

Paychex 2021 Third Quarter Employer Reference Guide



PAYCHEX[®]

HR | Payroll | Benefits | Insurance

COVID-19

During the coronavirus (COVID-19) pandemic, we're sensitive to your challenge of focusing on your business as we support your tax filing and payment activities. We're closely monitoring the requirements of federal and state tax agencies under these circumstances. Go to the [Coronavirus \(COVID-19\) Information](#) section of the [Paychex Tax Filing](#) site.

Overview

Paychex is committed to helping you prepare and plan for quarter-end. Please use this guide to help make sure you have a successful quarter-end. We value your business and look forward to helping you with your payroll processing needs.

Paychex SUI Service

We've worked on improving our service for clients using the Paychex SUI Service. As part of this effort, we enhanced our payroll SUI termination reasons to better align to industry standards so customization will no longer be an option. This will also better streamline the unemployment claims process.

In addition, it's important that you terminate your employees through payroll timely and keep your SUI contact information (such as phone number and email address) up-to-date.

Here are a few key pieces of information required to ensure an efficient unemployment claims process:

- First Day Worked = first day an employee physically worked (hire date and first day worked is not always the same)
- Last Day Worked = last day the employee physically worked (termination date and last day worked is not always the same)
- Job Title
- Reason for Separation from the drop-down list
- Rate of Pay



Quarter-End Reporting Deadline

The deadline for reporting third quarter payroll information is **Thursday, September 30, 2021** or before your first payroll with a October check date, whichever is earlier. If you need any adjustments after the deadline, please inform your payroll contact immediately. We can reprocess the tax returns after the deadline; however, **there will be an additional charge and a processing delay.**

Note: If you work with an accounting professional, please remind them to report payroll-related adjustments on or before the deadline.

Quarter-End Collections for Taxpay[®] Clients

Paychex provides Taxpay clients with an Outstanding Tax Liabilities (OTL) Report in each quarter-end tax package. This report lists the dates that Paychex will remit your quarterly taxes to the appropriate tax agencies and indicates whether additional taxes will be credited to or debited from your account. The OTL Report contains two sections:

1. Outstanding Tax Liabilities for Quarter-end.

This section provides advance notification of any collections Paychex will make from your account. The tax amounts shown in this section will be debited from your bank account on **Wednesday, October 20, 2021**. Tax rate changes or state FUTA credit reductions are the most common reasons we may need to make an adjustment to your account. Please ensure that sufficient funds are available in your account before the due date, so Paychex can remit your tax payments on time.

2. Tax Deposits made by Paychex for you.

This section lists any tax amounts that were previously collected by Paychex throughout the quarter and the date Paychex will remit them to the corresponding tax agency.

EFTPS Enrollment

All employers should be making payments electronically on eftps.gov. The only exception to this rule is that taxpayers who file Form 941 can send a check with the return if their liability is \$2,500.00 or less for the quarter. Similarly, if the taxpayer is a Form 944 filer, they can remit taxes due with the return if their liability is \$2,500.00 or less annually.

The IRS requires us to notify our Taxpay clients that although Paychex is designated as the Reporting Agent on Form 8655 (Reporting Agent Authorization), this does not relieve you from liability if tax payments and/or returns are not remitted by the due date. The IRS recommends that clients enroll in and use EFTPS to ascertain whether an agent has made all required deposits on time. Most state agencies provide ways for you to verify tax payments as well; contact your state agency for this information. Please be assured that Paychex makes every effort to remit your tax payments and returns on time. If any issues do arise, we work with you and the agency to resolve the situation.



FUTA Threshold

For 2021, employers are required to make a quarterly deposit for FUTA if accumulated tax exceeds \$500.00 in the quarter.

Fair Labor Standards Act (FLSA) Reminder

Commissions, certain bonuses, and some other types of non-hourly compensation may need to be included when calculating overtime under the FLSA and state wage laws. To include commissions, bonuses or other types of compensation into your overtime calculation, advise your payroll specialist. If you are uncertain whether to do so, consult your attorney or accountant.

State Updates

Alabama

SUI

The Alabama Department of Labor Unemployment Compensation Agency requires the agency ID number on Alabama returns.

- **Taxpay** - Obtain the employer ID number by completing Form SR2, available online at labor.alabama.gov/uc/. Report the ID number to your payroll contact.
- **Non-Taxpay** - The Alabama Department of Industrial Relations requires that all employers file their UC-CR-4 contribution return and their UC-CR-4A wage detail list through the agency's website. The agency will no longer accept paper returns; to learn more about these requirements, visit labor.alabama.gov/uc/

Alaska

SUI

The Alaska Department of Labor and Workforce Development requires employee occupational codes and geographic codes to be entered on the Contribution Report Form TQ01C.

If these codes aren't already on file, obtain both codes by referring to the Occupational Coding Manual at <http://live.laborstats.alaska.gov/erg/occmmanual.pdf>. Report these codes to your payroll contact.

Arizona

SUI

Employers with less than \$10.00 of quarterly taxes due are not required to remit a payment.

Arkansas

SUI

The Arkansas Department of Workforce Services requires the agency ID number on Arkansas returns. Obtain your employer ID number by calling the Arkansas Department of Workforce Services at 501-682-2121. Report these codes to your payroll contact.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - The Arkansas Department of Workforce Services requires the contribution payment amount to be reported with quarterly Arkansas wages. Paychex isn't able to file quarterly wages for non-Taxpay clients who exceed the 250 employee agency threshold requirement for magnetic media. Wages can be reported online at: workforce.arkansas.gov/Tax21/Home.aspx

California

SUI/State Withholding

California requires all employers to file Forms DE 9 and DE 9C electronically and deposit all tax payments electronically. Please note that a valid California EDD tax ID number is required to file electronically. If you file on paper, you may be assessed a penalty.

The California Employment Development Department requires that wages be reported on a separate Form DE 9C for employees who meet the following criteria:

- **Religious Exemption** - employees who file and are approved by the state for an exemption from state disability insurance (SDI) taxes under Section 2902 of the California Unemployment Insurance Code (CUIC).

California

- **Third Party Sick Pay SUI** - subject wages are also required to be filed on a separate Form DE 9C; however, this does not need to be prepared manually. Affected employees will print correctly on a separate Form DE 9C.
- **Sole Stockholder** - an individual approved by the state who elects to be excluded from SDI coverage for benefits and taxes under Section 637.1 of the CUIC.

Provide the names of qualifying employees to your payroll contact and report this information as you add new employees.

- **Taxpay** - If you have a valid California EDD tax ID number, you are not required to take action; Paychex will file your return. Taxpay clients without an ID number will be responsible for remitting their own quarterly reports and payments.
- **Non-Taxpay** - File Forms DE 9 and DE 9C electronically and pay your tax payments electronically. You can file and pay by enrolling in e-Services by accessing the California agency website at edd.ca.gov/Payroll_Taxes/e-Services_for_Business.htm.

Colorado

Colorado Locals

- **Taxpay** - Ask your payroll contact for the Colorado Local Occupational Privilege Tax Client Information Form (Form TPO072). Immediately submit any changes in tax information to your payroll contact.

Connecticut

SUI

Non-Taxpay

The Connecticut (CT) Department of Labor (DOL) has closed PO Box 2940 and will no longer accept or process paper reports or paper checks.

Please refer to the CT DOL website at ctdol.state.ct.us for electronic filing and paying options or contact the Employer Tax Accounting Unit at 860-263-6470.

Connecticut Paid Family Leave and Medical Leave

Starting January 1, 2021, Connecticut (CT) state implemented paid family and medical family leave requirements (PFML).

PFML requirements include:

- All employees who work in Connecticut are subject to a 0.5% employee payroll withholding tax for CT PFML starting January 1, 2021;
- Employees who have worked for 12 weeks are eligible for CT PFML benefits starting January 1, 2022;
- Expanding coverage to employers with as few as one employee, and covering employees who have worked for their employer for as few as 12 weeks, with no minimum hours' requirement;
- Expanding covered Connecticut FMLA reasons to include caring for grandparents/children, siblings, and those who are equivalent to a family member.

CT PFML began on January 1, 2021; eligible employees can start receiving benefits on January 1, 2022.

State Updates

Connecticut

Your Employer Responsibilities

- Withholding CT PFML tax from employees; employers make no contributions toward the program.
- Remitting taxes and returns quarterly to the CT Paid Leave Authority on the last day of the month following the end of the quarter.
- If you are a Taxpay client, Paychex registered you for tax payments and filings; **however, you must register with the agency as soon as possible, so you can view your account, update information if necessary, and your employees can receive benefits starting in 2022.**

Employee Benefits

The paid leave may be taken for an employee to care for themselves, a family member (spouse, parents, in-laws, children, siblings, grandparents, and grandchildren), or anyone else whose close association - whether by blood or affinity - is the equivalent of a family member. Employees incapacitated by pregnancy are eligible for an additional two weeks of paid leave, for a maximum of 14 weeks. Benefits will begin to be paid on January 1, 2022.

What Paychex is Doing

Effective January 1, 2021:

- Calculating and withholding employee payroll deductions for CT PFML tax.
- Reporting CT PFML withheld quarterly on the return.

Taxpay Clients

- Collecting employee CT PFML withholding per payroll

- Remitting quarterly payments and returns on behalf of clients
- Registering clients for CT PFML - Paychex is able to register you for CT PFML; for tax payments and returns; however, you must register with the agency as soon as possible, so you can view your account, update information if necessary, and your employees can receive benefits starting in 2022.

Non-Taxpay Clients

You will need to register for CT PFML; you should make sure you're registered at Connecticut Paid Leave.

Additional Resources

For more information, you can access additional resources provided by the CT Paid Leave Authority including:

- [Frequently Asked Questions](#)
- [Connecticut Paid Leave website](#)
- [Webinars on the CT PFML](#)

Additional Registration Resources

- Prepare for Business Registration information
- Registration form <https://login.ct.gov/ctidentity/registration?goto=https://ctpaidleave.org/login>
- Note: In order to register with the CT Paid Leave Authority, you must first establish a state identity for your business through business.ct.gov. Once you have a state identity for your business, you may sign in using your business.ct.gov credentials and begin the registration process.
- Once you register with the agency, you will receive your own registration ID. We don't need you to report this ID to Paychex; this is for your personal use.

Delaware

The Delaware Department of Revenue (DOR) launched a new Taxpayer Portal. The portal will allow you to file certain tax returns, make payments, request payment plans, and delegate authorization to other users.

You should have received a letter from the Delaware Department of Revenue announcing the portal and detailed steps about how to sign up. If not, please follow these steps as soon as possible:

Taxpay Clients

You will need to create a Portal Profile and grant Paychex permission to speak to Delaware DOR representatives about your account and remit payments and returns on your behalf. We request that you set this up as soon as possible, but no later than September 30, 2021.

1. Visit <https://tax.delaware.gov>
2. Go to the **FAQ's - Help Documents** section on the lower right side of the screen
3. Click **How do I create a new user?** and follow the instructions.
4. Return to the FAQ's - Help Documents and click **More**
5. Click **How do I delegate authorization to another user?**

You will need to enter the user ID and the Registration Confirmation Number of the individual at Paychex you are granting access to so we can interact with the agency on your behalf.

Please enter this information exactly as it appears below:

- User ID: KellyPennaPAY
- Registration Confirmation Number: TU00000006527

6. Select the Payroll Access option.

By completing the profile, you authorize Paychex to remit tax returns and payments for your withholding account, view withholding correspondence, and submit service requests such as changing a filing frequency or assigning a Power of Attorney

If you fail to take these actions, you will be responsible for any penalties and interest assessed because we weren't able to remit payments and returns on your behalf.

Non-Taxpay Clients

Follow steps 1-3 above to set up your Delaware DOR account. You don't need to set Paychex up as an authorized user.

District of Columbia

SUI

The District of Columbia (DC) Department of Employment Services updated their state unemployment (SUI) reporting requirements; employers must report worked and certain non-worked hours for all employees, including salaried employees. These hours must be reported to the agency every quarter in the quarter when they were paid.

The agency defines hours worked as: "Hour worked is any hour in which the covered employee is engaged in a work activity. The actual number of hours worked by the employee for the quarter shall include paid vacation and holiday hours. When calculating work hours, use only actual hours worked and not hours paid."

For a list of hours you need to report, go to does.dc.gov/. If you have any questions about what type of hours to report, talk to your tax advisor or contact the agency directly.

State Updates

District of Columbia

- **Taxpay** - The District of Columbia Department of Employment Services has an Employer Self-Service Portal (ESSP). Employers can access their accounts using this online service and they can allow filing and payment of taxes through electronic upload. Paychex files SUI/Wage returns through this system.

The District of Columbia Department of Employment Services requires you to have an active online account and designate Paychex as your third-party administrator (TPA). You need to activate your account and designate Paychex as your agent.

As part of the DC SUI agency requirement, you must upload a Power of Attorney (POA) to the DC SUI Employer Self-Service Portal (ESSP) system before designating Paychex as your third-party agent (TPA).

You must complete the POA and upload it to the agency on the same screen as the Agent Designations.

If you haven't designated Paychex as your reporting agent and uploaded the DC SUI Power of Attorney to the agency's Employer Self Services Portal (ESSP) we may not be able to remit your payments and returns.

Washington DC Paid Family Leave

Any employer performing services in Washington, DC and paying state unemployment insurance (SUI) will be required to contribute to paid family leave (PFL) for their employees, including:

- Non-profits that pay SUI taxes
- Household employers that pay SUI taxes
- All employers who pay SUI – there is no employee threshold for eligibility

The Paid Family Leave Act provides up to eight weeks of parental leave to bond with a new child, six weeks of family leave to care for an ill family member with a serious health condition, and two weeks of medical leave to care for one's own serious health condition. Employee benefits started on July 1, 2020.

These PFL benefits are funded by a quarterly employer tax of .62% of your covered employees' total gross wages. Your quarterly employer contributions are based on employee wages in the quarter. This is an employer contribution only; employees don't make contributions.

Note: There is no wage base limit for DC PFL like there is for SUI.

For more information, you can go to dcpaidfamilyleave.dc.gov/.

Florida

SUI

The Florida Department of Revenue requires employers with 10 or more employees to electronically file RT-6 and RT-6A and make SUI payments using electronic funds transfer.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - If you have 10 or more employees, file Forms RT-6 and RT-6A online and pay your SUI tax using EFT. You can enroll in e-Services by accessing the Florida agency website at floridarevenue.com/pages/default.aspx. If you are required to file electronically, but file on paper, you may be assessed a penalty.

If you have employees who earn out of state and Florida wages in the same quarter, the agency requires you to complete Form RT-6NF.



Georgia

SUI

The Georgia (GA) Department of Labor (DOL) requires valid social security numbers (SSNs) on the wage detail report.

If Paychex doesn't receive SSNs, Taxpay clients will be responsible for filing their return and making their own payments.

Georgia employers are strongly encouraged to register their business online to obtain an account number. This Online Tax Registration System can only be used by employers that have private, agriculture and domestic employment and have not previously registered with GA DOL.

The following business types must continue to complete a paper DOL-1A, Application for GA DOL:

- Tax account or status change
- Nonprofit organizations
- Governmental agencies
- Businesses that change their ownership structure,
- Businesses that merge,

- Businesses that acquire assets from other businesses.

- **Taxpay** – It is very important to contact the GA DOL if Paychex has alerted you that your unemployment insurance account is inactive or if your account number is invalid. Failure to do so may result in delays in payment processing.

In addition, you may be responsible for filing your quarterly unemployment tax and wage report once you have resolved the issue with your account number.

The GA DOL has added a new edit check to their tax and wage report electronic filing process. They will begin rejecting any tax and wage report that is filed with a Federal ID number that they cannot match to the GA DOL system. Paychex will be reaching out to clients with instructions on how to resolve this. If not resolved, you will be responsible for filing the tax and wage report and making applicable payment to GA DOL.

The GA DOL no longer mails rate notices to employers. Rate notices are only available on the Employer Portal. Go to dol.georgia.gov/ and select the 'Employers' tab. Then select 'Employer Portal'.

State Updates

Hawaii

SUI

The Hawaii Department of Industrial Relations requires all employers to file all returns electronically. Employers can create an online user/login account at huiclaims3.hawaii.gov/. By creating an online account, employers can approve and give permission to service companies to file reports, make payments, check tax rates and much more.

State Withholding

The Department of Taxation requires employers whose withholding tax liability exceeds \$40,000 annually to file their tax returns electronically.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - If you meet the requirements, you must your return electronically at hitax.hawaii.gov/.

Idaho

SUI

Idaho Department of Labor agency requires that all SUI wage returns be filed using a web upload method. This requirement includes bulk filers like Paychex.

The following are additional references you can use for the Idaho Employer Portal:

- **FAQs** - labor.idaho.gov/eServices/EmployerPortal/Links/FAQ
- **Employer Portal** - labor.idaho.gov/eServices/EmployerPortal/Login?returnUrl=https%3A%2F%2Flabor.idaho.gov%2Feservices%2Femployerportal

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - Paychex provides reference only returns to provide the information when filing electronically. This copy should also be maintained as your reference copy.

If you want to file paper returns you must request a waiver to allow paper filing instead of electronic filing from the Idaho Department of Labor prior to filing your handwritten return. All employers are required to file Forms TAX020 and TAX 026 electronically through the Idaho Employer Portal.

You are required to register to create an online account in the Idaho Employer Portal. Use this link to access a user guide for registration labor.idaho.gov/eServices/EmployerPortal/Content/UserGuide.pdf

Illinois

SUI

Employers with 25 or more employees must file electronically every quarter; magnetic media, such as diskette, CD or cartridge are not accepted.

Employers of 25 or more employees are required to file monthly wage reports during Month 1 and Month 2 of the quarter. Month 3 is included with the quarterly SUI and wage report.

- **Taxpay** - Paychex will file all Illinois SUI clients with an ID monthly, regardless of an individual client's threshold. Taxpay clients without an IL SUI ID will be responsible for filing their own monthly wage reports.
- **Non-Taxpay** - You need to continue to submit quarterly contribution and wage reports, but must also submit eight additional monthly wage reports. Paychex will provide a Monthly Wage Filing Report in your payroll package with the last payroll of each month for your reference. You must file your reports on MyTax Illinois at mytax.illinois.gov/.

Illinois

Statements of Benefit Charges Online Only

Due to the COVID-19 pandemic, effective immediately, the Illinois Department of Employment Security (IDES) will deliver all Statements of Benefit Charges to you electronically through mytax.illinois.gov, rather than by traditional mail.

If you do not yet have an Unemployment Insurance (UI) account in MyTax, register for one by visiting mytax.illinois.gov and click on the "Registration" tab.

Paychex State Unemployment Insurance Service (SUIS) Clients

To have Paychex protest any Statements of Benefit Charges on your behalf, please **forward the electronic version** of your Statements to paychexcharges@employersedge.com.

State Withholding

The Illinois (IL) Department of Revenue (DOR) does not allow overpayments to be applied on Form IL-941. Amounts reported on Form IL-941 always must be the exact amounts withheld from payees. If the amount reported was more or less than the amount you actually withheld, then you must file an amended return (IL-941X). If you do not make the correction before the end of the calendar year, you must report the amount withheld on the W-2 or 1099 forms for the payee to claim on his/her income tax return.

The Illinois Department of Revenue requires all employers, including bulk service providers, to electronically file Form IL-941, Illinois Withholding Income Tax Return. Form IL-941 indicates the information must be filed electronically.

- **Taxpay** - You aren't required to take action; Paychex will file your return.

- **Non-Taxpay** - You need to register for a [MyTax Illinois](#) account if you haven't done so already, and file your returns electronically.

Indiana

SUI

Statements of Benefit Charges Online Only

Due to the COVID-19 pandemic, effective immediately, the Indiana Department of Workforce Development (DWD) will deliver all Statements of Benefit Charges to you electronically through UPLINK Employer Self Service (ESS) accounts rather than by traditional mail.

If you do not yet have an UPLINK ESS account, register for one by visiting the UPLINK ESS Welcome Page and click on the "Register" button at the top-right corner of your screen.

Paychex State Unemployment Insurance Service (SUIS) Clients

To have Paychex protest any Statements of Benefit Charges on your behalf, please forward the electronic version of your Statements to paychexcharges@employersedge.com.

State Withholding

The Indiana Department of Revenue (DOR) requires all withholding taxes to be reported and remitted electronically.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - The Indiana DOR won't certify or provide preprinted WH-1 payment coupons to employers, nor will payroll providers be allowed to file paper coupons for exceptions.

State Updates

Indiana

SOC Codes for SUI Returns

The Indiana (IN) Department of Workforce Development (DWD) requires that additional information be included with the wage reporting for state unemployment insurance (SUI).

For the IN wage report, clients will need to report the following for each employee:

- The Standard Occupational Classification (SOC) codes; these codes are created by the U.S. Department of Labor, Bureau of Labor Statistics to classify occupations
- The primary work zip code
- Full-time/part-time/seasonal work status

The U.S. Department of Labor, Bureau of Labor Statistics, created these codes to classify occupations, for a full list of these codes, go to bls.gov/soc/2018/major_groups.htm

For more information about this IN DWD requirement, go to The FAQs at in.gov/dwd/ess_faq.htm, the first question What information do I need to submit in my wage report?

For each IN employee, if you haven't already, you need to:

- Gather the SOC codes; when reporting these numbers to Paychex, you should report the number as **6 digits, without a dash**.
- Gather each IN employee's primary work location address for Core Advanced and the zip code for Preview, and
- Provide Full-Time/Part-Time/Seasonal work status

Seasonal Employers

- You're considered a seasonal employer by the agency if they have provided you with documentation stating you are approved and have been assigned a specific 2-digit code. Please report the code to your payroll service representative so we can include it on your return. Also, you'll need to let us know if any employees on your payroll are not seasonal.

Assigning Paychex as Third Party Administrator (TPA)

You are already able to assign Paychex as a TPA with the IN agency; if you haven't done so, please set up the TPA as soon as possible.

With the filing changes, it is necessary for you to assign us as a TPA to be able to work with the agency on your behalf in case you are ever in a late filing/amended return situation. You must first register for an UpLink account before assigning Paychex as a TPA. Attached are [instructions](#) about how to register for the UpLink account and how to assign Paychex as a TPA.

Iowa

SUI

The Iowa Workforce Development requires employers to report wages by Reporting Unit. If an employer has multiple worksite locations, wages should be reported separately by Reporting Unit number or worksite. The Reporting Unit number used should be the number reported on the Multiple Worksite Report.

Employers with multiple worksites should report all Reporting Unit numbers immediately. Employers of 25 or more employees are required to file monthly wage reports during Month 1 and Month 2 of the quarter. Month 3 is included with the quarterly SUI and wage report.

Iowa

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - The Iowa Workforce Development requires that all quarterly payments made by paper check or money order be accompanied by a payment voucher, Form 68-0434. Non-Taxpay clients need to complete the payment voucher and include it with their quarterly payment and return. The voucher can be found on the Iowa Workforce Development website at iowaworkforce.org/ui/stawrs/68-0434.pdf

Kansas

SUI

The Kansas Department of Labor requires you to file electronically if you have an ID.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - Information about web filing can be obtained at dol.ks.gov by calling 785-296-5027.

Kentucky

State Withholding

Starting in first quarter 2021, the Kentucky Department of Revenue no longer requires a quarterly reconciliation report (K1 and K1E). As a result the returns or reference copies will no longer be included in your quarterly tax package.

Effective first quarter 2021, Paychex will start supporting an annual filing frequency for Kentucky state withholding tax. If you are assigned an Annual Filing Frequency by the agency, Paychex will set you up with an annual filing frequency in our system.

Louisiana

SUI

The Louisiana Workforce Commission no longer accepts paper filing of quarterly reports.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - The Louisiana Workforce Commission requires all employers to file contribution (LWCES-4) and wage detail continuation (LWCES-61) return information using their online system. Information about online filing requirements can be obtained at laors.laworks.net/employerportal/anonymoususerscreens/

SOC Codes for SUI Returns

The Louisiana Workforce Commission (LWC) requests that Standard Occupational Classification (SOC) codes to be reported in SUI wage files.

The U.S. Department of Labor, Bureau of Labor Statistics, created these codes to classify occupations.

Assign an SOC code to each employee you have and provide this information to your payroll representative. You can find SOC code titles and descriptions by accessing the Bureau of Labor Statistics website at bls.gov/soc/2010/2010_major_groups.htm#11-0000.

- Use the six-digit code that best describes your employees' work activities.
- If you have already provided SOC codes for employees who have changed job functions, please report this change to your payroll representative.
- The LWC sends emails to obtain missing SOC codes not reported on your quarterly SUI returns. If SOC data is not reported to LWC, you will continue to receive this type of email each quarter requesting you include SOC codes on future SUI returns.

State Updates

Louisiana

If you provide Paychex with the SOC codes for your employees, we'll add all the codes on your payroll account and include the information as required on your SUI returns.

State Withholding

The Louisiana Department of Revenue does not accept paper returns for certain filers.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - The Louisiana Department of Revenue no longer accepts paper remittances for semi-monthly filers; therefore, Paychex will not be able to provide you with an agency-ready quarterly L-1 return for you to sign and file if you are a semi-monthly remitter. Instead, we provide a reference copy return for you as part of our service. Please note these are for reference purposes only and are not file-ready.

Employers must file quarterly information using the Internet-based filing system on Louisiana Taxpayer Access Point. This is also the preferred method for monthly and quarterly remitters. Once you have registered and are ready to file, enter the information provided on your reference copy of the L-1 return into the website. Instructions for Internet registration and filing can be found at rev.state.la.us/Businesses

Maine

SUI

The Maine Department of Labor requires seasonal businesses to report their seasonal code and period on the SUI portion of the Combined SUI/Wage Return.

- If you have not already done so, report seasonal information to your payroll contact during your next payroll appointment.

Maine Revenue Services and the Maine Department of Labor have separated the filing of their quarterly returns. If you are a SUI exempt, not-subject, or withholding only employer, you should use Form 941-ME. SUI/Wage clients should use Form ME UC-1.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - Paychex provides agency-ready returns for you to sign and file, as well as copies of the returns for your records, quarterly. You can either file Forms 941-ME and ME UC-1 using paper returns or electronically. If you are a Maine SUI "applied for" employer, you can file on paper. All other employers and non-wage payers registered for Maine income tax withholding and with a SUI ID, must electronically file Maine quarterly tax returns. Filing instructions can be found at reemploye.maine.gov

Maine Surcharge

Effective January 1, 2021, the Maine (ME) Department of Labor (DOL) has implemented an Unemployment Program Administrative Fund (UPAF) surcharge. This fund was implemented to ensure adequate funding for the operation of the Maine Unemployment Insurance Program. The UPAF rate for all employers who pay SUI tax on employees' taxable wages up to \$12,000 is 0.13%.

Reimbursable employers and exempt employers are not subject to the new surcharge. The agency is communicating this information on the 2021 SUI rate notices that they've started sending to employers.

- **Taxpay** - We'll calculate this assessment collect the amount due and remit it with your quarterly SUI return
- **Non-Taxpay** - We'll calculate this assessment and include it on your quarterly SUI return so you can pay it with the return.

We'll calculate this assessment and include it on your quarterly SUI return so you can pay it with the return.

Maryland

SUI

All Maryland employers are required to file contribution and wage reports electronically through the BEACON Tax System.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - Paychex can't provide non-Taxpay clients with signature-ready Forms; however, you can use the data on the reference copy provided in the quarterly package to enter your quarterly reporting information. Refer to <https://employer.beacon.labor.md.gov/> for more information on filing returns electronically.

Massachusetts

SUI

The Massachusetts Department of Unemployment Assistance (DUA) has mandated that all employers, regardless of subjectivity, are required to electronically file quarterly unemployment tax and wage data via the MA QUEST system.

- **Taxpay** - Access your MA QUEST online account and identify Paychex as your third-party agent (TPA). Registered TPAs are assigned a TPA ID in the MA DUA QUEST system; the Paychex TPA ID is 2. Assign all appropriate authorizations to Paychex as your filing agent.
- **Non-Taxpay** - You will now receive only one facsimile that includes filing information for the MA state unemployment return, the MA Health return, and the wage detail return. The new facsimile contains all the information you need to remit your payments and returns online.

Massachusetts Employer Medical Assistance Contribution (EMAC)

All Massachusetts employers subject to SUI with more than five employees are responsible for the Employer Medical Assistance Contribution EMAC contribution as follows.

Description	Percent
Newly-Liable Employers for first 24 months	Exempt
Third Year	0.12%
Fourth Year	0.24%
Fifth Year and Subsequent Years	0.34%

All payments are calculated using the SUI taxable wage base; the 2021 wage base is \$15,000.

Massachusetts Paid Family and Medical Leave

Starting in 2021, Massachusetts will offer paid family and medical leave benefits to eligible workers. The Massachusetts Paid Family and Medical Leave (PFML) program is funded by premiums paid by workers and certain employers through payroll deductions. Depending on the makeup of the client's workforce, they may be responsible for remitting contributions for both Massachusetts W-2 employees (full-time, part-time, seasonal) and Massachusetts 1099-MISC contractors.

Counting Covered Individuals

It will be your responsibility to inform us whether your 1099-MISC contractors need to have the MA PFML premium withheld. Paychex will not make this determination for you. Your choice for withholding on your contractors, once made, will apply to all your 1099-misc contractors in Massachusetts.

Massachusetts Con.'t

The average size and configuration of your workforce (Massachusetts W-2 employees and Massachusetts 1099-MISC contractors) for the previous calendar year will determine whether 1099-MISC contractors are covered for the current year. If you need clarification and guidance about counting covered individuals, go to the to the MA PFML website at mass.gov/info-details/counting-the-covered-individuals-in-your-workforce-under-the-pfml-law

MA PFML Premium Rates

These premiums are split into two parts, Family Leave and Medical Leave. The Family Leave portion is 17.5% of the total premium and paid 100% by the employee. The Medical Leave is 82.5% of the total premium and split between the employee and the employer with 40% paid by employee, 60% paid by the employer (where applicable). The employer can elect to cover some or all the employee portion of both the family and medical premiums.

Registering for PFML

- **Taxpay** - Your business will need to register for PFML using your existing MassTaxConnect account. The steps for registration can be found on the Mass.gov website under the Employer's Guide to Paid Family and Medical Leave section. To ensure that Paychex can provide you with service for your MA DOR/PFML account in the future we also suggest that you register Paychex as your PTP (Professional Tax Preparer) on the Mass.gov site using the attached instructions

For more information on PFML in general, go to mass.gov/orgs/department-of-family-and-medical-leave.

If You Already Offer Family and Medical Leave Benefits

If you are already offering family and medical leave benefits to your employees, you will be able to apply for annual exemptions from making contributions for both medical leave and family leave if you offer a private plan option that is at least as generous as what is required under the PFML law. If your business receives this exemption your employees will not be covered by the state PFML plan.

You'll need to let your payroll service provides know if you are exempt from the state MA PFML program.

Notifying W-2 Employees/1099-MISC Contractors

Massachusetts employers are required to notify their workforce about the state's PFML program, including its benefits and protections that apply to them. This notification includes:

Workplace Poster

All Massachusetts employers must display the [Paid Family and Medical Leave mandatory workplace poster](#) prepared or approved by the Department of Family and Medical Leave (DFML) that explains the benefits available to their workforce under the PFML law. They must post this poster at their workplace in a location where it can be easily read.

The poster must be available in English and each language that is the primary language of five or more individuals in their workforce if such translations are made available from the Department of Family and Medical Leave (DFML).

Written Notice Requirements

On or before September 30, 2019, Employers and Covered Business Entities are required to provide written notice to their current workforce of PFML benefits, contribution rates, and other provisions as outlined in [M.G.L. c. 175M sec. 4](#).

Massachusetts Con't

- Employers may download a template of this notice provided by DFML or create their own with all of the required elements. Sample notices are available on the state's website. The current version is provided below:

-**W-2 employee notice** - mass.gov/doc/employer-notice-to-employee

-**1099-MISC notice** - mass.gov/doc/employer-notice-to-self-employed-individual

For more information about the notice, click [here](#).

Employee Benefits

Eligible employees may be entitled to receive benefits for qualified leaves starting in 2021 under the Massachusetts PFML program. For more information about employee benefits, click [here](#).

Michigan

SUI

Effective January 1, 2021, Michigan's (MI) taxable state unemployment insurance (SUI) wage base will be \$9,500 **for all contributing employers**.

This change is the result of Michigan's Unemployment Insurance Trust Fund falling below the required threshold of \$2.5 billion dollars. MI unemployment law mandates that when the Trust Fund falls below this threshold, they can no longer offer a reduced taxable wage base to non-delinquent employers. the \$9,500 wage base for all employers will remain in place until the trust fund meets the threshold.

The Michigan Unemployment Insurance Agency requires all employers to file the Employers' Quarterly Wage/Tax Report, Form UIA 1028 electronically through their website. Paper forms are not accepted by the agency.

For more Information about these requirements visit the MiWAM website at michigan.gov/uia/.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - All employers are required to file Form UIA 1028 the Employer's Quarterly Wage/Tax Report electronically through the Michigan website, paper filing is not accepted. You can find information about registering your account and filing the Form 1028 electronically at: michigan.gov/documents/uia/MiWAM_Toolkit_for_Employers_473402_7.pdf.

Michigan requires an SSN for each employee reported on Form UIA 1028. If this information is missing, the state will assess penalties for each employee.

Minnesota

SUI

The Minnesota State Unemployment agency announced that effective for 2021, a Federal Loan Interest Assessment is being applied.

Assessment will be assessed. This is assessed when the Unemployment Insurance Trust Fund borrows federal funds to pay unemployment benefits. The amount to recoup interest on the loan is incorporated into the tax computation.

The Federal Loan Interest Assessment is calculated by multiplying the Federal Loan Interest Assessment percentage times the sum of the UI Taxes Due and the Additional Assessment.

After the quarterly amount due is calculated, you multiply that amount by 4%. The 4% is NOT applied to employers' full taxable wages, only to the amount due.

State Updates

Minnesota

- **Taxpay** - We'll calculate this assessment collect the amount due, and remit it with your quarterly SUI return.
- **Non-Taxpay** - We'll calculate this assessment and include it on your quarterly SUI return so you can pay it with your quarterly SUI payment as required.

Mississippi

SUI

All Mississippi employers who are subject to SUI tax are required to electronically file quarterly SUI and wage returns.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - Facsimiles of the Mississippi quarterly SUI and wage returns are generated for non-Taxpay Mississippi clients who are subject to SUI tax. All Mississippi employers are required to electronically file this information at mdes.ms.gov.

Missouri

SUI

The electronic filing requirement is for employers with 50 employees:

- **Taxpay** - Returns are already filed electronically.
- **Non-Taxpay** - Employers can file returns using the UInteract uinteract.labor.mo.gov/tax/home.do online portal.

Nebraska

SUI

A second wage base will be assigned to Nebraska max-rated employers (a SUI rate of 5.40%) and delinquent employers beginning in first quarter again in 2021. All employers with a Category 20 rate of 5.40% will have a wage base of \$24,000. All other categories, 1-19, will have a wage base of \$9,000.

State Withholding

The Nebraska Department of Revenue will mail the Nebraska Withholding Return, Form 941N to all Nebraska taxpayers. Check Line 12 to determine if a previous balance or credit exists on your account. This information must be relayed to your payroll contact immediately so an accurate quarterly return can be filed.

Nevada

SUI

All Nevada employers are required to file and pay their Employer's Quarterly Report (Form RPT3795) and the SUI Wage Report (Form NEW0098) electronically. The agency will no longer accept paper returns.

To learn more about the Nevada tax filing requirements, visit: ui.nv.gov/ess.html

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - You're required to file the Employers Quarterly Report (RPT3795) and Nevada Wage Report (NEW0098) electronically.

Modified Business Tax (MBT)

If you are subject to SUI tax in Nevada, you are required to file the Nevada Modified Business Tax (MBT) return quarterly with the Nevada Department of Taxation.

Nevada

If you have employer contributions to health insurance/health benefits plans, this amount must be reported to your payroll contact prior to each quarter-end deadline date. If employer contributions are not reported on time, they will be entered in the next quarter.

For 2021, the Modified Business Tax Return General Business:

- The tax calculation is based on wages over \$50,000.
- The rate is 1.378%

Financial

If your business is subject to the Net Proceeds of Mines Tax, you must remit the Modified Business Tax Return M. What this means to you:

- You must pay MBT of 1.853% on all wages.
- Paychex does not support the Modified Business Tax Return M; you need to remit this form for mining. We have no way of knowing if you are subject to the Net Proceeds of Mines Tax.

If you are not sure if your business is subject to the Net Proceeds of Mines Tax, contact your tax advisor or the agency directly.

If You Are Required to Remit the Nevada Commerce Tax

Nevada implemented a Commerce Tax which is an annual tax imposed on the Nevada gross revenue of each entity doing business in the state. The Commerce Tax applies to businesses with gross revenue of \$4 million dollars or more in a fiscal tax year.

The Commerce Tax is not a payroll tax and Paychex will not be preparing or filing these returns; however, eligible employers can now take a credit towards their Modified Business Tax (MBT); Paychex does report this tax for you and will support this new tax credit.

MBT Tax Credit

Who is eligible for the Nevada Commerce tax credit?

You may be eligible for a tax credit to your MBT tax if your business has \$4 million dollars in annual fiscal year revenue and pays \$50,000 or more in wages each quarter.

What is the tax credit towards the MBT?

50% of the Commerce Tax paid by your business for the previous Nevada fiscal tax year may be used as a tax credit towards MBT. The Nevada fiscal tax year is July 1 through June 30, including the last two quarters of one year and the first two quarters of the next.

Can you give me an example?

Fiscal Year for Commerce Tax	When to take the MBT Credit
2021 – third and fourth quarters 2020 and first and second quarters 2021	Third and fourth quarters 2021 and first and second quarters 2022.
2022 – third and fourth quarters 2021 and first and second quarters 2022	Third and fourth quarters 2022 and first and second quarters 2023

What if my credit is more than my MBT tax?

The credit carries over from quarter to quarter but must be used in the first four quarters after the fiscal tax year. In the previous example, if you still had a credit after second quarter 2021 for fiscal year 2020, you would lose the rest of the credit.

What will Paychex do once I send you the credit amount?

Paychex will apply the credit to your MBT payment and carry the amount over as necessary. It is important that you report the credit to us as soon as possible so we can apply it to the applicable quarters.

State Updates

Nevada

Can I get a refund instead of applying the credit to my MBT tax payment?

No, the credit must be applied to current or future tax due.

Where can I get more information about this tax credit?

You can access a frequently asked questions document on the agency's website at <https://tax.nv.gov/Commerce/ComTaxFAQs/>

- **Taxpay**

- MBT** - You are not required to take any action. Paychex will file your return

- MBT Credit** - You must report the tax credit to Paychex, the agency doesn't send this information directly to Paychex

- **Non-Taxpay**

- Employers are required to file the Employers Quarterly Report (RPT3795) and Nevada Wage Report (NEW0098) electronically.

- MBT Credit** - It is best if you report this information to Paychex so we can show it on your return and track it for you. It is not required, you can update your returns and track the credit.

New Jersey

SUI

The Family Leave Insurance/Temporary Disability Insurance (FLI/ TDI) taxable wage base is calculated separately from the SUI taxable wage base. The calculation for the FLI/TDI taxable wage base will change from 28 times the state average weekly wage (SAWW) to 107 times the SAWW.

The New Jersey (NJ) Department of Labor requires a social security number (SSN) for each employee whose wages are reported on Form WR-30. The number of weeks worked must be reported for each employee who earned at least twenty times the minimum wage in a week. If this information is missing, the state may assess a fine for missing information ranging from \$5.00 per employee for the first occurrence to \$25.00 per employee for subsequent occurrences.

- Review the last timesheet for missing/ incorrect SSNs.
- If you are new to Paychex this quarter, verify the number of weeks worked listed for each employee on the timesheet.
- Report any missing or incorrect information to your payroll contact.

New Mexico

SUI

The New Mexico Department of Workforce Solutions requires you to file Employer's Quarterly Wage/Tax Report, Form ES903-B electronically through their website.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - Employers are required to file Form ES903-B electronically through the New Mexico Department of Workforce Solutions website.

State Withholding

The New Mexico Taxation & Revenue Department uses a CRS e-filing system for withholding returns.

- **Taxpay** - You aren't required to take action; Paychex will file your return.

New Mexico

- **Non-Taxpay** - New Mexico employers should access Online Services at tax.newmexico.gov/Online-Services/. Employers can maintain accounts and file CRS returns.

Workers' Compensation

New Mexico mandates that filers report the workers' compensation fee due for each employee on the quarterly Form ES903B (wage continuation sheet). This fee is either a \$4.30 flat fee per employee or zero, and is reported and paid separately using Form WC-1.

Review the following exceptions to the current reporting of the workers' compensation fee due on Form ES903B and report any exceptions to your payroll contact.

Fee Exceptions

If you have three or more employees who were employed on the last working day of the quarter and reported wages in the quarter (for all agencies, not just NM), a \$4.30 flat fee will be reported for each employee and totaled for all employees for that client.

Exceptions

- If the only employees are domestic servants, real estate sales people, or farm and ranch laborers, unless the business elects coverage for these employees, \$0.00 should still be reported.
- In some circumstances, an executive employee of a corporation or a limited liability company may choose to be exempt from coverage under the company's policy. If an executive is exempt from the policy, the \$4.30 fee should not be reported. However, even if \$0.00 is reported, the employee still counts toward the threshold of three. If this threshold is met, the \$4.30 fee is required to be reported for each of the other two employees.

If you have fewer than three employees who were employed on the last working day of the quarter and reported wages in the quarter (for all agencies, not just NM), \$0.00 will be reported for each employee and totaled for all employees for that client.

Exceptions

All construction industry employees are required to report the \$4.30 fee, regardless of the number of employees of the business. Even if a business has fewer than three employees and is not required to have coverage, it may still elect to have workers' compensation coverage.

If a business has chosen to have coverage, the business must pay the \$4.30 fee per employee.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - If you are not a Taxpay client and would like Paychex to remit this fee and other taxes on your behalf, please inform your payroll contact.

New York

SUI

Contractors and subcontractors working on a public works contract must report the prevailing wage rate and supplemental rate for the job classification(s) that the worker performs. This information must be reported on the worker's pay stub. The prevailing wage rate and supplemental (benefit) rate are separate amounts and must be listed on the pay stub separately.

In addition, the contractor/subcontractor must notify all workers in writing, on their first paycheck at the beginning of the contract, and with the first paycheck after July 1 of every successive year, the following:

- The number and address of the public works department.

State Updates

New York

- If you are new to Paychex this quarter, verify the number of weeks worked listed for each employee on the timesheet.

The New York State Department of Labor assesses the contractor or subcontractor a fine of up to \$50.00 for a first violation, \$250.00 for a second violation, and \$500.00 for each subsequent violation.

- **Taxpay** - Paychex will file returns and remit deposits for all SUI liable Taxpay clients with a valid New York Unemployment ID number. Accounts with "applied for" as the ID will no longer be accepted.
- SUI Reimbursable and Not Liable employers will continue to be filed for withholding only.
- **Non-Taxpay** - Paychex can't provide non-Taxpay clients with signature-ready Forms NYS-45 and NYS-45-ATT; however, you can use the data on the reference copy provided in the quarterly package to enter your quarterly reporting information. Refer to tax.ny.gov/online/ for more information on filing returns electronically.

State Withholding

The New York State Department of Taxation and Finance requires all employers to pay and file all returns electronically. In addition, filings without valid identification numbers and employee social security numbers aren't accepted.

Employer Compensation Expense Program

The New York Employer Compensation Expense Program requires all employers to pay and file all returns electronically.

- **Taxpay** - Paychex will file returns and remit deposits for all Taxpay clients who have elected into the Employer Compensation Expense Program.

- **Non-Taxpay** - Paychex can't provide non-Taxpay clients with a signature-ready Form EC-100; however, you can use the data on the reference copy provided in the quarterly package to enter your quarterly reporting information online. Refer to tax.ny.gov/online/ for more information on filing returns/remitting payments electronically.

North Carolina

SUI Reimbursable Employers

New reimbursable employers need to pay 1% of their account balance with their quarterly reports for the first four quarters of liability.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - These amounts will be reflected on your quarterly wage return.

State Withholding

The North Carolina Department of Revenue will require all employers to file all annual returns electronically (1099, W2 and NC-3).

North Carolina requires every employer closing its business to file Form NC-3 (Annual Withholding Reconciliation) within 30 days of the last payment of wages to employees. This must be filed electronically at ncdor.gov/taxes/withholding-tax/enc3 or could result in a penalty.

North Dakota

SUI

Contractors and subcontractors working on a public North Dakota SUI requires all employers to file Form SFN41263 and quarterly contribution and wage reports electronically.

North Dakota

Job Service North Dakota accepts electronic reports by several methods, including their Internet reporting tool UI EASY- jobsnd.com/unemployment-business/ui-easy. Other electronic methods include magnetic tape, diskette, CD, and secure FTP. If you use these methods, you must submit the required wage and employee information in a specific file format. You can find additional information regarding file formats and submissions at state.nd.us/jsnd/docs/ji/electrpt.pdf.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - Employers are able to file returns via the JSND Internet reporting tool UI EASY- jobsnd.com/unemployment-business/ui-easy.

Ohio

SUI

The Ohio Department of Job and Family Services requires all employers to file their quarterly contribution and wage reports electronically.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - The employers may file their quarterly reports using the Employer Resource Information Center (ERIC) at eric.ohio.gov/. Employers must establish an account on ERIC to ensure they can file the returns electronically. The quarterly contribution and wage reports for Taxpay clients will be filed electronically.

For technical assistance with the Employer Resource Information Center, employers can contact ERIC System Support at 614-466-2319, ext. 22484, or AskERIC@jfs.ohio.gov.

State Withholding

The Ohio Department of Taxation requires all employers to electronically file and pay withholding tax and school district withholding tax returns through the Ohio Business Gateway. The Ohio Department of Taxation is enforcing the mandate and will not accept any paper filing. Employers with an OBG account will be able to access their filing and payment history in addition to other account services. To establish an account on the Ohio Business Gateway, employers can visit ohiobusinessgateway.ohio.gov/OBG/Membership/Security.mvc/Login#MainContainer.

Ohio Locals

During the COVID-19 pandemic, Ohio legislators passed an emergency rule that allowed all employers to withhold tax from employees based on their principal place of work (business location) even though employees were instructed to work from home. Rule is was extended until December 31, 2021.

As of January 1, 2022, if employees haven't returned to your place of business, and continue to work from home, they will need to be taxed based on their home locations being their place of work.

How will this affect my business in 2022?

- You'll need to register with local tax agencies if you have employees working from home in locals where you aren't currently registered.
- If you've registered for new local tax agencies, please let Paychex know so we can set up these locals on your account. You will need to indicate which employees need to be assigned to the new locals.
- If you're a Taxpay® client, Paychex will remit payments and returns on your behalf to these locals. If you're a non-Taxpay client, we'll send you tax notices and returns when applicable.

State Updates

Ohio

What about the rest of 2021?

- You can continue to withhold tax from employees based on your principal place of work while employees are working from home.
- Your employees have the option to claim a refund based on taxes paid to the work location if they weren't working there and remit payment based on where they live.
- If you have employees working from home permanently, you can make the changes to withhold local tax based on their home locations now; you don't need to wait until the new year. You'll need to register for the new localities and let Paychex know so we can set up these locals on your account. You'll also need to let us know which employees need to be assigned to the new locals.
- You may want to consult with your CPA or tax advisor about whether it is more advantageous for your employees for you to make the change now or later.)

We're letting you know about this change now, so you have time to register with new local tax agencies before 2022. You can also choose to make these changes immediately.

Remember to let Paychex know about any new local tax agency registration and which employees need to be assigned to these locals.

Oklahoma

SUI

All Oklahoma employers are required to file contribution and wage reports electronically to Oklahoma Employment Security Commission (OESC).

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - Employers can electronically file their returns through the OESC EZ Tax Portal at: eztaxexpress.oesc.state.ok.us/.

Oregon

State Withholding - Statewide Transit Tax

Employers must withhold the Oregon Statewide Transit Tax; this tax is one-tenth of 1% or .001 from:

- Wages of Oregon residents - regardless of where the work is performed.
- Wages of non-residents who perform work in Oregon.
- There is no wage base or cap to the amount of tax withheld.

Note: This tax isn't related to the OR Lane or TriMet transit payroll taxes paid by some employers.

Information on Payments and Returns

- Employers are responsible to withhold the tax from employees, remit quarterly payments and returns by the due dates, and include it on the annual withhold form(OR-WR). Oregon won't be using the current income tax withholding forms or payments coupons for this tax.
- These taxes must be collected and remitted to the Oregon Department of Revenue (DOR) on the last day of the calendar month, following the end of the quarter.

Oregon

For more information, go to the Oregon DOR website at oregon.gov/DOR/programs/businesses/Pages/statewide-transit-tax.aspx.

- **Taxpay** - We collect the taxes from your bank account and remit them to the agency by the due date. We'll also remit returns to the agency on your behalf.
- **Non-Taxpay** - We provide you with a tax notice of the amount due and include a signature-ready return in your quarter-end package.

Pennsylvania

SUI

The Pennsylvania (PA) Department of Labor and Industry requires all employers to file contribution (UC-2) and wage detail (UC-2A) return information using their online Unemployment Compensation Management System.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - Information about online filing requirements can be obtained at www.uctax.pa.gov.

State Withholding

The PA Department of Revenue does not accept paper returns for certain filers.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - Paychex does not provide agency-ready quarterly returns for you to sign and file. Instead, we provide a facsimile sample copy return for you as part of our service. Please note the facsimile sample copies are for reference purposes only and are not file-ready.

- Use the facsimile provided by Paychex to report information by enrolling on e-TIDES to file PA-W3 returns through the Internet-based e-TIDES filing system (you may have already registered). Enter the information provided on your Paychex facsimile return into e-TIDES. You can find instructions for registration and filing at etides.state.pa.us.

ACT 32 Locals

Employers are mandated to require a new certificate of residency form for any employee who changes their address or domicile. The certificate of residency form provides information to help identify the political subdivisions (PSD) where an employee lives and works.

Puerto Rico

State Withholding

The Puerto Rico Department of Treasury requires all employers to file withholding taxes through the tax filing system, SURI (Sistema Unificado De Rentas Internas) at suri.hacienda.pr.gov/.

SUI

The Puerto Rico Department of Labor and Human Resources requires all employers to file the quarterly contribution and wage reports through the Employer Portal at patronos.trabajo.pr.gov/patronos/acercade.aspx?Id=228&M=286&F=12.

State Updates

Rhode Island

SUI

The Rhode Island Division of Taxation requires employers with 25 or more employees to file contribution returns (Form TX-17) electronically in addition to the electronic filing of wage reports.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - Paychex files Rhode Island wage detail information for all mandated employers on magnetic media.

If you employ 25 or more employees, you are required to file your contribution return Form TX-17, Quarterly Tax and Wage Report, electronically through the Rhode Island website. Additional information about electronic filing requirements is available at the Rhode Island website at ri.gov/taxation/tx17/.

State Withholding

If your company's average Rhode Island state withholding for the previous calendar year is \$200 or more per month, you are required to file and remit the withholding tax electronically or you may be penalized.

For more information, go to <http://www.tax.ri.gov/forms/2021/Withholding/2021%20Withholding%20Tax%20Booklet.pdf>, or call 401-574-8484.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - Paychex will provide you with a signature-ready return; however, you will need to determine whether you need to file it electronically or if you can file on paper. If you are required to file your return electronically, you'll also need to remit your payments electronically.

To file your return electronically, go to taxportal.ri.gov.

South Carolina

SUI

All South Carolina employers are required to file contribution and wage reports electronically to State Unemployment Insurance Tax System (SUITS).

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - Paychex can't provide non-Taxpay clients with signature-ready Forms UCE-120 and UCE-120A; however, you can use the data on the reference copy provided in the quarterly package to enter your quarterly reporting information. Refer to dew.sc.gov for more information on filing returns electronically.

State Withholding

The South Carolina Department of Revenue requires that all employees who will receive Forms W-2 have a complete address. Clients with employees missing any part of the address (street address, city, state, or zip code) can't be included on the W-2 magnetic media filed by Paychex at year-end. If any employees with year-to-date wages are missing an address component, please update it immediately.

South Dakota

SUI

South Dakota has an Administrative Fee surcharge for employers with a SUI reserve ratio of less than 2.25%. Employers who are assigned the Administrative Fee will have an additional 0.02 percent added to their SUI rates. The surcharge is not part of the employers' SUI rates and is split out on the employer rate notices.

The South Dakota Department of Labor sent 2019 rate notices to employers that includes this new surcharge. You must report the surcharge to Paychex; we have no way of knowing if you have been assigned the additional surcharge.

Texas

SUI

All Texas employers are required to file contribution and wage reports, and remit payments electronically to the Texas Workforce Commission (TWC).

- **Taxpay** - You aren't required to take action; Paychex will file your return. Applied For isn't a valid ID so Paychex won't be able to file on your behalf if you are in this status.
- **Non-Taxpay** - Paychex can't provide non-Taxpay clients with signature-ready Forms C3 and C4; however, you can use the data on the reference copy provided in the quarterly package to enter your quarterly reporting information. Refer to twc.texas.gov/ for more information on filing returns electronically.

Tennessee

SUI

The Tennessee Department of Labor requires all employers to file their quarterly Premium and Wage Reports electronically.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - Information about online filing requirements can be obtained at tnpaws.tn.gov.

Utah

SUI

The Utah Department of Workforce Services requires the Quarterly Contribution Report Form (33H) and the Quarterly Wage Listing Form (33HA) to be filed electronically. We will provide you with a reference copy return as part of our service. Please note this return is for reference purposes only and is not file-ready. You can use the information on the return to file online at: jobs.utah.gov/UI/Employer/EmployerHome.aspx. The Department of Workforce Services will no longer accept paper copies of these returns.

- **Taxpay** - You aren't required to take action; Paychex files your return electronically.
- **Non-Taxpay** - You need to remit your quarterly returns and payments using the website at jobs.utah.gov/UI/Employer/EmployerHome.aspx

All Utah reimbursable employers must file Form 794, Utah Department of Workforce Services Insured Employment and Wage Report (or Form 794N), Utah

State Updates

Utah

Department of Workforce Services Non-Insured Employment and Wage Report). This form is filed in place of Form 33H, Utah Employer Quarterly Wage List and Contribution Report.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - If you need to file Form 794:
 1. Transfer the information from the Paychex "Multiple Worksite Report" to the state-provided return.
 2. Make a copy of the completed form for your files. Sign the return and mail it along with Form 33HA, Utah Employer Quarterly Wage List Continuation Sheet, on or before the due date to the agency.

State Withholding

The Utah Tax Commission has a quarterly filing return requirement, Form TC-941E.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - Effective October 1, 2018, the Utah State Tax Commission requires the Annual Reconciliation TC-941R to be combined with the Quarter Reconciliation TC-941E and must be filed electronically. We will provide you with a reference copy return as part of our service. Please note this return is for reference purposes only and is not file-ready. You can use the information on the return to file online at: tap.tax.utah.gov/TaxExpress/. The Tax Commission will no longer accept paper copies of the return.

Vermont

State Withholding

The Vermont Department of Taxes requires all employers to file the Vermont Department of Taxes Quarterly Withholding Reconciliation return (Form WHT-436). The agency is requiring that the number of full time (FT) employees and part time employees (PT) that are working as of the last day of the quarter are reported on the return. Vermont is following the Internal Revenue Service definition of Full-Time employee: A full-time employee is an employee who is employed on average, per month, at least 30 hours of service per week, or at least 130 hours of service in a calendar month.

If employees don't have a status, we'll report them as a full-time employee, as the agency is requiring that the total number of employees reported matches the sum of the FT and PT employee counts.

Employers with more than four employees are required to report and pay an employer's health care contribution premium that is based on a calculated number of uncovered full-time equivalent employees (FTEs) multiplied by a rate of \$186.56.

- Report the number of uncovered FTEs to your payroll contact

If you need more information, please go to the Vermont Department of Tax Web site at: tax.vermont.gov.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - We'll send you a paper return that you must remit to the agency.

Virginia

SUI

Effective January 1, 2021, the Virginia Employment Commission requires all employers to file their quarterly state unemployment insurance (SUI) returns and wage reports electronically.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - for first quarter 2021 you need to electronically file your return. For more information, go to <https://www.business.tax.virginia.gov/>.

State Withholding

The Virginia Department of Revenue requires Form VA-16 (Quarter Reconciliation), Form VA-6 (Annual Reconciliation), and Forms W-2 to be filed electronically. These options can be found at tax.virginia.gov/.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - Information about online filing requirements can be obtained at tax.virginia.gov/.

Virginia Overtime Wages to Non-exempt Employees

On July 1, 2021, the Virginia Overtime Wage Act went into effect. This law requires employers in the Commonwealth to pay an overtime wage rate to non-exempt employees equal to one and one-half times the regular rate of pay for all hours worked in excess of 40 hours in a workweek. The required calculations for the determination of the regular rate differ from the federal Fair Labor Standards Act (FLSA) in some instances.

Under the FLSA, an employee's regular rate of pay is the sum of all remuneration except items specifically excluded by statute divided by total hours worked in a workweek regardless of the method of payment.

Under the Virginia Overtime Wage Act, for employees paid on an hourly basis, the regular rate is the hourly rate of pay plus any other non-overtime wages paid for that workweek, excluding the FLSA statutory exclusions, divided by the total number of hours worked in that workweek. However, the regular rate calculations for employees paid on a salary or other regular basis is one-fortieth of all wages paid for that workweek.

Refer to these FAQs on The Virginia agency website for more information.

Example of the calculation for non-exempt employees paid on a salary basis:

Non-exempt employee paid a salary of \$700 and worked 50 hours

$\$700 \div 40 \text{ hours} =$

\$17.50 per hour regular rate

Time and a half the \$17.50 regular rate =

\$26.25 per hour

$10 \text{ overtime hours} \times \$26.25 \text{ per hour} =$

\$262.50 in overtime owed

Washington

SUI/Workers' Compensation (L&I) and Paid Family and Medical Leave

Washington Employment Security, Washington Labor & Industries (WC) and Washington Paid Family and Medical leave, requires that the number of hours worked by all employees (including salaried employees) be reported. Washington Employment Security also requires social security numbers for all employees to be reported. Returns filed without this information are subject to penalty.

State Updates

Washington

- Review the last timesheet from your payroll package for missing or incorrect SSNs.
- Hours are required to be reported for all three agencies above, including salaried employees.
- If you are new to Paychex this quarter, verify the number of weeks worked listed for each employee on the timesheet
- Report any missing or incorrect information to your payroll contact.

The agency scans Forms 5208A and 5208B; therefore, it is imperative that only the file-ready copy be mailed to the agency. Please do not fax, copy, or make any changes to the file-ready forms or file the reference copy; this could affect the agency's ability to scan the form and could result in penalties. Employers reporting out of state and in-state wages use form 5208B1 for wage filing, form 5208B is used for employers reporting in-state wages only.

- **Taxpay** - You aren't required to take action; Paychex will file your return.
- **Non-Taxpay** - Washington L & I does not allow third-party payroll providers, including Paychex, to provide or submit reproduced paper reports. Paychex will no longer provide non-Taxpay clients with a signature-ready copy of the L & I quarterly report; however, you can use the data on the reference copy provided in the quarterly package to enter your quarterly reporting information through the Secure Access Washington website at secure.lni.wa.gov/home/.

Washington Paid Medical Leave

Effective January 1, 2019, most employers became responsible for reporting and paying the premiums for the new Paid Family and Medical Leave insurance program. The premium is 0.4% of gross wages paid each quarter. Employers may withhold up to 63.33% of the premium from employee wages or they may choose to pay part or all of it. The employer portion will be about 36.7% of the premium. Employers who have fewer than 50 employees do not have to contribute the employer portion of the premium but have the option to contribute if they choose. The due date follows the Employment Security Department's unemployment quarterly tax due dates. The PFML payments and reporting process is through a separate process than the unemployment tax reporting. For further information regarding the PFML insurance program, please go to the agency website at: paidleave.wa.gov/employers

Registration for WA PFML

Employers need to manually register for Washington (WA) Paid Family and Medical Leave (PFML) account through the Secure Access Washington (SAW). In the past this was done automatically as part of WA state unemployment insurance (SUI) and WA Labor & Industries (L&I) account registration; that is no longer the case. To register for a WA PFML account, clients need to:

1. Log in to the [Secure Access Washington \(SAW\)](#).

- If clients don't already have a SAW account, this [Instructional Video](#) may be helpful.

Washington

- Clients will need their state unemployment insurance (SUI) ID and their Unified Business Identifier (UBI) numbers when registering. If they don't have a UBI number, they need to complete the [Master Business Application](#).
- Employers may be required to upload supporting documentation such as: Master Business License or Articles of Incorporation

2. Add a new service, by selecting PFML from the list of options.

Information on Payments and Returns

Employers are responsible to remit the premium and submit a report with the required information including but not limited to employee wages, hours (including salary) and the amount of premiums withheld from employees to the agency. This is an electronic process.

- **Taxpay** - Paychex will collect the taxes from your bank account with each payroll and will remit them to the agency with the required reporting on or before the quarter end due date, you are not required to take action.
- **Non-Taxpay** - We have provided you with a facsimile tax notice that includes the information required to be reported and the amount that you need to pay. Do not send the facsimile notice to the agency, this is for your reference only as all reporting is required to be submitted electronically. Please go to the agency website at: paidleave.wa.gov/employers for payment and filing guidance

West Virginia

State Withholding

Taxpayers that have made total payments more than \$25,000 during the most recent fiscal year (July 1 to June 30) must file returns and make payments electronically, unless specifically excluded under West Virginia law.

- **Taxpay** - You aren't required to take action; Paychex will file your return.

West Virginia

- **Non-Taxpay** - Returns can be filed and paid electronically (ACH debit) using MyTaxes on the West Virginia State Tax Department website. Payments may also be made electronically using ACH credit, pay-by-phone, or credit card.

Employees Who	Fee Per Week
Work in Charleston	\$3.00
Work in Fairmont	\$2.00
Work in Huntington	\$5.00
Work in Madison	\$1.25
Work in Montgomery	\$1.50
Work in Morgantown	\$3.00
Work in Parkersburg	\$2.50
Work in Weirton	\$2.00
Work in Wheeling	\$2.00

Wisconsin

SUI

The Wisconsin Department of Workforce Development requires Contribution Form UCT-101 and Quarterly Wage Detail Reports Form 7823 to be filed electronically for all employers with 25 or more employees. In addition, payments are required to be remitted electronically.

- **Taxpay** - The agency requires Employer Service Providers (ESP) who prepare the Quarterly Contribution Tax Reports (UCT-101-E) and Quarterly Wage Reports (UC-7823) for employers to file the reports electronically. An ESP or employer agent is any third party who prepares the quarterly contribution tax and/or wage report on behalf of an employer such as Paychex. Effective first quarter 2018, the quarterly contribution and wage reports will indicate the information must be filed electronically. You aren't required to take action, Paychex electronically files returns on your behalf.
- **Non-Taxpay** - If you have 25 or more employees, you must file your contribution and wage forms and payments online at dwd.wisconsin.gov/uitax/. Failure to file electronically will result in penalties.

Wyoming

SUI

The Wyoming Employer Tax Division requires that wage information be reported separately on the Wage Detail Return, WYO-078. The return is divided into two sections: regular employee information at the top and corporate officer information at the bottom.

Provide your payroll contact with the name of any employee who is a corporate officer to ensure that your quarterly return is prepared correctly.

- **Taxpay** - Provide corporate officer information to your payroll representative. For all Taxpay clients, returns are filed on your behalf by Paychex.
- **Non-Taxpay** - N/A

September 2021

The information in these materials should not be considered legal or accounting advice, and it should not substitute for legal, accounting, and other professional advice where the facts and circumstances warrant. It is provided for informational purposes only. If you require legal or accounting advice, or need other professional assistance, you should always consult your attorney, accountant, or other professional advisor to discuss the facts, your circumstances, and business needs. Information contained within, is current only as of the date of publication.

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