

NOTE:

If Box 19 has local taxes, use "Box 14-Other." If **no** boxes are available, you are required to provide your employees with a separate written statement containing:

- Your business or entity name, address, and federal and EDD eight-digit employer account number(s).
- The employee's name, address, and Social Security Number.
- The amount of disability insurance actually withheld and/or paid directly by you under the State plan or the amount actually withheld under a voluntary plan.
- If the wages were **not** subject for SDI, show "CASDI 0" (zero).
- If you pay SDI taxes **without** withholding SDI from the employee's wages, you should show the SDI taxes as if withheld and increase the amount you report according to the formula as shown on the Information Sheet: *Social Security/Medicare/SDI Taxes Paid by an Employer* (DE 231Q). To obtain a DE 231Q, access the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de231q.pdf**, call the automated Fax on Demand system at (877) 547-4503, or contact the Taxpayer Assistance Center at (888) 745-3886.
- If you are covered under an authorized Voluntary Plan for Disability Insurance (VPDI), enter "VPDI" and the VPDI amount actually withheld.

Generally, the amount reported as California PIT wages on Form W-2 (Box 16, State wages) is the same as the federal wages (Box 1). However, the amounts may differ based on:

- Federal and California differences in definition of:
  - Employee (refer to page 16).
  - Taxable wages (refer to pages 26-35).
- Residency of the employee (refer to page 15).
- If the employee performs services in more than one state.

For additional information on federal and California differences, please contact the Taxpayer Assistance Center at (888) 745-3886. If the employee performs services in more than one state, contact the other state(s) for guidance on how to complete the Form W-2 for that state.

If you discover an error on a previously issued Form W-2, refer to the IRS publication Instructions for Forms W-2C and W-3C for instructions on completing an IRS Corrected Wage and Tax Statement (Form W-2C). To obtain these forms, access the IRS Web site at **www.irs.gov** or call (800) 829-3676.

***Employers failing to provide a Form W-2 to each employee, or who furnish a false or fraudulent statement, are subject to a **penalty of fifty dollars ($50)** for each such failure as imposed under Section 13052 of the California Unemployment Insurance Code (CUIC). Employers may also be subject to an additional penalty for failure to file informational returns (Form W-2 or a Form 1099-MISC) to misclassified employees as provided under Section 13052.5 of the CUIC. The amount of the penalty is determined based upon the unreported remuneration for personal services multiplied by the maximum rate as provided under Section 17041 of the Revenue and Taxation Code. Contact the EDD's Taxpayer Assistance Center at (888) 745-3886 for assistance.

Do not send the "State" copy of Form W-2 and Form W-2C to the State of California (EDD or Franchise Tax Board [FTB]). The form W-2 and W-2C are not filed with the State because you should already be reporting wage and withholding information to EDD on the *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C). However, you must continue to send Forms W-2 and W-2C to your employees and the Social Security Administration.

Information Return (Form 1099)

Individuals, partnerships, corporations, or other organizations engaged in a trade or business in California may have a requirement to report independent contractor payments made in the course of their business. For 2012, you must provide a statement to each independent contractor by January 31, 2013*, containing the information furnished to the IRS and FTB. If you do not use the official IRS Form 1099 to furnish the statement to recipients, refer to IRS Publication 1179 for specific rules for substitute statements.

How To File

The FTB recommends that you file under the IRS Combined Federal/State Filing Program. When you are approved and use the IRS Combined Federal/State Filing Program, you only have to file once. The IRS will forward your California returns to the FTB. The following forms may be filed under this program: 1099-DIV, 1099-G, 1099-INT, 1099-MISC, 1099-OID, 1099-PATR, 1099-R, and 5498. For information on the IRS Combined Federal/State Filing Program, call (866) 455-7438.

If you are not participating in the Combined Federal/State Filing Program and file 250 or more information returns of one type, you must file directly with the FTB electronically.

If you file paper information returns with the IRS, **do not send a paper copy to the FTB**. The IRS will forward the information to the FTB. This works for paper filing only. If you file less than 250 returns electronically, on tape cartridge, diskette, or CD with the IRS, you must use the same method to file with FTB.

Generally, FTB's reporting requirements are the same as the IRS reporting requirements. For specific differences, go to **www.ftb.ca.gov/businesses/index.shtml** and search for "California Supplemental Fields."

Publications and Contact Information

To obtain Form 1099 reporting requirements and instructions, refer to the IRS Publication 1220 and the IRS General Instructions for Forms 1099, 1098, 5498, and W-2G on the IRS Web site at **www.irs.gov** or call (800) 829-3676. For information on completing each form, refer to the individual instructions available for each information return type.

NOTE: California PIT withheld from pension, annuity, and other deferred income, should be reported on the IRS (Form 1099-R) Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc. For instructions on completing Form 1099-R, refer to IRS Instructions for Forms 1099-R and 5498. To obtain instructions, access the IRS Web site at **www.irs.gov** or call IRS (800) 829-3676.

For More Information, Contact:

INTERNAL REVENUE SERVICE
(866) 455-7438
www.irs.gov
mccirp@irs.gov

FRANCHISE TAX BOARD
(916) 845-6304
www.ftb.ca.gov
IRPhelp@ftb.ca.gov

*Failure to provide an Information Return (Form 1099), if required, to each independent contractor may be subject to a penalty as imposed under Section 13052.5 of the California Unemployment Insurance Code or Section 19175 of the Revenue and Taxation Code. The amount of the penalty is determined based upon the unreported remuneration for personal services multiplied by the maximum rate as provided under Section 17041 of the Revenue and Taxation Code. Contact the EDD's Taxpayer Assistance Center at (888) 745-3886 for assistance.

NOTE: As of January 1, 2008, all employers are required to notify all of their employees of the federal Earned Income Tax Credit. (Please refer to page 91 for details.)

ONLINE SERVICES

e-Services for Business

In 2011, the Employment Development Department (EDD) released its expanded e-Services for Business. Employers, agents, and representatives can now manage their payroll tax accounts online. Payroll agents can manage their clients' payroll tax accounts by enrolling in e-Services for Business through a third party access. It is no longer necessary to file on paper, e-Services is available 24 hours a day, 7 days a week.

Go Green – Join e-Services for Business Today at **https://eddservices.edd.ca.gov**.

Features:

- Register for an employer tax account number.
- Request your current and past three years payroll tax rates.
- Submit most of your returns/reports online.
- Make updates to your account, including changing your address.
- View and print returns/reports and payments previously submitted online.
- Make payroll tax deposits; pay past liabilities, or payment arrangements, by electronic funds transfer or credit card.
- Close or inactivate your account.

Advantages:

- Fast, easy, and secure way to manage your payroll taxes online.
- One-time open enrollment.
- Ability to view and edit your returns/reports prior to submission.
- Available 24 hours a day, 7 days a week.

The EDD has created tutorials so employers, agents, and representatives can become familiar with our newly expanded e-Services. These tutorials are available online at **www.edd.ca.gov/Payroll_Tax/e-Services_for_Business_Tutorials.htm**.

Our frequently asked questions at **http://edd.ca.gov/Payroll_Taxes/FAQ_-_e-Services_for_Business.htm** provides information about our electronic services such as: bulk transfer options, both voluntary and mandatory electronic fund transfer information and more.

For more information regarding our e-Services for Business programs, visit our e-Services for Business Web site at **https://eddservices.edd.ca.gov**, e-mail us at ecom@edd.ca.gov or contact our Taxpayer Assistance Center at (888) 745-3886.

GO GREEN – Join e-Services for Business Today
https://eddservices.edd.ca.gov

CHANGE OF STATUS

What does "change of status" mean?
A change of status occurs when you:

- Purchase or sell a business.
- Change business ownership.
- Change your business name.
- Change your mailing address.
- No longer have employees.
- Close your business.

***ACTION REQUIRED*:**
Notify the EDD of any change to your business status by completing a *Change of Employer Account Information* (DE 24). The following options are available:

- Make changes to your account online from the EDD's e-Services for Business Web site at **https://eddservices.edd.ca.gov**.
- Obtain DE 24 forms from the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de24.pdf**.
- Order DE 24 forms from the Taxpayer Assistance Center at (888) 745-3886.

PURCHASE, SELL, TRANSFER, OR CHANGE OWNERSHIP

Registered employers must report **any** change in business status (for example: any change in business name or legal entity, such as a change from partnership or limited liability company to corporation). Report changes in writing by completing a DE 24 and mailing it to:

Employment Development Department
Account Services Group, MIC 28
P.O. Box 826880
Sacramento, CA 94280-0001

Please be sure to include your EDD eight-digit employer account number, your name, and your telephone number on **all** correspondence you send to the EDD.

Similar to the IRS, the EDD will usually issue a new employer account number, while maintaining the existing UI Tax Rate and Reserve Account, when there is a change in business entity type (i.e., sole proprietor changes to corporation, partnership, LLC, etc.). When there is a change in the ownership (add or remove partners/LLC members; change corporate name/officers) of a business entity type, the entity normally keeps the same EDD employer account number and continues to make payroll tax deposits and file reports as though it was the same type ownership for the entire year. The EDD must be notified of any change in the ownership of a business entity so that the taxpayer information can be updated. For additional information, contact the Taxpayer Assistance Center at (888) 745-3886. If outside the U.S. or Canada, call (916) 464-3502.

Purchase a Business

If you purchase a business with employees (or a business that previously had employees), you may be held liable for the previous owner's EDD liability if a *Certificate of Release of Buyer* (DE 2220) is not obtained. To request a DE 2220, contact the Taxpayer Assistance Center at (888) 745-3886. If outside the U.S. or Canada, call (916) 464-3502.

Until a DE 2220 is issued, you (the buyer) must hold in escrow an amount sufficient to cover all amounts the seller owes to the EDD, up to the purchase price of the business. The DE 2220 is issued after the seller pays all amounts owed to the EDD. Payment must be made by cash, cashier's check, certified check, escrow check, or money order payable to the Employment Development Department.

For your protection, escrow funds should not be disbursed until the DE 2220 has been issued. For additional information, obtain the *Requirements for Obtaining Certificate of Release of Buyer (DE 2220) When a Business Is Sold* (DE 3409A) by accessing the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de3409a.pdf**, calling the automated Fax on Demand system at (877) 547-4503, or contacting the Taxpayer Assistance Center at (888) 745-3886. If outside the U.S. or Canada, call (916) 464-3502.

NOTE: If you employ any of the former owner's workers immediately after the acquisition of the business, the wages paid to these employees during the same calendar year are considered as having been paid by you. Therefore, wages paid by the former owner in the current calendar year are applied to the taxable wage limits for Unemployment Insurance, Employment Training Tax, and State Disability Insurance.

***REMEMBER*:** Notify the EDD in writing of any change of status to your business.

WHAT IS A SUCCESSOR EMPLOYER?

A successor employer is an employer who has acquired all or part of another employer's (predecessor) business and continues to operate the business without substantial reduction of personnel resulting from the acquisition. The successor employer may receive all or part of the predecessor's UI reserve account balance by applying for a reserve account transfer. The transfer may qualify the successor for a lower UI tax rate. The successor employer must still register with EDD if they do not already have an existing EDD employer account number.

For more information on reserve account transfers, refer to page 98 or contact our Rate Management Group at (916) 653-7795.

NOTE: Acquiring all or part of the stock in a corporation does not constitute a new employing unit. The corporation retains the same EDD employer account number.

BUSINESS NAME CHANGE

To report a change in business name, corporation name, personal name (i.e., marriage), or change in ownership of the business, you can:

- Use the EDD's e-Services for Business Web site at **https://eddservices.edd.ca.gov**. to make these changes.
- Obtain the *Change of Employer Account Information* (DE 24) form from the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de24.pdf**.
- Order DE 24 forms by contacting the Taxpayer Assistance Center at (888) 745-3886.

MAILING ADDRESS CHANGE

To change your mailing address with the EDD, you can:

- Use the EDD's e-Services for Business Web site at **https://eddservices.edd.ca.gov**.
- Obtain DE 24 forms from the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de24.pdf**.
- Order DE 24 forms from the Taxpayer Assistance Center at (888) 745-3886.
- Complete the change of address form provided in the *Payroll Tax Deposit* (DE 88) coupon booklet.

Do not make any changes to the preprinted data on the front of the DE 88, *Quarterly Contribution Return and Report of Wages* (DE 9), or *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C*)*.

NO LONGER HAVE EMPLOYEES

If you no longer have employees and will not be reporting wages in any future quarter, you must send a final DE 88 with payment, DE 9, and DE 9C. For the EDD to close your employer account, you must complete Box "B" and "B1" on the DE 9. Employers may inactivate their account from the EDD's e-Services for Business Web site at **https://eddservices.edd.ca.gov**.

If you currently do not have employees but may have employees in future quarters, you are still required to file your DE 9, marking the Box "A" and DE 9C marking Box "C" showing "0" (zero) payroll, otherwise, the EDD may presume you have employees and assess your account.

CLOSE YOUR BUSINESS

If you close your business, you **are required** to file a final DE 88 with payment, DE 9, and DE 9C **within ten (10) days** of quitting business, **regardless** of the normal due dates. For the EDD to close your employer account, you must complete Box "B" on the DE 9. Employers may inactivate their account using the EDD's e-Services for Business Web site at **https://eddservices.edd.ca.gov**.

REMEMBER to mail your DE 9 together with your DE 9C in a **separate** envelope from your *Payroll Tax Deposit* (DE 88/DE88ALL) coupon and payment.

IT IS AGAINST THE LAW

Changing your business ownership solely for the purpose of obtaining an employer account with a lower UI contribution rate is not allowed. Section 1052 of the California Unemployment Insurance Code (CUIC) provides that a reserve account transfer will not apply to any acquisition, which is determined to have been made for the purpose of obtaining a more favorable UI contribution rate. The EDD is aggressively pursuing businesses practicing UI rate manipulation. To read more about UI rate manipulation, refer to page 100.

REQUIRED NOTICES AND PAMPHLETS

Posting Requirements

Once you are registered with the EDD, you will receive a notice to post in your workplace that informs your employees of their rights under the Unemployment Insurance (UI), State Disability Insurance (SDI), and Paid Family Leave (PFL) programs. This notice must be posted in a prominent location that is easily seen by your employees. You will receive the following notice if you are subject to:

- UI, SDI, and PFL - *Notice to Employees* (DE 1857A).
- UI only - *Notice to Employees - Unemployment Insurance Benefits* (DE 1857D).
- SDI and PFL only - *Notice to Employees* (DE 1858).

Notices and Pamphlets

Provide a copy of the following notice and pamphlets to each of your employees when appropriate:

- *Notice to Employees* (DE 35) informs employees that their employer is required to send copies of *Employee's Withholding Allowance Certificate* (Form W-4 [federal] or DE 4 [State]) to the Franchise Tax Board (FTB) if the certificate meets certain conditions. Please refer to "Marital Status, Withholding Allowances, and Exemptions (Form W-4 and DE 4)" on page 12 for further information.
- The following pamphlets explain your employees' benefit rights:
  - *For Your Benefit - California's Programs for the Unemployed* (DE 2320) – Provides information on UI, DI, PFL, and Workforce Service benefits available to the employee.
  - *State Disability Insurance Provisions* (DE 2515) – This brochure outlines the SDI program.
  - *Paid Family Leave* (DE 2511) – This brochure outlines the Paid Family Leave insurance program.

NOTE: To obtain the other publications listed above, access the EDD's Web site at **www.edd.ca.gov/Payroll_Taxes/Required_Notices_and_Pamphlets.htm**. For additional information on your posting requirements, access the California Tax Service Center Web site at **www.taxes.ca.gov**. Voluntary Disability Insurance (DI) Plan insurers have similar literature. Voluntary DI Plan employers must also supply claim forms to their employees. For further information on Voluntary DI Plans, refer to page 111.

- Notice required by the Earned Income Tax Credit Information Act (refer to page 91 for details).
- Notice to Employee as to Change in Relationship – Written notice must be given immediately to employees of their discharge, layoff, leave of absence, or change in employment status.

  The following sample meets the minimum requirements:

NOTICE TO EMPLOYEE AS TO CHANGE IN RELATIONSHIP
(Issued pursuant to provisions of Section 1089 of the California Unemployment Insurance Code.)

Name _____ SSN# _____

1. You were/will be laid off/discharged on _____ 20 _____
   (date)
2. You were/will be on leave of absence starting _____ 20 _____
   (date)
3. On _____ your employment status changed/will change as follows:
   (date)

_____
(Name of Employer)

_____
(By)

You may wish to prepare the employee notice in duplicate and keep a copy for your files. Notices prepared by the employer **must** include the information shown on the Notice to Employee as to Change in Relationship (above).

- Notice of Plant Closure or Mass Layoff.

❑ ***ACTION REQUIRED:*** Post the DE 1857A and provide a DE 35, DE 2320, DE 2511, and DE 2515 to each of your employees. Provide the Notice to Employee as to Change in Relationship and/or Worker Adjustment and Retraining Notification (WARN) notice, as applicable.

No written notice is required if it is a voluntary quit, promotion or demotion, change in work assignment or location (some changes in location require a WARN notice), or if work stopped due to a trade dispute.

Earned Income Tax Credit Information Act

Effective January 1, 2008, all employers are required to notify all of their employees of the federal Earned Income Tax Credit (EITC).

Employers who are subject to and required to provide unemployment insurance to their employees must provide EITC notification to the employee by either handing it directly to the employee or mailing it to the employee's last known address. Posting of this information on an employee bulletin board **will not** satisfy the notification requirement.

The notification shall be provided within one week before or after or at the same time, that the employer provides an annual wage summary, including, but not limited to, a Form W-2 or a Form 1099, to the employee. The notice shall include instructions on how to obtain any notices available from the Internal Revenue Service (IRS) for this purpose, including, but not limited to, the IRS Notice 797, **or** any successor notice or form, or any notice created by you, as long as it contains substantially the same language as the notice below.

"Based on your annual earnings, you may be eligible to receive the earned income tax credit from the federal government. The earned income tax credit is a refundable federal income tax credit for low-income working individuals and families. The earned income tax credit has no effect on certain welfare benefits. In most cases, earned income tax credit payments will not be used to determine eligibility for Medicaid, supplemental security income, food stamps, low-income housing or most temporary assistance for needy families' payments. Even if you do not owe federal taxes, you must file a tax return to receive the earned income tax credit. Be sure to fill out the earned income tax credit form in the federal income tax return booklet. For information regarding your eligibility to receive the earned income tax credit, including information on how to obtain the IRS Notice 797, or any other necessary forms and instructions, contact the Internal Revenue Service at 1-800-829-3676 or through its Web site at **www.irs.gov**."

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www.edd.ca.gov/about_EDD/Get_Email_Notices.htm

PLANT CLOSURE OR MASS LAYOFF (WARN)

Federal and California Worker Adjustment and Retraining Notification (WARN) legislation requires covered employers to provide 60 days advance notice of plant closings and mass layoffs. Advance notice provides employees and their families some transition time to adjust to the prospective loss of employment, to seek and obtain alternative jobs and, if necessary, to enter skill training or retraining that will allow these employees to successfully compete in the job market.

For the complete notification requirements of the California WARN legislation, carefully review the Labor Code provisions on the Department of Industrial Relations' (DIR) Web site at **www.dir.ca.gov/lawsandregs.html** (click on "California Labor Code," Part 4, Chapter 4, Sections 1400-1408).

The table below provides the general provisions of the federal and California WARN legislation.

Subject	Federal	California (Assembly Bill 2957, Koretz)
Covered Employers	Applicable only to employers with 100 or more full-time employees who must have been employed for at least 6 months of the 12 months preceding the date of required notice in order to be counted. (29 United States Code 2101 and 20 Code Federal Regulations 639.3)	Applicable to a "covered establishment" with 75 or more full- or part-time employees. As under the federal WARN Act, employees must have been employed for at least 6 months of the 12 months preceding the date of required notice in order to be counted. (California Labor Code, Section 1400[a] and [h])
Plant Closings or Layoffs Requiring Notice	Plant closings involving 50 or more employees during a 30-day period. Layoffs within a 30-day period involving 50 to 499 full-time employees constituting at least 33 percent of the full-time workforce at a single site of employment. Layoffs of 500 or more are covered regardless of percentage of workforce. (29 USC, et seq., 2101 and 20 CFR 639.3)	Plant closings, layoffs, or relocations of 50 or more employees within a 30-day period regardless of percentage of work force. Relocation is defined as a move to a different location more than 100 miles away. (California Labor Code, Section 1400[c] and [d])
Legal Jurisdiction	Enforcement of WARN requirements through U.S. District Courts. The court, in its discretion, may allow the prevailing party a reasonable attorney's fee as part of the costs. (29 USC 2101, et seq.)	Suit may be brought in "any court of competent jurisdiction." The court may award reasonable attorney's fees as part of costs to any prevailing plaintiff. The California WARN law is in the Labor Code, and the authority to investigate through the examination of books and records is delegated to the Labor Commissioner. (California Labor Code, Sections 1404 and 1406)
Employer Liability	An employer who violates the WARN provisions is liable to each employee for an amount equal to back pay and benefits for the period of the violation, up to 60 days, but no more than one-half the number of days the employee was employed by the employer. (29 USC; 2104[a])	A possible civil penalty of $500 a day for each day of violation. Employees may receive back pay to be paid at employee's final rate or three-year average rate of compensation, whichever is higher. In addition, employer is liable for cost of any medical expenses incurred by employees that would have been covered under an employee benefit plan. The employer is liable for period of violation up to 60 days or one-half the number of days the employee was employed whichever period is smaller. (California Labor Code, Section 1403)

PLANT CLOSURE OR MASS LAYOFF (WARN) (cont.)

Subject	Federal	California (Assembly Bill 2957, Koretz)
Notice Requirements	An employer must provide written notice 60 days prior to a plant closing or mass layoff to all of the following: • Employees or their representative. • Employment Development Department Program Support Unit WARN Act Coordinator, MIC 50 P.O. Box 826880 Sacramento, CA 94280-0001 • The chief elected official of local government within which such closing or layoff is to occur. (29 USC, 2102; 20 CFR 639.6)	An employer must give notice 60 days prior to a plant closing, layoff, or relocation. In addition to the notifications required under the federal WARN Act, notice must also be given to both of the following: • The Local Workforce Investment Board. • The chief elected official of **each** city and county government within which the termination, relocation, or mass layoff occurs. (California Labor Code, Section 1401)
Exceptions and Exemptions	Regular federal, State, local, and federally recognized Indian tribal governments are not covered. (29 USC, 2102[a]; 20 CFR 639.3) The following situations are exempt from notice: • There is an offer to transfer employee to a different site within a reasonable commuting distance. (29 USC, 2101[b][2]; 20 CFR 639.5) • The closure is due to unforeseeable business circumstances or a natural disaster. (29 USC, 2103; 20 CFR 639.9) • The closing or layoff constitutes a strike or constitutes a lockout not intended to evade the requirement of this chapter. (29 USC, 2103[2])	California WARN does not apply when the closing or layoff is the result of the completion of a particular project or undertaking of an employer subject to Wage Orders 11, 12, or 16, regulating the Motion Picture Industry, or Construction, Drilling, Logging, and Mining Industries, and the employees were hired with the understanding that their employment was limited to the duration of that project or undertaking. (California Labor Code, Section 1400[g]) The notice requirements do not apply to employees involved in seasonal employment where the employees were hired with the understanding that their employment was seasonal and temporary. (California Labor Code, Section 1400[g][2]) Notice is not required if a mass layoff, relocation, or plant closure is necessitated by a physical calamity or act of war. (California Labor Code, Section 1401[c]) Notice of a relocation or termination is not required where, under multiple and specific conditions, the employer submits documents to DIR, and DIR determines that the employer was actively seeking capital or business, and a WARN notice would have precluded the employer from obtaining the capital or business. (California Labor Code, Section 1402.5). This exception does not apply to notice of a mass layoff as defined in California Labor Code Section 1400(d). (California Labor Code, Section 1402.5[d])

The EDD has established local Rapid Response Teams to assist employers and workers during a mass layoff or plant closure. These teams, facilitated through the One-Stop Career Center System, are a cooperative effort between the Local Workforce Investment Area (LWIA) and the EDD. These teams disseminate information on the adult and dislocated worker services available under Title I of the Workforce Investment Act and through the EDD's Workforce Services and UI programs. If the dislocation is the result of foreign competition or foreign relocation, the dislocated worker may be eligible for assistance, income support, job search assistance/relocation, and/or training under the Trade Adjustment Assistance (TAA) programs. For information on TAA, refer to page 113. To find out more about or request Rapid Response services, contact the LWIA in your area. The LWIA contact information is available on the EDD's Web site at **www.edd.ca.gov/Jobs_and_Training/LWIA_Listing.htm**.

For more information about California's WARN requirements or services, contact the EDD's WARN Act coordinator at (916) 654-8008, fax number (916) 319-1755, or the LWIA in your area or access the EDD's Web site at: **www.edd.ca.gov/jobs_and_training/layoff_services_warn.htm**.

For additional information on the federal WARN Act, access the U.S. Department of Labor's (DOL) Web site at **www.dol.gov/compliance/laws/comp-warn.htm**.

U.S. GOVERNMENT CONTRACTOR JOB LISTING REQUIREMENTS

Employers with U.S. Government contracts or subcontracts of $100,000 or more are required to list job openings with the state employment service system or with America's Job Central's Web site at **www.jobcentral.com**. In California, employers must list job openings with the EDD's CalJOBS[SM] at **www.caljobs.ca.gov**. Furthermore, employers are required to take affirmative action to employ, and advance in employment, qualified disabled veterans, other protected veterans, Armed Forces service medal veterans, and recently separated veterans.

Effective December 1, 2003, the Federal Government updated the values of contracts from $50,000 or more to $100,000 or more with at least 50 employees. Prior to December 1, 2003, all federal contractors who hold a contract or subcontract for $50,000 or more and have at least 50 employees are further required to prepare and maintain an affirmative action program at each establishment that sets forth the policies and practices in hiring and promoting qualified disabled veterans, other protected veterans, Armed Forces service medal veterans, and recently separated veterans. Additionally, all federal contractors and subcontractors must report the total number of all current employees in each job category and at each hiring location in their annual VETS-100 report. After December 1, 2003, any federal contractors who hold a contract or subcontract for $100,000 or more and have at least 50 employees are required to prepare and maintain an affirmative action program at each establishment that sets forth the policies and practices in hiring and promoting qualified disabled veterans, other protected veterans, Armed Forces service medal veterans, and recently separated veterans. Additionally, all federal contractors and subcontractors must report the total number of all current employees in each job category and at each hiring location in their annual VETS-100 report. The new limits also apply to any contracts modified on or after the December 1, 2003, effective date. The plan (VETS-100 Format on the Internet at **www.dol.gov/vets/programs/fcp/main.htm**.) must be updated each year.

RECORDKEEPING

Employers are required to keep payroll records for at least four years. If you believe that you are **not** a subject employer or that your employees are exempt, State law requires that you maintain records of payments made to people who provide services to your business for at least eight years in case of an employment tax audit. Your records must provide a true and accurate account of **all** workers (employed, no longer employed, on a leave of absence, and independent contractors) and all payments made. Records must include the following information for each worker:

- Worker's:
  - Full name (first name, middle initial, and last name).
  - Social Security Number.
- Date hired, rehired, or returned to work after a temporary layoff.
- Last date services were performed.
- Place of work.
- Monies paid:
  - Dates and amounts of payment.
  - Pay period covered.
- Cash or cash value of in-kind wages (such as meals, lodging, bonuses, gifts, and prizes) showing the nature of the payment, the period that the services were performed, and the type of special payment made.
- The amounts withheld from employee wages. (**NOTE:** You may be required to make withholding deposits. Refer to "Withholding Deposits" on page 74.)
- Disbursement records showing payments to workers.
- Other information necessary to determine payments to workers.

If you have any questions on the records you must keep, please refer to the Information Sheet: *Employment Tax Audit Process* (DE 231TA). This form is available on the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de231ta.pdf**, on the automated Fax on Demand system at (877) 547-4503, or contact the Taxpayer Assistance Center at (888) 745-3886.

Subscribe to the EDD's free e-mail subscription services

www.edd.ca.gov/about_EDD/Get_Email_Notices.htm

COMMITMENT

The EDD is committed to applying the payroll tax laws of the State of California in an equitable and impartial manner. Toward that goal, we have developed the following information to inform you of your rights during the employment taxation process.

EMPLOYER RIGHTS

As an employer, you have the right to:

- Courteous and timely service from the EDD employees.
- Expect that information maintained by the EDD be kept confidential and not published or made available for public inspection. However, in certain instances, the law requires that this information be shared with other governmental agencies. When those instances occur, the EDD closely follows the law to protect your rights to confidentiality.
- Call upon the EDD for accurate information and assistance and to have all your questions answered.
- Receive a clear and accurate account statement if the EDD believes you owe taxes.
- Request a filing extension for up to 60 days. The law provides that the EDD may grant a filing extension where "good cause" is shown for a delay. (Refer to the "Glossary" for the definition of "good cause.")
- Request a waiver of penalty by showing "good cause" for filing a report or making a payment late.
- An impartial audit and a full explanation of our findings if your business is selected for an audit.
- Discuss the issue(s) with an the EDD representative, supervisor, office manager, and the Taxpayer Advocate Office if you disagree with an action taken by the EDD.
- Appeal certain actions to the California Unemployment Insurance Appeals Board.

The *Employers' Bill of Rights* (DE 195) brochure has been developed to inform you of your rights during the employment taxation process. To obtain a copy of the DE 195, access the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de195.pdf** or contact the Taxpayer Assistance Center at (888) 745-3886.

OFFICE OF THE TAXPAYER RIGHTS ADVOCATE

The EDD has established the Office of the Taxpayer Rights Advocate (OTRA), which is responsible for providing a clear, consistent focus on protecting the rights of the taxpayer. Incorporated within OTRA are the Taxpayer Advocate Office and the Settlements Office.

Taxpayer Advocate Office

The Taxpayer Advocate Office is responsible for protecting the rights of taxpayers during all phases of the payroll tax administration, assessment, and collection process, while also protecting the interests of the State.

If you are unable to resolve a payroll tax problem with an EDD representative, supervisor, **and** office manager, you may contact the Taxpayer Advocate Office for assistance. This office will review the issues and facts of your case to ensure that your rights have been protected and work to facilitate a resolution to your problem. Please contact the Taxpayer Advocate Office for further assistance.

Employment Development Department
Taxpayer Advocate Office, MIC 93
P.O. Box 826880
Sacramento, CA 94280-0001

Toll-free Telephone: (866) 594-4177
Telephone: (916) 654-8957
Fax: (916) 654-6969

Learn more about payroll taxes through our seminars and online courses
www.edd.ca.gov/Payroll_Tax_Seminars/

OFFICE OF THE TAXPAYER RIGHTS ADVOCATE (cont.)

Settlements Office

The Settlements Program provides employers and the State an opportunity to avoid the cost of prolonged litigation associated with resolving disputed payroll tax issues (i.e., protests, appeals, or refund claims).

When reviewing a settlement offer, the EDD considers the risks and costs for the State associated with litigating the issues, balanced against the benefit of reaching a settlement agreement. Final tax liabilities, cases still in process, cases involving fraud or criminal violations, and issues solely involving fairness or financial hardship are generally not eligible. Depending on the reduction of tax and penalties, settlement agreements are subject to approval by an Administrative Law Judge, the California Unemployment Insurance Appeals Board, and the Attorney General before they can be finalized.

If you have questions, please contact the Settlements Office at (916) 653-9130. To obtain the Information Sheet: *Settlements Program* (DE 231SP), please access the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de231sp.pdf**, call the automated Fax on Demand system at (877) 547-4503, or contact the Taxpayer Assistance Center at (888) 745-3886.

Settlement offers may be submitted to:

Employment Development Department
Settlements Office, MIC 93
P.O. Box 826880
Sacramento, CA 94280-0001

Telephone: (916) 653-9130
Fax: (916) 653-7986

PROTECTING YOUR PRIVACY

The Employment Development Department (EDD) recognizes that your privacy is a personal and fundamental right. The EDD values and protects your privacy and places strict controls on the gathering and use of personally identifiable data. Your personal information may not be disclosed, made available, or otherwise used for purposes other than those specified at the time of collection without your consent or as authorized by law or regulation.

Payroll tax and benefit information collected by the EDD is confidential. As an employer, you have the right to obtain access to and inspect your records. You may also authorize your agent or representative to access your personal information through a written authorization or *Power of Attorney Declaration* (DE 48). To obtain a copy of the DE 48, access the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de48.pdf**, or the automated Fax on Demand system at (877) 547-4503, or call the Taxpayer Assistance Center at (888) 745-3886.

If you have further questions regarding your privacy rights, please contact the Tax Information Security Office at (916) 654-5981.

OFFERS IN COMPROMISE (OIC)

An Offers in Compromise (OIC) enables a qualified applicant to reduce an employment tax liability to less than full value. To qualify for an OIC, **all** of the following are required:

- The liability must be final and undisputed.
- The employer's account must be inactive and out-of-business or the applicant must no longer have a controlling interest or any association with the business that incurred the liability.
- The applicant must meet all financial requirements.
- Full financial disclosure is required before an offer can be analyzed.

If you have questions or wish to request the Information Sheet: *Offers in Compromise* (DE 631C), please access the EDD's Web site at **www.edd.ca.gov/Payroll_Taxes/Forms_and_Publications.htm**, call the automated Fax on Demand system at (877) 547-4503, or contact OIC at (916) 464-2739.

UNEMPLOYMENT INSURANCE - TAXES

Purpose: The Unemployment Insurance (UI) program provides financial assistance to individuals who are temporarily out of work through no fault of their own. In California, this program is financed entirely by employers.

METHODS OF PAYING FOR UI BENEFITS

Experience Rating Method

The **experience rating method** is used by the majority of employers. For a detailed explanation of the experience rating method, refer to "How Your UI Tax Rate Is Determined" below or obtain the Information Sheet: *California System of Experience Rating* (DE 231Z) by accessing the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de231z.pdf**, calling the automated Fax on Demand system at (877) 547-4503, or contacting the Taxpayer Assistance Center at (888) 745-3886.

Reimbursable Method

Public employers and nonprofit organizations described under Section 501(c)(3) of the Internal Revenue Code have the option of becoming "reimbursable" employers. Employers electing the **reimbursable method** (also known as the cost-of-benefits method) are required to reimburse the UI Fund on a dollar-for-dollar basis for all benefits paid to their former employees and charged to their account. Reimbursable employers are billed quarterly, and payment is due within 30 days of the statement date.

For public employers, financing under the reimbursable method **must** remain in effect for **two** complete calendar years. For nonprofit employers, financing under the reimbursable method **must** remain in effect for **five** complete calendar years. Employers who terminate their reimbursable coverage remain liable for UI benefits paid to their former employees covered under this program for a period of **three** calendar years.

For a detailed explanation of the reimbursable method, request Information Sheet: *Nonprofit and/or Public Entities* (DE 231NP) and *Potential Liability for Unemployment Insurance Benefits When Electing the Reimbursable Method of Financing Under the California Unemployment Insurance Code (CUIC)* (DE 1378F). To obtain these publications, access the EDD's Web site at **www.edd.ca.gov/Payroll_Taxes/Forms_and_Publications.htm**, or contact the Taxpayer Assistance Center at (888) 745-3886. For additional information, please contact:

Employment Development Department
Reimbursable Accounting Group, MIC 19
P.O. Box 826880
Sacramento, CA 94280-0001

Telephone: (916) 653-5846

School Employees Fund (SEF) Method

Public school districts (kindergarten through 12th grade), community colleges, and charter schools may elect to participate in the School Employees Fund (SEF), which is a special UI reimbursable financing method available for school districts. For further information, access the EDD's Web site at **www.edd.ca.gov/Payroll_Taxes/School_Employees_Fund.htm** or contact the SEF Unit at (916) 653-5380.

HOW YOUR UI TAX RATE IS DETERMINED

Tax Rate Schedules

The UI tax rates are based on one of seven tax rate schedules (AA through F) established by law. The first step in the annual process of establishing the UI tax rates for the calendar year is for the EDD to determine which of the seven tax rate schedules will be in effect. Employers are assigned their UI tax rates from the same rate schedule.

New Employer - UI Tax Rate and Reserve Account

A UI reserve account is a nonmonetary account that is set up when an employer registers with the EDD. The new employer tax rate is 3.4 percent (.034) for up to three years. Following that time period, the UI tax rate is calculated annually based on each employer's previous experience as reflected by UI contributions, taxable wages, benefit charges, and prorated charges and credits to their reserve account.

Subscribe to the EDD's free e-mail subscription services
www.edd.ca.gov/about_EDD/Get_Email_Notices.htm

NOTICE OF TAX RATES

Each December, the EDD will mail the *Notice of Contribution Rates and Statement of UI Reserve Account* (DE 2088) that shows your Unemployment Insurance (UI), Employment Training Tax (ETT), and State Disability Insurance (SDI) tax rates and taxable wage limits for the upcoming year. If you have address changes and/or agent updates, please contact the EDD immediately in order to receive your notice timely.

Any item on the DE 2088 may be protested except the ETT and SDI tax rates, which are specifically set by law. The protest must be filed in writing and postmarked within 60 days of the mail date shown on the notice. Please include your employer account number, the specific item you wish to protest, and the reason you are protesting. You may request up to a 60-day extension. The extension request must be in writing, show good cause, and be postmarked before the protest deadline.

For further information, please refer to the *Explanation and Instruction Sheet* (DE 2088C) included with the DE 2088 or call the Taxpayer Assistance Center at (888) 745-3886. The DE 2088C is also available on our Web site at **www.edd.ca.gov/pdf_pub_ctr/de2088c.pdf**.

FEDERAL UNEMPLOYMENT TAX ACT (FUTA) CERTIFICATION

The Internal Revenue Service (IRS) uses the Federal Unemployment Tax Act (FUTA) certification process to verify that the total taxable wages claimed on the *Employer's Annual Federal Unemployment (FUTA) Tax Return* (Form 940) or the federal *Household Employment Taxes* (Form 1040, Schedule H) was actually paid to the State. Under this "dual" system, you are subject to both the State and federal payroll tax requirements.

You are required to file reports and pay Unemployment Insurance (UI) taxes with the EDD. You are also required to file a Form 940 with IRS to report total taxable UI wages and pay any Federal Unemployment Tax due. Generally, you can take a federal credit against your FUTA tax for the UI taxes you paid to California.

On an annual basis, the IRS and the EDD compare amounts reported on your IRS Form 940 to the Total Subject Wages (Line C) and UI Taxable Wages (Line D2) reported on your EDD *Quarterly Contribution Return and Report of Wages* (DE 9). When an "out-of-balance" condition exists, reconciliation must be made or an assessment may be issued by either the IRS or the EDD.

If you have questions regarding the FUTA certification process, please contact the EDD's FUTA Certification Unit at (916) 654-8545.

RESERVE ACCOUNT TRANSFERS

When an employer acquires all or part of an ongoing business and continues to operate the business without substantial reduction of personnel resulting from the acquisition, the employer may request the previous owner's UI reserve account balance be transferred to the new ownership by completing an *Application for Transfer of Reserve Account* (DE 4453) form. If the EDD approves the transfer, the UI tax rate will be redetermined and may result in an immediate rate reduction or rate increase. For further information regarding reserve account transfers, please contact the Rate Management Group at (916) 653-7795.

NOTE:

- When a UI reserve account transfer has been approved, the employer requesting the transfer will receive a revised DE 2088 stating the UI tax rate.
- Employers who receive a reserve account transfer accept responsibility for the UI benefit charges for the previous owner's former employees. This may **increase** your UI tax rate in future years.
- A reserve account transfer cannot be reversed once it has been completed.
- There are time limits to qualify for a reserve account transfer. Apply for a reserve account transfer immediately after purchasing an ongoing business.

INTERSTATE RECIPROCAL COVERAGE ELECTIONS FOR MULTISTATE WORKERS

When an individual performs services in two or more states and the services are not localized in any one state, under the provisions of California Unemployment Insurance Code (Sections 602 and 603), the employer may request to report the individual's services to one state.

Upon approval for unemployment and disability insurance purposes, the employer may report to any state in which (a) services are performed, (b) the employee has residence, or (c) the employer maintains a place of business.
NOTE: Special reporting may be required for California Personal Income Tax withholding purposes.

For additional information, please obtain Information Sheet: *Multistate Employment* (DE 231D) by accessing the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de231d.pdf**, calling the automated Fax on Demand system at (877) 547-4503, or contacting the Taxpayer Assistance Center at (888) 745-3886.

TIPS FOR REDUCING YOUR UI TAX RATE

The Unemployment Insurance (UI) tax works like any other insurance premium. An employer may pay a lower rate when former employees make fewer claims on the employer's account. The following steps may help reduce your UI tax rate:

- Maintain a stable workforce, it could save you UI taxes. High employee turnover increases the potential for benefits to be charged to your reserve account.
- Submit your UI payments within the required time limits along with accurately completed *Payroll Tax Deposit* (DE 88) coupons to ensure your payments are included in calculating your UI tax rate for the following year.
- Respond timely to the *Benefit Audit* (DE 1296B and DE 1296NER). It may lead to the reversal of related charges to your reserve or reimbursable account. For additional information, refer to "Benefit Audits to Determine Fraud" on page 106.
- Respond timely to the *Notice of Unemployment Insurance Claim Filed* (DE 1101C/Z or DE 1101ER) if you believe that a former employee does not meet the UI eligibility criteria. A timely response to a DE 1101C/Z or DE 1101ER may reduce charges to your reserve account.
- Respond timely to the *Notice of Wages Used for Unemployment Insurance (UI) Claim* (DE 1545) if you believe the wages used to establish a claim are incorrect, the employee is still working, or if you believe a former employee does not meet the UI eligibility criteria. A timely response to a DE 1545 may reduce charges to your reserve account.
- Conduct and document an exit interview to help you to understand why the employee is leaving. This may result in changes to your policies or procedures that will assist you in retaining your employees.
- Permit leaves of absence because they may help keep fully trained personnel.
- Keep good personnel records to justify any action(s) taken. Give written warnings prior to discharging an employee and keep a copy of these warnings and other supporting information.
- Protest UI benefit claims for former employees who you believe are not eligible for benefits (e.g., employee voluntarily quit or was discharged for misconduct, etc.). Written documentation of the exit interview may be important in supporting your protest.
- Answer UI claim notices promptly, accurately, and in detail.
- Rehire former employees who are currently receiving UI benefits that may be charged against your reserve account.
- Report refusals of work to the EDD.
- Provide clear, specific answers to telephone interview questions from the EDD personnel.
- Review your *Statement of Charges to Reserve Account* (DE 428T) and report inaccuracies within the protest time limits.
- Bring witnesses with firsthand knowledge of pertinent facts when attending an appeal hearing.

For additional information on the UI program or assistance in reducing UI costs, download the *Managing Unemployment Insurance Costs* (DE 4527) booklet by accessing the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de4527.pdf**.

Learn more about payroll taxes through our seminars and online courses
www.edd.ca.gov/Payroll_Tax_Seminars/

FRAUD PREVENTION, DETECTION, REPORTING, AND UI RATE MANIPULATION

The EDD recognizes your concerns about imposter fraud and the threat of identity theft. Imposter fraud and identity theft occurs when someone steals your employees' employment and/or personal information and uses that information for personal gain. We actively investigate cases of imposter fraud and are committed to taking the steps necessary to protect the integrity of the UI Fund. To assist in these efforts, you may receive a *Request for Additional Information* (DE 1326ER) asking you to validate information provided to us by an individual when we suspect a UI claim may have identity or imposter issues. Completing and returning the DE 1326ER with the requested information will assist us in resolving these issues promptly. For more information on our fraud detection and prevention activities, access the EDD's Web site at **www.edd.ca.gov**. From the "Quick Links," select "Report Fraud." This link will take you to a page where you can select an online Fraud Reporting Form to report possible Unemployment Insurance, Disability Insurance, or Paid Family Leave fraud.

We also encourage you to take all necessary steps to protect your employees' Social Security Numbers (SSN) and other identifying information. A key way to protect yourself and your employees is by properly disposing of your old payroll records. California law requires you to properly destroy (i.e., shred, erase, etc.) the personal information on all records under your control. Your employees may sue you for civil damages if you fail to protect their confidential information. For more information on California privacy legislation and protecting yourself and your employees from identity theft, visit the Office of Privacy Protections' Web site at **www.privacy.ca.gov/consumers.htm**.

To minimize potential fraud and protect your UI reserve account, we urge you to carefully review each EDD statement and/or notice and respond as directed in a timely manner to any items for which you have questions. If you suspect your payroll or personnel data has been compromised, please report the incident immediately to our toll-free Fraud Hotline at (800) 229-6297 or submit the fraud reporting form online from the EDD's Web site at **www.edd.ca.gov**. **From the "Unemployment" tab, go to the "For Employers" section to access the Fraud Prevention section.**

Additionally, the Social Security Administration (SSA) offers employers and authorized agents service for verifying employees' SSNs. For information on how to access SSA's SSN verification service, access SSA's Web site at **www.ssa.gov/employer/ssnv.htm** or contact your local SSA office.

To learn about steps that you can take to fight imposter fraud, protect your employees, and control your UI costs, download the *How You Can Prevent Unemployment Insurance Imposter Fraud* (DE 2360ER) brochure from the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de2360er.pdf**.

There are several types of schemes businesses use to unlawfully lower their UI contribution rates. These UI rate manipulation schemes typically involve a business with a high UI tax rate obtaining a lower UI rate through creation of a new corporate entity or purchase of a shell business with a low UI rate. The practice of UI rate manipulation threatens the stability of California's UI Fund and creates an unfair advantage for those businesses that use these schemes to lower their rates.

In 2005, California implemented a new law to prevent UI rate manipulation; it requires employers who are illegally lowering their UI rates to pay at the highest rate provided by law plus an additional 2 percent. The new law also provides for the greater of a $5,000 penalty or 10 percent of underreported contributions, penalty, or interest for anyone knowingly advising another person or business to violate California's UI rate and reporting laws.

It also makes changes in the law regarding the transfer of UI reserve account balances. It specifies that whenever a business transfers all or part of its business or payroll to another employer, the reserve account attributable to the transferred business will also be transferred if they are under common ownership, management, or control. It also provides that the transfer will be denied if the acquisition was for the purpose of obtaining a lower UI rate.

For more information about UI rate manipulation, please access the EDD's Web site at **www.edd.ca.gov/Payroll_Taxes/SUTA_Dumping.htm** or contact the Taxpayer Assistance Center at (888) 745-3886. If outside the U.S. or Canada, call (916) 464-3502.

UNEMPLOYMENT INSURANCE (UI) FUNDING

The California UI program is funded through payroll taxes paid by employers. These taxes are placed in the UI Fund and benefits are paid to qualified claimants from this Fund. The individual tax reserve account established for each employer has no monetary value. The reserve account is an accounting tool used to keep track of credits and charges made against the employer's account to determine their annual UI tax rate. For additional information, please refer to "Unemployment Insurance - Taxes" on page 97.

BENEFIT AWARD

The maximum amount of UI benefits payable to a claimant during a regular benefit year is 26 times the claimant's weekly benefit amount or one-half of the total base period earnings, whichever is less. The benefit year is a 52 week period starting on the effective date of a new UI claim. The base period consists of four calendar quarters of three months each. When a base period begins and which calendar quarters are used depends on whether the claim is for UI or for Disability Insurance and on what date the claim begins.

Unemployment Insurance (UI) claims have a standard base period and, beginning in spring 2012, there will be the option of an alternate base period when the standard base period is not monetarily valid. The UI standard base period is the first four of the last five completed calendar quarters prior to the beginning date of the claim. The UI alternate base period is the last four completed calendar quarters prior to the beginning date of the claim. The alternate base period can only be used if an individual cannot monetarily establish a valid UI claim with the standard base period (Refer to page 108).

Current Weekly UI Benefit Award			Maximum Charged to Reserve Account for Each Employee for a Regular Claim
Year	**Minimum**	**Maximum**	
2012	$40	$450	$11,700
2011	$40	$450	$11,700

BENEFIT QUALIFICATIONS

To be eligible for UI benefits, claimants must:

- Be unemployed through no fault of their own.
- Be totally or partially unemployed and registered for work with the EDD, as required.
- Be physically **able to work** in their usual occupation or in other work for which they are reasonably qualified.
- Be **available for work**, by being ready and willing to immediately accept suitable work in their usual occupation, or in an occupation for which they are reasonably qualified.
- Be actively **seeking work** on their own behalf.
- Have received a minimum amount of wages during the base period. (For additional information, please refer to "Qualifying UI Wages" on page 102.)
- Comply with regulations in regard to filing claims.

Once a claim is filed, an EDD staff will determine if there are eligibility issues. An EDD representative may call employers as well as claimants to resolve eligibility issues.

A claimant may be ineligible for UI benefits if the claimant:

- Was discharged for misconduct connected to his/her work. (Proof of misconduct rests with the employer.)
- Voluntarily quit without "good cause" (includes quitting for personal reasons, to go to school, or to move).
- Files a UI claim during a recess period, if he/she worked for a school employer, and had reasonable assurance of returning to work for a school employer.
- Refused suitable work without "good cause."
- Failed to take part in reemployment services.
- Failed to apply for a job when referred by a public employment office.
- Failed to make reasonable efforts to look for work.
- Failed to comply with regulations.
- Made false statements or withheld information for the purpose of receiving UI benefits.
- Is not legally entitled to work in the U.S.
- Is not able to work or is not available for work.
- Is working full-time or earns wages totaling more than 25 percent of their weekly UI benefit amount.
- Voluntarily left work due to a trade dispute.

Certain types of employees are not covered for UI benefits. For additional information, please refer to the "Types of Employment" table on page 16 and "Types of Payments" table on page 26.

QUALIFYING UI WAGES

To have a valid Unemployment Insurance (UI) claim, individuals must have earned:

- $1,300 or more in **covered employment wages** in one quarter of the base period, or
- $900 or more in **covered employment wages** in the base-period quarter with the highest earnings and earned at least 1.25 times the high quarter earnings during the entire base period.

Certain types of payments made to employees are not considered covered employment (wages) for UI purposes. For additional information, refer to the "Types of Payment" table on page 26. The table shows if certain types of jobs and types of income are taxable for UI. If the table shows that a job or type of income is "not subject" to UI tax, then that income is excluded from establishing a UI claim.

UI ELIGIBILITY DETERMINATION

The EDD schedules fact-finding telephone interviews when there are eligibility questions regarding a claim. Our staff will talk to the claimant, employer, and anyone else necessary to make a decision. Based on the decision, benefits will either be paid or denied. If benefits are denied, a notice will be issued to the claimant. If the employer responds timely to the first notice sent by the EDD and addresses the issue being decided, a notice will also be sent to the employer.

NOTE: The maximum amount an employer can be charged on a regular claim is $11,700. (Refer to "Benefit Award" on page 101.) In addition, an employer's reserve account may be subject to charges for benefits paid on a Training Extension (TE) claim. Claimants who have been approved for California Training Benefits may be eligible for a TE claim. A claimant with a TE claim is eligible to receive a maximum of 52 times his/her weekly benefit amount on the regular claim, which includes the maximum benefit award of the regular claim.

HOW TO DESIGNATE AN AGENT OR SINGLE ADDRESS

Tax-Rated Employers or Reimbursable Employers
Tax-Rated or Reimbursable Employers may make address changes or designate an agent by contacting the EDD's Tax Branch (refer to Change of Status information on page 88).

Reimbursable Employers
Public entity and non-profit employers should also submit the single agent address or agent information to the EDD's Tax Branch to have the address on file changed. To have the DE 1101C/Z and tax forms sent to the designated single address, refer to "Change of Status" on page 88.

In addition:
Public entity and non-profit employers and their agents must elect to have the notice of new or additional claim (DE 1101C/Z) sent to a designated single address, per Section 806 of the California Unemployment Insurance Code.

Requests for designation of a single address should be sent to:

Employment Development Department
Unemployment Insurance Division, MIC 40
P.O. Box 826880
Sacramento, CA 94280-0001

Fax: (916) 654-8117

HOW TO REQUEST AN ELECTRONIC DE 1545

Employers and their agents may obtain the *Notice of Wages Used for Unemployment Insurance (UI) Claim* (DE 1545) electronically. To obtain information about Electronic Data Interchange (EDI), contact:

Employment Development Department
Employer Assistance Unit, MIC 16
P.O. Box 826880
Sacramento, CA 94280-0001

Telephone: (916) 464-2325

Responding to Notices

Employers need to respond in writing to the *Notice of Unemployment Insurance Claim Filed* (DE 1101C/Z or DE 1101ER), *Notice of Wages Used for Unemployment Insurance (UI) Claim* (DE 1545), or the *Notice of Potential Increased Liability For Training Extension Benefits* (DE 1545TE) if:

- The claimant was terminated or voluntarily quit.
- You have knowledge of information that might affect the claimant's eligibility for UI benefits.
- The claimant's name and social security number are not correct.
- You want a written decision of eligibility that provides you appeal rights to the Department's decision.
- The claimant's work was in non-covered employment for UI purposes and the wages should not be used to establish a UI claim, including work performed as an elected official.

If you believe the claimant is not entitled to benefits, it is important to protest **in writing** when you receive the first notice. Your response must include any facts that may affect the claimant's eligibility for UI benefits or the potential liability of your UI reserve account for benefits paid to the claimant.

Protests to the DE 1101C/Z, DE 1101ER, DE 1545, DE 1545R, or DE 1545TE should be in writing and mailed to the address noted on the form. Protests may be written on the notice or included in a separate letter and should contain the following information:

- Employer's EDD account number, name, and address.
- Claimant's name and social security number.
- Beginning date of the claim.
- Date of separation from employment.
- Dates of separation(s) and rehire(s) during and following the quarters shown on the DE 1545.
- Information supporting your belief of the claimant's ineligibility. (Refer to page 101 for a list of disqualifying events.) Protests should include specific facts and circumstances. General statements (e.g., "employee was fired for misconduct") should be supported with specific events and documentation. This will result in better eligibility decisions based on the facts.
- If the wage information listed on the DE 1545 or DE 1545TE is incorrect, please inform EDD in writing at:

  Employment Development Department
  Employers Assistance Unit, MIC 16
  P.O. Box 826880
  Sacramento, CA 94280-0001

  Include the following information with your correction of wage information:

  - Employer's EDD account number, name, and address.
  - Claimant's name and Social Security Number.
  - Beginning date of the claim.
  - Correction to the wage information. Please provide supporting documentation to the correction, such as a copy of the *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C) or *Quarterly Contribution and Wage Adjustment Form* (DE 9ADJ). Refer to the 2010 *California Employer's Guide* (DE 44) for prior years corrections at **www.edd.ca.gov/pdf_pub_ctr/de44-10.pdf**
  - Name, signature, and telephone number of the employer or employer representative preparing the wage correction.
  - Date of the wage correction.

- The protest should be signed by the person having personal knowledge of the facts or having access to records containing the facts.

***REMEMBER*: If a written protest is not submitted for the DE 1101C/Z, DE 1101ER, or DE 1545, you waive your right to protest your UI reserve account's potential liability for benefits paid to the claimant and your right to appeal.**

Subsequent Benefit Year

If you receive a notice that a subsequent benefit year has been established, you must resubmit any facts you furnished on the initial DE 1101C/Z to be entitled to a determination and/or ruling based on such facts for the later benefit year.

CLAIM NOTICES AND PROTEST TIME LIMITS	
Notice	**Postmarked within**
DE 1101C/Z or DE 1101ER Mailed to the last employer when a current or former employee files a new UI claim or an existing claim is reopened.	10 calendar days of the date mailed to you (the date is printed on the top-right side of the DE 1101C/Z and the DE 1101ER).
DE 1545 Issued to all base-period employers after a claimant receives the first UI payment. This notice informs each employer of the wages used to establish the claim and the amount of potential charges to their UI reserve account for that claim. **NOTE:** Employers and their agents may obtain the DE 1545 electronically. (Refer to "How to Request an Electronic DE 1545" on page 102.)	The deadline to submit a ruling request is located on the top-right side of the DE 1545. To request a ruling, submit separation information within 15 calendar days from the mail date. If wage information is incorrect, submit the information within 20 calendar days.
DE 1545TE Mailed to base-period employers only when a former employee has been approved for the California Training Benefits (CTB) program. This form will inform you of the maximum amount of potential benefits payable, including training extension benefits, and the amount of potential charges to your UI reserve account. When protesting a former employee's eligibility for the CTB program, employers should address the particular criteria that individuals must meet under Section 1269 and 1269.1 of the CUIC. **Effective July 2011**, the CTB program criteria includes Section 1269.1 of the CUIC.	15 calendar days from the mail date.

NOTE: If you respond untimely, provide the reason you are submitting the eligibility information untimely and the EDD will determine if you had "good cause" for not submitting your response timely. If there is a finding of "good cause", you will be entitled to receive a notice of determination or ruling. If it is determined that you did not have "good cause" for the late response, a *Response to Employer Communication* (DE 4614) will be issued. This form can be appealed if you disagree with the determination. Also, if you respond untimely with eligibility information, the EDD will conduct a determination of eligibility with the claimant regardless of whether you are entitled to a notice of determination or ruling.

Subscribe to the EDD's free e-mail subscription services

www.edd.ca.gov/about_EDD/Get_Email_Notices.htm

NOTICES OF DETERMINATION, RULING, OR MODIFICATION

You will receive one of the following DE 1080 notices in response to eligibility issues you reported on the DE 1101C/Z, DE 1101ER, or DE 1545:

Notice	Purpose
DE 1080EZ: • *Notice of Determination*	Reimbursable Employer(s): Sent to an employer who responds timely to a DE 1101C/Z, DE 1101ER, and who submits information about quits and discharges. The notice informs the employer whether or not the claimant was found eligible for UI benefits. Tax-rated and Reimbursable Employers(s): Sent to an employer who responds timely to a DE 1101C/Z, DE 1101ER, DE 1545, or who provides eligibility information about issues other than quits or discharges that can affect a claimant's eligibility for UI benefits, such as job refusals or a claimants unavailability for work because of school attendance, lack of child care, etc. The notice informs the employer whether or not the claimant was found eligible to receive UI benefits. Refer to page 101 for a list of disqualifying events.
• *Notice of Determination/Ruling*	Sent to a tax-rated employer who responds timely to a DE 1101C/Z or DE 1101ER with eligibility information regarding a voluntary quit or discharge. The ruling portion of this notice informs the employer whether or not the reserve account will be charged for UI benefits paid.
• *Notice of Ruling*	Sent to a tax-rated employer who responds timely to a DE 1545 with separation information. The separation must have occurred during or after the base period of the claim. This notice informs the employer whether or not the reserve account will be charged for UI benefits paid.
Notice of Modification (DE 1080M)	Sent to the employer who previously received a DE 1080EZ stating that the claimant was disqualified. This form informs the employer that the claimant's disqualification period is over. This notice does not change the original ruling issued to the employer.

***REMEMBER*:** Employers who finance UI coverage under one of the reimbursable financing methods receive *Notices of Determination,* but do not receive *Notices of Ruling* because they do not have a UI reserve account.

The *Notice of Potential Increased Liability For Training Extension Benefits* (DE 1545TE) provides base period employers with a timely notice of maximum amount of potential unemployment insurance (UI) benefits, including training extension benefits that may be charged to their accounts. This form is mailed to base-period employers only when a former employee has been approved for the California Training Benefits (CTB) program. When protesting a claimant's eligibility for the CTB program, employers should address the particular criteria that individuals must meet under Section 1269 and 1269.1 of the California Unemployment Insurance Code (CUIC).

UI BENEFITS – APPEAL RIGHTS

You have the right to file an appeal if you do not agree with a decision made by the EDD about your:

- Former employee's right to receive UI benefits.
- UI reserve account being charged for benefits paid to a former employee.

You must send your written appeal to the EDD within 20 calendar days of the date the decision was mailed to you. The EDD will send you an acknowledgment of receipt and registration of your appeal with the telephone number for the Office of Appeal hearing the case. The Office of Appeal will schedule a hearing with an Administrative Law Judge (ALJ). Both you and your former employee will be notified of the date, time, and place of the hearing at least 10 days before the hearing date. If you are filing an appeal to a *Notice of Ruling* (DE 1080EZ), the employee is not considered a party to the proceeding and is not notified of the hearing. The ALJ will conduct a hearing and give all interested parties the opportunity to present their evidence. The ALJ will consider the facts presented at the hearing and issue a written decision that is mailed to all concerned parties.

If you do not agree with the ALJ's decision, you may appeal to the California Unemployment Insurance Appeals Board (CUIAB). The CUIAB reviews appeals to decisions rendered by ALJs. Both the CUIAB and the ALJs operate impartially and independently of the EDD.

The CUIAB provides the following publications to assist in filing an appeal and preparing for an administrative hearing:

- *Unemployment Appeals - A Guide for Claimants, Employers, and Their Representatives* (DE 1434).
- *Appeals Procedure* (DE 1433).

For copies of these publications, write to the California Unemployment Insurance Appeals Board at the address shown on the following page. You may also download these forms from the CUIAB Web site at **www.cuiab.ca.gov/forms.shtm**. If you have any questions about filing an appeal, please contact the EDD at (800) 300-5616.

NOTE: An *Employment Development Department Appeal Form* (DE 1000M) is enclosed with all DE 1080s. The DE 1000M is available on the Web site at **www.edd.ca.gov/pdf_pub_ctr/de1000m.pdf**.

FALSE STATEMENT PENALTY

Section 1142(a) of the California Unemployment Insurance Code (CUIC) provides that an employer may be assessed a cash penalty from 2 to 10 times the claimant's weekly benefit amount if it is determined that the employer, employer representative, employer officer, or employer agent willfully made a false statement or misrepresentation or failed to report a material fact concerning the claimant's termination of employment.

Section 1142(b) of the CUIC provides that an employer may be assessed a cash penalty from 2 to 10 times the claimant's weekly benefit amount if it is determined that the employer, employer representative, employer officer, or employer agent willfully made a false statement or representation or willfully fails to report a material fact concerning the claimant's reasonable assurance of reemployment as defined in Section 1253.3 of the CUIC.

Section 1142.1 of the CUIC provides that an employer may be assessed a cash penalty from 2 to 10 times the claimant's weekly benefit amount if it is determined that the employer, employer representative, employer officer, or employer agent, where the claimant was performing services for an educational institution as defined in Section 1253.3, willfully makes a false statement or representation or fails to report a material fact concerning the claimant's termination of employment or regarding any week during which services were performed (as provided in Section 1253.3) or any time granted to the claimant for professional development while working for that employer.

If you are not in agreement with the *Notice of Determination or Assessment Under UI Code Section 1142(A)* (DE 3807 SEP) or *Notice of Determination and/or Assessment of Employer Statement* (DE 3807RA) you may file a *Petition Rights from Notice of Assessment* (DE 2350) to an Administrative Law Judge (ALJ) of the California Unemployment Insurance Appeals Board (CUIAB). The CUIAB, established separate and apart from the EDD, reviews, hears, and renders impartial and independent decisions in tax and benefit matters related to the CUIC.

Prepare an original and a copy of the petition. The petition may be informal but must be in writing and should:

- Show your EDD employer account number and the date of the assessment. (For faster processing, enclose a copy of the DE 3807SEP or DE 3807RA with your petition.)
- Provide the claimant's name and Social Security Number.
- Clearly indicate that it is a "Petition for Reassessment."
- Describe the reason for the petition and specify the facts or grounds for requesting a reassessment.
- Be signed by you or your authorized agent.
- State your address or that of your agent, if any.

To be timely, the petition must be mailed or delivered to the office shown below **within 30 calendar days** from the date of assessment. The time to protest can be extended by an ALJ for not more than 30 days but **only** if "good cause" for the delay is shown. Mail or deliver the original and a copy of your petition for reassessment to:

California Unemployment Insurance Appeals Board
Sacramento Office of Appeals
2400 Venture Oaks Way, Suite 100
Sacramento, CA 95833-4224

BENEFIT AUDITS TO DETERMINE FRAUD

Each quarter, as part of the EDD's fraud detection efforts, *Benefit Audit* (DE 1296B) forms are mailed to employers to request wage information for specific weeks that their employees may have worked. In addition, once a year EDD identifies all outstanding *Benefit Audit* forms for which a reply was not received. A replacement audit form is sent to those employers for **each** outstanding quarter identified.

The benefit audit identifies individuals who may have improperly received UI benefits for weeks in which they worked and had earnings. The audit process leads to the recovery of benefit payments and the potential reversal of related charges to the employer's reserve or reimbursable account when the EDD determines that the claimant was not entitled to UI benefits.

As part of our continuing efforts to detect and deter fraud, the EDD cross matches the Social Security Number and Start-of-Work Date (SWD) from the New Employee Registry (NER) information reported by employers with UI benefit payment information. An accurate SWD (not the hire date) is particularly important for this cross match process. If a match is identified, an audit form will be sent to the employer requesting earnings and eligibility information. The returned employer information is used to identify benefit overpayments and to recover the unauthorized benefit payments. The NER audit enables the EDD to detect fraud up to six months sooner than the quarterly Benefit Audit Process and protects the UI Fund by reducing overpayments. Employers who have responded to the *New Employee Registry Benefit Audit* form (DE 1296NER) will not receive a *Benefit Audit* (DE 1296B) for the same employee for the same quarter.

BENEFIT AUDITS TO DETERMINE FRAUD (cont.)

NOTE: Employers are required by law to respond to the *Benefit Audit* (DE 1296B) and the *New Employee Registry Benefit Audit* (DE 1296NER) forms. Your cooperation is essential to detect fraud and to protect the integrity of the UI program.

Questions or comments about the benefit audit process should be sent to:

Employment Development Department
P.O. Box 3038, MIC 16A
Sacramento, CA 95812-3038

Telephone: (866) 401-2849

For additional information, access EDD's Web site at:
www.edd.ca.gov/Unemployment/Benefit_Audit.htm

BACK PAY AWARD

Employees who receive Unemployment Insurance (UI) benefits and later receive back pay awards or settlements must have the Back Pay Award or settlement allocated to the period for which it was awarded. The EDD must be reimbursed an amount that equals the amount of UI benefits received if the Back Pay Award covers the same period for which UI benefits were paid. Back pay is considered wages and should be reported within 30 days from the settlement or agreement date. A determination must be made regarding who is responsible to repay the EDD for the overpaid benefit amounts. If the Back Pay Award agreement states that the employer will withhold overpayment amounts from the Back Pay Award or settlement, the employer is responsible for submitting the amounts withheld to EDD to clear the overpayment. The employer must provide the claimant's name and complete Social Security Number and information concerning the period covered by the back pay award.

A determination must be made regarding who is responsible to repay the EDD for the overpaid benefit amounts. If the Back Pay Award agreement states that the employer will withhold overpayment amounts from the Back Pay Award or settlement, the employer is responsible for submitting the amounts withheld to the EDD to clear the overpayment. The employer must provide the claimant's name and complete Social Security Number and information concerning the period covered by the Back Pay Award.

At the employer's request, the EDD will determine the amount of UI benefits to be repaid, establish an overpayment, and notify the claimant and employer. ("Employer" refers to both tax-rated and reimbursable employers.) Reimbursable employers will receive credits against their future charges only after the liability has been paid. For further information, contact:

Employment Development Department
Backpay Awards Coordinator, MIC 8, OARG
P.O. Box 826800
Sacramento, CA 94280-0001

Telephone: (916) 464-2333

WORKERS' COMPENSATION BENEFITS

Employees who received UI benefits and later receive Workers' Compensation benefits in the form of Temporary Total Disability (TTD) benefits, Vocational Rehabilitation Maintenance Allowance (VRMA), or settlements for the same period must repay the EDD an amount equal to the UI benefits received. For further information, contact:

Employment Development Department
Workers' Compensation Specialist
P.O. Box 2588
Rancho Cordova, CA 95670

Telephone: (916) 464-0713

STATEMENT OF CHARGES

Each October, the annual *Statement of Charges to Reserve Account* (DE 428T) is mailed to you. This statement notifies you of the Unemployment Insurance (UI) benefit charges and credits to your reserve account for the prior one-year period from July 1 through June 30. Charges are itemized and based on the UI benefits paid to your former employees. Charges to your reserve account may increase your UI contribution rate for the next tax year. It is important to review your statement carefully and respond timely if you do not agree with the charges. You have 60 days from the mail date on your statement to protest any charges you believe are incorrect. An extension of up to 60 days may be granted for good cause if your request is submitted before the protest deadline.

If you have address changes and/or agent updates, inform the EDD immediately in order to receive your DE 428T timely.

For further information, please refer to the *Explanation and Instruction Sheet* (DE 428C) included with the DE 428T or call the Taxpayers Assistance Center at (888) 745-3886. The DE 428C is also available on the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de428c.pdf**, or request from the automated Fax on Demand system at (877) 547-4503.

ALTERNATE BASE PERIOD

Beginning in spring 2012, the EDD will be implementing a new Alternate Base Period (ABP) program in accordance with California law. The ABP provisions will apply to claimants who do not qualify for an Unemployment Insurance (UI) claim based on the current "Standard" Base Period, and who do qualify for a UI claim based on the "Alternate" Base Period. The "Standard" Base Period is defined as the first four of the last five completed calendar quarters prior to the beginning date of the claim; the "Alternate" Base Period, is the four most recently completed calendar quarters.

The ABP legislation does not change the legal requirements for employers' quarterly wage reporting.

In addition to employers' current quarterly wage reporting, if the ABP wages are not showing in the EDD's data base, employers will be asked, prior to the quarterly wage reporting, to provide the wages for claimants. The EDD will only request wages from employers if it appears that claimants have enough wages to qualify for a UI claim using the ABP. If it is necessary for the EDD to obtain the wages from the employer, the EDD will mail the employer a *Request for Wages* (DE 1919) to request wage information for each of the five most recently completed quarters. This will assist the EDD in determining if the claimant qualifies for a valid "Standard" Base Period or ABP claim. Employers will have 10 days to respond to the EDD's request.

In addition to mailing the employer a DE 1919, the EDD will mail the claimant an *Affidavit of Wages* (DE 23A) to also request the wage information. If the employer does not respond to the EDD's request for wage information within 10 days, and the claimant provides the DE 23A along with tangible evidence of the wages earned, the EDD will file the claim based on the wage information provided by the claimant.

If the base period wages on an ABP claim are later adjusted, such as when the quarterly wages are reported by the employer, no overpayment will be established on the ABP claim unless the claim was based on fraudulent information provided by the claimant. This means that, if employers do not respond timely to the EDD's original *Request for Wages* (DE 1919), they may incur reserve account charges they might not have otherwise incurred.

LAYOFF ALTERNATIVES

Partial UI Claims

The Partial UI Claim program enables employers to keep trained employees who are partially employed during slow business periods. Employers may use the Partial UI Claim program if employees are temporarily working reduced hours or have been placed on layoff status for no more than two consecutive weeks. To obtain information about Partial Claims and the partial forms, *Notice of Reduced Earnings* (DE 2063) and *Notice of Reduced Earnings (Fisherperson)* (DE 2063F), access the EDD's Web site at **www.edd.ca.gov/Unemployment/FAQ_-_Partial_Claims.htm**.

If you participate in the program you should:

- Instruct your employees to call the EDD's UI toll-free numbers to file a UI claim by phone.
- Instruct your employee to advise the EDD that he/she is participating in the UI Partial program.
- Complete the employer portion of the *Notice of Reduced Earnings* (DE 2063) and issue it to your employee.
- Instruct employees to complete and sign the DE 2063 and mail it to the EDD.

If the employee has no wages (does not work) for two consecutive weeks, instruct the employees to contact the EDD to obtain the regular *Continued Claim* (DE 4581) form. Participation in this program may increase the employer's UI tax rate.

For more information about partial UI claims, please call one of the toll-free UI telephone numbers on page 122 or access EDD's Web site at **www.edd.ca.gov/Unemployment/Partial_Claims.htm**.

Work Sharing Program

The Work Sharing program is available to employers who reduce employee wages and hours as an alternative to a temporary layoff. The affected work force or work unit(s) must consist of two or more employees. At least 10 percent of the total work force or 10 percent of the specified work unit(s) must participate in the program. The employer must sign a six-month Work Sharing plan with the EDD. If, during the period of the plan, the employer does not meet the Work Sharing requirements, the business will be taken off the program. Participation in this program may increase the employer's UI tax rate. If you are interested in participating in the program or would like additional information, access the EDD's Web site at **www.edd.ca.gov/Unemployment/Work_Sharing_Claims.htm** or contact:

Employment Development Department
Special Claims Office
P.O. Box 419076
Rancho Cordova, CA 95741-9076

Telephone: (916) 464-3300
Fax: (916) 464-2616 or alternate fax: 916-464-3333

NOTE: Employees participating in either the Work Sharing or Partial Programs cannot use the EDD Tele-Cert℠ and EDD Web-Cert℠ methods to certify for Unemployment Insurance (UI) weekly benefits. Participants of these programs are required to continue using the existing paper method.

In mid-2012, the EDD will expand the benefit certification options for both Partial UI and Work Share Program employers and their employees. In addition to the paper *Notice of Reduced Earnings* (DE 2063), the EDD is developing a Web-based process that will allow employers and employees an opportunity to submit their portions of the certification form via an online account. Additional information will be available prior to the scheduled change.

NOTICE OF LAYOFF

Employers with at least 100 employees who plan plant closures or mass layoffs of 50 or more full-time employees during any 30-day period at a single site of employment must give affected employees at least 60 days written notice. Please refer to "Plant Closure or Mass Layoff (WARN)" on page 92 for additional information.

WAGES NOTICES

In the event of a layoff or business closure involving 10 or more employees, the EDD's Wages Notice Group will investigate and post Electronic Wages Notices (EWN) for staff in the EDD offices to use. The EWNs contain wage findings (e.g., findings on in lieu of notice pay and bonuses) to ensure consistent determinations when several employees may be affected by the same set of facts. For additional information, access the EDD's Web site at **www.edd.ca.gov/Unemployment/Mass_Layoffs_and_Wage_Notices.htm**.

STATE DISABILITY INSURANCE (SDI) PROGRAM

The State Disability Insurance (SDI) program provides Disability Insurance (DI) and Paid Family Leave (PFL) benefits to eligible workers experiencing a loss of wages. The SDI program is funded by taxes withheld from employee wages.

Disability Insurance is a component of the SDI program. The DI benefits are paid to eligible California workers experiencing a loss of wages when they are unable to perform their regular or customary work due to a non-work-related illness or injury, pregnancy, and childbirth.

Paid Family Leave (PFL) is also a component of the SDI program. The PFL provides benefits to individuals who take time off from work to care for a seriously ill child, spouse, parent, or registered domestic partner or to bond with a new child.

TAXES – WHO PAYS FOR SDI?

The SDI (DI and PFL) is funded entirely through employee payroll withholdings. Except for public agency employers, disability coverage is mandatory. Employers may choose either the State plan or a Voluntary Plan to cover their employees (refer to "Employer Sponsored Voluntary Disability Insurance Plan" on page 111 for more information). Those employees not choosing a Voluntary Plan are covered under the State plan. For more information, please access the EDD's Web site at **www.edd.ca.gov** or call EDD's 24-hour Automated Call System at (916) 653-7795.

NOTE: When a worker has more than one employer during a calendar year, it is possible that excess SDI taxes may be withheld from the worker's wages. Workers should request a refund of excess SDI withholdings on their California income tax return.

The SDI tax rate may be adjusted annually to not more than 1.5 percent (.015) or less than 0.1 percent (.001) depending on the balance in the SDI Fund. Employee contributions withheld are paid by the employer to either the SDI Fund or a Disability Insurance Voluntary Plan (refer to page 111).

EMPLOYEE BENEFITS

Eligible claimants may file for DI or PFL benefits for each occurrence of disability or period of family care leave.

The *Disability Insurance Provisions* (DE 2515) pamphlet contains general information on DI eligibility. The *Paid Family Leave Insurance Program* (DE 2511) pamphlet contains general information on PFL eligibility. The *Claim for State Disability Insurance (SDI) Benefits* (DE 2501) and *Claim for Paid Family Leave Benefits* (DE 2501F) are application forms that contain additional information.

All California employers who have employees subject to SDI taxes are required to provide the DE 2515 and the DE 2511 to each new employee. The California Unemployment Insurance Code (CUIC) requires employers to provide general DI information to each employee leaving work due to nonoccupational illness or injury, pregnancy, and childbirth. Employers are also required to provide PFL information to each employee leaving work to care for a seriously ill family member or to bond with a new child. The pamphlets and applications are provided to employers at no cost. Additional copies may be ordered by accessing the EDD's Web site at **www.edd.ca.gov/Forms/default.asp**, or contacting the Taxpayer Assistance Center at (888) 745-3886.

CLAIM NOTICES

When an SDI claim is filed, the employer(s) shown on the SDI claim form will receive a *Notice to Employer of Disability Insurance Claim Filed* (DE 2503). For PFL claims, employers receive a *Notice to Employer of Paid Family Leave Claim Filed* (DE 2503F). Complete and return the DE 2503 or DE 2503F **within two working days** when you have information affecting the claimant's eligibility.

To deter disability fraud, please respond immediately if you are not the employer shown on the DE 2503 or DE 2503F, or if the claimant:

- Is not your employee.
- Has quit his/her job.
- Is receiving wages.
- Has not stopped working.
- Is known to be working for another employer.

NOTE: Because DI and PFL are paid for by employees, the filing of a DI or PFL claim will not affect the employer's Unemployment Insurance reserve account. Therefore, the DE 2503 and DE 2503F are not the basis for a ruling, and the employer will not be notified of any determination as a result of the response on the DE 2503 or DE 2503F.

EMPLOYER SPONSORED VOLUNTARY PLAN

California law allows employers to apply to the EDD for approval to establish a Voluntary Plan (VP) (which must include Paid Family Leave benefits) for their employees in lieu of the State coverage. To be approved for a VP, the employer must post a security deposit with the State Treasurer in an amount determined by the EDD. The benefit rights under a VP must be as great as the State plan in all respects and better in at least one provision.

Once a VP is approved, the employer is no longer required to send SDI withholdings to the EDD for those employees covered by VP. Instead, the employer holds the VP contributions in trust to pay DI or PFL VP benefit claims and approved expenses. The VP employer pays a quarterly assessment to the EDD based on the taxable wages of employees participating in the plan and other factors.

A VP must provide better coverage without additional cost to the employees. Based on claims experience, excess funds may be used to increase benefit levels or lower contributions. Please note that any money collected for VP purposes must be used only for the benefit of employees who contribute to the plan.

An employer considering a VP commitment should be aware that the employer takes ultimate responsibility for the plan benefits and expenses. If the accumulated VP trust fund is inadequate to cover benefits or expenses, the employer is responsible to cover the deficit; employer loans made to the VP may be recovered from future excess VP trust funds. If a plan terminates and there are insufficient trust funds, the employer must assume the financial obligation until all plan liabilities have been met.

For additional information on the DI/PFL Voluntary Plan option, please access the EDD's Web site at **www.edd.ca.gov/Disability/Employer_Voluntary_Plans.htm**, call (916) 653-6839 (TTY access is available at (800) 563-2441), or write to:

Employment Development Department
Disability Insurance Branch, MIC 29 VP
P.O. Box 826880
Sacramento, CA 94280-0001

SELF-EMPLOYED BENEFITS

Self-employed individuals may elect to cover themselves for SDI benefits under provisions of the CUIC.

Self-employed individuals who elect coverage pay at a rate determined by the prior annual combined usage of all participants. For further information on elective coverage, download the Information Sheet: *Elective Coverage* (DE 231EC) at **www.edd.ca.gov/pdf_pub_ctr/de231ec.pdf**. The *Fact Sheet*: *Disability Insurance Elective Coverage Program (DIEC)* (DE 8714CC) can be obtained from the EDD's Web site at **www.edd.ca.gov/pdf_pub_ctr/de8714cc.pdf**. All forms can also be obtained by contacting the Disability Insurance Elective Coverage Unit at (916) 654-6288 or the Taxpayer Assistance Center at (888)745-3886.

WORKERS' COMPENSATION INSURANCE

Workers' Compensation insurance is an employer paid indemnity that provides benefits to eligible workers experiencing a loss of wages when they are unable to perform their regular or customary work due to an occupational illness or injury. Generally, employees are not eligible for DI or PFL when receiving Workers' Compensation benefits unless the DI or PFL rate is greater than the workers' compensation rate. For additional information, contact the Department of Industrial Relations by phone (refer to the government listings in your local telephone book) or access their Web site at **www.dir.ca.gov**.

If you have **any** employees, you are required by law to have Workers' Compensation insurance. Failure to do so is a crime and may result in penalties and closure of your business.

If you have questions about Workers' Compensation insurance or how to obtain coverage, contact your insurance agent or the Division of Workers' Compensation at (800) 736-7401.

ADDITIONAL INFORMATION

For information regarding the SDI program, access the EDD's Web site at **www.edd.ca.gov** or contact our Disability Insurance benefits operations at (800) 480-3287 or Paid Family Leave Insurance benefits operations at (877) 238-4373.

NOTE: To provide affordable benefits to eligible workers, the SDI program has systems in place to detect and deter fraud. Please report suspected fraudulent activity to the EDD's Fraud Hotline at (800) 229-6297.

EMPLOYMENT AND TRAINING SERVICES

EDD'S WORKFORCE SERVICES

The EDD's Workforce Services Branch provides services to bring California employers together with qualified job seekers. The EDD's Workforce Services Branch offers an Internet-based system called CalJOBS℠, a self-service labor exchange, which provides quick access to a large pool of job-ready applicants. Employers with Internet access can enter their own job listings and update or close orders.

Employers without Internet access or who have special requirements can be served by Customer Service representatives who take job-opening information by telephone or fax and assist employers in finding qualified applicants. There are no fees to use CalJOBS℠.

To register with CalJOBS℠, you will need your EDD employer account number. To access CalJOBS℠, visit the Web site at **www.caljobs.ca.gov** or call the Customer Support Desk at (800) 758-0398 for assistance. If you do not have an EDD employer account number, please refer to page 6 for information on obtaining one.

For more information on these and other services, visit the EDD's Web site at **www.edd.ca.gov/Jobs_and_Training/Our_Partners.htm** or contact your nearest Workforce Service Office or One-Stop Career Center. To locate your nearest office, go to **www.edd.ca.gov/office_locator/**.

EMPLOYMENT TRAINING PANEL

The Employment Training Panel (ETP) provides funding to employers to assist in upgrading the skills of their workers through training that leads to good paying, long-term jobs. The ETP was created in 1982 by the California State Legislature and has invested over $1 billion to train more than 800,000 California workers since inception. The ETP is a funding agency, not a training agency. Businesses determine their own training needs and how best to provide training.

Purpose: The ETP funds training that results in high-wage, secure, long-term, full-time employment in targeted industries to improve California's competitiveness in a global economy and the skills of the State's workforce. Approximately $70 to $100 million in job training funds are provided annually to California employers. The ETP primarily funds retraining of currently employed workers in companies threatened by out-of-state competition and has placed special emphasis on training for small businesses with fewer than 100 employees.

Funding

In 1982, the Legislature established the Employment Training Tax (ETT). All tax-rated employers, including new employers, are subject to the ETT. Employers with positive reserve accounts are assessed 0.1 percent (.001) on the first $7,000 of each employee's wages. Employers do not pay the ETT while their accounts have a negative reserve balance, but they must pay a higher rate of Unemployment Insurance (UI) tax. The maximum ETT collected is $7 per employee, per year.

How is ETP Different?

The ETP's performance-based standards ensure that training results in high-wage, secure jobs. For a contractor to earn reimbursement, trainees must receive at least eight hours of training, complete a minimum of 90 days full-time employment following the completion of training, receive at least the required ETP minimum wage, and use the skills learned during the training on the job. The employer selects the courses, trainers, and types of training that best meet their business needs.

For additional information, access the ETP's Web site at **www.etp.ca.gov** or contact one of the following ETP offices:

North Hollywood	(818) 755-1313
Sacramento Central Office	(916) 327-5640
San Diego	(619) 686-1920
San Francisco Bay Area Regional Office	(650) 655-6930
Sacramento Regional Office	(916) 327-5239

EMPLOYMENT TRAINING PANEL (cont.)

General Information

The ETP contracts directly with tax-rated employers, groups of employers (including associations and chambers of commerce), training agencies, vocational schools, Workforce Investment Boards (WIB), and grant recipients under the Workforce Investment Act (WIA).

The ETP funds the following types of training programs to promote a healthy labor market in a growing, competitive economy:

- **Retraining** – Helps companies facing out-of-state competition by upgrading the job skills of current employees.
- **New-Hire** – Funds training of unemployed workers eligible to receive California UI benefits or who have exhausted UI benefits within 24 months of the start of training.
- **Special Employment Training (SET)** – Provides limited funding for the following additional categories:
  - **Frontline Workers** – Supports the retraining of frontline workers in occupations that pay the State average hourly wage in businesses that do not meet the ETP's standard project criteria.
  - **Workers in High Unemployment Areas** – Provides training funds for workers in areas with unemployment rates at least 25 percent higher than the average rate for California.
  - **Small Business Skills** – Funds training for small business owners to enhance the competitive position of their business. Owners must have at least one but no more than nine full-time employees.
  - **Workers With Multiple Barriers to Employment** – Funds are provided to train individuals with barriers to full-time employment such as, but not limited to physical disabilities, lack of work history, limited communication, and literacy skills.
  - **Seasonal Industries** – May provide training funds for workers employed by companies in seasonal industries.

TRADE ADJUSTMENT ASSISTANCE

The Trade and Globalization Adjustment Assistance Act of 2009 program was established to help American workers who lost their jobs or had their hours and wages reduced as a result of increased imports from other countries or as a result of a shift in production to a country that has entered into a free trade agreement with the U.S.

The Trade Adjustment Assistance (TAA) program was established to help American workers who lose their jobs or whose hours of work and wages are reduced due to the impact of international trade.

This program is administered by the Employment Development Department (EDD) and provides training, job search assistance, relocation assistance, and weekly income support to trade impacted workers. To obtain and file a Petition for Trade Adjustment Assistance (ETA 9042), workers may access the U.S. Department of Labor's (DOL) Web site at **www.doleta.gov/tradeact**, contact any local EDD Workforce Service Office, or call the TAA Coordinator at (916) 654-7570.

For additional information on the TAA program, call the DOL at (202) 693-3560 or (888) 365-6822.

Subscribe to the EDD's free e-mail subscription services
www.edd.ca.gov/about_EDD/Get_Email_Notices.htm

WORK OPPORTUNITY TAX CREDIT

The Work Opportunity Tax Credit (WOTC) Program promotes the hiring of individuals who qualify as a member of a target group and provides federal income tax credits to employers who hire these individuals.

Employers must apply for and receive certification from the EDD that their new hire meets the eligibility criteria for one of the eleven target groups before they can claim a WOTC on their federal tax return.

For identification of the target groups and additional information, please visit the EDD's Web site at **www.edd.ca.gov/Jobs_and_Training/Work_Opportunity_Tax_Credit.htm** or call (866) 593-0173.

WORKFORCE INVESTMENT ACT

The federal Workforce Investment Act (WIA) of 1998 provides the framework for a national workforce preparation and employment system. Title I of WIA authorizes and funds a number of employment and training programs in California. Workforce investment activities authorized by WIA are provided at the local level to individuals in need of those services, including job seekers, dislocated workers, youth, incumbent workers, new entrants to the workforce, veterans, persons with disabilities, and employers. The WIA's primary purpose is to provide workforce investment activities that increase the employment, job retention, earnings, and occupational skill attainment of participants.

These programs help prepare Californians to participate in the State's workforce, increase their employment and earnings potential, improve their educational and occupational skills, and reduce their dependency on welfare. In turn, this improves the quality of the workforce and enhances the productivity and competitiveness of California's economy.

The WIA authorizes a variety of services to employers. Services are designed and administered by Local Workforce Investment Boards (LWIB). Local services are provided by One-Stop Centers and may include:

- Applicant screening/referral
- Business closure assistance
- Customized training
- Enterprise zone tax credits
- Entrepreneurial training
- Job placement assistance
- Labor market information
- On-the-job training
- Training subsidies

The WIA is administered by LWIBs in partnership with local elected officials. The LWIBs are comprised of representatives from private sector business, organized labor, community-based organizations, local government agencies, and local education agencies. The LWIBs designate One-Stop Career Center operators, provide policy guidance, and oversee the job training activities within local areas.

For more information, access the EDD's Web site at **www.edd.ca.gov/Jobs_and_Training/Workforce_Investment_Act.htm** or contact the Workforce Services Branch at (916) 654-7799.

LABOR MARKET INFORMATION

Purpose: The EDD's Labor Market Information Division (LMID) collects, analyzes, and publishes information about California's labor market that helps employers, policy makers, and researchers with important business decisions.

What Labor Market Information Is Available on the Web?

The LMID Web site at **www.labormarketinfo.edd.ca.gov** has information that will assist you in making important business decisions. There is a special page with information just for employers* From the "Labor Market Info" tab, go to the "**Customer Center**" section then to **"Business/Employers."** From this page, you have links to:

- **Affirmative Action and Equal Employment Opportunity Planning Information – Get population, labor force, and summary occupational information for use in developing affirmative action programs.**
- **Local Area Profile** – Get an overview of labor market information in the State or a county, including employment and unemployment, industry payroll data, wages, consumer price index, and more.
- **Occupational Profile** – Get a description, wages, employment outlook, training providers, and skills for specific occupations. Use this information to create job descriptions for your vacancy announcements or compare wages you pay to average local wages.
- **CalJOBS℠** – Post your job vacancies and review résumés of prospective employees at no cost on California's online job opening system.
- **Training and Apprenticeships** – Find out what training is available to develop the skills of your employees.
- Other EDD resources, labor market publications, and the data library.
- Information from the Department of Industrial Relations at **www.dir.ca.gov**, about workplace issues, including those related to benefits, meal breaks, and pay.

For assistance, contact your local Labor Market Consultant. Contact information for the consultants can be found at **www.calmis.ca.gov/file/resource/LMIConsultants.pdf** or you can contact LMID at (916) 262-2162.

Multiple Location and/or Function Employers

When an employer maintains a business with more than one physical location or conducts more than one business activity/function at the same location, and the secondary locations have a total of 10 or more employees, the employer is considered to be a multiple establishment employer. A primary location is defined as the one with the highest number of employees. If your firm fits the multiple location criteria and you are not currently completing a *Multiple Worksite Report* (BLS 3020), please contact LMID's Employment and Payroll Group at (916) 262-1856.

❑ ***REMEMBER*: Filing the *Multiple Worksite Report* (BLS 3020) is mandatory and must be done on a quarterly basis.**

The LMID mails the federal form (BLS 3020) to multiple worksite business owners at the close of each quarter (e.g., December 31, 2011). Employers have until the end of the following month (e.g., February 1, 2011) to return the BLS 3020 form to the EDD.

How Your Industry Code Is Determined

All businesses and government organizations are assigned an industry classification code from the North American Industry Classification System (NAICS), which allows the U.S. Bureau of Labor Statistics to tabulate national and state economic data by industry. Most new employers are assigned an industry code based on their response on Section P (industry activity) of the *Registration Form for Commercial Employers* (DE 1). Each year, selected employers are sent an *Industry Verification Form* (BLS 3023 NVS or BLS 3023 TRS)) to verify the accuracy of their industry code. Other employers, who have not yet been assigned an industry code, may receive an *Industry Classification Form* (BLS 3023 NCA). For additional information, call (800) 562-3366.

NOTE: Please answer **ALL** questions about your business and industry thoroughly when completing the registration form (DE 1, Section P), the BLS 3023 NVS, the BLS 3023 TRS and/or the BLS 3023 NCA. This will help to accurately determine your firm's industry code.

The Importance of Occupational Information

Occupational information forms the basis of good decisions by employers, job seekers, workforce and economic development professionals, educators, public program planners, and policy makers. For example, many employers use occupational information for salary negotiations and to compare their employment practices and benefit packages to the averages within their industry and local area. Job seekers use occupational information to become better informed about the education, training, skill, and ability requirements for specific occupations thus enabling them to make better decisions when preparing and applying for desired jobs. Educators and trainers use occupational information to create or modify curriculum to better prepare students to meet employers' needs.

Our ability to obtain information from employers about the occupations found in California is essential for the development of tools used by decision makers throughout our economy. The Labor Market Information Division collects data directly from employers using surveys (such as the Occupations Employment Report) to learn about the occupations used by employers, the availability of qualified applicants, the skill, education and training levels required, wages paid, and benefits offered. These survey data are compiled and analyzed by industry and geographic area. Occupational information from LMID can be found at **www.labormarketinfo.edd.ca.gov**. To access Data by Occupation, go to **www.labormarketinfo.edd.ca.gov/?pageid=1004**.

It is extremely important that you respond to a request for information from the Labor Market Information Division. If you have received an Occupational Employment Report, or would like more information about this program, please contact the EDD on the toll-free line at (800) 826-4896.

INFORMATION AND ASSISTANCE BY TOPIC

If you have any questions regarding the following topics, please contact the designated agency or office:

TOPIC	DESCRIPTION	CONTACT
California Personal Income Tax (PIT) Withholding	To request the California PIT withholding tables or for information on whether payments are subject to California PIT withholding.	EDD Taxpayer Assistance Center Telephone: (888) 745-3886 Outside U.S. or Canada call (916) 464-3502 **www.edd.ca.gov**
	Information on programming your computer or acceptable computer software programs to calculate California PIT withholding. **NOTE:** When you call Franchise Tax Board's (FTB) assistance number, please request to speak to their Statistical Research Section so they can provide the appropriate assistance.	Statistical Research Section Franchise Tax Board MS 351 P.O. Box 1468 Sacramento, CA 95812-1468 Automated phone service: (916) 845-7057 tax practitioner line Assistance: (800) 852-5711 Hearing-impaired: (800) 822-6268 (TTY) **www.ftb.ca.gov**
California Tax Service Center (CTSC)	This is a joint tax agency Web site. It contains tax related information from the Employment Development Department, the Franchise Tax Board, Board of Equalization, and the Internal Revenue Service.	**www.taxes.ca.gov**
CalJOBS℠	An Internet-based job and résumé listing system that increases public access to employment services. Employers may call their local Workforce Service Office or One-Stop Career Center site for assistance in entering job openings or selecting job seekers.	EDD Workforce Services Division, MIC 50 P.O. Box 826880 Sacramento, CA 94280-0001 CalJOBS℠ assistance: (800) 758-0398 8 a.m. to 5 p.m., Pacific Time (PT) Monday through Friday **www.caljobs.ca.gov** **www.edd.ca.gov/Office_Locator/**
Disability Insurance (DI)	Disability Insurance (DI) is a component of the State Disability Insurance (SDI) Program and provides benefits to individuals unable to perform their regular or customary work due to a non-work related illness or injury, pregnancy, and childbirth.	EDD Disability Insurance Telephone English: (800) 480-3287 Spanish: (866) 658-8846 TTY: (800) 563-2441 Employers may press "0" at the menu to speak with a representative. **www.edd.ca.gov/Disability/Disability_Insurance.htm**

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www.edd.ca.gov/Payroll_Tax_Seminars/

TOPIC	DESCRIPTION	CONTACT
e-Services for Business	A convenient and secure method for managing your employer tax account, filing most of your returns and reports and paying tax deposits and liabilities over the Internet. Refer to page 87 for additional information.	EDD E-mail: **ecom@edd.ca.gov** **https://eddservices.edd.ca.gov**
Economic Development	The EDD's Labor Market Information Division offers data on occupational wages and outlook, employment by industry, and State and local labor market.	EDD Labor Market Information Division Telephone: (916) 262-2162 **www.labormarketinfo.edd.ca.gov**
Employee Eligibility to Work	Under federal law, employers are required to verify that every individual (citizen, national, or alien) whom they hire has the right to work in the United States (U.S.). The U.S. Citizenship and Immigration Services (USCIS) require you to complete an *Employment Eligibility Verification* (Form I-9) for each person hired to verify employment eligibility.	U.S. Citizenship and Immigration Services Business Liaison Automated phone service: (800) 357-2099 Request a copy of the *Handbook for Employers: Instructions for Completing Form I-9* (M-274). **www.uscis.gov/portal/site/uscis**
Employer Requirements	The Taxpayer Assistance Center can answer your payroll tax questions (e.g., employee and independent contractor status, employer registration, independent contractor reporting, and new employee reporting).	EDD Taxpayer Assistance Center Telephone: (888) 745-3886 **www.edd.ca.gov/Payroll_Taxes/Contact_Us_About_Payroll_Taxes.htm**
Employer Rights During the Employment Tax Audit and Collection Process	Employer rights are protected by the Taxpayer Advocate Office during the employment tax audit and collection process. You may request assistance from this office after first attempting to resolve an issue with the EDD representative, supervisor, **and** office manager.	EDD Taxpayer Advocate Office, MIC 93 P.O. Box 826880 Sacramento, CA 94280-0001 Toll-Free: (866) 594-4177 Telephone: (916) 654-8957 Fax: (916) 654-6969 **www.edd.ca.gov/Payroll_Taxes/Taxpayer_Advocate.htm**

TOPIC	DESCRIPTION	CONTACT
Employment Development Department (EDD) Web Site	Provides a variety of information on the EDD's programs and services, forms and publications, and links to other government sites.	EDD **www.edd.ca.gov**
Employment Tax Rates	A *Notice of Contribution Rates and Statement of UI Reserve Account* (DE 2088) is mailed annually by December 31 to notify employers of their UI, ETT, and SDI tax rates. For additional information, refer to page 98. Protests to the DE 2088 and must be submitted within 60 days of the "mail date" on the notice.	EDD Rate Management Group, MIC 4 P.O. Box 826880 Sacramento, CA 94280-0001 Telephone: (916) 653-7795 (24-hour automated telephone system)
Employment Training Panel	Provides funds to train and retain workers in targeted industries. Includes retraining current employees, training new hires, and five Special Employment Training programs. For additional information, refer to page 112 and 113.	Employment Training Panel North Hollywood (818) 755-1313 Sacramento Central Office (916) 327-5640 Sacramento Regional Office (916) 327-5329 San Diego (619) 686-1920 San Francisco Bay Area Regional Office (650) 655-6930 **www.etp.ca.gov**
Federal Tax Requirements	For federal employment tax and personal income tax requirements, contact the Internal Revenue Service (IRS). The federal Employer's Tax Guide (Publication 15, Circular E) and Employer's Supplemental Tax Guide (Publication 15-A) are available from IRS.	Internal Revenue Service Telephone: (800) 829-4933 **www.irs.gov**
Federal Unemployment Tax Act (FUTA) Certification	The method IRS uses to verify with the states that the credit claimed on the Form 940 or Form 1040, Schedule H, was actually paid to the state. Refer to page 98 for additional information.	EDD FUTA Certification Unit Telephone: (916) 654-8545
Forms **- Alternate Tax Forms**	The requirements and approval for using alternate forms to file your payroll tax reports can be obtained by contacting the Alternate Forms Coordinator.	EDD Alternate Forms Coordinator Telephone: (916) 255-0649
- Tax Forms and Publications	Tax forms and publications are available through the Internet, our automated Fax on Demand system, and Employment Tax Offices.	EDD Less than 25 copies: (888) 745-3886 25 copies or more: (916) 322-2835 Fax on Demand: (877) 547-4503 **www.edd.ca.gov/Payroll_Taxes/Forms_and_Publications.htm** **www.edd.ca.gov/Office_Locator/**

TOPIC	DESCRIPTION	CONTACT
Job Referral and Recruitment Services	All questions regarding the EDD Workforce Services or Workforce Investment Act (WIA) services.	EDD or local One-Stop Career Center **www. edd.ca.gov/office_locator/** Employers: **www.edd.ca.gov/Jobs_and_Training/Hire_workers.htm** WIA: **www.edd.ca.gov/Jobs_and_Training/Workforce_Investment_Act.htm** **www.edd.ca.gov/Jobs_and_Training/Find_a_Job.htm**
Labor Law Requirements	All questions regarding labor law requirements, such as minimum wage, hours, overtime, and workers' compensation requirements.	Department of Industrial Relations (refer to the government listing in your local telephone book). **www.dir.ca.gov/**
Labor Market Information	California's labor market information can help you with your important business decisions. Data available includes occupational employment and wage data, industry employment, labor force, and selected population characteristics.	EDD Labor Market Information Division Telephone: (916) 262-2162 **www.labormarketinfo.edd.ca.gov**
Paid Family Leave (PFL)	The PFL is a component of the State Disability Insurance (SDI) program and provides benefits to individuals unable to work due to the need to care for a seriously ill family member or to bond with a new child.	EDD Paid Family Leave Telephone English: (877) 238-4373 Spanish: (877) 379-3819 Cantonese: (866) 692-5595 Vietnamese: (866) 692-5596 Armenian: (866) 627-1567 Tagalog: (866) 627-1569 Punjabi: (866) 627-1568 TTY (nonverbal): (800) 445-1312 **www.edd.ca.gov/Disability/Paid_Family_Leave.htm**
Payroll Tax Seminars	Seminar topics include reporting requirements, how to complete payroll tax forms, and independent contractor and employee issues.	EDD Taxpayer Assistance Center Telephone: (888) 745-3886 Register online at **www.edd.ca.gov/Payroll_Tax_Seminars/**
Reimbursable Method of Paying Unemployment Insurance (UI) Benefits	Public employers and certain nonprofit organizations have the option of becoming "reimbursable" employers. Employers using this method to pay UI benefits are required to reimburse the UI Fund on a dollar-for-dollar basis for all UI benefits paid to their former employees.	EDD Reimbursable Accounting Group, MIC 19 P.O. Box 826880 Sacramento, CA 94280 Telephone: (916) 653-5846

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www.edd.ca.gov/Payroll_Tax_Seminars/

TOPIC	DESCRIPTION	CONTACT
School Employees Fund (SEF)	School employers may elect to participate in the SEF (UI program) to finance UI benefits.	EDD School Employees Fund, MIC 13 P.O. Box 826880 Sacramento, CA 94280 Telephone: (916) 653-5380 **www.edd.ca.gov/Payroll_Taxes/School_Employees_Fund.htm**
State Disability Insurance (SDI) Program	The SDI Program is comprised of two benefit programs, Disability Insurance (DI) and Paid Family Leave (PFL). Disability Insurance benefits are paid to eligible California workers experiencing a loss of wages when they are unable to perform their regular or customary work due to a non-work-related illness, or injury, pregnancy, and childbirth. Paid Family Leave benefits are paid to California workers unable to work because they need to care for a seriously ill family member or bond with a new child. The SDI Program is funded by taxes withheld from the employee's wages.	EDD State Disability Insurance Office Telephone English: (800) 480-3287 Spanish: (866) 658-8846 TTY: (800) 563-2441 Employers may press "0" at the menu to speak with a representative. **www.edd.ca.gov/Disability**
Tax Debt – California Payroll Taxes **- Offers in Compromise**	Enables a qualified tax debtor to eliminate an employment tax liability at less than full value.	EDD Offers in Compromise Telephone: (916) 464-2739
- Settlements Program	Provides employers and the State an opportunity to avoid the cost of prolonged litigation associated with resolving disputed employment tax issues.	EDD Settlements Office, MIC 93 P.O. Box 826880 Sacramento, CA 94280-0001 Telephone: (916) 653-9130 Fax: (916) 653-7986
Tax Information **- Assistance Center**	For general tax information, call our toll-free number. Taxpayer Assistance Center staff is available 8 a.m. to 5 p.m., PT, Monday through Friday. The Center is closed on State holidays.	EDD Taxpayer Assistance Center Telephone: (888) 745-3886 Outside the U.S. or Canada call (916) 464-3502.
- EZ Access Information Topics and Fax on Demand	Prerecorded messages covering more than 50 topics and tax forms and publications by fax are available 24 hours a day by calling our toll-free telephone number.	EDD Telephone: (877) 547-4503
Taxpayer Advocate Office	If you are unable to resolve an employment tax problem with an EDD representative, supervisor, **and** office manager, you can contact the Taxpayer Advocate Office for assistance.	EDD Taxpayer Advocate Office, MIC 93 P.O. Box 826880 Sacramento, CA 94280-0001 Toll-Free: (866) 594-4177 Telephone: (916) 654-8957 Fax: (916) 654-6969 **www.edd.ca.gov/Payroll_Taxes/Taxpayer_Advocate.htm**

TOPIC	DESCRIPTION	CONTACT
Tele-Reg	Register by telephone and receive your EDD employer account number over the phone.	EDD Account Services Group Telephone: (916) 654-8706
Underground Economy	Investigates businesses that are paying workers undocumented cash payments or not complying with labor and licensing laws.	EDD Underground Economy Operations Hotline: (800) 528-1783 E-mail: **ueo@edd.ca.gov** **www.edd.ca.gov/Payroll_Taxes/Underground_Economy_Operations.htm**
Unemployment Insurance (UI) Benefits	Provides temporary income to unemployed workers who meet the UI eligibility requirements.	EDD Unemployment Insurance Services Telephone: English (800) 300-5616 Spanish (800) 326-8937 Cantonese (800) 547-3506 Vietnamese (800) 547-2058 Mandarin (866) 303-0706 TTY (nonvoice) (800) 815-9387 UI program self-service (866) 333-4606 EDD's Web site at **www.edd.ca.gov** Employer Information: Employers who call should listen to the introduction message, select language choice and press "5" for the employer menu (available in English and Spanish) that provides UI and Workforce Service information. Employers can access EDD's Web site at **www.edd.ca.gov/unemployment/** and select the "Employer Information" link. Claimant(s) Information: To file by telephone, call one of the above phone numbers. To file by mail: Print out the *UI Unemployment Application* (DE 1101I) from EDD's Web site at **www.edd.ca.gov/Unemployment/** **Select**, "Apply for Unemployment mail/fax" To file online using the Internet: Complete the eApply4UI application from EDD's Web site at **https://eapply4ui.edd.ca.gov/**
Unemployment Insurance (UI) Benefit Charges	A *Statement of Charges to Reserve Account* (DE 428T) is mailed annually in October. This statement is an itemized list of UI charges to your reserve account. For additional information, refer to page 108. Protests to the DE 428T must be submitted within 60 days of the "mail date" on the notice.	EDD Contribution Rate Group, MIC 4 P.O. Box 826880 Sacramento, CA. 94280-001 Telephone: (916) 653-7795 (24-Hour automated telephone system)
Workers' Compensation Insurance	If you have employees, you are required by law to have workers' compensation insurance coverage. Failure to do so is a crime and may result in penalties and closure of your business.	Your insurance agent or Division of Workers' Compensation Telephone: (800) 736-7401 **www.dir.ca.gov**
Workforce Service	The EDD's Workforce Services Branch offers a variety of services that bring employers with job openings together with qualified job seekers.	EDD Workforce Services site nearest you. **www.edd.ca.gov/Office_Locator/**

Learn more about payroll taxes through our seminars and online courses
www.edd.ca.gov/Payroll_Tax_Seminars/

Account Number — The EDD eight-digit employer account number assigned to each registered employer (e.g., 000-0000-0). Always refer to your EDD employer account number when communicating with the EDD. Omission of your employer account number may result in delays in processing payments, reporting documents, and correspondence.

Automated Clearing House (ACH) — Any entity that operates as a clearing house for electronic debit or credit transactions pursuant to an Electronic Funds Transfer (EFT) agreement with an association that is a member of the National ACH Association.

Base Period — The base period consists of four calendar quarters of three months each. When a base period begins and which calendar quarters are used depends on whether the claim is for Unemployment Insurance or for Disability Insurance and on what date the claim begins. Unemployment Insurance claims have a standard base period and, beginning in spring 2012, the option of an alternate base period when the standard base period is not monetarily valid.

Base Period, Alternate (UI) — The UI alternate base period is the last four completed calendar quarters prior to the beginning date of the claim. The alternate base period can only be used if an individual cannot monetarily establish a valid UI claim with the standard base period.

Base Period, Standard (UI) — The UI standard base period is the first four of the last five completed calendar quarters prior to the beginning date of the claim.

CCR — The California Code of Regulations is available on the Internet at **www.calregs.com**.

CUIAB — The California Unemployment Insurance Appeals Board is available on the Internet at **www.cuiab.ca.gov/index.shtm**.

California Unemployment Insurance Code (CUIC) — The laws administering California's Unemployment Insurance (UI), Employment Training Tax (ETT), State Disability Insurance (SDI), and Personal Income Tax (PIT) programs. The CUIC is available on the Internet at **www.leginfo.ca.gov/calaw.html**.

Cash Wages — Checks and currency paid to employees.

Charges — Amounts deducted from an employer's reserve account or amounts reimbursable for State UI benefits paid to former employees.

Claim — An application for UI, DI, or PFL benefits.

- Unemployment Insurance (UI) - The process that establishes a UI benefit year is called a new claim. Weekly *Continued Claim* (DE 4581) forms are used by claimants to certify for UI benefits during the benefit year. The EDD has two new methods that unemployed individuals may use to certify for UI benefits. Rather than filling out and submitting a paper DE 4581 by mail, the EDD Tele-Cert℠ allows individuals to certify for benefits using the telephone and the EDD Web-Cert℠ allows individuals to certify for UI benefits through the EDD Web site. After establishing a benefit year, claimants can interrupt their claims for a variety of reasons, for example the claimant may receive a disqualification, obtain intervening employment or fail to continue to certify for benefits. The claimant may request to reopen an existing claim with a claim balance by filing an additional or reopened claim during the benefit year.
- Disability Insurance (DI) - The application that establishes a DI benefit period is called a first claim. Subsequent certifications on that claim are called continued claims. For each separate period of disability, a new (first) claim must be filed.
- Paid Family Leave (PFL) - The application that establishes a PFL benefit period is called a first claim. Subsequent certifications on that claim are called continued claims. For each separate period of family care leave, a new first claim must be filed.

Claimant — A wage-earner who files a claim for UI, DI, or PFL benefits.

Contributions — Employer's payroll tax payments for UI and ETT. The CUIC refers to taxes under its provision as "contributions." In this guide, "contributions" are generally referred to as "taxes."

Deposit — An amount of money sent to the EDD with a *Payroll Tax Deposit* (DE 88) coupon or any of the various payment options available on the EDD's e-Services for Business Web site at **https://eddservices.edd.ca.gov**. For more information, refer to page 73.

Determination — A decision regarding a claimant's eligibility to receive UI, DI, or PFL benefits.

Disability Insurance (DI) Benefits paid to eligible California workers experiencing a loss of wages when they are unable to perform their regular or customary work due to a non-work-related illness or injury, pregnancy, and childbirth. The DI is a component of the State Disability Insurance (SDI) Program and funded through SDI employee payroll withholdings.

Electronic Funds Transfer (EFT) An electronic method of remitting State payroll tax payments. Funds are transferred from your bank account (with payment information) to the State's account, eliminating the need to send a *Payroll Tax Deposit* (DE 88) coupon and paper check.

NOTE: Mandatory EFT Filers: If your average (per payment) deposit for SDI and PIT is $20,000 or more for the prior State Fiscal Year (July 1 to June 30), you are required to pay all SDI and PIT deposits by EFT during the next calendar year, regardless of the dollar amount.

Employee A wage-earner in employment covered by the CUIC.

Employment Taxes Unemployment Insurance (UI), Employment Training Tax (ETT), State Disability Insurance (SDI), and Personal Income Tax (PIT) withholding.

Employment Training Fund A special fund in the State Treasury for depositing into or transferring all ETT contributions collected from employers.

Employment Training Panel (ETP) Administers the employment training funds that are provided by ETT to train and retain workers with job skills needed by employers. Funds may be used to train unemployed individuals or to train and retain current workers of businesses facing out-of-state competition.

Employment Training Tax (ETT) An employer-paid tax that provides funds to train employees in targeted industries to improve the competitiveness of California businesses. Employers subject to ETT pay one-tenth of one percent (.001) on wages paid to each employee in a calendar year, up to the UI taxable wage limit, refer to inside cover of this publication.

e-Services for Business Improved online access which allows employers to manage their employer tax accounts through the Internet. New employers can register for an EDD employer tax account online. Registered employers can access account and payment information, file most returns and reports, pay tax deposits and tax liabilities, review statements, correspondence, and e-mail messages, obtain tax rates, change addresses, make payment arrangements, and close their account. For additional information about the EDD's e-Services for Business, refer to page 87.

Exempt Employment Employment specifically excluded from coverage under the CUIC.

Experience Rating The system by which an employer's UI contribution rate is determined each calendar year based on previous employment experience.

Good Cause A substantial reason that provides a legal basis for an employer filing a tax report or payment late. "Good cause" cannot exist unless there are unusual circumstances or circumstances that could not be reasonably foreseen (for example, earthquakes or floods). For more information, please call the Taxpayer Assistance Center at (888) 745-3886.

Household Employment Describes employment of a household nature.

Independent Contractor An independent contractor (service-provider) is any individual who is not an employee of the service-recipient for California purposes and who receives compensation or executes a contract for services performed for that business or government entity in or outside of California. For independent contractor reporting requirements, refer to page 71.

Labor Market Information California's labor market information can help you with your important business decisions. Data available includes occupational employment and wage data, industry employment, labor force, and selected population characteristics.

Mid-month Employment The number of full-time and part-time employees who worked during or received pay for the payroll period that includes the 12th day of the month.

Multiple Establishment Employer An employer that maintains a business at more than one physical location and/or conducts more than one business activity/function at the same location and the secondary locations have a total of 10 or more employees.

New Employee Registry (NER)	California's new hire reporting program. Employers are required to report their new or rehired employees within 20 days of their start-of-work date (refer to *Report of New Employees* [DE 34] on page 69).
North American Industry Classification System (NAICS)	The six-digit industry classification code that identifies the primary business functions of an employer's business.
Paid Family Leave (PFL)	Benefits paid to eligible California workers unable to work due to the need to care for a seriously ill family member or to bond with a new child. The PFL is a component of the State Disability Insurance (SDI) Program and funded through SDI employee payroll withholdings.
Payroll Period	The frequency you pay wages: daily, weekly, bi-weekly (every two weeks), or semi-monthly (twice a month), etc.
Payroll Records	Records providing an accurate account of all workers (employed, laid off, on a leave of absence, or an independent contractor) and all payments made.
Payroll Taxes (State)	Unemployment Insurance (UI), Employment Training Tax (ETT), State Disability Insurance (SDI), and Personal Income Tax (PIT) withholding.
Personal Income Tax (PIT) Wages	All wages paid during the periods that are subject to PIT, even if they are not subject to PIT withholding. The PIT wages consist of all compensation for services by employees for their employer and include, but are not limited to, salaries, fees, bonuses, commissions, and payments in forms other than cash or checks. Wages in any form other than cash or checks are measured by the fair market value of the goods, lodging, meals, or other compensation given in payment for the employee's services. The calendar year total for PIT wages should agree with the amount reported on the individual's Wage and Tax Statement (Form W-2), in Box 16 (State Wages, Tips, etc.).
Personal Income Tax (PIT) Withholding	California PIT is withheld from employees' pay based on the *Employee's Withholding Allowance Certificate* (Form W-4 or DE 4) on file with the employer.
Predecessor	A previous owner registered with the EDD as an employer.
Prepayments (UI and ETT)	The UI and ETT taxes that an employer voluntarily sends to the EDD during a quarter even though they are not due until the end of the quarter.
Registered Domestic Partner	A domestic partnership registered with the Secretary of State in California pursuant to Section 297 of the Family Code.
Reimbursable Employer	A public entity employer or certain types of nonprofit employers who are permitted by law to be billed for UI benefits after they are paid to former employees.
Reserve Account	A book account kept for each tax-rated employer to measure employment experience and set the employer's UI tax rate.
Ruling on Benefit Claim	For tax-rated employers, a ruling is the EDD's decision as to whether an employer's reserve account will be charged for UI benefits. The ruling is based on the reason for separation.
Ruling on Tax Question	A decision, in writing, as to an employer's subject status or tax liability in the stated circumstances.
School Employees Fund (SEF)	A UI financing method available only to public schools (kindergarten through 12th grade) community colleges, and charter schools.
SDI	State Disability Insurance.
Service-Provider	A service-provider (independent contractor) is any individual who is not an employee of the service-recipient for California purposes and who receives compensation or executes a contract for services performed for that business or government entity in or outside of California.
Service-Recipient	Any business or government entity that, for California purposes, pays compensation to an independent contractor (service-provider) or executes a contract for services to be performed by an independent contractor in or outside of California.

Settlement Date	The date an electronic payment transaction is completed and posted on the books of the Federal Reserve Bank and the State's bank account.
SSN	Also known as Social Security Number. All employee wage records and claim actions are filed under this number, rather than by name.
State Disability Insurance (SDI)	The SDI Program provides DI and Paid Family Leave (PFL) benefits to eligible workers experiencing a loss of wages. The SDI Program is funded by taxes withheld from employee wages.
Subject Employer	An employer who is liable under the rules and regulations of the CUIC.
Subject Quarter	Calendar quarter when an employer first meets the requirements for reporting their payroll taxes.
Subject Wages	Subject wages are used to determine UI, DI, and PFL benefits. Generally, all wages are considered subject wages regardless of the UI and SDI taxable wage limits. Refer to the inside front cover of this guide for current rates and taxable wage limits. For special classes of employment and payments that may not be considered subject wages, refer to the "Types of Employment" table which begins on page 16 and "Types of Payments" table which begins on page 26.
Successor	A change in ownership or a new ownership of a business already registered with the EDD as an employer.
Tax-Rated Employer	An employer who is required to register with the EDD and pay UI taxes each year on wages paid to each of their employees, up to the UI taxable wage limit.
Taxable Wage Limits	The maximum amount of an employee's wages that certain taxes apply to in a calendar year. Refer to the inside cover of this publication for taxable wage limits.
Taxable Wages	Compensation paid for "covered employment" up to the taxable wage limits for the year. Compensation includes wages and allowances such as meals, lodging, and other payments in lieu of money for services rendered in employment.
Unemployment Insurance (UI)	Benefits paid to eligible California workers who are unemployed. Recipients must meet specific qualifications to receive benefits. The UI is funded by employer payroll taxes.
UI and ETT Prepayment	Any UI and ETT taxes that an employer voluntarily sends to the EDD during a quarter even though they are not due until the end of the quarter.
Voluntary SDI Plan	California law allows employers or a majority of employees to apply to the EDD for approval of a Voluntary Plan (VP) for the payment of Disability Insurance (DI) and Paid Family Leave (PFL) insurance benefits to their employees in lieu of the mandatory State Plan coverage. Once a VP is approved, the employer is no longer required to send SDI withholdings to the EDD. Instead, the employer holds the contributions in a separate trust fund to pay the DI and PFL insurance claims and approved expenses.
Wage Detail	*Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C) filed each quarter listing employee(s) full name, SSN, total subject wages, PIT wages, and PIT withholding.
Wages	All payments made to employees, whether paid by check, cash, or the reasonable cash value of noncash payments, such as meals and lodging.
Work Opportunity Tax Credit (WOTC)	Federal tax credits for employers who hire and retain job seekers from any one of nine different target groups.
Worker Adjustment and Retraining Notification (WARN) Act	Requires certain employers to give advance notice in the event of a plant closure or mass layoff.

Learn more about payroll taxes through our seminars and online courses
www.edd.ca.gov/Payroll_Tax_Seminars/

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Instructions for Ordering Forms and Publications

The Employment Development Department (EDD) provides easy access to its forms, publications, and information sheets by telephone, Fax on Demand or through the Web site at **www.edd.ca.gov**. If you require additional assistance, contact the Taxpayer Assistance Center at (888) 745-3886.

By Telephone: - For quantities of 25 or more, call (916) 322-2835.
- For quantities of less than 25, call (888) 745-3886 (toll-free).

Fax on Demand: Call (877) 547-4503 to get most tax forms, publications, and information sheets faxed to you.

On the Internet: **www.edd.ca.gov/Forms**
Most frequently used forms are available on the EDD Web site.

The *Payroll Tax Deposit* (DE 88) booklets must be reordered using the form enclosed in your DE 88 booklet. If you have not received a DE 88 booklet, contact the Taxpayer Assistance Center at **(888) 745-3886**.

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