

2015 CALIFORNIA EMPLOYER'S GUIDE

2015 Payroll Tax Rates, Taxable Wage Limits, and Maximum Benefit Amounts

Unemployment Insurance (UI)

- The 2015 taxable wage limit is \$7,000 per employee.
- The UI maximum weekly benefit amount is \$450.
- The UI tax rate for new employers is 3.4 percent (.034) for a period of two to three years.
- The employer rates are available online at <https://eddservices.edd.ca.gov>.

Employment Training Tax (ETT)

- The 2015 ETT rate is 0.1 percent (.001) on the first \$7,000 of each employee's wages.

State Disability Insurance (SDI)

- The 2015 SDI withholding rate is .9 percent (.009). The rate includes Disability Insurance (DI) and Paid Family Leave (PFL).
- The SDI taxable wage limit is \$104,378 per employee, per year.
- The 2015 DI/PFL maximum weekly benefit amount is \$1,104.

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 13](#) for additional information on PIT withholding. The California PIT withholding schedules are available on [page 17](#) and online at www.edd.ca.gov/payroll_taxes/rates_and_withholding.htm#withholding.

For additional rate information, refer to [page 10](#), or visit www.edd.ca.gov/payroll_taxes/rates_and_withholding.htm.

Important Information

e-Services for Business: Employers can register, view, and manage their payroll tax account, file reports, make deposits, and pay liabilities online. Additional information is available online at <https://eddservices.edd.ca.gov>, or refer to [page 49](#).

New Employee Registry (NER): All employers are required by law to report all newly hired or rehired employees to the New Employee Registry (NER) within 20 days of their start-of-work date. Additional information is available online at www.edd.ca.gov/payroll_taxes/faq_-_california_new_employee_registry.htm or refer to [page 51](#).

Tax Seminars: The EDD offers no-cost seminars to help employers comply with state payroll tax laws. For additional information, refer to [page 1](#) or online at www.edd.ca.gov/payroll_tax_seminars/.

Fraud Prevention, Detection, Reporting, and UI Rate Manipulation: For information on how to prevent and detect UI fraud, see [page 86](#).

Improper Payment of Unemployment Insurance (UI) Benefits is a serious problem that has a financial impact on employers and can result in higher UI taxes for all employers. You can help by responding timely to requests for wage information. Additional information is available online at www.edd.ca.gov/unemployment/responding_to_ui_claim_notices.htm.

California Employer Newsletter: For the latest news and helpful information refer to the quarterly online newsletter at www.edd.ca.gov/payroll_taxes/california_employer_newsletter.htm.

SDI Online: Employers, claimants, physicians/practitioners, and voluntary plan third-party administrators can securely submit DI and PFL claim information online. Additional information is available online at www.edd.ca.gov/disability or refer to [page 97](#).

Federal Unemployment Tax Act (FUTA) Tax Credit Reduction: For the latest information about the FUTA tax credit reduction, contact the Internal Revenue Service (IRS) at www.irs.gov or refer to the EDD website at www.edd.ca.gov/payroll_taxes/payroll_taxes_news.htm.



Edmund G. Brown Jr.
Governor

Dear California Employer:

As the California economy continues to improve, the Employment Development Department (EDD) understands that you, as an employer, need to devote time and energy to your business so it can thrive. To help optimize your time, the EDD has many resources available to assist you in managing your payroll tax account.

We offer e-Services for Business, which is available 24 hours a day, 7 days a week. You can register your business, obtain an account number, then manage your account easily online. Managing your account online allows you to submit reports, make deposits, update your account, and much more. All you need to stay connected is a personal computer, laptop, or a smartphone. Enroll in e-Services for Business at <https://eddservices.edd.ca.gov> today!

In addition to payroll taxes, our website at www.edd.ca.gov contains information critical to employers and their employees on topics such as unemployment insurance, disability insurance, jobs and training, and labor market information. Our website also now features Google Translate™ to better serve our customers

We remain committed to offering state payroll tax seminars at no cost to support and educate employers about their responsibilities. We also offer seminars in conjunction with other state and federal agencies. Find a seminar near you at www.edd.ca.gov/payroll_tax_seminars/.

To take advantage of our e-mail subscription service and receive the latest updates, reminders, and information about available services, sign up online at www.edd.ca.gov/about_edd/get_email_notices.htm.

For additional information about any of these services, seminars, or EDD forms and publications, visit our website at www.edd.ca.gov or call the Taxpayer Assistance Center at 888-745-3886. We hope these services are a great benefit to you in managing your business needs.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick W. Henning Jr.", written over a light blue horizontal line.

PATRICK W. HENNING JR.
Director



MANAGE YOUR PAYROLL TAX ACCOUNT ONLINE!

e-Services for Business

File reports, make deposits, update addresses, and much more.

Enroll Today for e-Services for Business at

<https://eddservices.edd.ca.gov>.

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SEMINARS TO HELP EMPLOYERS SUCCEED

The Employment Development Department (EDD) offers a select customized combination of no-fee classroom seminars. They are designed to help educate not only existing and established employers but also new employers to better understand and comply with the state payroll tax laws.

The classroom seminars are offered in a variety of locations throughout California. The EDD also offers online seminars that allow you the flexibility to learn at your own pace and wherever you choose to access the Internet.

The EDD offers seminars on:

- State payroll reporting requirements and recordkeeping.
- Determining if workers are employees or independent contractors.
- Managing Unemployment Insurance costs.
- Calculating and completing payroll tax forms.



The EDD and the Internal Revenue Service (IRS) jointly offer seminars on:

- Federal/state payroll reporting and withholding requirements.
- Online filing and payment options.
- Difference between employees and independent contractors and the importance of proper worker classification.

The EDD and the Division of Labor Standards Enforcement jointly present classes on:

- Common wage and hour law application.
- Employer and employee rights and responsibilities.
- Recordkeeping, reporting, and posting requirements.

The EDD offers online seminars on:

- Information to help you enroll and get started using **e-Services for Business** to manage your payroll tax account online.
- How to complete and when to submit the *Payroll Tax Deposit* (DE 88/DE 88ALL) coupon.
- Differences between employees and independent contractors.

Learn more about a tax seminar near you or register online at
www.edd.ca.gov/payroll_tax_seminars/seminar_search.aspx.

INTRODUCTION

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 and/or need additional information, you can access reference materials on the EDD website at www.edd.ca.gov or contact the Taxpayer Assistance Center toll-free at 888-745-3886. Also, this guide is available online 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 <http://get.adobe.com/reader/>.

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.
- Develop a better understanding of the State Disability Insurance (SDI) program.

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. For additional information about a payroll tax education event near you, contact the Taxpayer Assistance Center at 888-745-3886 or register online by accessing the EDD website at www.edd.ca.gov/payroll_tax_seminars/.

To find out more about SDI educational presentations, contact the SDI Education and Outreach Unit at 916-654-1177 or e-mail diboutreach@edd.ca.gov.

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 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
PO Box 826880
Sacramento, CA 94280-0001
E-mail: pmsg@edd.ca.gov
Fax: 916-654-6969**

Other Website of Interest

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

QUICK AND EASY ACCESS FOR TAX HELP



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
<https://eddservices.edd.ca.gov>.



Personal Computer

Access the EDD website at
www.edd.ca.gov.

- Manage your employer payroll tax account at
<https://eddservices.edd.ca.gov>.
- 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 professionals 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.
Select "Ask EDD."

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



Phone

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

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

www.edd.ca.gov

DE 44 Rev. 41 (1-15) (INTERNET)



Walk-In Offices

For information and advice on your
payroll tax responsibilities, visit your
local Employment Tax Office from
8 a.m. to 5 p.m., Pacific Time,
Monday through Friday.

Anaheim	2099 S. State College Blvd., #401, 92806
Fresno	1050 O Street, 93721
Oakland	7677 Oakport, Suite 400, 94621
Redding	1325 Pine Street, 96001
Sacramento	3321 Power Inn Road, Suite 220, 95826
San Bernardino.....	658 East Brier Drive, Suite 300, 92408
San Diego.....	10636 Scripps Summit Ct., 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/.

Self-Service Offices

Tax forms and a free direct-line phone are available from
8 a.m. to 5 p.m., Pacific Time, Monday through Friday at
our self-service offices.

Bakersfield.....	2000 K Street, Suite 420, 93301
Chico	240 West 7th Street, 95928
Eureka	409 K Street, Suite 202, 95501
Los Angeles	5401 S. Crenshaw Blvd., Suite A, 90043
Modesto.....	3340 Tully Road, Suite E-10, 95350
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

Forms and Publications

Download and order forms, instructions, and publications
at www.edd.ca.gov/forms/.

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 7](#) for additional information.

Step 2

ACTION REQUIRED: Register online for an EDD employer account number at <https://eddservices.edd.ca.gov>. You must register 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.

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 with the EDD. For additional information and registration options, refer to [page 7](#).

Step 3

ACTION REQUIRED:

- **Report new employee(s)** with the online *Report of New Employee(s)* (DE 34) at <https://eddservices.edd.ca.gov> within 20 days of the employee’s start-of-work date. All employees who are newly hired, rehired after a separation of at least 60 consecutive days, or returning to work from a furlough, separation, leave of absence without pay, or termination must be reported to the EDD. If you acquire an ongoing business and employ any of the former owner’s workers, these employees are considered new hires, and you must report them to the EDD’s New Employee Registry. For additional information and available reporting methods for reporting new employees, refer to [page 51](#).
- **Report independent contractor information** with the online *Report of Independent Contractor(s)* (DE 542) at <https://eddservices.edd.ca.gov> within 20 days of EITHER paying an independent contractor \$600 or more for services performed OR entering into a contract for \$600 or more, whichever is earlier. Independent contractor information must be reported to the EDD. For additional information and available reporting methods for Independent Contractor Reporting, refer to [page 53](#).
- **Provide your employees** with pamphlets on employee withholdings, Unemployment Insurance (UI), State Disability Insurance (SDI), and Paid Family Leave (PFL). For additional information on employee pamphlets, refer to [page 75](#).
- **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 75](#).

Step 4

ACTION REQUIRED: Make your **UI, Employment Training Tax (ETT), SDI, and California Personal Income Tax (PIT) Payroll Tax Deposit** (DE 88) payments online at <https://eddservices.edd.ca.gov>. 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 about deposit requirements and available payment options, refer to [pages 57 and 58](#).

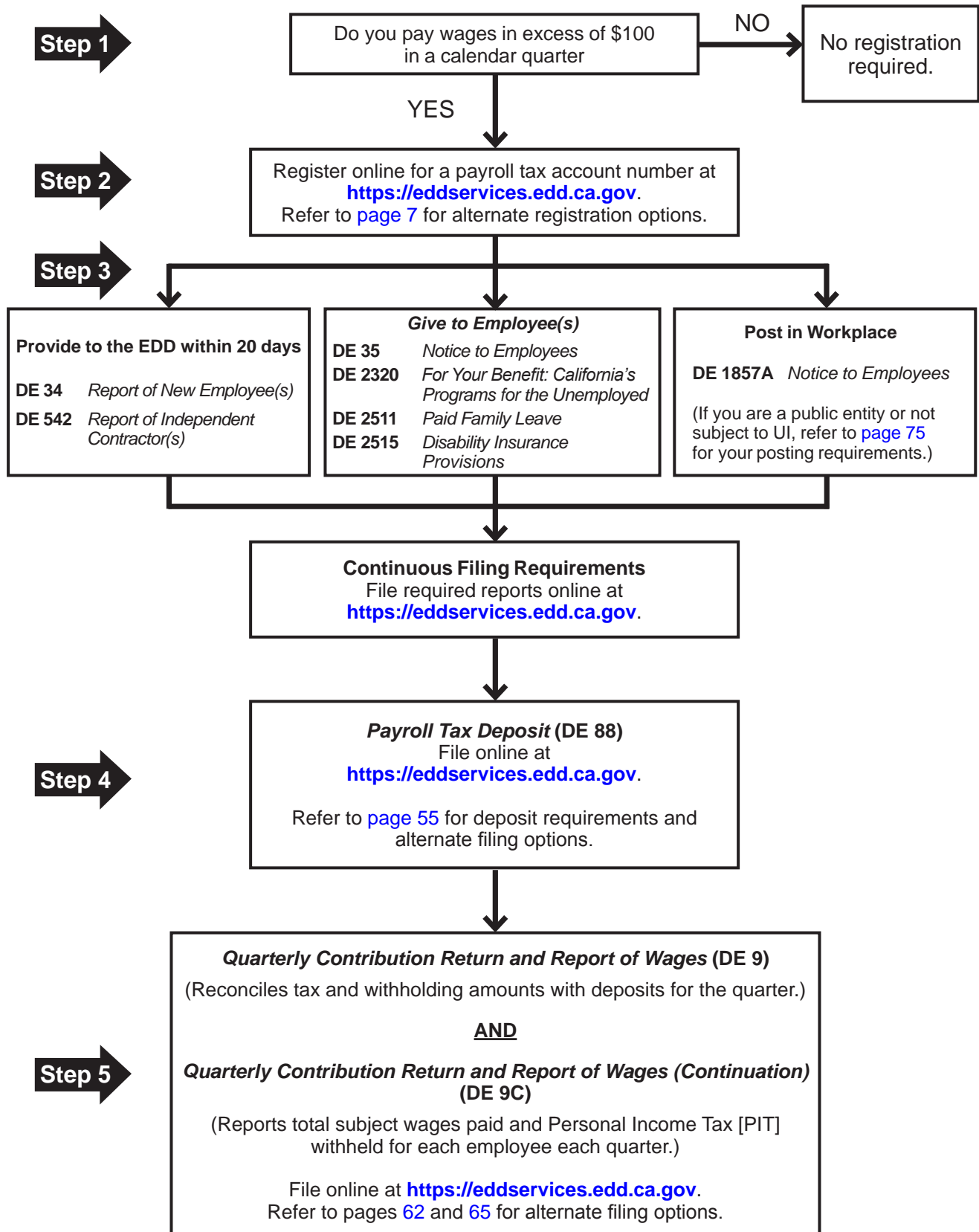
Step 5

ACTION REQUIRED: File a **Quarterly Contribution Return and Report of Wages (DE 9)** online at <https://eddservices.edd.ca.gov> 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 and available reporting options, refer to [pages 62 and 65](#).

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

For information on your federal employment tax reporting requirements, access the IRS website 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 website at www.edd.ca.gov or by calling the Taxpayer Assistance Center at 888-745-3886.

2015 FORMS AND DUE DATES			
Due		Form	Name
Within 15 calendar days after paying over \$100 in wages.		DE 1	<i>Registration Form for Commercial Employers</i> (If you are not a commercial employer, refer to page 7.)
Within 20 days of start of work for new or rehired employees.		DE 34	<i>Report of New Employee(s)</i>
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	<i>Report of Independent Contractor(s)</i>
Due	Delinquent if Not Filed by ¹	Report	Quarter
April 1, 2015	April 30, 2015	DE 9/DE 9C	1st (January, February, March)
July 1, 2015	July 31, 2015	DE 9/DE 9C	2nd (April, May, June)
October 1, 2015	November 2, 2015	DE 9/DE 9C	3rd (July, August, September)
January 1, 2016	February 1, 2016	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 Pay Date is	PIT and SDI Deposit Due by ²	California "Deposit Schedule" box to mark on the DE 88/ DE 88ALL
Next-Day	Less than \$350	Any payday	Quarterly ³	Quarterly
	\$350 to \$500	Any payday	15 th of the following month	Monthly
	More than \$500	Any payday	Next-Day	Next-Day
Semi-weekly	Less than \$350	Any payday	Quarterly ³	Quarterly
	\$350 to \$500	Any payday	15 th 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 payday	Quarterly ³	Quarterly
	\$350 or more	Any payday	15 th of the following month	Monthly
Quarterly ^{4, 5} or Annually ⁶	Less than \$350	Any payday	April 30, 2015 July 31, 2015 November 2, 2015 February 1, 2016	Quarterly
	\$350 or more	Any payday	15 th of the following month	Monthly

¹ Electronic transactions for Next-Day deposits must be settled in the state's bank account on or before the third business 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 you 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 withholdings quarterly or more often, based on the guidelines in this table. Information about federal deposit schedules is located in the Internal Revenue Service's Employer Tax Guide (Publication 15).

⁵ A deposit of employer UI and ETT taxes and any accumulated SDI and PIT withholdings not previously paid MUST BE DEPOSITED 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, you are 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, partnerships, corporations, nonprofit and charitable organizations, limited liability companies, limited liability partnerships, public entities (including state and federal agencies), schools, associations and trusts, estates, joint ventures, and Indian Tribes.

Private households, local college clubs, and local chapters of fraternities and sororities that employ workers to perform household services are "household employers." Additional information about household employment is available online at EDD's Household Employer Web page at www.edd.ca.gov/payroll_taxes/household_employer.htm or the *Household Employer's Guide* (DE 8829) is available online at www.edd.ca.gov/pdf_pub_ctr/de8829.pdf or contact the Taxpayer Assistance Center at 888-745-3886.

NOTE: If you acquired an existing business, refer to "What is a Successor Employer?" on [page 74](#) for further details.

When Do I Become an Employer?

You become an employer when you employ one or more employees and pay wages in excess of \$100 in a calendar quarter. 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. Household employers should refer to www.edd.ca.gov/payroll_taxes/household_employer.htm. For additional information, refer to "What are Wages?" on [page 11](#).

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 register online at <https://eddservices.edd.ca.gov> or 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) withholding and California Personal Income Tax (PIT) due on those wages.

➡ **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

Register online using the EDD's e-Services for Business at <https://eddservices.edd.ca.gov>.

Additional Option for Registering for an Employer Account Number

1. Select the appropriate registration form for your industry available online at www.edd.ca.gov/payroll_taxes/forms_and_publications.htm. These are the most common registration forms available:

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

2. Submit the completed registration form by mail or fax to the EDD:

**Employment Development Department
Account Services Group, MIC 28
PO Box 826880
Sacramento, CA 94280-0001
Fax: 916-654-9211**

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 over \$100 in a calendar quarter.
- You must register with 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 over the years based upon judgments rendered by the courts on individual cases. The **common law** rules of employment, as they exist today, are based on 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 website 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 website 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 website at www.edd.ca.gov/payroll_taxes/forms_and_publications.htm or contact the Taxpayer Assistance Center at 888-745-3886.
- **Independent Contractor Information** – *Frequently Asked Questions and Answers About the California Independent Contractor Reporting Law* (DE 542FAQ) and *Independent Contractor Misconceptions* (DE 573M) are available 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 website at www.cuiab.ca.gov/board/precedentdecisions/index.asp.
- **Payroll Tax Seminars** on employee and independent contractor issues – Access the EDD website 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 website 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 *Information Sheet: Types of Employment* (DE 231TE) at www.edd.ca.gov/pdf_pub_ctr/de231te.pdf.
- 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 SDI program.

UI and ETT are employer paid contributions. SDI and PIT are withheld from employee wages. Wages are generally 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 a period of two 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 *Information Sheet: California System of Experience Rating* (DE 231Z) by accessing the EDD website 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?

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?

ETT is an employer-paid tax. Employers are subject to pay 0.1 percent (.001) for ETT on the first \$7,000 in wages paid to each employee in a calendar year. The tax rate is set by statute at 0.1 percent (.001) of UI taxable wages for the employers with positive UI reserve account balances and employers subject to Section 977(c) of the California Unemployment Insurance Code (CUIC.) The maximum tax is \$7 per employee per year (\$7,000 x .001.)

STATE DISABILITY INSURANCE (SDI)

What is SDI Tax?

SDI tax allows the Disability Fund to pay Disability Insurance (DI) and Paid Family Leave (PFL) benefits to eligible claimants. 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, or childbirth.

PFL benefits are paid to eligible workers who take time off of work to care for a seriously ill child, parent, parent-in-law, grandparent, grandchild, sibling, spouse, or registered domestic partner, or to bond with a new child.

Who Pays It?

The SDI program is funded through a payroll deduction from employees' wages. Employers withhold .9 percent (.009) for SDI on the first \$104,378 in wages paid to each employee in a calendar year.

CALIFORNIA PERSONAL INCOME TAX (PIT)

What is California PIT?

California PIT is a tax levied on the income of California residents and on income that California nonresidents derive within California. The EDD administers the reporting, collection, and enforcement of PIT wage withholding. The Franchise Tax Board (FTB) and the EDD administer the California PIT program 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 \$104,378 of subject wages per employee, per year.	No limit. Please refer to PIT withholding schedules on the EDD website at www.edd.ca.gov/payroll_taxes/rates_and_withholding.htm .
Tax Rate	New employer tax rate is 3.4 percent (.034) for a period of two to three years. Following this period, the tax rate is calculated annually based on each employer's previous experience and the condition of the UI Fund. 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 CUIIC.	The 2015 SDI withholding rate is .9 percent (.009). 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 when employer is subject under Section 977(c) of the CUIIC.)	\$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).	\$939.40 per employee, per year (\$104,378 x .009).	No maximum.
NOTE: Some types of employment are not subject to payroll taxes and/or PIT withholding. Refer to <i>Information Sheet: Types of Employment</i> (DE 231TE) online at www.edd.ca.gov/pdf_pub_ctr/de231te.pdf . Certain types of wages and benefits are not subject to payroll taxes. Refer to <i>Information Sheet: Types of Payments</i> (DE 231TP) online at www.edd.ca.gov/pdf_pub_ctr/de231tp.pdf . For additional assistance contact the Taxpayer Assistance Center at 888-745-3886.				

HELP US FIGHT FRAUD

The "underground economy" includes 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 agencies, follows up on leads and conducts on-site inspections of businesses throughout the state.* To learn more about the EDD Underground Economy Operation (UEO) programs, access the EDD website 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 www.edd.ca.gov/pdf_pub_ctr/de660s.pdf or contact the 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 website at www.edd.ca.gov/payroll_taxes/forms_and_publications.htm or order copies using our online order form at www.edd.ca.gov/forms.
- Further information about how to help the 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 *Information Sheet: Employment Enforcement Task Force* (DE 631) available online 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) and State Disability Insurance (SDI) benefits a claimant should receive. Subject wages are the full amount of wages, regardless of the UI and SDI taxable wage limits. Refer to the inside front cover for UI/SDI taxable wage limits. Enter the Total Subject Wages in "Item F" 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 *Information Sheet: Types of Employment* (DE 231TE) and *Information Sheet: Types of Payments* (DE 231TP) available online at www.edd.ca.gov/payroll_taxes/forms_and_publications.htm or contact the Taxpayer Assistance Center at 888-745-3886.

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 G" on the DE 9C. For additional information, refer to *Information Sheet: Personal Income Tax Wages Reported on the Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C) (DE 231PIT) available online at www.edd.ca.gov/pdf_pub_ctr/de231pit.pdf 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.

ARE SUBJECT WAGES AND PIT WAGES THE SAME?

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 *Information Sheet: Types of Payments* (DE 231TP) available online at www.edd.ca.gov/pdf_pub_ctr/de231tp.pdf or contact the Taxpayer Assistance Center at 888-745-3886.
 - 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 *Information Sheet: Types of Employment* (DE 231TE) available online at www.edd.ca.gov/pdf_pub_ctr/de231te.pdf or contact the Taxpayer Assistance Center at 888-745-3886.
 - 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 *Information Sheet: Types of Employment* (DE 231TE) available online at www.edd.ca.gov/pdf_pub_ctr/de231te.pdf or contact the Taxpayer Assistance Center at 888-745-3886.
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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 the EDD using *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.

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
2015	\$ 11.05	\$ 2.25	\$ 3.40	\$ 5.40	\$ 3.95	\$ 41.75	\$ 1,287
2014	\$ 10.90	\$ 2.25	\$ 3.35	\$ 5.30	\$ 3.90	\$ 40.70	\$ 1,255

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 website at www.edd.ca.gov/payroll_taxes/rates_and_withholding.htm or contact the Taxpayer Assistance Center at 888-745-3886. If outside the U.S. or Canada, call 916-464-3502.

The *Tax Rates, Wages Limits, and Value of Meals and Lodging* (DE 3395) provides historical rate information for the last eight years and is available online at www.edd.ca.gov/pdf_pub_ctr/de3395.pdf.

ADDITIONAL INFORMATION

- Who is an Employee? [Page 8](#)
- EDD website (forms and publications): www.edd.ca.gov/payroll_taxes/forms_and_publications.htm
- Information Sheets:
 - DE 231A – *Wages*
 - DE 231TE – *Types of Employment*
 - DE 231TP – *Types of Payments*
 - 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*

For the latest news and helpful information,
refer to the online quarterly **California Employer Newsletter** at
www.edd.ca.gov/payroll_taxes/california_employer_newsletter.htm.

Subscribe to the EDD no-fee e-mail subscription services at
www.edd.ca.gov/about_edd/get_email_notices.htm.

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. To determine which wages require PIT withholding, refer to *Information Sheet: Types of Employment* (DE 231TE) and *Information Sheet: Types of Payments* (DE 231TP). These information sheets 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 8](#).

To obtain information sheets for specific industries and types of services, access the EDD website at www.edd.ca.gov/payroll_taxes/forms_and_publications.htm or contact the Taxpayer Assistance Center at 888-745-3886. If outside the U.S. or Canada, contact 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 the California Tax Service Center website 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 17](#) and the "Estimated Deduction" table on [page 19](#).

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 the DE 4, access the EDD website at www.edd.ca.gov/pdf_pub_ctr/de4.pdf or contact the Taxpayer Assistance Center at 888-745-3886.

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 an IRS 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.
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.

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:

- 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.

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.

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
PO 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.

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

For the latest news and helpful information,
refer to the online quarterly **California Employer Newsletter** at
www.edd.ca.gov/payroll_taxes/california_employer_newsletter.htm.

Subscribe to the EDD no-fee e-mail subscription services at
www.edd.ca.gov/about_edd/get_email_notices.htm.

HOW TO DETERMINE PIT WITHHOLDING AMOUNTS

Refer to [page 17](#) for the 2015 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, and 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 *Information Sheet: Stock Options* (DE 231SK) by accessing the EDD website at www.edd.ca.gov/pdf/pub_ctr/de231sk.pdf or contact 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.	<p>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.</p> <p>The wages paid must be reported as PIT wages on the <i>Quarterly Contribution Return and Report of Wages (Continuation)</i> (DE 9C). The PIT withheld must also be reported on the DE 9C.</p>
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.	<p>Make the withholding required by the other jurisdiction, and:</p> <ul style="list-style-type: none"> • 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. <p>The wages reported as PIT wages on the <i>Quarterly Contribution Return and Report of Wages (Continuation)</i> (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.</p>

WAGES PAID TO NONRESIDENTS OF CALIFORNIA

If	Then
A nonresident employee performs all services in California (may include spouse of a military service member).	<p>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 13).</p> <p>The wages paid must be reported as PIT wages on the DE 9C. The PIT withheld must also be reported on the DE 9C.</p>
A nonresident employee performs services both in California as well as in another state.	<p>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.</p> <p>The California wages must be reported as PIT wages on the DE 9C. The PIT withheld must also be reported on the DE 9C.</p> <p>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.</p>

PIT WITHHOLDING ON PAYMENTS TO NONRESIDENT INDEPENDENT CONTRACTORS

Please refer to the Franchise Tax Board's (FTB) *Resident and Nonresident Withholding Guidelines* (Publication 1017) for guidance regarding PIT withholding on payments to nonresident independent contractors for services performed in California. Publication 1017 can be obtained by contacting the FTB at 888-792-4900 or by accessing their website at www.ftb.ca.gov/forms/2012/12_1017.pdf.

ADDITIONAL INFORMATION

- EDD website (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*
 - DE 231TE – *Types of Employment*
 - DE 231TP – *Types of Payments*

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
PO 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 of 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 5 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.

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" (\$510.00); therefore, income tax should be withheld.
- Step 2**
- | | |
|--|-----------------|
| Earnings for the payroll period. | \$900.00 |
| Subtract amount from "TABLE 2 - ESTIMATED DEDUCTION TABLE" | <u>-58.00</u> |
| Salaries and wages subject to withholding | <u>\$842.00</u> |
- Step 3**
- | | |
|--|-----------|
| Total number of withholding allowances claimed. | 5 |
| Subtract number of estimated deduction allowances claimed. | <u>-3</u> |
| Net allowances for tax computation purposes. | <u>2</u> |
- 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.
- | | |
|--|---------------|
| | <u>\$7.47</u> |
|--|---------------|

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" (\$2,211.00); therefore, income tax should be withheld.
- Step 2**
- | | |
|---|-------------------|
| Earnings for the payroll period. | \$3,400.00 |
| Subtract amount from "TABLE 2 - ESTIMATED DEDUCTION TABLE." | <u>-167.00</u> |
| Salaries and wages subject to withholding. | <u>\$3,233.00</u> |
- Step 3**
- | | |
|--|-----------|
| Total number of withholding allowances claimed. | 6 |
| Subtract number of estimated deduction allowances claimed. | <u>-2</u> |
| Net allowances for tax computation purposes. | <u>4</u> |
- 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.
- | | |
|--|---------------|
| | <u>\$3.05</u> |
|--|---------------|

METHOD A---WAGE BRACKET TABLE METHOD

TABLE 1 - LOW INCOME EXEMPTION TABLE

PAYROLL PERIOD	SINGLE, DUAL INCOME MARRIED OR MARRIED WITH MULTIPLE EMPLOYERS	MARRIED		UNMARRIED HEAD OF HOUSEHOLD
		ALLOWANCES ON DE 4 OR W-4		
		'0' OR '1'	'2' OR MORE	
WEEKLY	\$255	\$255	\$510	\$510
BIWEEKLY	\$510	\$510	\$1,021	\$1,021
SEMI-MONTHLY	\$553	\$553	\$1,106	\$1,106
MONTHLY	\$1,106	\$1,106	\$2,211	\$2,211
QUARTERLY	\$3,317	\$3,317	\$6,633	\$6,633
SEMI-ANNUAL	\$6,634	\$6,634	\$13,267	\$13,267
ANNUAL	\$13,267	\$13,267	\$26,533	\$26,533
DAILY/MISCELLANEOUS	\$51	\$51	\$102	\$102

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 2015

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	0.97										
170	180	1.08										
180	190	1.19										
190	200	1.30										
200	210	1.41										
210	220	1.52										
220	230	1.63										
230	240	1.84										
240	250	2.06										
250	260	2.28										
260	270	2.50	0.21									
270	280	2.72	0.43									
280	290	2.94	0.65									
290	300	3.16	0.87									
300	310	3.38	1.09									
310	320	3.60	1.31									
320	330	3.82	1.53									
330	340	4.04	1.75									
340	350	4.26	1.97									
350	360	4.48	2.19									
360	370	4.70	2.41	0.13								
370	380	4.92	2.63	0.35								
380	390	5.14	2.85	0.57								
390	400	5.36	3.07	0.79								
400	410	5.58	3.29	1.01								
410	420	5.80	3.51	1.23								
420	430	6.02	3.73	1.45								
430	440	6.36	4.07	1.78								
440	460	7.02	4.73	2.44	0.15							
460	480	7.90	5.61	3.32	1.03							
480	500	8.78	6.49	4.20	1.91							
500	520	9.66	7.37	5.08	2.79	0.51						
520	540	10.54	8.25	5.96	3.67	1.39						
540	560	11.42	9.13	6.84	4.55	2.27						
560	580	12.30	10.01	7.72	5.43	3.15	0.86					
580	600	13.18	10.89	8.60	6.31	4.03	1.74					
600	620	14.06	11.77	9.48	7.19	4.91	2.62	0.33				
620	640	14.94	12.65	10.36	8.07	5.79	3.50	1.21				
640	680	16.81	14.52	12.24	9.95	7.66	5.37	3.08	0.80			
680	720	19.45	17.16	14.88	12.59	10.30	8.01	5.72	3.44	1.15		
720	760	22.09	19.80	17.52	15.23	12.94	10.65	8.36	6.08	3.79	1.50	
760	800	24.73	22.44	20.16	17.87	15.58	13.29	11.00	8.72	6.43	4.14	1.85
800	840	27.37	25.08	22.80	20.51	18.22	15.93	13.64	11.36	9.07	6.78	4.49
840	880	30.22	27.93	25.64	23.35	21.06	18.78	16.49	14.20	11.91	9.62	7.34
880	920	33.74	31.45	29.16	26.87	24.58	22.30	20.01	17.72	15.43	13.14	10.86
920	960	37.26	34.97	32.68	30.39	28.10	25.82	23.53	21.24	18.95	16.66	14.38
960	1000	40.78	38.49	36.20	33.91	31.62	29.34	27.05	24.76	22.47	20.18	17.90
1000	1040	44.30	42.01	39.72	37.43	35.14	32.86	30.57	28.28	25.99	23.70	21.42
1040	1080	47.89	45.60	43.31	41.03	38.74	36.45	34.16	31.87	29.59	27.30	25.01
1080	1120	51.98	49.69	47.41	45.12	42.83	40.54	38.25	35.97	33.68	31.39	29.10

1120 and over

(Use Method B - Exact Calculation Method)

MARRIED PERSONS---WEEKLY PAYROLL PERIOD

FOR WAGES PAID IN 2015

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	0.97										
170	180	1.08										
180	190	1.19										
190	200	1.30										
200	210	1.41										
210	220	1.52										
220	230	1.63										
230	240	1.74										
240	250	1.85										
250	260	1.96										
260	270	2.07										
270	280	2.18										
280	290	2.29										
290	300	2.40	0.11									
300	310	2.51	0.22									
310	320	2.62	0.33									
320	330	2.73	0.44									
330	340	2.84	0.55									
340	350	2.95	0.66									
350	360	3.06	0.77									
360	370	3.17	0.88									
370	380	3.28	1.00									
380	390	3.50	1.22									
390	400	3.72	1.44									
400	410	3.94	1.66									
410	420	4.16	1.88									
420	430	4.38	2.10									
430	440	4.60	2.32									
440	460	4.93	2.65									
460	480	5.37	3.09									
480	500	5.81	3.53									
500	520	6.25	3.97									
520	540	6.69	4.41	0.43								
540	560	7.13	4.85	0.87								
560	580	7.57	5.29	1.31								
580	600	8.01	5.73	1.75								
600	620	8.45	6.17	2.19								
620	640	8.89	6.61	2.63	0.34							
640	660	9.33	7.05	3.07	0.78							
660	680	9.77	7.49	3.51	1.22							
680	700	10.21	7.93	3.95	1.66							
700	720	10.65	8.37	4.39	2.10							
720	740	11.09	8.81	4.83	2.54	0.25						
740	760	11.53	9.25	5.27	2.98	0.69						
760	780	11.97	9.69	5.71	3.42	1.13						
780	800	12.57	10.28	6.15	3.86	1.57						
800	820	13.45	11.16	6.59	4.30	2.01						
820	840	14.33	12.04	7.03	4.74	2.45	0.16					
840	860	15.21	12.92	7.47	5.18	2.89	0.60					
860	880	16.09	13.80	8.14	5.85	3.56	1.27					

--- CONTINUED NEXT PAGE ---

MARRIED PERSONS----WEEKLY PAYROLL PERIOD

FOR WAGES PAID IN 2015

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	16.97	14.68	9.02	6.73	4.44	2.15					
900	920	17.85	15.56	9.90	7.61	5.32	3.03	0.75				
920	940	18.73	16.44	10.78	8.49	6.20	3.91	1.63				
940	960	19.61	17.32	11.66	9.37	7.08	4.79	2.51	0.22			
960	980	20.49	18.20	12.54	10.25	7.96	5.67	3.39	1.10			
980	1000	21.37	19.08	13.42	11.13	8.84	6.55	4.27	1.98			
1000	1020	22.25	19.96	14.30	12.01	9.72	7.43	5.15	2.86	0.57		
1020	1040	23.13	20.84	15.18	12.89	10.60	8.31	6.03	3.74	1.45		
1040	1060	24.01	21.72	16.06	13.77	11.48	9.19	6.91	4.62	2.33	0.04	
1060	1080	24.89	22.60	16.94	14.65	12.36	10.07	7.79	5.50	3.21	0.92	
1080	1100	25.77	23.48	17.82	15.53	13.24	10.95	8.67	6.38	4.09	1.80	
1100	1120	26.65	24.36	18.70	16.41	14.12	11.83	9.55	7.26	4.97	2.68	0.39
1120	1140	27.53	25.24	19.58	17.29	15.00	12.71	10.43	8.14	5.85	3.56	1.27
1140	1180	28.85	26.56	20.90	18.61	16.32	14.03	11.75	9.46	7.17	4.88	2.59
1180	1220	30.77	28.48	22.66	20.37	18.08	15.79	13.51	11.22	8.93	6.64	4.35
1220	1260	33.41	31.12	24.42	22.13	19.84	17.55	15.27	12.98	10.69	8.40	6.11
1260	1300	36.05	33.76	26.41	24.12	21.83	19.54	17.26	14.97	12.68	10.39	8.10
1300	1340	38.69	36.40	29.05	26.76	24.47	22.18	19.90	17.61	15.32	13.03	10.74
1340	1380	41.33	39.04	31.69	29.40	27.11	24.82	22.54	20.25	17.96	15.67	13.38
1380	1420	43.97	41.68	34.33	32.04	29.75	27.46	25.18	22.89	20.60	18.31	16.02
1420	1460	46.61	44.32	36.97	34.68	32.39	30.10	27.82	25.53	23.24	20.95	18.66
1460	1500	49.25	46.96	39.61	37.32	35.03	32.74	30.46	28.17	25.88	23.59	21.30
1500	1540	51.89	49.60	42.25	39.96	37.67	35.38	33.10	30.81	28.52	26.23	23.94
1540	1580	54.53	52.24	44.89	42.60	40.31	38.02	35.74	33.45	31.16	28.87	26.58
1580	1620	57.17	54.88	47.53	45.24	42.95	40.66	38.38	36.09	33.80	31.51	29.22
1620	1660	60.15	57.86	50.17	47.88	45.59	43.30	41.02	38.73	36.44	34.15	31.86
1660	1700	63.67	61.38	52.81	50.52	48.23	45.94	43.66	41.37	39.08	36.79	34.50
1700	1740	67.19	64.90	55.85	53.57	51.28	48.99	46.70	44.41	42.13	39.84	37.55
1740	1780	70.71	68.42	59.37	57.09	54.80	52.51	50.22	47.93	45.65	43.36	41.07
1780	1820	74.23	71.94	62.89	60.61	58.32	56.03	53.74	51.45	49.17	46.88	44.59
1820	1860	77.75	75.46	66.41	64.13	61.84	59.55	57.26	54.97	52.69	50.40	48.11
1860	1900	81.27	78.98	69.93	67.65	65.36	63.07	60.78	58.49	56.21	53.92	51.63
1900	1940	84.79	82.50	73.45	71.17	68.88	66.59	64.30	62.01	59.73	57.44	55.15
1940	1980	88.31	86.02	76.97	74.69	72.40	70.11	67.82	65.53	63.25	60.96	58.67
1980	2020	91.83	89.54	80.49	78.21	75.92	73.63	71.34	69.05	66.77	64.48	62.19
2020	2060	95.45	93.16	84.01	81.73	79.44	77.15	74.86	72.57	70.29	68.00	65.71
2060	2100	99.54	97.25	87.53	85.25	82.96	80.67	78.38	76.09	73.81	71.52	69.23
2100	2140	103.63	101.35	91.20	88.92	86.63	84.34	82.05	79.76	77.48	75.19	72.90
2140	2180	107.73	105.44	95.30	93.01	90.72	88.43	86.14	83.86	81.57	79.28	76.99
2180	2220	111.82	109.53	99.39	97.10	94.81	92.52	90.24	87.95	85.66	83.37	81.08

2220 and over

(Use Method B - Exact Calculation Method)

UNMARRIED HEAD OF HOUSEHOLD----WEEKLY PAYROLL PERIOD

FOR WAGES PAID IN 2015

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	1.12										
260	270	1.23										
270	280	1.34										
280	290	1.45										
290	300	1.56										
300	310	1.67										
310	320	1.78										
320	330	1.89										
330	340	2.00										
340	350	2.11										
350	360	2.22										
360	370	2.33	0.04									
370	380	2.44	0.15									
380	390	2.55	0.26									
390	400	2.66	0.37									
400	410	2.77	0.48									
410	420	2.88	0.59									
420	430	2.99	0.70									
430	440	3.10	0.81									
440	450	3.21	0.92									
450	460	3.35	1.07									
460	470	3.57	1.29									
470	480	3.79	1.51									
480	490	4.01	1.73									
490	500	4.23	1.95									
500	520	4.56	2.28									
520	540	5.00	2.72	0.43								
540	560	5.44	3.16	0.87								
560	580	5.88	3.60	1.31								
580	600	6.32	4.04	1.75								
600	620	6.76	4.48	2.19								
620	640	7.20	4.92	2.63	0.34							
640	660	7.64	5.36	3.07	0.78							
660	680	8.08	5.80	3.51	1.22							
680	700	8.52	6.24	3.95	1.66							
700	740	9.18	6.90	4.61	2.32							
740	780	10.06	7.78	5.49	3.20	0.91						
780	820	10.94	8.66	6.37	4.08	1.79						
820	860	11.82	9.54	7.25	4.96	2.67	0.38					
860	900	13.13	10.84	8.56	6.27	3.98	1.69					
900	950	15.11	12.82	10.54	8.25	5.96	3.67	1.38				
950	1000	17.31	15.02	12.74	10.45	8.16	5.87	3.58	1.30			
1000	1050	19.51	17.22	14.94	12.65	10.36	8.07	5.78		1.21		
1050	1100	21.94	19.65	17.37	15.08	12.79	10.50	8.21	5.93	3.64	1.35	
1100	1150	25.24	22.95	20.67	18.38	16.09	13.80	11.51	9.23	6.94	4.65	2.36
1150	1200	28.54	26.25	23.97	21.68	19.39	17.10	14.81	12.53	10.24	7.95	5.66
1200	1250	31.84	29.55	27.27	24.98	22.69	20.40	18.11	15.83	13.54	11.25	8.96
1250	1300	35.14	32.85	30.57	28.28	25.99	23.70	21.41	19.13	16.84	14.55	12.26
1300	1400	41.62	39.33	37.04	34.76	32.47	30.18	27.89	25.60	23.32	21.03	18.74
1400	1500	50.42	48.13	45.84	43.56	41.27	38.98	36.69	34.40	32.12	29.83	27.54
1500	1600	60.14	57.85	55.57	53.28	50.99	48.70	46.41	44.13	41.84	39.55	37.26
1600	1700	70.37	68.08	65.80	63.51	61.22	58.93	56.64	54.36	52.07	49.78	47.49
1700	and over											

(Use Method B - Exact Calculation Method)

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

FOR WAGES PAID IN 2015

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	1.28										
280	300	1.50										
300	320	1.72										
320	340	1.94										
340	360	2.16										
360	380	2.38										
380	400	2.60										
400	420	2.82										
420	440	3.04										
440	460	3.26										
460	480	3.68										
480	500	4.12										
500	520	4.56										
520	540	5.00	0.43									
540	560	5.44	0.87									
560	580	5.88	1.31									
580	600	6.32	1.75									
600	620	6.76	2.19									
620	640	7.20	2.63									
640	660	7.64	3.07									
660	680	8.08	3.51									
680	700	8.52	3.95									
700	720	8.96	4.39									
720	740	9.40	4.83	0.25								
740	760	9.84	5.27	0.69								
760	780	10.28	5.71	1.13								
780	800	10.72	6.15	1.57								
800	820	11.16	6.59	2.01								
820	860	11.82	7.25	2.67								
860	900	13.15	8.58	4.00								
900	940	14.91	10.34	5.76	1.19							
940	980	16.67	12.10	7.52	2.95							
980	1020	18.43	13.86	9.28	4.71	0.13						
1020	1070	20.41	15.84	11.26	6.69	2.11						
1070	1120	22.61	18.04	13.46	8.89	4.31						
1120	1170	24.81	20.24	15.66	11.09	6.51	1.93					
1170	1220	27.01	22.44	17.86	13.29	8.71	4.13					
1220	1270	29.21	24.64	20.06	15.49	10.91	6.33	1.76				
1270	1320	31.97	27.40	22.82	18.25	13.67	9.09	4.52				
1320	1370	35.27	30.70	26.12	21.55	16.97	12.39	7.82	3.24			
1370	1420	38.57	34.00	29.42	24.85	20.27	15.69	11.12	6.54	1.97		
1420	1470	41.87	37.30	32.72	28.15	23.57	18.99	14.42	9.84	5.27	0.69	
1470	1520	45.17	40.60	36.02	31.45	26.87	22.29	17.72	13.14	8.57	3.99	
1520	1620	50.12	45.55	40.97	36.40	31.82	27.24	22.67	18.09	13.52	8.94	4.36
1620	1720	56.72	52.15	47.57	43.00	38.42	33.84	29.27	24.69	20.12	15.54	10.96
1720	1820	64.83	60.25	55.68	51.10	46.53	41.95	37.37	32.80	28.22	23.65	19.07
1820	1920	73.63	69.05	64.48	59.90	55.33	50.75	46.17	41.60	37.02	32.45	27.87
1920	2020	82.43	77.85	73.28	68.70	64.13	59.55	54.97	50.40	45.82	41.25	36.67
2020	2120	91.23	86.65	82.08	77.50	72.93	68.35	63.77	59.20	54.62	50.05	45.47
2120	2220	100.90	96.32	91.74	87.17	82.59	78.02	73.44	68.86	64.29	59.71	55.14
2220	2320	111.13	106.55	101.97	97.40	92.82	88.25	83.67	79.09	74.52	69.94	65.37
2320	and over											

(Use Method B - Exact Calculation Method)

MARRIED PERSONS---BIWEEKLY PAYROLL PERIOD

FOR WAGES PAID IN 2015

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	1.28										
280	300	1.50										
300	320	1.72										
320	340	1.94										
340	360	2.16										
360	380	2.38										
380	400	2.60										
400	420	2.82										
420	440	3.04										
440	460	3.26										
460	480	3.48										
480	500	3.70										
500	520	3.92										
520	540	4.14										
540	560	4.36										
560	580	4.58	0.01									
580	600	4.80	0.23									
600	620	5.02	0.45									
620	640	5.24	0.67									
640	660	5.46	0.89									
660	680	5.68	1.11									
680	700	5.90	1.33									
700	720	6.12	1.55									
720	740	6.34	1.77									
740	760	6.57	1.99									
760	780	7.01	2.43									
780	800	7.45	2.87									
800	820	7.89	3.31									
820	840	8.33	3.75									
840	860	8.77	4.19									
860	880	9.21	4.63									
880	900	9.65	5.07									
900	920	10.09	5.51									
920	940	10.53	5.95									
940	960	10.97	6.39									
960	980	11.41	6.83									
980	1000	11.85	7.27									
1000	1020	12.29	7.71									
1020	1060	12.95	8.37	0.42								
1060	1100	13.83	9.25	1.30								
1100	1140	14.71	10.13	2.18								
1140	1180	15.59	11.01	3.06								
1180	1220	16.47	11.89	3.94								
1220	1260	17.35	12.77	4.82	0.24							
1260	1300	18.23	13.65	5.70	1.12							
1300	1340	19.11	14.53	6.58	2.00							
1340	1380	19.99	15.41	7.46	2.88							
1380	1420	20.87	16.29	8.34	3.76							
1420	1460	21.75	17.17	9.22	4.64	0.06						
1460	1500	22.63	18.05	10.10	5.52	0.94						

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MARRIED PERSONS----BIWEEKLY PAYROLL PERIOD

FOR WAGES PAID IN 2015

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	23.51	18.93	10.98	6.40	1.82						
1540	1580	24.39	19.81	11.86	7.28	2.70						
1580	1620	26.02	21.45	12.74	8.16	3.58						
1620	1660	27.78	23.21	13.62	9.04	4.46						
1660	1700	29.54	24.97	14.50	9.92	5.34	0.77					
1700	1740	31.30	26.73	15.40	10.82	6.24	1.67					
1740	1780	33.06	28.49	17.16	12.58	8.00	3.43					
1780	1820	34.82	30.25	18.92	14.34	9.76	5.19	0.61				
1820	1860	36.58	32.01	20.68	16.10	11.52	6.95	2.37				
1860	1900	38.34	33.77	22.44	17.86	13.28	8.71	4.13				
1900	1940	40.10	35.53	24.20	19.62	15.04	10.47	5.89	1.32			
1940	1980	41.86	37.29	25.96	21.38	16.80	12.23	7.65	3.08			
1980	2020	43.62	39.05	27.72	23.14	18.56	13.99	9.41	4.84	0.26		
2020	2060	45.38	40.81	29.48	24.90	20.32	15.75	11.17	6.60	2.02		
2060	2100	47.14	42.57	31.24	26.66	22.08	17.51	12.93	8.36	3.78		
2100	2140	48.90	44.33	33.00	28.42	23.84	19.27	14.69	10.12	5.54	0.96	
2140	2180	50.66	46.09	34.76	30.18	25.60	21.03	16.45	11.88	7.30	2.72	
2180	2220	52.42	47.85	36.52	31.94	27.36	22.79	18.21	13.64	9.06	4.48	
2220	2260	54.18	49.61	38.28	33.70	29.12	24.55	19.97	15.40	10.82	6.24	1.67
2260	2300	55.94	51.37	40.04	35.46	30.88	26.31	21.73	17.16	12.58	8.00	3.43
2300	2350	57.92	53.35	42.02	37.44	32.86	28.29	23.71	19.14	14.56	9.98	5.41
2350	2400	60.12	55.55	44.22	39.64	35.06	30.49	25.91	21.34	16.76	12.18	7.61
2400	2450	63.19	58.62	46.42	41.84	37.26	32.69	28.11	23.54	18.96	14.38	9.81
2450	2500	66.49	61.92	48.62	44.04	39.46	34.89	30.31	25.74	21.16	16.58	12.01
2500	2550	69.79	65.22	50.82	46.24	41.66	37.09	32.51	27.94	23.36	18.78	14.21
2550	2600	73.09	68.52	53.81	49.23	44.65	40.08	35.50	30.93	26.35	21.77	17.20
2600	2650	76.39	71.82	57.11	52.53	47.95	43.38	38.80	34.23	29.65	25.07	20.50
2650	2700	79.69	75.12	60.41	55.83	51.25	46.68	42.10	37.53	32.95	28.37	23.80
2700	2750	82.99	78.42	63.71	59.13	54.55	49.98	45.40	40.83	36.25	31.67	27.10
2750	2800	86.29	81.72	67.01	62.43	57.85	53.28	48.70	44.13	39.55	34.97	30.40
2800	2850	89.59	85.02	70.31	65.73	61.15	56.58	52.00	47.43	42.85	38.27	33.70
2850	2900	92.89	88.32	73.61	69.03	64.45	59.88	55.30	50.73	46.15	41.57	37.00
2900	2950	96.19	91.62	76.91	72.33	67.75	63.18	58.60	54.03	49.45	44.87	40.30
2950	3000	99.49	94.92	80.21	75.63	71.05	66.48	61.90	57.33	52.75	48.17	43.60
3000	3100	104.44	99.87	85.16	80.58	76.00	71.43	66.85	62.28	57.70	53.12	48.55
3100	3200	111.04	106.47	91.76	87.18	82.60	78.03	73.45	68.88	64.30	59.72	55.15
3200	3300	117.65	113.08	98.36	93.78	89.20	84.63	80.05	75.48	70.90	66.32	61.75
3300	3400	126.45	121.88	104.96	100.38	95.80	91.23	86.65	82.08	77.50	72.92	68.35
3400	3500	135.25	130.68	112.59	108.01	103.44	98.86	94.28	89.71	85.13	80.56	75.98
3500	3600	144.05	139.48	121.39	116.81	112.24	107.66	103.08	98.51	93.93	89.36	84.78
3600	3700	152.85	148.28	130.19	125.61	121.04	116.46	111.88	107.31	102.73	98.16	93.58
3700	3800	161.65	157.08	138.99	134.41	129.84	125.26	120.68	116.11	111.53	106.96	102.38
3800	3900	170.45	165.88	147.79	143.21	138.64	134.06	129.48	124.91	120.33	115.76	111.18
3900	4000	179.25	174.68	156.59	152.01	147.44	142.86	138.28	133.71	129.13	124.56	119.98
4000	4100	188.05	183.48	165.39	160.81	156.24	151.66	147.08	142.51	137.93	133.36	128.78
4100	4200	198.06	193.48	174.19	169.61	165.04	160.46	155.88	151.31	146.73	142.16	137.58
4200	4300	208.29	203.71	183.43	178.86	174.28	169.70	165.13	160.55	155.98	151.40	146.82
4300	4400	218.52	213.94	193.66	189.09	184.51	179.93	175.36	170.78	166.21	161.63	157.05
4400	and over											

(Use Method B - Exact Calculation Method)

UNMARRIED HEAD OF HOUSEHOLD----BIWEEKLY PAYROLL PERIOD

FOR WAGES PAID IN 2015

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	2.89										
580	600	3.11										
600	620	3.33										
620	640	3.55										
640	660	3.77										
660	680	3.99										
680	700	4.21										
700	720	4.43										
720	740	4.65	0.08									
740	760	4.87	0.30									
760	780	5.09	0.52									
780	800	5.31	0.74									
800	820	5.53	0.96									
820	840	5.75	1.18									
840	860	5.97	1.40									
860	880	6.19	1.62									
880	900	6.41	1.84									
900	920	6.71	2.13									
920	940	7.15	2.57									
940	960	7.59	3.01									
960	980	8.03	3.45									
980	1000	8.47	3.89									
1000	1040	9.13	4.55									
1040	1080	10.01	5.43	0.86								
1080	1120	10.89	6.31	1.74								
1120	1160	11.77	7.19	2.62								
1160	1200	12.65	8.07	3.50								
1200	1250	13.64	9.06	4.49								
1250	1300	14.74	10.16	5.59	1.01							
1300	1350	15.84	11.26	6.69	2.11							
1350	1400	16.94	12.36	7.79	3.21							
1400	1450	18.04	13.46	8.89	4.31							
1450	1500	19.14	14.56	9.99	5.41	0.83						
1500	1550	20.24	15.66	11.09	6.51	1.93						
1550	1600	21.34	16.76	12.19	7.61	3.03						
1600	1650	22.44	17.86	13.29	8.71	4.13						
1650	1700	23.54	18.96	14.39	9.81	5.23	0.66					
1700	1750	24.72	20.15	15.57	11.00	6.42	1.84					
1750	1800	26.92	22.35	17.77	13.20	8.62	4.04					
1800	1850	29.12	24.55	19.97	15.40	10.82	6.24	1.67				
1850	1950	32.42	27.85	23.27	18.70	14.12	9.54	4.97	0.39			
1950	2050	36.82	32.25	27.67	23.10	18.52	13.94	9.37	4.79	0.22		
2050	2150	41.22	36.65	32.07	27.50	22.92	18.34	13.77	9.19	4.62	0.04	
2150	2250	47.18	42.61	38.03	33.46	28.88	24.30	19.73	15.15	10.58	6.00	1.42
2250	2350	53.78	49.21	44.63	40.06	35.48	30.90	26.33	21.75	17.18	12.60	8.02
2350	2450	60.38	55.81	51.23	46.66	42.08	37.50	32.93	28.35	23.78	19.20	14.62
2450	2550	66.98	62.41	57.83	53.26	48.68	44.10	39.53	34.95	30.38	25.80	21.22
2550	2650	74.44	69.86	65.29	60.71	56.14	51.56	46.98	42.41	37.83	33.26	28.68
2650	2750	83.24	78.66	74.09	69.51	64.94	60.36	55.78	51.21	46.63	42.06	37.48
2750	2850	92.04	87.46	82.89	78.31	73.74	69.16	64.58	60.01	55.43	50.86	46.28
2850	2950	100.84	96.26	91.69	87.11	82.54	77.96	73.38	68.81	64.23	59.66	55.08
2950	3050	110.05	105.48	100.90	96.33	91.75	87.17	82.60	78.02	73.45	68.87	64.29
3050	3150	120.28	115.71	111.13	106.56	101.98	97.40	92.83	88.25	83.68	79.10	74.52

3150 and over

(Use Method B - Exact Calculation Method)

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

FOR WAGES PAID IN 2015

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	1.58										
320	340	1.80										
340	360	2.02										
360	380	2.24										
380	400	2.46										
400	420	2.68										
420	440	2.90										
440	460	3.12										
460	480	3.34										
480	500	3.57										
500	540	4.23										
540	580	5.11	0.16									
580	620	5.99	1.04									
620	660	6.87	1.92									
660	700	7.75	2.80									
700	740	8.63	3.68									
740	780	9.51	4.56									
780	820	10.39	5.44	0.49								
820	860	11.27	6.32	1.37								
860	900	12.15	7.20	2.25								
900	940	13.03	8.08	3.13								
940	980	14.54	9.59	4.64								
980	1020	16.30	11.35	6.40	1.45							
1020	1060	18.06	13.11	8.16	3.21							
1060	1100	19.82	14.87	9.92	4.97	0.02						
1100	1140	21.58	16.63	11.68	6.73	1.78						
1140	1180	23.34	18.39	13.44	8.49	3.54						
1180	1220	25.10	20.15	15.20	10.25	5.30	0.35					
1220	1260	26.86	21.91	16.96	12.01	7.06	2.11					
1260	1300	28.62	23.67	18.72	13.77	8.82	3.87					
1300	1340	30.38	25.43	20.48	15.53	10.58	5.63	0.68				
1340	1380	32.14	27.19	22.24	17.29	12.34	7.39	2.44				
1380	1420	34.46	29.51	24.56	19.61	14.66	9.71	4.76				
1420	1460	37.10	32.15	27.20	22.25	17.30	12.35	7.40	2.45			
1460	1500	39.74	34.79	29.84	24.89	19.94	14.99	10.04	5.09	0.14		
1500	1540	42.38	37.43	32.48	27.53	22.58	17.63	12.68	7.73	2.78		
1540	1580	45.02	40.07	35.12	30.17	25.22	20.27	15.32	10.37	5.42	0.47	
1580	1620	47.66	42.71	37.76	32.81	27.86	22.91	17.96	13.01	8.06	3.11	
1620	1660	50.30	45.35	40.40	35.45	30.50	25.55	20.60	15.65	10.70	5.75	0.80
1660	1700	52.94	47.99	43.04	38.09	33.14	28.19	23.24	18.29	13.34	8.39	3.44
1700	1750	55.91	50.96	46.01	41.06	36.11	31.16	26.21	21.26	16.31	11.36	6.41
1750	1800	59.21	54.26	49.31	44.36	39.41	34.46	29.51	24.56	19.61	14.66	9.71
1800	1850	62.51	57.56	52.61	47.66	42.71	37.76	32.81	27.86	22.91	17.96	13.01
1850	1900	66.51	61.56	56.61	51.66	46.71	41.76	36.81	31.86	26.91	21.96	17.01
1900	1950	70.91	65.96	61.01	56.06	51.11	46.16	41.21	36.26	31.31	26.36	21.41
1950	2000	75.31	70.36	65.41	60.46	55.51	50.56	45.61	40.66	35.71	30.76	25.81
2000	2100	81.91	76.96	72.01	67.06	62.11	57.16	52.21	47.26	42.31	37.36	32.41
2100	2200	90.71	85.76	80.81	75.86	70.91	65.96	61.01	56.06	51.11	46.16	41.21
2200	2300	99.51	94.56	89.61	84.66	79.71	74.76	69.81	64.86	59.91	54.96	50.01
2300	2400	109.22	104.27	99.32	94.37	89.42	84.47	79.52	74.57	69.62	64.67	59.72
2400	2500	119.45	114.50	109.55	104.60	99.65	94.70	89.75	84.80	79.85	74.90	69.95

2500 and over

(Use Method B - Exact Calculation Method)

MARRIED PERSONS----SEMI-MONTHLY PAYROLL PERIOD

FOR WAGES PAID IN 2015

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	1.58										
320	340	1.80										
340	360	2.02										
360	380	2.24										
380	400	2.46										
		0.00										
400	420	2.68										
420	440	2.90										
440	460	3.12										
460	480	3.34										
480	500	3.56										
		0.00										
500	520	3.78										
520	540	4.00										
540	560	4.22										
560	580	4.44										
580	600	4.66										
600	620	4.88										
620	640	5.10	0.15									
640	660	5.32	0.37									
660	680	5.54	0.59									
680	700	5.76	0.81									
700	720	5.98	1.03									
720	740	6.20	1.25									
740	760	6.42	1.47									
760	780	6.64	1.69									
780	800	6.86	1.91									
800	820	7.08	2.13									
820	840	7.49	2.54									
840	860	7.93	2.98									
860	880	8.37	3.42									
880	900	8.81	3.86									
900	920	9.25	4.30									
920	940	9.69	4.74									
940	960	10.13	5.18									
960	980	10.57	5.62									
980	1000	11.01	6.06									
1000	1040	11.67	6.72									
1040	1080	12.55	7.60									
1080	1120	13.43	8.48									
1120	1160	14.31	9.36	0.76								
1160	1200	15.19	10.24	1.64								
1200	1240	16.07	11.12	2.52								
1240	1280	16.95	12.00	3.40								
1280	1320	17.83	12.88	4.28								
1320	1360	18.71	13.76	5.16	0.21							
1360	1400	19.59	14.64	6.04	1.09							
1400	1440	20.47	15.52	6.92	1.97							
1440	1480	21.35	16.40	7.80	2.85							
1480	1520	22.23	17.28	8.68	3.73							
1520	1560	23.11	18.16	9.56	4.61							
1560	1600	23.99	19.04	10.44	5.49	0.54						

--- CONTINUED NEXT PAGE ---

MARRIED PERSONS-----SEMI-MONTHLY PAYROLL PERIOD

FOR WAGES PAID IN 2015

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	24.87	19.92	11.32	6.37	1.42						
1640	1680	25.75	20.80	12.20	7.25	2.30						
1680	1720	26.72	21.77	13.08	8.13	3.18						
1720	1760	28.48	23.53	13.96	9.01	4.06						
1760	1800	30.24	25.29	14.84	9.89	4.94						
1800	1840	32.00	27.05	15.72	10.77	5.82	0.87					
1840	1880	33.76	28.81	16.60	11.65	6.70	1.75					
1880	1920	35.52	30.57	18.30	13.35	8.40	3.45					
1920	1960	37.28	32.33	20.06	15.11	10.16	5.21	0.26				
1960	2000	39.04	34.09	21.82	16.87	11.92	6.97	2.02				
2000	2040	40.80	35.85	23.58	18.63	13.68	8.73	3.78				
2040	2080	42.56	37.61	25.34	20.39	15.44	10.49	5.54	0.59			
2080	2120	44.32	39.37	27.10	22.15	17.20	12.25	7.30	2.35			
2120	2160	46.08	41.13	28.86	23.91	18.96	14.01	9.06	4.11			
2160	2200	47.84	42.89	30.62	25.67	20.72	15.77	10.82	5.87	0.92		
2200	2250	49.82	44.87	32.60	27.65	22.70	17.75	12.80	7.85	2.90		
2250	2300	52.02	47.07	34.80	29.85	24.90	19.95	15.00	10.05	5.10	0.15	
2300	2350	54.22	49.27	37.00	32.05	27.10	22.15	17.20	12.25	7.30	2.35	
2350	2400	56.42	51.47	39.20	34.25	29.30	24.35	19.40	14.45	9.50	4.55	
2400	2450	58.62	53.67	41.40	36.45	31.50	26.55	21.60	16.65	11.70	6.75	1.80
2450	2500	60.82	55.87	43.60	38.65	33.70	28.75	23.80	18.85	13.90	8.95	4.00
2500	2550	63.02	58.07	45.80	40.85	35.90	30.95	26.00	21.05	16.10	11.15	6.20
2550	2600	65.22	60.27	48.00	43.05	38.10	33.15	28.20	23.25	18.30	13.35	8.40
2600	2650	68.35	63.40	50.20	45.25	40.30	35.35	30.40	25.45	20.50	15.55	10.60
2650	2700	71.65	66.70	52.40	47.45	42.50	37.55	32.60	27.65	22.70	17.75	12.80
2700	2750	74.95	70.00	54.60	49.65	44.70	39.75	34.80	29.85	24.90	19.95	15.00
2750	2800	78.25	73.30	57.38	52.43	47.48	42.53	37.58	32.63	27.68	22.73	17.78
2800	2850	81.55	76.60	60.68	55.73	50.78	45.83	40.88	35.93	30.98	26.03	21.08
2850	2900	84.85	79.90	63.98	59.03	54.08	49.13	44.18	39.23	34.28	29.33	24.38
2900	2950	88.15	83.20	67.28	62.33	57.38	52.43	47.48	42.53	37.58	32.63	27.68
2950	3000	91.45	86.50	70.58	65.63	60.68	55.73	50.78	45.83	40.88	35.93	30.98
3000	3100	96.40	91.45	75.53	70.58	65.63	60.68	55.73	50.78	45.83	40.88	35.93
3100	3200	103.00	98.05	82.13	77.18	72.23	67.28	62.33	57.38	52.43	47.48	42.53
3200	3300	109.60	104.65	88.73	83.78	78.83	73.88	68.93	63.98	59.03	54.08	49.13
3300	3400	116.20	111.25	95.33	90.38	85.43	80.48	75.53	70.58	65.63	60.68	55.73
3400	3500	122.80	117.85	101.93	96.98	92.03	87.08	82.13	77.18	72.23	67.28	62.33
3500	3600	130.06	125.11	108.53	103.58	98.63	93.68	88.73	83.78	78.83	73.88	68.93
3600	3700	138.86	133.91	115.13	110.18	105.23	100.28	95.33	90.38	85.43	80.48	75.53
3700	3800	147.66	142.71	123.12	118.17	113.22	108.27	103.32	98.37	93.42	88.47	83.52
3800	3900	156.46	151.51	131.92	126.97	122.02	117.07	112.12	107.17	102.22	97.27	92.32
3900	4000	165.26	160.31	140.72	135.77	130.82	125.87	120.92	115.97	111.02	106.07	101.12
4000	4100	174.06	169.11	149.52	144.57	139.62	134.67	129.72	124.77	119.82	114.87	109.92
4100	4200	182.86	177.91	158.32	153.37	148.42	143.47	138.52	133.57	128.62	123.67	118.72
4200	4300	191.66	186.71	167.12	162.17	157.22	152.27	147.32	142.37	137.42	132.47	127.52
4300	4400	200.46	195.51	175.92	170.97	166.02	161.07	156.12	151.17	146.22	141.27	136.32
4400	4500	209.88	204.93	184.72	179.77	174.82	169.87	164.92	159.97	155.02	150.07	145.12
4500	4600	220.11	215.16	193.52	188.57	183.62	178.67	173.72	168.77	163.82	158.87	153.92
4600	4700	230.34	225.39	203.43	198.48	193.53	188.58	183.63	178.68	173.73	168.78	163.83
4700	4800	240.57	235.62	213.66	208.71	203.76	198.81	193.86	188.91	183.96	179.01	174.06

4800 and over

(Use Method B - Exact Calculation Method)

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

FOR WAGES PAID IN 2015

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	3.05										
620	640	3.27										
640	660	3.49										
660	680	3.71										
680	700	3.93										
700	720	4.15										
720	740	4.37										
740	760	4.59										
760	780	4.81										
780	800	5.03	0.08									
800	820	5.25	0.30									
820	840	5.47	0.52									
840	860	5.69	0.74									
860	880	5.91	0.96									
880	900	6.13	1.18									
900	940	6.46	1.51									
940	980	6.90	1.95									
980	1020	7.58	2.63									
1020	1060	8.46	3.51									
1060	1100	9.34	4.39									
1100	1140	10.22	5.27	0.32								
1140	1180	11.10	6.15	1.20								
1180	1220	11.98	7.03	2.08								
1220	1260	12.86	7.91	2.96								
1260	1300	13.74	8.79	3.84								
1300	1350	14.73	9.78	4.83								
1350	1400	15.83	10.88	5.93	0.98							
1400	1450	16.93	11.98	7.03	2.08							
1450	1500	18.03	13.08	8.13	3.18							
1500	1550	19.13	14.18	9.23	4.28							
1550	1600	20.23	15.28	10.33	5.38	0.43						
1600	1650	21.33	16.38	11.43	6.48	1.53						
1650	1700	22.43	17.48	12.53	7.58	2.63						
1700	1750	23.53	18.58	13.63	8.68	3.73						
1750	1800	24.63	19.68	14.73	9.78	4.83						
1800	1900	26.28	21.33	16.38	11.43	6.48	1.53					
1900	2000	30.37	25.42	20.47	15.52	10.57	5.62	0.67				
2000	2100	34.77	29.82	24.87	19.92	14.97	10.02	5.07	0.12			
2100	2200	39.17	34.22	29.27	24.32	19.37	14.42	9.47	4.52			
2200	2300	43.57	38.62	33.67	28.72	23.77	18.82	13.87	8.92	3.97		
2300	2400	48.93	43.98	39.03	34.08	29.13	24.18	19.23	14.28	9.33	4.38	
2400	2500	55.53	50.58	45.63	40.68	35.73	30.78	25.83	20.88	15.93	10.98	6.03
2500	2600	62.13	57.18	52.23	47.28	42.33	37.38	32.43	27.48	22.53	17.58	12.63
2600	2700	68.73	63.78	58.83	53.88	48.93	43.98	39.03	34.08	29.13	24.18	19.23
2700	2800	75.33	70.38	65.43	60.48	55.53	50.58	45.63	40.68	35.73	30.78	25.83
2800	2900	83.56	78.61	73.66	68.71	63.76	58.81	53.86	48.91	43.96	39.01	34.06
2900	3000	92.36	87.41	82.46	77.51	72.56	67.61	62.66	57.71	52.76	47.81	42.86
3000	3100	101.16	96.21	91.26	86.31	81.36	76.41	71.46	66.51	61.56	56.61	51.66
3100	3200	109.96	105.01	100.06	95.11	90.16	85.21	80.26	75.31	70.36	65.41	60.46
3200	3300	119.23	114.28	109.33	104.38	99.43	94.48	89.53	84.58	79.63	74.68	69.73
3300	3400	129.46	124.51	119.56	114.61	109.66	104.71	99.76	94.81	89.86	84.91	79.96
3400	and over											

(Use Method B - Exact Calculation Method)

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

FOR WAGES PAID IN 2015

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	3.16										
640	680	3.60										
680	720	4.04										
720	760	4.48										
760	800	4.92										
800	840	5.36										
840	880	5.80										
880	920	6.24										
920	960	6.68										
960	1000	7.14										
1000	1050	8.13										
1050	1100	9.23										
1100	1150	10.33	0.43									
1150	1200	11.43	1.53									
1200	1250	12.53	2.63									
1250	1300	13.63	3.73									
1300	1350	14.73	4.83									
1350	1400	15.83	5.93									
1400	1450	16.93	7.03									
1450	1500	18.03	8.13									
1500	1600	19.68	9.78									
1600	1700	21.88	11.98	2.08								
1700	1800	24.08	14.18	4.28								
1800	1900	26.28	16.38	6.48								
1900	2000	30.40	20.50	10.60	0.70							
2000	2100	34.80	24.90	15.00	5.10							
2100	2200	39.20	29.30	19.40	9.50							
2200	2300	43.60	33.70	23.80	13.90	4.00						
2300	2400	48.00	38.10	28.20	18.30	8.40						
2400	2500	52.40	42.50	32.60	22.70	12.80	2.90					
2500	2600	56.80	46.90	37.00	27.10	17.20	7.30					
2600	2700	61.20	51.30	41.40	31.50	21.60	11.70	1.80				
2700	2800	65.63	55.73	45.83	35.93	26.03	16.13	6.23				
2800	2900	72.23	62.33	52.43	42.53	32.63	22.73	12.83	2.93			
2900	3000	78.83	68.93	59.03	49.13	39.23	29.33	19.43	9.53			
3000	3100	85.43	75.53	65.63	55.73	45.83	35.93	26.03	16.13	6.23		
3100	3200	92.03	82.13	72.23	62.33	52.43	42.53	32.63	22.73	12.83	2.93	
3200	3300	98.63	88.73	78.83	68.93	59.03	49.13	39.23	29.33	19.43	9.53	
3300	3400	105.23	95.33	85.43	75.53	65.63	55.73	45.83	35.93	26.03	16.13	6.23
3400	3500	111.83	101.93	92.03	82.13	72.23	62.33	52.43	42.53	32.63	22.73	12.83
3500	3600	118.43	108.53	98.63	88.73	78.83	68.93	59.03	49.13	39.23	29.33	19.43
3600	3700	125.03	115.13	105.23	95.33	85.43	75.53	65.63	55.73	45.83	35.93	26.03
3700	3800	133.02	123.12	113.22	103.32	93.42	83.52	73.62	63.72	53.82	43.92	34.02
3800	3900	141.82	131.92	122.02	112.12	102.22	92.32	82.42	72.52	62.62	52.72	42.82
3900	4000	150.62	140.72	130.82	120.92	111.02	101.12	91.22	81.32	71.42	61.52	51.62
4000	4200	163.82	153.92	144.02	134.12	124.22	114.32	104.42	94.52	84.62	74.72	64.82
4200	4400	181.42	171.52	161.62	151.72	141.82	131.92	122.02	112.12	102.22	92.32	82.42
4400	4600	199.02	189.12	179.22	169.32	159.42	149.52	139.62	129.72	119.82	109.92	100.02
4600	4800	218.44	208.54	198.64	188.74	178.84	168.94	159.04	149.14	139.24	129.34	119.44
4800	5000	238.90	229.00	219.10	209.20	199.30	189.40	179.50	169.60	159.70	149.80	139.90
5000	and over											

(Use Method B - Exact Calculation Method)

MARRIED PERSONS----MONTHLY PAYROLL PERIOD

FOR WAGES PAID IN 2015

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	3.16										
640	680	3.60										
680	720	4.04										
720	760	4.48										
760	800	4.92										
800	840	5.36										
840	880	5.80										
880	920	6.24										
920	960	6.68										
960	1000	7.12										
1000	1040	7.56										
1040	1080	8.00										
1080	1120	8.44										
1120	1160	8.88										
1160	1200	9.32										
1200	1240	9.76										
1240	1280	10.20	0.30									
1280	1320	10.64	0.74									
1320	1360	11.08	1.18									
1360	1400	11.52	1.62									
1400	1440	11.96	2.06									
1440	1480	12.40	2.50									
1480	1520	12.84	2.94									
1520	1560	13.28	3.38									
1560	1600	13.72	3.82									
1600	1640	14.16	4.26									
1640	1680	14.99	5.09									
1680	1720	15.87	5.97									
1720	1760	16.75	6.85									
1760	1800	17.63	7.73									
1800	1840	18.51	8.61									
1840	1880	19.39	9.49									
1880	1920	20.27	10.37									
1920	1960	21.15	11.25									
1960	2000	22.03	12.13									
2000	2040	22.91	13.01									
2040	2080	23.79	13.89									
2080	2140	24.89	14.99									
2140	2200	26.21	16.31									
2200	2260	27.53	17.63	0.41								
2260	2320	28.85	18.95	1.73								
2320	2380	30.17	20.27	3.05								
2380	2440	31.49	21.59	4.37								
2440	2500	32.81	22.91	5.69								
2500	2560	34.13	24.23	7.01								
2560	2620	35.45	25.55	8.33								
2620	2680	36.77	26.87	9.65								
2680	2740	38.09	28.19	10.97	1.07							
2740	2800	39.41	29.51	12.29	2.39							
2800	2860	40.73	30.83	13.61	3.71							

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MARRIED PERSONS----MONTHLY PAYROLL PERIOD

FOR WAGES PAID IN 2015

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	42.05	32.15	14.93	5.03							
2920	2980	43.37	33.47	16.25	6.35							
2980	3040	44.69	34.79	17.57	7.67							
3040	3100	46.01	36.11	18.89	8.99							
3100	3160	47.33	37.43	20.21	10.31	0.41						
3160	3220	48.65	38.75	21.53	11.63	1.73						
3220	3280	49.97	40.07	22.85	12.95	3.05						
3280	3340	51.29	41.39	24.17	14.27	4.37						
3340	3400	52.61	42.71	25.49	15.59	5.69						
3400	3460	54.75	44.85	26.81	16.91	7.01						
3460	3520	57.39	47.49	28.13	18.23	8.33						
3520	3580	60.03	50.13	29.45	19.55	9.65						
3580	3640	62.67	52.77	30.77	20.87	10.97	1.07					
3640	3700	65.31	55.41	32.09	22.19	12.29	2.39					
3700	3800	68.83	58.93	34.39	24.49	14.59	4.69					
3800	3900	73.23	63.33	38.79	28.89	18.99	9.09					
3900	4000	77.63	67.73	43.19	33.29	23.39	13.49	3.59				
4000	4100	82.03	72.13	47.59	37.69	27.79	17.89	7.99				
4100	4200	86.43	76.53	51.99	42.09	32.19	22.29	12.39	2.49			
4200	4300	90.83	80.93	56.39	46.49	36.59	26.69	16.79	6.89			
4300	4400	95.23	85.33	60.79	50.89	40.99	31.09	21.19	11.29	1.39		
4400	4500	99.63	89.73	65.19	55.29	45.39	35.49	25.59	15.69	5.79		
4500	4600	104.03	94.13	69.59	59.69	49.79	39.89	29.99	20.09	10.19	0.29	
4600	4700	108.43	98.53	73.99	64.09	54.19	44.29	34.39	24.49	14.59	4.69	
4700	4800	112.83	102.93	78.39	68.49	58.59	48.69	38.79	28.89	18.99	9.09	
4800	4900	117.23	107.33	82.79	72.89	62.99	53.09	43.19	33.29	23.39	13.49	3.59
4900	5000	121.63	111.73	87.19	77.29	67.39	57.49	47.59	37.69	27.79	17.89	7.99
5000	5100	126.03	116.13	91.59	81.69	71.79	61.89	51.99	42.09	32.19	22.29	12.39
5100	5200	130.43	120.53	95.99	86.09	76.19	66.29	56.39	46.49	36.59	26.69	16.79
5200	5300	136.71	126.81	100.39	90.49	80.59	70.69	60.79	50.89	40.99	31.09	21.19
5300	5400	143.31	133.41	104.79	94.89	84.99	75.09	65.19	55.29	45.39	35.49	25.59
5400	5500	149.91	140.01	109.19	99.29	89.39	79.49	69.59	59.69	49.79	39.89	29.99
5500	5600	156.51	146.61	114.75	104.85	94.95	85.05	75.15	65.25	55.35	45.45	35.55
5600	5700	163.11	153.21	121.35	111.45	101.55	91.65	81.75	71.85	61.95	52.05	42.15
5700	5800	169.71	159.81	127.95	118.05	108.15	98.25	88.35	78.45	68.55	58.65	48.75
5800	5900	176.31	166.41	134.55	124.65	114.75	104.85	94.95	85.05	75.15	65.25	55.35
5900	6000	182.91	173.01	141.15	131.25	121.35	111.45	101.55	91.65	81.75	71.85	61.95
6000	6200	192.81	182.91	151.05	141.15	131.25	121.35	111.45	101.55	91.65	81.75	71.85
6200	6400	206.01	196.11	164.25	154.35	144.45	134.55	124.65	114.75	104.85	94.95	85.05
6400	6600	219.21	209.31	177.45	167.55	157.65	147.75	137.85	127.95	118.05	108.15	98.25
6600	6800	232.41	222.51	190.65	180.75	170.85	160.95	151.05	141.15	131.25	121.35	111.45
6800	7000	245.61	235.71	203.85	193.95	184.05	174.15	164.25	154.35	144.45	134.55	124.65
7000	7200	260.11	250.21	217.05	207.15	197.25	187.35	177.45	167.55	157.65	147.75	137.85
7200	7400	277.71	267.81	230.25	220.35	210.45	200.55	190.65	180.75	170.85	160.95	151.05
7400	7600	295.31	285.41	246.24	236.34	226.44	216.54	206.64	196.74	186.84	176.94	167.04
7600	7800	312.91	303.01	263.84	253.94	244.04	234.14	224.24	214.34	204.44	194.54	184.64
7800	8000	330.51	320.61	281.44	271.54	261.64	251.74	241.84	231.94	222.04	212.14	202.24
8000	8200	348.11	338.21	299.04	289.14	279.24	269.34	259.44	249.54	239.64	229.74	219.84
8200	8400	365.71	355.81	316.64	306.74	296.84	286.94	277.04	267.14	257.24	247.34	237.44
8400	8600	383.31	373.41	334.24	324.34	314.44	304.54	294.64	284.74	274.84	264.94	255.04
8600	8800	400.91	391.01	351.84	341.94	332.04	322.14	312.24	302.34	292.44	282.54	272.64
8800	9000	419.76	409.86	369.44	359.54	349.64	339.74	329.84	319.94	310.04	300.14	290.24
9000	9200	440.22	430.32	387.04	377.14	367.24	357.34	347.44	337.54	327.64	317.74	307.84
9200	9400	460.68	450.78	406.85	396.95	387.05	377.15	367.25	357.35	347.45	337.55	327.65
9400	9600	481.14	471.24	427.31	417.41	407.51	397.61	387.71	377.81	367.91	358.01	348.11

9600 and over

(Use Method B - Exact Calculation Method)

UNMARRIED HEAD OF HOUSEHOLD----MONTHLY PAYROLL PERIOD

FOR WAGES PAID IN 2015

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	8.36										
1450	1500	8.91										
1500	1550	9.46										
1550	1600	10.01	0.11									
1600	1650	10.56	0.66									
1650	1700	11.11	1.21									
1700	1750	11.66	1.76									
1750	1800	12.21	2.31									
1800	1850	12.76	2.86									
1850	1900	13.31	3.41									
1900	1950	13.86	3.96									
1950	2000	14.60	4.70									
2000	2050	15.70	5.80									
2050	2100	16.80	6.90									
2100	2150	17.90	8.00									
2150	2200	19.00	9.10									
2200	2250	20.10	10.20	0.30								
2250	2300	21.20	11.30	1.40								
2300	2350	22.30	12.40	2.50								
2350	2400	23.40	13.50	3.60								
2400	2450	24.50	14.60	4.70								
2450	2500	25.60	15.70	5.80								
2500	2600	27.25	17.35	7.45								
2600	2700	29.45	19.55	9.65								
2700	2800	31.65	21.75	11.85	1.95							
2800	2900	33.85	23.95	14.05	4.15							
2900	3000	36.05	26.15	16.25	6.35							
3000	3100	38.25	28.35	18.45	8.55							
3100	3200	40.45	30.55	20.65	10.75	0.85						
3200	3300	42.65	32.75	22.85	12.95	3.05						
3300	3400	44.85	34.95	25.05	15.15	5.25						
3400	3500	47.05	37.15	27.25	17.35	7.45						
3500	3600	49.25	39.35	29.45	19.55	9.65						
3600	3700	51.45	41.55	31.65	21.75	11.85	1.95					
3700	3800	54.15	44.25	34.35	24.45	14.55	4.65					
3800	3900	58.55	48.65	38.75	28.85	18.95	9.05					
3900	4000	62.95	53.05	43.15	33.25	23.35	13.45	3.55				
4000	4100	67.35	57.45	47.55	37.65	27.75	17.85	7.95				
4100	4200	71.75	61.85	51.95	42.05	32.15	22.25	12.35	2.45			
4200	4300	76.15	66.25	56.35	46.45	36.55	26.65	16.75	6.85			
4300	4500	82.75	72.85	62.95	53.05	43.15	33.25	23.35	13.45	3.55		
4500	4700	91.55	81.65	71.75	61.85	51.95	42.05	32.15	22.25	12.35	2.45	
4700	4900	104.46	94.56	84.66	74.76	64.86	54.96	45.06	35.16	25.26	15.36	5.46
4900	5100	117.66	107.76	97.86	87.96	78.06	68.16	58.26	48.36	38.46	28.56	18.66
5100	5300	130.86	120.96	111.06	101.16	91.26	81.36	71.46	61.56	51.66	41.76	31.86
5300	5500	144.06	134.16	124.26	114.36	104.46	94.56	84.66	74.76	64.86	54.96	45.06
5500	5700	158.33	148.43	138.53	128.63	118.73	108.83	98.93	89.03	79.13	69.23	59.33
5700	5900	175.93	166.03	156.13	146.23	136.33	126.43	116.53	106.63	96.73	86.83	76.93
5900	6100	193.53	183.63	173.73	163.83	153.93	144.03	134.13	124.23	114.33	104.43	94.53
6100	6300	211.13	201.23	191.33	181.43	171.53	161.63	151.73	141.83	131.93	122.03	112.13
6300	6500	228.73	218.83	208.93	199.03	189.13	179.23	169.33	159.43	149.53	139.63	129.73
6500	6700	248.68	238.78	228.88	218.98	209.08	199.18	189.28	179.38	169.48	159.58	149.68
6700	6900	269.14	259.24	249.34	239.44	229.54	219.64	209.74	199.84	189.94	180.04	170.14

6900 and over

(Use Method B - Exact Calculation Method)

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

FOR WAGES PAID IN 2015

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	0.15										
30	32	0.17										
32	34	0.19										
34	36	0.22										
36	38	0.24										
38	40	0.26										
40	42	0.28										
42	44	0.30										
44	46	0.33										
46	48	0.37										
48	50	0.41										
50	54	0.48	0.01									
54	58	0.56	0.10									
58	62	0.65	0.19									
62	66	0.74	0.28									
66	70	0.83	0.37									
70	74	0.92	0.45									
74	78	1.00	0.54	0.08								
78	82	1.09	0.63	0.17								
82	86	1.18	0.72	0.26								
86	90	1.30	0.84	0.38								
90	94	1.48	1.02	0.56	0.09							
94	98	1.66	1.19	0.73	0.27							
98	102	1.83	1.37	0.91	0.45							
102	106	2.01	1.55	1.08	0.62	0.16						
106	110	2.18	1.72	1.26	0.80	0.34						
110	114	2.36	1.90	1.44	0.97	0.51	0.05					
114	118	2.54	2.07	1.61	1.15	0.69	0.23					
118	122	2.71	2.25	1.79	1.33	0.86	0.40					
122	126	2.89	2.43	1.96	1.50	1.04	0.58	0.12				
126	130	3.08	2.62	2.15	1.69	1.23	0.77	0.31				
130	135	3.38	2.91	2.45	1.99	1.53	1.07	0.60	0.14			
135	140	3.71	3.24	2.78	2.32	1.86	1.40	0.93	0.47	0.01		
140	145	4.04	3.57	3.11	2.65	2.19	1.73	1.26	0.80	0.34		
145	150	4.37	3.90	3.44	2.98	2.52	2.06	1.59	1.13	0.67	0.21	
150	155	4.70	4.23	3.77	3.31	2.85	2.39	1.92	1.46	1.00	0.54	0.08
155	160	5.03	4.56	4.10	3.64	3.18	2.72	2.25	1.79	1.33	0.87	0.41
160	165	5.36	4.89	4.43	3.97	3.51	3.05	2.58	2.12	1.66	1.20	0.74
165	170	5.69	5.22	4.76	4.30	3.84	3.38	2.91	2.45	1.99	1.53	1.07
170	175	6.06	5.60	5.14	4.68	4.22	3.75	3.29	2.83	2.37	1.91	1.44
175	180	6.50	6.04	5.58	5.12	4.66	4.19	3.73	3.27	2.81	2.35	1.88
180	185	6.94	6.48	6.02	5.56	5.10	4.63	4.17	3.71	3.25	2.79	2.32
185	190	7.38	6.92	6.46	6.00	5.54	5.07	4.61	4.15	3.69	3.23	2.76
190	200	8.04	7.58	7.12	6.66	6.20	5.73	5.27	4.81	4.35	3.89	3.42
200	210	8.92	8.46	8.00	7.54	7.08	6.61	6.15	5.69	5.23	4.77	4.30
210	220	9.86	9.39	8.93	8.47	8.01	7.55	7.08	6.62	6.16	5.70	5.24
220	230	10.88	10.42	9.95	9.49	9.03	8.57	8.11	7.64	7.18	6.72	6.26
230	and over											

(Use Method B - Exact Calculation Method)

MARRIED PERSONS----DAILY / MISCELLANEOUS PAYROLL PERIOD

FOR WAGES PAID IN 2015

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	0.19										
34	36	0.22										
36	38	0.24										
38	40	0.26										
40	42	0.28										
42	44	0.30										
44	46	0.33										
46	48	0.35										
48	50	0.37										
50	52	0.39										
52	54	0.41										
54	56	0.44										
56	58	0.46										
58	60	0.48	0.02									
60	62	0.50	0.04									
62	64	0.52	0.06									
64	66	0.55	0.08									
66	68	0.57	0.11									
68	70	0.59	0.13									
70	72	0.61	0.15									
72	74	0.63	0.17									
74	76	0.66	0.19									
76	78	0.70	0.23									
78	80	0.74	0.28									
80	82	0.78	0.32									
82	84	0.83	0.37									
84	86	0.87	0.41									
86	88	0.92	0.45									
88	90	0.96	0.50									
90	92	1.00	0.54									
92	94	1.05	0.59									
94	96	1.09	0.63									
96	98	1.14	0.67									
98	100	1.18	0.72									
100	102	1.22	0.76									
102	104	1.27	0.81	0.01								
104	106	1.31	0.85	0.05								
106	108	1.36	0.89	0.09								
108	110	1.40	0.94	0.14								
110	112	1.44	0.98	0.18								
112	114	1.49	1.03	0.23								
114	118	1.55	1.09	0.29								
118	122	1.64	1.18	0.38								
122	126	1.73	1.27	0.47	0.01							
126	130	1.82	1.36	0.56	0.09							
130	134	1.91	1.44	0.64	0.18							
134	138	1.99	1.53	0.73	0.27							
138	142	2.08	1.62	0.82	0.36							
142	146	2.17	1.71	0.91	0.45							
146	150	2.26	1.80	1.00	0.53	0.07						

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MARRIED PERSONS----DAILY / MISCELLANEOUS PAYROLL PERIOD

FOR WAGES PAID IN 2015

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	2.35	1.88	1.08	0.62	0.16						
154	158	2.43	1.97	1.17	0.71	0.25						
158	162	2.58	2.12	1.26	0.80	0.34						
162	166	2.76	2.29	1.35	0.89	0.42						
166	170	2.93	2.47	1.44	0.97	0.51	0.05					
170	174	3.11	2.65	1.52	1.06	0.60	0.14					
174	178	3.28	2.82	1.69	1.22	0.76	0.30					
178	182	3.46	3.00	1.86	1.40	0.94	0.48	0.01				
182	186	3.64	3.17	2.04	1.58	1.11	0.65	0.19				
186	190	3.81	3.35	2.21	1.75	1.29	0.83	0.37				
190	195	4.01	3.55	2.41	1.95	1.49	1.03	0.56	0.10			
195	200	4.23	3.77	2.63	2.17	1.71	1.25	0.78	0.32			
200	205	4.45	3.99	2.85	2.39	1.93	1.47	1.00	0.54	0.08		
205	210	4.67	4.21	3.07	2.61	2.15	1.69	1.22	0.76	0.30		
210	215	4.89	4.43	3.29	2.83	2.37	1.91	1.44	0.98	0.52	0.06	
215	220	5.11	4.65	3.51	3.05	2.59	2.13	1.66	1.20	0.74	0.28	
220	225	5.33	4.87	3.73	3.27	2.81	2.35	1.88	1.42	0.96	0.50	0.04
225	230	5.55	5.09	3.95	3.49	3.03	2.57	2.10	1.64	1.18	0.72	0.26
230	235	5.77	5.31	4.17	3.71	3.25	2.79	2.32	1.86	1.40	0.94	0.48
235	240	5.99	5.53	4.39	3.93	3.47	3.01	2.54	2.08	1.62	1.16	0.70
240	245	6.28	5.82	4.61	4.15	3.69	3.23	2.76	2.30	1.84	1.38	0.92
245	250	6.61	6.15	4.83	4.37	3.91	3.45	2.98	2.52	2.06	1.60	1.14
250	255	6.94	6.48	5.05	4.59	4.13	3.67	3.20	2.74	2.28	1.82	1.36
255	260	7.27	6.81	5.33	4.87	4.41	3.95	3.48	3.02	2.56	2.10	1.64
260	265	7.60	7.14	5.66	5.20	4.74	4.28	3.81	3.35	2.89	2.43	1.97
265	270	7.93	7.47	5.99	5.53	5.07	4.61	4.14	3.68	3.22	2.76	2.30
270	280	8.42	7.96	6.49	6.03	5.56	5.10	4.64	4.18	3.72	3.25	2.79
280	290	9.08	8.62	7.15	6.69	6.22	5.76	5.30	4.84	4.38	3.91	3.45
290	300	9.74	9.28	7.81	7.35	6.88	6.42	5.96	5.50	5.04	4.57	4.11
300	310	10.40	9.94	8.47	8.01	7.54	7.08	6.62	6.16	5.70	5.23	4.77
310	320	11.06	10.60	9.13	8.67	8.20	7.74	7.28	6.82	6.36	5.89	5.43
320	330	11.72	11.26	9.79	9.33	8.86	8.40	7.94	7.48	7.02	6.55	6.09
330	340	12.60	12.14	10.45	9.99	9.52	9.06	8.60	8.14	7.68	7.21	6.75
340	350	13.48	13.02	11.20	10.74	10.28	9.82	9.35	8.89	8.43	7.97	7.51
350	360	14.36	13.90	12.08	11.62	11.16	10.70	10.23	9.77	9.31	8.85	8.39
360	370	15.24	14.78	12.96	12.50	12.04	11.58	11.11	10.65	10.19	9.73	9.27
370	380	16.12	15.66	13.84	13.38	12.92	12.46	11.99	11.53	11.07	10.61	10.15
380	390	17.00	16.54	14.72	14.26	13.80	13.34	12.87	12.41	11.95	11.49	11.03
390	400	17.88	17.42	15.60	15.14	14.68	14.22	13.75	13.29	12.83	12.37	11.91
400	410	18.76	18.30	16.48	16.02	15.56	15.10	14.63	14.17	13.71	13.25	12.79
410	420	19.75	19.28	17.36	16.90	16.44	15.98	15.51	15.05	14.59	14.13	13.67
420	430	20.77	20.31	18.28	17.81	17.35	16.89	16.43	15.97	15.50	15.04	14.58
430	440	21.79	21.33	19.30	18.84	18.37	17.91	17.45	16.99	16.53	16.06	15.60
440	and over	(Use Method B - Exact Calculation Method)										

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

FOR WAGES PAID IN 2015

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	0.29										
58	60	0.31										
60	62	0.33										
62	64	0.36										
64	66	0.38										
66	68	0.40										
68	70	0.42										
70	72	0.44										
72	74	0.47										
74	76	0.49	0.03									
76	78	0.51	0.05									
78	80	0.53	0.07									
80	82	0.55	0.09									
82	84	0.58	0.11									
84	86	0.60	0.14									
86	88	0.62	0.16									
88	90	0.64	0.18									
90	92	0.67	0.20									
92	94	0.71	0.25									
94	96	0.75	0.29									
96	100	0.82	0.36									
100	104	0.91	0.45									
104	108	1.00	0.53	0.07								
108	112	1.08	0.62	0.16								
112	116	1.17	0.71	0.25								
116	120	1.26	0.80	0.34								
120	125	1.36	0.90	0.44								
125	130	1.47	1.01	0.55	0.08							
130	135	1.58	1.12	0.66	0.19							
135	140	1.69	1.23	0.77	0.30							
140	145	1.80	1.34	0.88	0.41							
145	150	1.91	1.45	0.99	0.52	0.06						
150	155	2.02	1.56	1.10	0.63	0.17						
155	160	2.13	1.67	1.21	0.74	0.28						
160	165	2.24	1.78	1.32	0.85	0.39						
165	170	2.35	1.89	1.43	0.96	0.50	0.04					
170	175	2.48	2.02	1.55	1.09	0.63	0.17					
175	180	2.70	2.24	1.77	1.31	0.85	0.39					
180	185	2.92	2.46	1.99	1.53	1.07	0.61	0.15				
185	190	3.14	2.68	2.21	1.75	1.29	0.83	0.37				
190	200	3.47	3.01	2.54	2.08	1.62	1.16	0.70	0.23			
200	210	3.91	3.45	2.98	2.52	2.06	1.60	1.14	0.67	0.21		
210	220	4.40	3.94	3.47	3.01	2.55	2.09	1.63	1.16	0.70	0.24	
220	230	5.06	4.60	4.13	3.67	3.21	2.75	2.29	1.82	1.36	0.90	0.44
230	240	5.72	5.26	4.79	4.33	3.87	3.41	2.95	2.48	2.02	1.56	1.10
240	250	6.38	5.92	5.45	4.99	4.53	4.07	3.61	3.14	2.68	2.22	1.76
250	260	7.04	6.58	6.11	5.65	5.19	4.73	4.27	3.80	3.34	2.88	2.42
260	270	7.90	7.44	6.98	6.52	6.05	5.59	5.13	4.67	4.21	3.74	3.28
270	280	8.78	8.32	7.86	7.40	6.93	6.47	6.01	5.55	5.09	4.62	4.16
280	290	9.66	9.20	8.74	8.28	7.81	7.35	6.89	6.43	5.97	5.50	5.04
290	300	10.54	10.08	9.62	9.16	8.69	8.23	7.77	7.31	6.85	6.38	5.92
300	310	11.54	11.08	10.62	10.16	9.69	9.23	8.77	8.31	7.85	7.38	6.92
310	320	12.56	12.10	11.64	11.18	10.72	10.25	9.79	9.33	8.87	8.41	7.94

320 and over

(Use Method B - Exact Calculation Method)

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" (\$255.00); 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" (\$1,021.00); 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."		-307.00
Taxable income.		\$905.00
- Step 4**

Tax computation from "TABLE 5 - TAX RATE TABLE:"		
Entry covering \$905.00 (over \$596.00 but not over \$1,412.00).		
• 2.2% amount over \$596.00 (.022 x [\$905.00 – 596.00]).		\$6.80
• Plus the marginal amount.		+6.56
• Computed tax.		13.36
- Step 5**

Subtract amount from "TABLE 4 - EXEMPTION ALLOWANCE TABLE"		
for two regular withholding allowances.		-9.14
Net amount of tax to be withheld.		\$4.22

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" (\$2,211.00); 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."	<u>-665.00</u>
	Taxable income.	\$3,135.00
Step 4	Tax computation from "TABLE 5 - TAX RATE TABLE:"	
	<ul style="list-style-type: none"> Entry covering \$3,135.00 (over \$3,060.00 but not over \$4,832.00) 4.4% of amount over \$3,060.00 (.044 x [\$3,135.00 - \$3,060.00]) Plus marginal tax amount. Computed tax. 	\$3.30 <u>+53.11</u> \$56.41
Step 5	Subtract amount from "TABLE 4 - EXEMPTION ALLOWANCE TABLE" for five regular withholding allowances.	<u>-49.50</u>
	Net amount of tax to be withheld.	<u>\$ 6.91</u>

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" (\$510.00); 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."	<u>-154.00</u>
	Taxable income	\$646.00
Step 4	Tax computation from "TABLE 5 - TAX RATE TABLE:"	
	<ul style="list-style-type: none"> Entry covering \$646.00 (over \$298.00 but not over \$707.00). 2.2% of amount over \$298.00 (.022 x [\$646.00 - \$298.00]). Plus marginal tax amount. Computed tax. 	\$7.66 <u>+3.28</u> \$10.94
Step 5	Subtract amount from "TABLE 4 - EXEMPTION ALLOWANCE TABLE" for four regular withholding allowances.	<u>-6.85</u>
	Net amount of tax to be withheld.	<u>\$4.09</u>

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" (\$1,106.00); 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."	<u>-7,984.00</u>
	Taxable income.	\$35,216.00
Step 4	Tax computation from "TABLE 5 - TAX RATE TABLE:"	
	<ul style="list-style-type: none"> Entry covering \$35,216.00 (over \$15,498.00 but not over \$36,742.00) 2.2% of amount over \$35,216.00 (.022 x [\$35,216.00 - \$15,498.00]). Plus marginal tax amount. Computed annual tax. 	\$433.80 <u>+170.48</u> \$604.28
Step 5	Subtract amount from "TABLE 4 - EXEMPTION ALLOWANCE TABLE" for four regular withholding allowances.	<u>-475.20</u>
	Annual amount of tax to be withheld.	\$129.08
	Divide by number of payroll periods in year (24).	<u>\$5.38</u>

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" (\$26,533.00); 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."	<u>-7,984.00</u>
	Taxable income.	\$37,016.00
Step 4	Tax computation from "TABLE 5 - TAX RATE TABLE:"	
	• Entry covering \$37,016.00 (over \$36,742.00 but not over \$57,990.00)	
	• 4.4% of amount over \$36,742.00 (.044 x [\$37,016.00 - \$36,742.00]).	\$12.06
	• Plus marginal tax amount.	<u>+637.85</u>
	• Computed annual tax.	\$649.91
Step 5	Subtract amount from "TABLE 4 - EXEMPTION ALLOWANCE TABLE" for four regular withholding allowances.	<u>-475.20</u>
	Annual amount of tax to be withheld.	\$174.71
	Divide by number of payroll periods in year (12).	<u>\$14.56</u>

METHOD B---EXACT CALCULATION METHOD

TABLE 1 - LOW INCOME EXEMPTION TABLE

PAYROLL PERIOD	SINGLE, DUAL INCOME MARRIED OR MARRIED WITH MULTIPLE EMPLOYERS	MARRIED		UNMARRIED HEAD OF HOUSEHOLD
		ALLOWANCES ON DE 4 OR W-4		
		'0' OR '1'	'2' OR MORE	
WEEKLY	\$255	\$255	\$510	\$510
BIWEEKLY	\$510	\$510	\$1,021	\$1,021
SEMI-MONTHLY	\$553	\$553	\$1,106	\$1,106
MONTHLY	\$1,106	\$1,106	\$2,211	\$2,211
QUARTERLY	\$3,317	\$3,317	\$6,633	\$6,633
SEMI-ANNUAL	\$6,634	\$6,634	\$13,267	\$13,267
ANNUAL	\$13,267	\$13,267	\$26,533	\$26,533
DAILY/MISCELLANEOUS	\$51	\$51	\$102	\$102

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.

METHOD B---EXACT CALCULATION METHOD

TABLE 3 - STANDARD DEDUCTION TABLE

PAYROLL PERIOD	SINGLE, DUAL INCOME MARRIED OR MARRIED WITH MULTIPLE EMPLOYERS	MARRIED		UNMARRIED HEAD OF HOUSEHOLD
		ALLOWANCES ON DE 4 OR W-4		
		'0' OR '1'	'2' OR MORE	
WEEKLY	\$77	\$77	\$154	\$154
BIWEEKLY	\$154	\$154	\$307	\$307
SEMI-MONTHLY	\$166	\$166	\$333	\$333
MONTHLY	\$333	\$333	\$665	\$665
QUARTERLY	\$998	\$998	\$1,996	\$1,996
SEMI-ANNUAL	\$1,996	\$1,996	\$3,992	\$3,992
ANNUAL	\$3,992	\$3,992	\$7,984	\$7,984
DAILY/MISCELLANEOUS	\$15	\$15	\$31	\$31

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	\$2.28	\$4.57	\$4.95	\$9.90	\$29.70	\$59.40	\$118.80	\$0.46
2	\$4.57	\$9.14	\$9.90	\$19.80	\$59.40	\$118.80	\$237.60	\$0.91
3	\$6.85	\$13.71	\$14.85	\$29.70	\$89.10	\$178.20	\$356.40	\$1.37
4	\$9.14	\$18.28	\$19.80	\$39.60	\$118.80	\$237.60	\$475.20	\$1.83
5	\$11.42	\$22.85	\$24.75	\$49.50	\$148.50	\$297.00	\$594.00	\$2.28
6	\$13.71	\$27.42	\$29.70	\$59.40	\$178.20	\$356.40	\$712.80	\$2.74
7	\$15.99	\$31.98	\$34.65	\$69.30	\$207.90	\$415.80	\$831.60	\$3.20
8	\$18.28	\$36.55	\$39.60	\$79.20	\$237.60	\$475.20	\$950.40	\$3.66
9	\$20.56	\$41.12	\$44.55	\$89.10	\$267.30	\$534.60	\$1,069.20	\$4.11
10*	\$22.85	\$45.69	\$49.50	\$99.00	\$297.00	\$594.00	\$1,188.00	\$4.57

* 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 \$34.20.

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...		THE COMPUTED TAX IS...		
OVER	BUT NOT OVER	OF AMOUNT OVER...	PLUS	
\$0	\$7,749 ...	1.100%	\$0	\$0.00
\$7,749	\$18,371 ...	2.200%	\$7,749	\$85.24
\$18,371	\$28,995 ...	4.400%	\$18,371	\$318.92
\$28,995	\$40,250 ...	6.600%	\$28,995	\$786.38
\$40,250	\$50,869 ...	8.800%	\$40,250	\$1,529.21
\$50,869	\$259,844 ...	10.230%	\$50,869	\$2,463.68
\$259,844	\$311,812 ...	11.330%	\$259,844	\$23,841.82
\$311,812	\$519,687 ...	12.430%	\$311,812	\$29,729.79
\$519,687	\$1,000,000 ...	13.530%	\$519,687	\$55,568.65
\$1,000,000	and over ...	14.630%	\$1,000,000	\$120,555.00

MARRIED PERSONS

IF THE TAXABLE INCOME IS...		THE COMPUTED TAX IS...		
OVER	BUT NOT OVER	OF AMOUNT OVER...	PLUS	
\$0	\$15,498 ...	1.100%	\$0	\$0.00
\$15,498	\$36,742 ...	2.200%	\$15,498	\$170.48
\$36,742	\$57,990 ...	4.400%	\$36,742	\$637.85
\$57,990	\$80,500 ...	6.600%	\$57,990	\$1,572.76
\$80,500	\$101,738 ...	8.800%	\$80,500	\$3,058.42
\$101,738	\$519,688 ...	10.230%	\$101,738	\$4,927.36
\$519,688	\$623,624 ...	11.330%	\$519,688	\$47,683.65
\$623,624	\$1,000,000 ...	12.430%	\$623,624	\$59,459.60
\$1,000,000	\$1,039,374 ...	13.530%	\$1,000,000	\$106,243.14
\$1,039,374	and over ...	14.630%	\$1,039,374	\$111,570.44

UNMARRIED/HEAD OF HOUSEHOLD

IF THE TAXABLE INCOME IS...		THE COMPUTED TAX IS...		
OVER	BUT NOT OVER	OF AMOUNT OVER...	PLUS	
\$0	\$15,508 ...	1.100%	\$0	\$0.00
\$15,508	\$36,743 ...	2.200%	\$15,508	\$170.59
\$36,743	\$47,366 ...	4.400%	\$36,743	\$637.76
\$47,366	\$58,621 ...	6.600%	\$47,366	\$1,105.17
\$58,621	\$69,242 ...	8.800%	\$58,621	\$1,848.00
\$69,242	\$353,387 ...	10.230%	\$69,242	\$2,782.65
\$353,387	\$424,065 ...	11.330%	\$353,387	\$31,850.68
\$424,065	\$706,774 ...	12.430%	\$424,065	\$39,858.50
\$706,774	\$1,000,000 ...	13.530%	\$706,774	\$74,999.23
\$1,000,000	and over ...	14.630%	\$1,000,000	\$114,672.71

DAILY / MISCELLANEOUS PAYROLL PERIOD

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

IF THE TAXABLE INCOME IS...		THE COMPUTED TAX IS...		
OVER	BUT NOT OVER	OF AMOUNT OVER...	PLUS	
\$0	\$30 ...	1.100%	\$0	\$0.00
\$30	\$71 ...	2.200%	\$30	\$0.33
\$71	\$112 ...	4.400%	\$71	\$1.23
\$112	\$155 ...	6.600%	\$112	\$3.03
\$155	\$196 ...	8.800%	\$155	\$5.87
\$196	\$999 ...	10.230%	\$196	\$9.48
\$999	\$1,199 ...	11.330%	\$999	\$91.63
\$1,199	\$1,999 ...	12.430%	\$1,199	\$114.29
\$1,999	\$3,846 ...	13.530%	\$1,999	\$213.73
\$3,846	and over ...	14.630%	\$3,846	\$463.63

MARRIED PERSONS

IF THE TAXABLE INCOME IS...		THE COMPUTED TAX IS...		
OVER	BUT NOT OVER	OF AMOUNT OVER...	PLUS	
\$0	\$60 ...	1.100%	\$0	\$0.00
\$60	\$142 ...	2.200%	\$60	\$0.66
\$142	\$224 ...	4.400%	\$142	\$2.46
\$224	\$310 ...	6.600%	\$224	\$6.07
\$310	\$392 ...	8.800%	\$310	\$11.75
\$392	\$1,998 ...	10.230%	\$392	\$18.97
\$1,998	\$2,398 ...	11.330%	\$1,998	\$183.26
\$2,398	\$3,846 ...	12.430%	\$2,398	\$228.58
\$3,846	\$3,998 ...	13.530%	\$3,846	\$408.57
\$3,998	and over ...	14.630%	\$3,998	\$429.14

UNMARRIED/HEAD OF HOUSEHOLD

IF THE TAXABLE INCOME IS...		THE COMPUTED TAX IS...		
OVER	BUT NOT OVER	OF AMOUNT OVER...	PLUS	
\$0	\$60 ...	1.100%	\$0	\$0.00
\$60	\$141 ...	2.200%	\$60	\$0.66
\$141	\$182 ...	4.400%	\$141	\$2.44
\$182	\$225 ...	6.600%	\$182	\$4.24
\$225	\$266 ...	8.800%	\$225	\$7.08
\$266	\$1,359 ...	10.230%	\$266	\$10.69
\$1,359	\$1,631 ...	11.330%	\$1,359	\$122.50
\$1,631	\$2,718 ...	12.430%	\$1,631	\$153.32
\$2,718	\$3,846 ...	13.530%	\$2,718	\$288.43
\$3,846	and over ...	14.630%	\$3,846	\$441.05

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...

THE COMPUTED TAX IS...

OVER	BUT NOT OVER	OF AMOUNT OVER...	PLUS	
\$0	\$1,937 ...	1.100%	\$0	\$0.00
\$1,937	\$4,593 ...	2.200%	\$1,937	\$21.31
\$4,593	\$7,249 ...	4.400%	\$4,593	\$79.74
\$7,249	\$10,063 ...	6.600%	\$7,249	\$196.60
\$10,063	\$12,717 ...	8.800%	\$10,063	\$382.32
\$12,717	\$64,961 ...	10.230%	\$12,717	\$615.87
\$64,961	\$77,953 ...	11.330%	\$64,961	\$5,960.43
\$77,953	\$129,922 ...	12.430%	\$77,953	\$7,432.42
\$129,922	\$250,000 ...	13.530%	\$129,922	\$13,892.17
\$250,000	and over ...	14.630%	\$250,000	\$30,138.72

MARRIED PERSONS

IF THE TAXABLE
INCOME IS...

THE COMPUTED TAX IS...

OVER	BUT NOT OVER	OF AMOUNT OVER...	PLUS	
\$0	\$3,874 ...	1.100%	\$0	\$0.00
\$3,874	\$9,186 ...	2.200%	\$3,874	\$42.61
\$9,186	\$14,498 ...	4.400%	\$9,186	\$159.47
\$14,498	\$20,126 ...	6.600%	\$14,498	\$393.20
\$20,126	\$25,434 ...	8.800%	\$20,126	\$764.65
\$25,434	\$129,922 ...	10.230%	\$25,434	\$1,231.75
\$129,922	\$155,906 ...	11.330%	\$129,922	\$11,920.87
\$155,906	\$250,000 ...	12.430%	\$155,906	\$14,864.86
\$250,000	\$259,844 ...	13.530%	\$250,000	\$26,560.74
\$259,844	and over ...	14.630%	\$259,844	\$27,892.63

UNMARRIED/HEAD OF HOUSEHOLD

IF THE TAXABLE
INCOME IS...

THE COMPUTED TAX IS...

OVER	BUT NOT OVER	OF AMOUNT OVER...	PLUS	
\$0	\$3,877 ...	1.100%	\$0	\$0.00
\$3,877	\$9,186 ...	2.200%	\$3,877	\$42.65
\$9,186	\$11,842 ...	4.400%	\$9,186	\$159.45
\$11,842	\$14,655 ...	6.600%	\$11,842	\$276.31
\$14,655	\$17,311 ...	8.800%	\$14,655	\$461.97
\$17,311	\$88,347 ...	10.230%	\$17,311	\$695.70
\$88,347	\$106,016 ...	11.330%	\$88,347	\$7,962.68
\$106,016	\$176,694 ...	12.430%	\$106,016	\$9,964.58
\$176,694	\$250,000 ...	13.530%	\$176,694	\$18,749.86
\$250,000	and over ...	14.630%	\$250,000	\$28,668.16

SEMI-ANNUAL PAYROLL PERIOD

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

IF THE TAXABLE
INCOME IS...

THE COMPUTED TAX IS...

OVER	BUT NOT OVER	OF AMOUNT OVER...	PLUS	
\$0	\$3,874 ...	1.100%	\$0	\$0.00
\$3,874	\$9,186 ...	2.200%	\$3,874	\$42.61
\$9,186	\$14,498 ...	4.400%	\$9,186	\$159.47
\$14,498	\$20,126 ...	6.600%	\$14,498	\$393.20
\$20,126	\$25,434 ...	8.800%	\$20,126	\$764.65
\$25,434	\$129,922 ...	10.230%	\$25,434	\$1,231.75
\$129,922	\$155,906 ...	11.330%	\$129,922	\$11,920.87
\$155,906	\$259,844 ...	12.430%	\$155,906	\$14,864.86
\$259,844	\$500,000 ...	13.530%	\$259,844	\$27,784.35
\$500,000	and over ...	14.630%	\$500,000	\$60,277.46

MARRIED PERSONS

IF THE TAXABLE
INCOME IS...

THE COMPUTED TAX IS...

OVER	BUT NOT OVER	OF AMOUNT OVER...	PLUS	
\$0	\$7,748 ...	1.100%	\$0	\$0.00
\$7,748	\$18,372 ...	2.200%	\$7,748	\$85.23
\$18,372	\$28,996 ...	4.400%	\$18,372	\$318.96
\$28,996	\$40,252 ...	6.600%	\$28,996	\$786.42
\$40,252	\$50,868 ...	8.800%	\$40,252	\$1,529.32
\$50,868	\$259,844 ...	10.230%	\$50,868	\$2,463.53
\$259,844	\$311,812 ...	11.330%	\$259,844	\$23,841.77
\$311,812	\$500,000 ...	12.430%	\$311,812	\$29,729.74
\$500,000	\$519,688 ...	13.530%	\$500,000	\$53,121.51
\$519,688	and over ...	14.630%	\$519,688	\$55,785.30

UNMARRIED/HEAD OF HOUSEHOLD

IF THE TAXABLE
INCOME IS...

THE COMPUTED TAX IS...

OVER	BUT NOT OVER	OF AMOUNT OVER...	PLUS	
\$0	\$7,754 ...	1.100%	\$0	\$0.00
\$7,754	\$18,372 ...	2.200%	\$7,754	\$85.29
\$18,372	\$23,684 ...	4.400%	\$18,372	\$318.89
\$23,684	\$29,310 ...	6.600%	\$23,684	\$552.62
\$29,310	\$34,622 ...	8.800%	\$29,310	\$923.94
\$34,622	\$176,694 ...	10.230%	\$34,622	\$1,391.40
\$176,694	\$212,032 ...	11.330%	\$176,694	\$15,925.37
\$212,032	\$353,388 ...	12.430%	\$212,032	\$19,929.17
\$353,388	\$500,000 ...	13.530%	\$353,388	\$37,499.72
\$500,000	and over ...	14.630%	\$500,000	\$57,336.32

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...		THE COMPUTED TAX IS...		
OVER	BUT NOT OVER	OF AMOUNT OVER...	PLUS	
\$0	\$323 ...	1.100%	\$0	\$0.00
\$323	\$765 ...	2.200%	\$323	\$3.55
\$765	\$1,208 ...	4.400%	\$765	\$13.27
\$1,208	\$1,677 ...	6.600%	\$1,208	\$32.76
\$1,677	\$2,120 ...	8.800%	\$1,677	\$63.71
\$2,120	\$10,827 ...	10.230%	\$2,120	\$102.69
\$10,827	\$12,992 ...	11.330%	\$10,827	\$993.42
\$12,992	\$21,654 ...	12.430%	\$12,992	\$1,238.71
\$21,654	\$41,667 ...	13.530%	\$21,654	\$2,315.40
\$41,667	and over ...	14.630%	\$41,667	\$5,023.16

MONTHLY PAYROLL PERIOD

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

IF THE TAXABLE INCOME IS...		THE COMPUTED TAX IS...		
OVER	BUT NOT OVER	OF AMOUNT OVER...	PLUS	
\$0	\$646 ...	1.100%	\$0	\$0.00
\$646	\$1,530 ...	2.200%	\$646	\$7.11
\$1,530	\$2,416 ...	4.400%	\$1,530	\$26.56
\$2,416	\$3,354 ...	6.600%	\$2,416	\$65.54
\$3,354	\$4,240 ...	8.800%	\$3,354	\$127.45
\$4,240	\$21,654 ...	10.230%	\$4,240	\$205.42
\$21,654	\$25,984 ...	11.330%	\$21,654	\$1,986.87
\$25,984	\$43,308 ...	12.430%	\$25,984	\$2,477.46
\$43,308	\$83,334 ...	13.530%	\$43,308	\$4,630.83
\$83,334	and over ...	14.630%	\$83,334	\$10,046.35

MARRIED PERSONS

IF THE TAXABLE INCOME IS...		THE COMPUTED TAX IS...		
OVER	BUT NOT OVER	OF AMOUNT OVER...	PLUS	
\$0	\$646 ...	1.100%	\$0	\$0.00
\$646	\$1,530 ...	2.200%	\$646	\$7.11
\$1,530	\$2,416 ...	4.400%	\$1,530	\$26.56
\$2,416	\$3,354 ...	6.600%	\$2,416	\$65.54
\$3,354	\$4,240 ...	8.800%	\$3,354	\$127.45
\$4,240	\$21,654 ...	10.230%	\$4,240	\$205.42
\$21,654	\$25,984 ...	11.330%	\$21,654	\$1,986.87
\$25,984	\$41,667 ...	12.430%	\$25,984	\$2,477.46
\$41,667	\$43,307 ...	13.530%	\$41,667	\$4,426.86
\$43,307	and over ...	14.630%	\$43,307	\$4,648.75

MARRIED PERSONS

IF THE TAXABLE INCOME IS...		THE COMPUTED TAX IS...		
OVER	BUT NOT OVER	OF AMOUNT OVER...	PLUS	
\$0	\$1,292 ...	1.100%	\$0	\$0.00
\$1,292	\$3,060 ...	2.200%	\$1,292	\$14.21
\$3,060	\$4,832 ...	4.400%	\$3,060	\$53.11
\$4,832	\$6,708 ...	6.600%	\$4,832	\$131.08
\$6,708	\$8,480 ...	8.800%	\$6,708	\$254.90
\$8,480	\$43,308 ...	10.230%	\$8,480	\$410.84
\$43,308	\$51,968 ...	11.330%	\$43,308	\$3,973.74
\$51,968	\$83,334 ...	12.430%	\$51,968	\$4,954.92
\$83,334	\$86,614 ...	13.530%	\$83,334	\$8,853.71
\$86,614	and over ...	14.630%	\$86,614	\$9,297.49

UNMARRIED/HEAD OF HOUSEHOLD

IF THE TAXABLE INCOME IS...		THE COMPUTED TAX IS...		
OVER	BUT NOT OVER	OF AMOUNT OVER...	PLUS	
\$0	\$646 ...	1.100%	\$0	\$0.00
\$646	\$1,531 ...	2.200%	\$646	\$7.11
\$1,531	\$1,974 ...	4.400%	\$1,531	\$26.58
\$1,974	\$2,443 ...	6.600%	\$1,974	\$46.07
\$2,443	\$2,885 ...	8.800%	\$2,443	\$77.02
\$2,885	\$14,724 ...	10.230%	\$2,885	\$115.92
\$14,724	\$17,669 ...	11.330%	\$14,724	\$1,327.05
\$17,669	\$29,449 ...	12.430%	\$17,669	\$1,660.72
\$29,449	\$41,667 ...	13.530%	\$29,449	\$3,124.97
\$41,667	and over ...	14.630%	\$41,667	\$4,778.07

UNMARRIED/HEAD OF HOUSEHOLD

IF THE TAXABLE INCOME IS...		THE COMPUTED TAX IS...		
OVER	BUT NOT OVER	OF AMOUNT OVER...	PLUS	
\$0	\$1,292 ...	1.100%	\$0	\$0.00
\$1,292	\$3,062 ...	2.200%	\$1,292	\$14.21
\$3,062	\$3,948 ...	4.400%	\$3,062	\$53.15
\$3,948	\$4,886 ...	6.600%	\$3,948	\$92.13
\$4,886	\$5,770 ...	8.800%	\$4,886	\$154.04
\$5,770	\$29,448 ...	10.230%	\$5,770	\$231.83
\$29,448	\$35,338 ...	11.330%	\$29,448	\$2,654.09
\$35,338	\$58,898 ...	12.430%	\$35,338	\$3,321.43
\$58,898	\$83,334 ...	13.530%	\$58,898	\$6,249.94
\$83,334	and over ...	14.630%	\$83,334	\$9,556.13

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...

THE COMPUTED TAX IS...

OVER	BUT NOT OVER	OF AMOUNT OVER...	PLUS	
\$0	\$149 ...	1.100%	\$0	\$0.00
\$149	\$353 ...	2.200%	\$149	\$1.64
\$353	\$558 ...	4.400%	\$353	\$6.13
\$558	\$774 ...	6.600%	\$558	\$15.15
\$774	\$978 ...	8.800%	\$774	\$29.41
\$978	\$4,997 ...	10.230%	\$978	\$47.36
\$4,997	\$5,996 ...	11.330%	\$4,997	\$458.50
\$5,996	\$9,994 ...	12.430%	\$5,996	\$571.69
\$9,994	\$19,231 ...	13.530%	\$9,994	\$1,068.64
\$19,231	and over ...	14.630%	\$19,231	\$2,318.41

MARRIED PERSONS

IF THE TAXABLE
INCOME IS...

THE COMPUTED TAX IS...

OVER	BUT NOT OVER	OF AMOUNT OVER...	PLUS	
\$0	\$298 ...	1.100%	\$0	\$0.00
\$298	\$706 ...	2.200%	\$298	\$3.28
\$706	\$1,116 ...	4.400%	\$706	\$12.26
\$1,116	\$1,548 ...	6.600%	\$1,116	\$30.30
\$1,548	\$1,956 ...	8.800%	\$1,548	\$58.81
\$1,956	\$9,994 ...	10.230%	\$1,956	\$94.71
\$9,994	\$11,992 ...	11.330%	\$9,994	\$917.00
\$11,992	\$19,231 ...	12.430%	\$11,992	\$1,143.37
\$19,231	\$19,988 ...	13.530%	\$19,231	\$2,043.18
\$19,988	and over ...	14.630%	\$19,988	\$2,145.60

UNMARRIED/HEAD OF HOUSEHOLD

IF THE TAXABLE
INCOME IS...

THE COMPUTED TAX IS...

OVER	BUT NOT OVER	OF AMOUNT OVER...	PLUS	
\$0	\$298 ...	1.100%	\$0	\$0.00
\$298	\$707 ...	2.200%	\$298	\$3.28
\$707	\$911 ...	4.400%	\$707	\$12.28
\$911	\$1,127 ...	6.600%	\$911	\$21.26
\$1,127	\$1,332 ...	8.800%	\$1,127	\$35.52
\$1,332	\$6,796 ...	10.230%	\$1,332	\$53.56
\$6,796	\$8,155 ...	11.330%	\$6,796	\$612.53
\$8,155	\$13,592 ...	12.430%	\$8,155	\$766.50
\$13,592	\$19,231 ...	13.530%	\$13,592	\$1,442.32
\$19,231	and over ...	14.630%	\$19,231	\$2,205.28

BIWEEKLY PAYROLL PERIOD

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

IF THE TAXABLE
INCOME IS...

THE COMPUTED TAX IS...

OVER	BUT NOT OVER	OF AMOUNT OVER...	PLUS	
\$0	\$298 ...	1.100%	\$0	\$0.00
\$298	\$706 ...	2.200%	\$298	\$3.28
\$706	\$1,116 ...	4.400%	\$706	\$12.26
\$1,116	\$1,548 ...	6.600%	\$1,116	\$30.30
\$1,548	\$1,956 ...	8.800%	\$1,548	\$58.81
\$1,956	\$9,994 ...	10.230%	\$1,956	\$94.71
\$9,994	\$11,992 ...	11.330%	\$9,994	\$917.00
\$11,992	\$19,988 ...	12.430%	\$11,992	\$1,143.37
\$19,988	\$38,462 ...	13.530%	\$19,988	\$2,137.27
\$38,462	and over ...	14.630%	\$38,462	\$4,636.80

MARRIED PERSONS

IF THE TAXABLE
INCOME IS...

THE COMPUTED TAX IS...

OVER	BUT NOT OVER	OF AMOUNT OVER...	PLUS	
\$0	\$596 ...	1.100%	\$0	\$0.00
\$596	\$1,412 ...	2.200%	\$596	\$6.56
\$1,412	\$2,232 ...	4.400%	\$1,412	\$24.51
\$2,232	\$3,096 ...	6.600%	\$2,232	\$60.59
\$3,096	\$3,912 ...	8.800%	\$3,096	\$117.61
\$3,912	\$19,988 ...	10.230%	\$3,912	\$189.42
\$19,988	\$23,984 ...	11.330%	\$19,988	\$1,833.99
\$23,984	\$38,462 ...	12.430%	\$23,984	\$2,286.74
\$38,462	\$39,976 ...	13.530%	\$38,462	\$4,086.36
\$39,976	and over ...	14.630%	\$39,976	\$4,291.20

UNMARRIED/HEAD OF HOUSEHOLD

IF THE TAXABLE
INCOME IS...

THE COMPUTED TAX IS...

OVER	BUT NOT OVER	OF AMOUNT OVER...	PLUS	
\$0	\$596 ...	1.100%	\$0	\$0.00
\$596	\$1,414 ...	2.200%	\$596	\$6.56
\$1,414	\$1,822 ...	4.400%	\$1,414	\$24.56
\$1,822	\$2,254 ...	6.600%	\$1,822	\$42.51
\$2,254	\$2,664 ...	8.800%	\$2,254	\$71.02
\$2,664	\$13,592 ...	10.230%	\$2,664	\$107.10
\$13,592	\$16,310 ...	11.330%	\$13,592	\$1,225.03
\$16,310	\$27,184 ...	12.430%	\$16,310	\$1,532.98
\$27,184	\$38,462 ...	13.530%	\$27,184	\$2,884.62
\$38,462	and over ...	14.630%	\$38,462	\$4,410.53

ONLINE SERVICES

e-Services for Business

e-Services for Business offers both a paperless and mobile way to manage your payroll tax account, making it convenient and time-saving for you or your authorized agent. With access possible 24 hours a day, 7 days a week, there's always time to file reports, make tax payments, or attend to your other payroll tax account needs.

e-Services for Business. Online. Anytime 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.
- File your *Report of New Employee(s)* (DE 34).
- File your *Report of Independent Contractor(s)* (DE 542).
- Make payroll tax deposits, pay past liabilities, or make 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 e-Services for Business. These tutorials are available online at www.edd.ca.gov/payroll_taxes/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, voluntary and mandatory electronic fund transfer information, and more.

For more information regarding the e-Services for Business programs, visit e-Services for Business at <https://eddservices.edd.ca.gov>, e-mail at ecom@edd.ca.gov, or contact the Taxpayer Assistance Center at 888-745-3886.

For the latest news and helpful information,
refer to the online quarterly **California Employer Newsletter** at
www.edd.ca.gov/payroll_taxes/california_employer_newsletter.htm.

Enroll in e-Services for Business today at
<https://eddservices.edd.ca.gov>.



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. Use the forms mailed to you or file online at <https://eddservices.edd.ca.gov>. If you do not have a form, you can obtain blank forms and detailed instructions online at www.edd.ca.gov/payroll_taxes/forms_and_publications.htm or contact the Taxpayer Assistance Center at 888-745-3886.

Payments sent to the EDD should always include your EDD eight-digit employer account number and checks/money orders made 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. For example:
 - 1st quarter of 2015 is entered as 151, which is 15 for 2015 and 1 for the first quarter.
 - Subsequent quarters would be 152, 153, and 154.
- 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
PO 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.

REPORT OF NEW EMPLOYEE(S) (DE 34)

Overview

Purpose: All employers are required by law to report all newly hired or rehired employees to the New Employee Registry (NER) within 20 days of their start-of-work date, which is the first day services were performed for wages. NEWLY HIRED employees are those individuals who have not previously been included on your payroll. REHIRED employees are those individuals who were previously included on your payroll, left your employment, and were rehired after a separation of at least 60 consecutive days.

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 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 or rehired 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 or Rehired Employees:

1. File online at <https://eddservices.edd.ca.gov>. It's fast, easy, and secure.
2. Download the DE 34 form online at www.edd.ca.gov/pdf_pub_ctr/de34.pdf.
3. Order DE 34 forms using the EDD online order form at www.edd.ca.gov/forms.

When Due: You must report all newly hired or rehired 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 had been separated or removed from payroll records for at least 60 consecutive days, then you need to report the employee as a rehire.

The following information must be included when reporting new employees:

Employer Information	Employee Information
<ul style="list-style-type: none">• EDD eight-digit employer account number• Federal Employer Identification Number (FEIN)• Business name• Business address• Contact person and phone number	<ul style="list-style-type: none">• First name, middle initial, and last name• Social Security number• Home address• Start-of-work date

Refer to sample DE 34 form on [page 52](#).

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
PO 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 e-Services for Business website 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 new employee electronic filing, refer to the *Electronic Filing Guide for the New Employee Registry Program* (DE 340) at www.edd.ca.gov/pdf_pub_ctr/de340.pdf, the NER FAQs at www.edd.ca.gov/payroll_taxes/faq_-_california_new_employee_registry.htm, or contact:

**Employment Development Department
e-File, ICR and NER Group, MIC 15A
PO Box 826880
Sacramento, CA 94280-0001
Phone: 800-796-3524**

FOR ILLUSTRATIVE PURPOSES ONLY



REPORT OF NEW EMPLOYEE(S)

NOTE: Failure to provide all of the information below may result in this form being rejected and/or a penalty being assessed.



00340600



DATE 030715 D Y Y	CA EMPLOYER ACCOUNT NUMBER 00000000	BRANCH CODE	FEDERAL ID NUMBER XXXXXXXXXX
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BUSINESS NAME JAMES AND JANE JONES	CONTACT PERSON JANE JONES	PHONE NUMBER 123-555-7899
ADDRESS P.O. BOX 12345	STREET ANYTOWN	STATE CA 12345

EMPLOYEE FIRST NAME V	EMPLOYEE LAST NAME SMITH	STREET NAME MAPLE STREET	UNIT/APT
SOCIAL SECURITY NUMBER	STREET NUMBER	STATE CA	ZIP CODE 12345
CITY	START-OF-WORK DATE 022615 D Y Y		

EMPLOYEE FIRST NAME	EMPLOYEE LAST NAME	STREET NAME	UNIT/APT
SOCIAL SECURITY NUMBER	STREET NUMBER	STATE	ZIP CODE
CITY	START-OF-WORK DATE M M D D Y Y		

EMPLOYEE FIRST NAME	EMPLOYEE LAST NAME	STREET NAME	UNIT/APT
SOCIAL SECURITY NUMBER	STREET NUMBER	STATE	ZIP CODE
CITY	START-OF-WORK DATE M M D D Y Y		

EMPLOYEE FIRST NAME	EMPLOYEE LAST NAME	STREET NAME	UNIT/APT
SOCIAL SECURITY NUMBER	STREET NUMBER	STATE	ZIP CODE
CITY	START-OF-WORK DATE M M D D Y Y		

EMPLOYEE FIRST NAME	EMPLOYEE LAST NAME	STREET NAME	UNIT/APT
SOCIAL SECURITY NUMBER	STREET NUMBER	STATE	ZIP CODE
CITY	START-OF-WORK DATE M M D D Y Y		

EMPLOYEE FIRST NAME	EMPLOYEE LAST NAME	STREET NAME	UNIT/APT
SOCIAL SECURITY NUMBER	STREET NUMBER	STATE	ZIP CODE
CITY	START-OF-WORK DATE M M D D Y Y		



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 the Employment Development Department (EDD) regarding any independent contractor providing services to you or your business. The Independent Contractor Reporting (ICR) information assists California's Department of Child Support Services and Department of Justice in locating parents for the purpose of collecting delinquent child support payments. 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. Download the DE 542 form online at www.edd.ca.gov/pdf_pub_ctr/de542.pdf.
3. Order DE 542 forms using the EDD online order form at www.edd.ca.gov/forms.

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
<ul style="list-style-type: none">• Federal Employer Identification Number (FEIN)• EDD eight-digit employer account number• Social Security number (if no FEIN number or the EDD eight-digit employer account number)• Business or government entity name, address, and phone number• Contact person	<ul style="list-style-type: none">• 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 54](#).

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
PO 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 using e-Services for Business at <https://eddservices.edd.ca.gov>. **IF YOU FILE ELECTRONICALLY, DO NOT FILE A PAPER DE 542.** For additional information on ICR electronic filing, refer to the *Electronic Filing Guide for the Independent Contractor Reporting Program* (DE 542M) at www.edd.ca.gov/pdf_pub_ctr/de542m.pdf, the ICR FAQs at www.edd.ca.gov/pdf_pub_ctr/de542faq.pdf, online at www.edd.ca.gov/payroll_taxes/faq_-_california_independent_contractor_reporting.htm, or contact:

**Employment Development Department
e-File, ICR, and NER, MIC 15A
PO Box 826880
Sacramento, CA 94280-0001
Phone: 800-796-3524**

FOR ILLUSTRATIVE PURPOSES ONLY



REPORT OF INDEPENDENT CONTRACTOR(S)

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



05420101



SERVICE-RECIPIENT (BUSINESS OR GOVERNMENT ENTITY):

DATE 031115	FEDERAL ID NUMBER XXXXXXXXXX	CA EMPLOYER ACCOUNT NUMBER 00000000	SOCIAL SECURITY NUMBER XXXXXXXXXX
SERVICE-RECIPIENT NAME / BUSINESS NAME EMPLOYER CITY STORE		CONTACT PERSON JANE JONES	
PHONE NUMBER 123 555-7899		STATE CA	
ZIP CODE 12345			

File this form
online through
e-Services for Business at
<https://eddservices.edd.ca.gov>.

SERVICE-PROVIDER (INDEPENDENT CONTRACTOR):

FIRST NAME FRED	MI Z	LAST NAME HILL	UNIT/APT
SOCIAL SECURITY NUMBER 000000000	STREET NUMBER 421	STREET NAME OAK AVENUE	UNIT/APT
CITY ANYTOWN	STATE CA	ZIP CODE 12345	
START DATE OF CONTRACT 040315	AMOUNT OF CONTRACT 1000.00	CONTRACT EXPIRATION DATE 062715	CHECK HERE IF CONTRACT IS ONGOING
M M D D Y Y		M M D D Y Y	

FIRST NAME	MI	LAST NAME	UNIT/APT
SOCIAL SECURITY NUMBER	STREET NUMBER	STREET NAME	UNIT/APT
CITY	STATE	ZIP CODE	
START DATE OF CONTRACT	AMOUNT OF CONTRACT	CONTRACT EXPIRATION DATE	CHECK HERE IF CONTRACT IS ONGOING
M M D D Y Y		M M D D Y Y	

FIRST NAME	MI	LAST NAME	UNIT/APT
SOCIAL SECURITY NUMBER	STREET NUMBER	STREET NAME	UNIT/APT
CITY	STATE	ZIP CODE	
START DATE OF CONTRACT	AMOUNT OF CONTRACT	CONTRACT EXPIRATION DATE	CHECK HERE IF CONTRACT IS ONGOING
M M D D Y Y		M M D D Y Y	



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

MAIL TO: Employment Development Department • P.O. Box 997350, MIC 96 • Sacramento, CA 95899-7350
or Fax to 916-319-4410



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. Newly registered employers are sent a DE 88 booklet containing preprinted coupons about six weeks after registering with the EDD. Newly registered employers can enroll and use e-Services for Business immediately to make deposits.



e-Services for Business. Online. Anytime.

Electronic Filing:

- Fast, easy, and secure way to manage your payroll taxes online.
- Ability to view and edit your returns/reports prior to submission.
- Available 24 hours a day, 7 days a week.
- Payroll agents can manage their clients' payroll tax accounts by enrolling in e-Services for Business through a third-party access.
- Access now available using tablets and smartphones.
- For additional e-Services for Business features, refer to [page 49](#).

Enroll in e-Services for Business today at <https://eddservices.edd.ca.gov>.

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 PIT withholdings are \$350 or more, SDI and PIT may need to be deposited more often.** Refer to [page 58](#) for the California Deposit Requirements table.
- Refer to [page 57](#) for additional deposit information and due dates.

NOTE: A penalty of 15 percent (10 percent for periods prior to the 3rd quarter 2014) plus interest will be charged on late payroll tax payments.

Paper filing:

If you **do not** file online, you will receive a DE 88 coupon booklet with preprinted payroll tax rates by March of each year. Preprinted envelopes are also sent with each DE 88 booklet.

The following are options available for obtaining DE 88 coupons:

- Download from the EDD website at www.edd.ca.gov/pdf_pub_ctr/de88all.pdf.
- Order DE 88 forms using the EDD online order form at www.edd.ca.gov/forms/.
- Complete and mail 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
PO Box 826880
Sacramento, CA 94280-0001**

**Phone: 916-654-7041 or 888-745-3886
Outside U.S. or Canada: 916-464-3502**

PAYROLL TAX DEPOSIT (DE 88) (cont.)



Detailed instructions for 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. You may also view the Web-based tutorials at www.edd.ca.gov/payroll_taxes/web_based_seminars.htm. For additional assistance completing your DE 88, contact the Taxpayer Assistance Center at 888-745-3886. If outside of the U.S. or Canada, call 916-464-3502.

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.

FOR ILLUSTRATIVE PURPOSES ONLY

Sample DE 88 Form

Examples were created using 2014 rates.
Refer to inside front cover for 2015 rates.

PAYROLL TAX DEPOSIT DE 88ALL		(TYPE OR PRINT IN BLACK INK ONLY)	
 Employment Development Department State of California	1. PAY DATE: MUST BE COMPLETED 0 3 3 1 1 5 (Last PAY DATE covered by deposit)	2. DEPOSIT SCHEDULE: (MUST MARK ONE BOX) NEXT-DAY <input type="checkbox"/> SEMIWEEKLY <input type="checkbox"/> MONTHLY <input type="checkbox"/> QUARTERLY <input checked="" type="checkbox"/>	4. DEPOSIT AMOUNTS: Rate Tax A) UI 2 3 8 0 0 B) ETT 7 0 0 C) 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 Employer Name JAMES AND JANE JONES Employer DBA EMPLOYER CITY STORE Indicate your Account Number here; Please enter on your check 0 0 0 0 0		3. QUARTER COVERED 1 5 1 DEVELOPMENT DEPT	
PREPARER'S SIGNATURE X 		TELEPHONE NO. (123) 555-7899 DEPARTMENT USE ONLY	

TOTAL LINES A THROUGH F.
DO NOT FOLD OR STAPLE.
Make check payable to **EDD**.

DE 88ALL Rev. 18 (11-12)

For the latest news and helpful information,
refer to the online quarterly **California Employer Newsletter** at
www.edd.ca.gov/payroll_taxes/california_employer_newsletter.htm.

PAYROLL TAX DEPOSIT (DE 88) (cont.)

Withholding Deposits

Tax payments must be submitted with a properly completed *Payroll Tax Deposit* (DE 88/DE 88ALL) coupon **unless payments are made using the EDD e-Services for Business website at <https://eddservices.edd.ca.gov>**. Although employer contributions of Unemployment Insurance (UI) and Employment Training Tax (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 58](#). For information on federal deposit schedules, download the IRS *Employer's Tax Guide* (Publication 15, Circular E) from the IRS website at www.irs.gov or contact the IRS at 800-829-3676.

A penalty of 15 percent (10 percent for periods prior to the 3rd quarter 2014) 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. **Payments made by mail must include your EDD eight-digit employer account number on your check or money order, and be payable to the Employment Development Department.**

Mail all tax payments with the DE 88/DE 88ALL to:

**Employment Development Department
PO Box 826276
Sacramento, CA 94230-6276**

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

CALIFORNIA DEPOSIT REQUIREMENTS

CALIFORNIA DEPOSIT SCHEDULE	REQUIREMENT DEFINITION
Next-Day	<p>You are required to make Next-Day SDI and PIT deposits if you are required to make federal Next-Day deposits AND you accumulate more than \$500* in California PIT during one or more payroll periods. If you accumulate \$350 to \$500* in PIT during one or more pay periods, refer to Monthly requirements below.</p> <p>The Next-Day deposit schedule requires deposits to be made by the next business day. Business days do not include Saturdays, Sundays, and legal holidays.</p>
Semi-weekly	<p>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 to \$500* in PIT during one or more pay periods, refer to Monthly requirements below.</p> <p>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.</p> <p>Semi-weekly depositors always have three business days after the end of the semi-weekly period to make a deposit. If any of the three business days after the end of the semi-weekly period is a legal holiday, you will have an additional business day to make your deposit.</p>
Monthly	<p>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.</p> <p>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.</p> <p>You are required to make Monthly SDI and PIT deposits if you are required to make federal Semi-weekly or Next-Day deposits and you accumulate \$350 to \$500* in California PIT during one or more months of a quarter.</p>
Quarterly	<p>Quarterly tax payments are due and delinquent on the same dates as the <i>Quarterly Contribution Return and Report of Wages (Continuation)</i> (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.)</p> <p>Employer contributions for UI and ETT are due Quarterly. However, they may be submitted more often with any required SDI and PIT deposits.</p>

*California PIT deposit threshold may be adjusted annually.

PAYROLL TAX DEPOSIT (DE 88) (cont.)

Withholding Deposits

California Deposit Requirements				
If Your Federal Deposit Schedule/ Requirement is¹	And You Have Accumulated State PIT Withholding of	If Pay Date is	PIT and SDI Deposit Due by²	California "Deposit Schedule" box to mark on the DE 88/ DE 88ALL
Next-Day	Less than \$350	Any payday	Quarterly ³	Quarterly
	\$350 to \$500	Any payday	15 th of the following month	Monthly
	More than \$500	Any payday	Next-Day	Next-Day
Semi-weekly	Less than \$350	Any payday	Quarterly ³	Quarterly
	\$350 to \$500	Any payday	15 th 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 payday	Quarterly ³	Quarterly
	\$350 or more	Any payday	15 th of the following month	Monthly
Quarterly ^{4,5} or Annually ⁶	Less than \$350	Any payday	April 30, 2015 July 31, 2015 November 2, 2015 February 1, 2016	Quarterly
	\$350 or more	Any payday	15 th of the following month	Monthly

¹ Electronic payment transactions for Next-Day deposits must be settled* in the state's bank account on or before the third business day following the payroll date. *Refer to [page 114](#) 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 you 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 and any accumulated SDI and PIT withholdings not previously paid MUST BE DEPOSITED EACH QUARTER by the due dates shown.

⁶ If your federal deposit schedule/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 a deposit in any of the three business days following the last pay date. If any of the transition period days is a legal holiday, you are given an extra business day to make your deposit.

REMINDERS:

- Once you make a Next-Day deposit to the IRS, your federal deposit schedule automatically becomes semi-weekly for the remainder of that calendar year and all of the following calendar year.
- Semi-weekly depositors always have three business 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 business day to deposit.
- Credit card transactions do not satisfy mandatory Electronic Funds Transfer (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 schedule above.
- Electronic payment transactions for quarterly deposits must settle into the state's bank account on or before the business day following the last timely date. For the timely settlement dates, refer to [page 59](#). Additional electronic payment options are available online at <https://eddservices.edd.ca.gov>.

PAYROLL TAX DEPOSIT (DE 88) (cont.)

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 15 percent (10 percent for periods prior to the 3rd quarter of 2014) plus interest will be charged on late payroll tax payments.** If you mail your DE 88 coupon, the filing due dates and delinquency dates for 2015 quarterly payroll tax deposits are:

Reporting Period	Filing Due Date	Delinquent If Not Paid By
January, February, March	April 1, 2015	April 30, 2015
April, May, June	July 1, 2015	July 31, 2015
July, August, September	October 1, 2015	November 2, 2015
October, November, December	January 1, 2016	February 1, 2016

Using Electronic Funds Transfer (EFT)

EFT transactions, regardless of the method of transmission (e-Services for Business, vendor, or Federal/State Employment Taxes program), for quarterly Unemployment Insurance (UI), Employment Training Tax (ETT), State Disability Insurance (SDI), and Personal Income Tax (PIT) payments must settle in the state's bank account on or before the timely settlement date. Refer to the last column in the table below for specific settlement dates.

2015 Quarterly Payment Table

Reporting Period	Taxes Due	Last Timely Date (initiate on or before)	Timely Settlement Date
January, February, March	April 1, 2015	April 30, 2015	May 1, 2015
April, May, June	July 1, 2015	July 31, 2015	August 1, 2015
July, August, September	October 1, 2015	November 2, 2015	November 3, 2015
October, November, December	January 1, 2016	February 1, 2016	February 2, 2016

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

- Electronic Funds Transfer (EFT) Automatic Clearing House (ACH) **debit** transactions must be completed before 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 15 percent (10 percent for periods prior to the 3rd quarter of 2014) 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. Refer to your 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. Refer to the interest table online at www.edd.ca.gov/payroll_taxes/interest_rate.htm.

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, phone 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 EDD employer account number. Please use the preprinted DE 88 envelope to mail your DE 88 and payment to the 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 website 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.

PAYROLL TAX DEPOSIT (DE 88) (cont.)

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.

Correcting Payroll Tax Deposits

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

Correcting a Payroll Tax Deposit (DE 88) Coupon	Reason for Adjustment		How to Make an Adjustment	Form to Use
	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 QUARTERLY CONTRIBUTION AND WAGE ADJUSTMENT FORM [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: <ul style="list-style-type: none"> • DE 9 was filed. • Form W-2 was issued to the employee. • DE 9C was filed. 	DO NOT: <ul style="list-style-type: none"> • 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. <p>The employee will receive a credit for the PIT overwithholding when filing a California State income tax return with the Franchise Tax Board (FTB).</p>	None
	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: The EDD will make the necessary adjustments at the end of the quarter when your DE 9 is filed.	No form required.

Additional information and samples of the *Quarterly Contribution and Wage Adjustment Form* (DE 9ADJ) are available on [page 68](#) or online at www.edd.ca.gov/pdf_pub_ctr/de9adj.pdf.

PAYROLL TAX DEPOSIT (DE 88) (cont.)

Correcting Payroll Tax Deposits (cont.)

IMPORTANT: Do not mail your *Quarterly Contribution Return and Report of Wages* (DE 9) 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 DE 88 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 the 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 Franchise Tax Board (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.

Correcting Payroll Tax Deposits Made by Electronic Funds Transfer (EFT)	Reason for Adjustment		How to Make an Adjustment	Form to Use
	Overpaid	UI, ETT, SDI, and/or PIT via 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 an EFT payment transaction for the delinquent funds and calculated penalty and interest. 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 or paid by credit card.** Additional information about mandatory EFT filing is available online at www.edd.ca.gov/payroll_taxes/electronic_funds_transfer.htm.

For the latest news and helpful information,
refer to the online quarterly **California Employer Newsletter** at
www.edd.ca.gov/payroll_taxes/california_employer_newsletter.htm.

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. **You must submit a DE 9 AND a *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C) each quarter.**

2015 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, 2015	April 30, 2015
April, May, June	July 1, 2015	July 31, 2015
July, August, September	October 1, 2015	November 2, 2015
October, November, December	January 1, 2016	February 1, 2016

NOTE: For reporting purposes, wages are taxable when paid, when constructively paid, or when an employee receives remuneration other than cash.

Refer to sample DE 9 form on [page 64](#).

You must file a DE 9 each quarter even if you paid no wages during the quarter. Penalty and interest will be charged on late reports. If the due date falls on a Saturday, Sunday, or legal holiday, the due date is extended to the next business day.

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

Quarter-End Payment Due: If 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.



e-Services for Business. Online. Anytime.

Electronic Filing:

- Fast, easy, and secure way to manage your payroll taxes online.
- Ability to view and edit your returns/reports prior to submission.
- Available 24 hours a day, 7 days a week.
- For additional e-Services for Business features, refer to [page 49](#).

Join e-Services for Business today at <https://eddservices.edd.ca.gov>.

Paper Filing: If you **do not** file online, then:

- The DE 9 will be mailed to you in March, June, September, and December of each year.
- OR
- Download the DE 9 form online at www.edd.ca.gov/pdf_pub_ctr/de9.pdf.
 - Order DE 9 forms from the EDD website at www.edd.ca.gov/forms/.

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 an envelope that is **separate** from your *Payroll Tax Deposit* (DE 88/DE 88ALL) coupon and payment.

For assistance completing your DE 9, contact the Taxpayer Assistance Center at 888-745-3886. If outside the U.S. or Canada, call 916-464-3502.

NOTE:

- California law requires employers to report all UI/SDI subject California wages paid and California PIT withheld during the quarter.
- A penalty of **15 percent (10 percent for periods prior to the 3rd quarter of 2014) plus interest** will be charged for underpayment of contributions and California PIT withheld per Section 1112(a) of the California Unemployment Insurance Code (CUIC).

QUARTERLY CONTRIBUTION RETURN AND REPORT OF WAGES (DE 9) (cont.)

Correcting a Previously Filed DE 9

If you made an error on a *Quarterly Contribution Return and Report of Wages* (DE 9), you can make a correction as follows:

Online

1. Login to e-Services for Business at <https://eddservices.edd.ca.gov>.
2. Access the original DE 9 filed previously.
3. Select "Change."
4. Make the changes to the form and select "Submit" to send your request to the EDD.

Paper

Complete and mail the *Quarterly Contribution and Wage Adjustment Form* (DE 9ADJ). Refer to [page 68](#) for additional information and a sample form.

File and pay online using the EDD e-Services for Business at
<https://eddservices.edd.ca.gov>.

Subscribe to the EDD no-fee e-mail subscription services at
www.edd.ca.gov/about_edd/get_email_notices.htm.

For the latest news and helpful information,
refer to the online quarterly **California Employer Newsletter** at
www.edd.ca.gov/payroll_taxes/california_employer_newsletter.htm.

FOR ILLUSTRATIVE PURPOSES ONLY

Examples were created using 2014 rates.
Refer to inside front cover for 2015 rates.



QUARTERLY CONTRIBUTION
RETURN AND REPORT OF WAGES



REMINDER: File your DE 9 and DE 9C together.

PLEASE TYPE THIS FORM—DO NOT ALTER PREPRINTED INFORMATION

00090112

QUARTER ENDED 03/31/2015

DUE 04/01/2015

DELINQUENT IF
NOT POSTMARKED
OR RECEIVED BY 04/30/2015

YR 15 QTR 1

EMPLOYER ACCOUNT NO.

000-0000-0

File this form
online through
e-Services for Business at
<https://eddservices.edd.ca.gov>

DEPT. USE ONLY

DO NOT ALTER THIS AREA

P1	P2	C	P	U	S	A
II	II	II	II	II	II	II
T	II					
II						
II						

EFFECTIVE DATE Mo. Day Yr.

FEIN A. NO WAGES PAID THIS QUARTER ☐ B. OUT OF BUSINESS/NO EMPLOYEES ☐

ADDITIONAL FEINS

B1. OUT OF BUSINESS DATE
M M D D Y Y Y Y

C. TOTAL SUBJECT WAGES PAID THIS QUARTER 54,000.00

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 14,000.00 = (D3) UI CONTRIBUTIONS 476.00

E. EMPLOYMENT TRAINING TAX (ETT)
(E1) ETT Rate % .1 TIMES UI Taxable Wages for the Quarter (D2) = (E2) ETT CONTRIBUTIONS 14.00

F. STATE DISABILITY INSURANCE (SDI) (Total Employee Wages up to \$ per employee per calendar year)
(F1) SDI Rate % 1.0 TIMES (F2) SDI TAXABLE WAGES FOR THE QUARTER 54,000.00 = (F3) SDI EMPLOYEE CONTRIBUTIONS WITHHELD 540.00

G. CALIFORNIA PERSONAL INCOME TAX (PIT) WITHHELD 2,000.00

H. SUBTOTAL (Add Items D3, E2, F3, and G) 3,030.00

I. LESS: CONTRIBUTIONS AND WITHHOLDINGS PAID FOR THE QUARTER (DO NOT INCLUDE PENALTY AND INTEREST PAYMENTS) 3,030.00

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. NOTE: Do not mail payments along with the DE 9 and Quarterly Contribution Return and Report of Wages (Continuation) (DE 9C), as this may delay processing and 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. I declare that the above, to the best of my knowledge and belief, is true and correct. If a refund was claimed, a reasonable effort was made to refund any erroneous deductions to the affected employee(s).

Signature Joe Jones Title OWNER Phone (123) 555-7899 Date 04/07/2015
(Owner, Accountant, Preparer, etc.)

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

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.

2015 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, 2015	April 30, 2015
April, May, June	July 1, 2015	July 31, 2015
July, August, September	October 1, 2015	November 2, 2015
October, November, December	January 1, 2016	February 1, 2016

NOTE: For reporting purposes, wages are taxable when paid, when constructively paid, or when an employee receives remuneration other than cash. If wages are still unpaid at the time the DE 9C is due, wages due to an employee that were not paid within the time required by law should be reported on a separate DE 9C under the caption "**Wages Legally Due but Unpaid.**" This will ensure that an employee receives proper wage credit for the quarter when the wages should have been paid. However, the employment taxes due on these wages should be paid when the wages are actually or constructively paid to the employee.

Refer to sample DE 9C form on [page 67](#).

You must file a DE 9C each quarter even if you paid no wages during the quarter. Penalty and interest will be charged on late reports. If the due date falls on a Saturday, Sunday, or legal holiday, the due date is extended to the next business day.

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



e-Services for Business. Online. Anytime.

Electronic Filing:

- Fast, easy, and secure way to manage your payroll taxes online.
- Ability to view and edit your returns/reports prior to submission.
- Available 24 hours a day, 7 days a week.
- For additional e-Services for Business features, refer to [page 49](#).

Join e-Services for Business today at <https://eddservices.edd.ca.gov>.

Paper Filing: If you **do not** file online, then:

- The DE 9C will be mailed to you in March, June, September, and December of each year.
- OR
- Download the DE 9C form online at www.edd.ca.gov/pdf_pub_ctr/de9c.pdf.
 - Order DE 9C forms from the EDD website at www.edd.ca.gov/forms/.

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 an envelope that is **separate** from your *Payroll Tax Deposit* (DE 88/DE 88ALL) coupon and payment.

For assistance completing your DE 9C, 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>.

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

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. Enter "0" (zero) in each box in Item A. Check Box "C," sign and date the report, and send it to the 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, contact the Taxpayer Assistance Center at 888-745-3886.
- A wage item penalty of **\$20 (\$10 for periods prior to the 3rd quarter 2014) 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 will be assessed a penalty of **\$20 (\$10 for periods prior to the 3rd quarter 2014) 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 State Disability Insurance (SDI) as a Voluntary Plan employer (SDI 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 Previously Filed DE 9C

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

Online

1. Login to e-Services for Business at <https://eddservices.edd.ca.gov>.
2. Access the original DE 9C filed previously.
3. Select "Change."
4. Make the changes to the form and select "Submit" to send your request to the EDD.

Paper

Complete and mail the *Quarterly Contribution and Wage Adjustment Form* (DE 9ADJ). Refer to [page 68](#) for additional information and a sample form.

For the latest news and helpful information,
refer to the online quarterly **California Employer Newsletter** at
www.edd.ca.gov/payroll_taxes/california_employer_newsletter.htm.

FOR ILLUSTRATIVE PURPOSES ONLY



QUARTERLY CONTRIBUTION RETURN AND REPORT OF WAGES (CONTINUATION)



REMINDER: File your DE 9 and DE 9C together.

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

009C0111

Page number _____ of _____

QUARTER ENDED 03/31/2015

DUE 04/01/2015

DELINQUENT IF NOT POSTMARKED OR RECEIVED BY 04/30/2015

YR 15 QTR 1

EMPLOYER ACCOUNT NO.

000-0000-0

File this form
online through
e-Services for Business at
<https://eddservices.edd.ca.gov>.

DO NOT ALTER THIS AREA

P1 ☐ C ☐ T ☐ S ☐ W ☐ A ☐

EFFECTIVE DATE

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 Disability Insurance wages on this page. Report Personal Income Tax (PIT) Wages and PIT Withheld, if appropriate. (See instructions for Item B.) C. ☐ NO PAYROLL

D. SOCIAL SECURITY NUMBER 000-00-0000 E. EMPLOYEE NAME (FIRST NAME) MARY (M.I.) (LAST NAME) J PAYNE

F. TOTAL SUBJECT WAGES 30,000.00 G. PIT WAGES 30,000.00 H. PIT WITHHELD 1,300.00

D. SOCIAL SECURITY NUMBER 000-00-0000 E. EMPLOYEE NAME (FIRST NAME) CINDY (M.I.) (LAST NAME) V SMITH

F. TOTAL SUBJECT WAGES 24,000.00 G. PIT WAGES 24,000.00 H. PIT WITHHELD 700.00

D. SOCIAL SECURITY NUMBER E. EMPLOYEE NAME (FIRST NAME) (M.I.) (LAST NAME)

F. TOTAL SUBJECT WAGES G. PIT WAGES H. PIT WITHHELD

D. SOCIAL SECURITY NUMBER E. EMPLOYEE NAME (FIRST NAME) (M.I.) (LAST NAME)

F. TOTAL SUBJECT WAGES G. PIT WAGES H. PIT WITHHELD

D. SOCIAL SECURITY NUMBER E. EMPLOYEE NAME (FIRST NAME) (M.I.) (LAST NAME)

F. TOTAL SUBJECT WAGES G. PIT WAGES H. PIT WITHHELD

D. SOCIAL SECURITY NUMBER E. EMPLOYEE NAME (FIRST NAME) (M.I.) (LAST NAME)

F. TOTAL SUBJECT WAGES G. PIT WAGES H. PIT WITHHELD

D. SOCIAL SECURITY NUMBER E. EMPLOYEE NAME (FIRST NAME) (M.I.) (LAST NAME)

F. TOTAL SUBJECT WAGES G. PIT WAGES H. PIT WITHHELD

I. TOTAL SUBJECT WAGES THIS PAGE 54,000.00 J. TOTAL PIT WAGES THIS PAGE 54,000.00 K. TOTAL PIT WITHHELD THIS PAGE 2,000.00

L. GRAND TOTAL SUBJECT WAGES 54,000.00 M. GRAND TOTAL PIT WAGES 54,000.00 N. GRAND TOTAL PIT WITHHELD 2,000.00

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

Signature *John Jones* Title OWNER Phone (123) 555-7899 Date 04/07/2015
(Owner, Accountant, Preparer, etc.)

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



DE 9C Rev. 1 (1-12) (INTERNET)

Page 1 of 2



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Visit EDD's Web site at www.edd.ca.gov

CU

QUARTERLY CONTRIBUTION AND WAGE ADJUSTMENT FORM (DE 9ADJ)

Overview

Purpose: Employers use the *Quarterly Contribution and Wage Adjustment Form* (DE 9ADJ) to make corrections to previously filed reports. Corrections may also be made electronically through e-Services for Business available at <https://eddservices.edd.ca.gov>.

Form	Reason for Adjustment	How to Make an Adjustment
Correcting previously filed <i>Quarterly Contribution Return and Report of Wages</i> (DE 9)	Provided incorrect UI, ETT, SDI, and/or PIT information.	File a DE 9ADJ. Complete Sections I and II with the correct information. If DE 9C forms were filed incorrectly, also complete Section III of the DE 9ADJ. NOTE: If taxes are due, send a payment for the tax amount plus penalty and interest, if any, with the DE 9ADJ.
Correcting previously filed <i>Quarterly Contribution Return and Report of Wages (Continuation)</i> (DE 9C)	Incorrect employee Social Security number (SSN) or name reported.	File a DE 9ADJ. Complete Sections I and III. Section III requires two entries. For the first entry, enter the quarter, incorrect SSN, employee name, and enter zeros in total subject wages, PIT wages, and PIT withheld fields. For the second entry, enter the corrected information. For examples, refer to page 2 of the DE 9ADJ-I Instructions.
	Incorrect wages and/or PIT information for employees previously reported.	File a DE 9ADJ. Complete Sections I and III with correct wages and/or PIT information for each employee by quarter. For examples, refer to page 2 of the DE 9ADJ-I Instructions. NOTE: If DE 9 has been filed with incorrect information, also complete Section II.
	No SSN reported for employee.	File a DE 9ADJ. Complete Sections I and III. Section III requires two entries. For the first entry, enter the quarter, all zeros for the SSN filed, employee name, and zeros in subject wages, PIT wages, and PIT withheld fields. In the second entry, enter the corrected information. For examples, refer to page 2 of the DE 9ADJ-I Instructions.
	Employee(s) not previously reported.	File a DE 9ADJ. Complete Sections I and III with unreported employee(s) SSN and full name, total subject wages, PIT wages, and PIT withheld by quarter. NOTE: If a DE 9 has been filed with incorrect information, also complete Section II.

Detailed DE 9ADJ instructions are provided on the *Instructions for Completing the Quarterly Contribution and Wage Adjustment Form* (DE 9ADJ-I) available online at www.edd.ca.gov/pdf_pub_ctr/de9adj.pdf or contact the Taxpayer Assistance Center at 888-745-3886 for additional assistance.

A completed sample DE 9ADJ is shown on pages 69 and 70.

For the latest news and helpful information,
refer to the online quarterly **California Employer Newsletter** at
www.edd.ca.gov/payroll_taxes/california_employer_newsletter.htm.

FOR ILLUSTRATIVE PURPOSES ONLY



QUARTERLY CONTRIBUTION AND WAGE ADJUSTMENT FORM

STATUTE OF LIMITATIONS
A claim for refund or credit must be filed within three years of the last timely filing date of the quarter being adjusted.



You can file this adjustment form online through the Employment Development Department's (EDD) e-Services for Business. Please visit our website at www.edd.ca.gov. See *Instructions for Completing the Quarterly Contribution and Wage Adjustment Form (DE 9ADJ-I)* for completing this form.

SECTION II: ADJUSTMENT TO WAGES AND CONTRIBUTIONS

File this form online through e-Services for Business at <https://eddservices.edd.ca.gov>.

YEAR / QUARTER

15/1

EMPLOYER ACCOUNT NO.

000-0000-0

REASON: Understated 1st quarter by \$9000. Did not report one employee.

SECTION II: ADJUSTMENT TO WAGES AND CONTRIBUTIONS	(1)	(2)	(3)
	Previously reported	Should have reported	DIFFERENCES Debit/(Credit)
A. TOTAL SUBJECT WAGES.....	9,000.00	18,000.00	9,000.00
B. UNEMPLOYMENT INSURANCE (UI) Taxable Wages	7,000.00	14,000.00	7,000.00
C. STATE DISABILITY INSURANCE (SDI) Taxable Wages	9,000.00	18,000.00	9,000.00
D. EMPLOYER'S UI CONTRIBUTIONS (UI Rate 3.4% times B).....	238.00	476.00	238.00
E. EMPLOYMENT TRAINING TAX (ETT Rate 0.1% times B).....	7.00	14.00	7.00
F. STATE DISABILITY INSURANCE* (SDI) Withheld (SDI Rate 1.0% times C; complete Box 1 below if credit on row F.).....	90.00	180.00	90.00
G. PERSONAL INCOME TAX (PIT) Withheld (Complete Box 2 below if credit on line G.).....	150.00	300.00	150.00
H. SUBTOTAL (Lines D, E, F, and G)	485.00	970.00	485.00
I. Penalty (Refer to instructions on DE 9ADJ-I)			0.00
J. Interest (Refer to instructions on DE 9ADJ-I)			0.00
K. Erroneous SDI Deductions not refunded (See Box 1, NOTE below)			0.00
L. Less contributions and withholdings paid for the quarter			1,000.00
M. Total taxes due or overpaid (H2 + I + J + K) - L			-30.00

* Includes Paid Family Leave amount.

BOX 1. STATE DISABILITY INSURANCE OVERPAYMENTS (Must be completed for credit to be allowed.)

1. Was the credit claimed in column 3 withheld from the wages of employee(s)? ☒ Yes ☐ No
If yes, has this amount been refunded to employee(s)? ☒ Yes ☐ No
If not refunded: employee(s) no longer employed, unable to locate.
NOTE: The EDD cannot refund these contributions to you unless you first refund the erroneous deductions to the employee(s).
(List each employee name, Social Security Number, and amount of SDI not refunded.)

BOX 2. PERSONAL INCOME TAX OVERPAYMENTS (Must be completed for credit to be allowed.)

If you paid the Employment Development Department (EDD) more than the amount of California PIT withheld from wages of employee(s), you can adjust the amount reported by using this form. The EDD will allow credit adjustments prior to the issuance of Forms W-2. **If you have already issued Forms W-2, please read the additional information on page 2 before proceeding.**

1. Was the credit claimed in column 3 withheld from the pay of employee(s)? ☒ Yes ☐ No
If yes, has this credit been refunded to employee(s)? ☒ Yes ☐ No
2. Was the credit claimed in column 3 included on Forms W-2 issued to employee(s)? ☐ Yes ☒ No

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 James Jones Title EMPLOYER Phone (123) 555-7899 Date 03/31/2015
(Owner, Accountant, Preparer, etc.)

SIGN AND MAIL TO: Employment Development Department / P.O. Box 989073 / West Sacramento, CA 95798-9073

EDD Employment
Development
Department
State of California

EMPLOYER ACCOUNT NO.

000-0000-0

e-Services for Business at
<https://eddservices.edd.ca.gov>.

THOMAS T. TAYLOR

150.00

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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 2015, you are required to provide your employees with Form W-2 by February 1, 2016.* 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 2015 General Instructions for Forms W-2 and W-3. To obtain these publications, access the IRS website at www.irs.gov or call the IRS at 800-829-3676.

In addition to the federal information required, you must include California Personal Income Tax (PIT) wages, PIT withholding, 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 Employer Identification Number and the Employment Development Department (EDD) eight-digit employer account number.
- The employee's name, address, state, and Social Security number.
- The amount of State Disability Insurance (SDI) actually withheld and/or paid directly by you under the state plan.
- If the wages were not subject to 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). The DE 231Q is available online at www.edd.ca.gov/pdf_pub_ctr/de231q.pdf or contact the Taxpayer Assistance Center at 888-745-3886.
- If you are covered under an authorized Voluntary Plan 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 *Information Sheet: Types of Employment* [DE 231TE]).
 - Taxable wages (refer to *Information Sheet: Types of Payments* [DE 231TP]).
 - The DE 231TE and DE 231TP are available online at www.edd.ca.gov/payroll_taxes/forms_and_publications.htm or contact the Taxpayer Assistance Center at 888-745-3886.
- Residency of the employee (refer to [page 16](#)).
- 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 General Instructions for Forms W-2C and W-3C for guidance on completing an IRS *Corrected Wage and Tax Statement* (Form W-2C). To obtain these forms, access the IRS website 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 Taxpayer Assistance Center at 888-745-3886 for assistance.

FEDERAL FORMS W-2 AND 1099 (cont.)

Do not send the “state” copy of Form W-2 or Form W-2C to the State of California (the EDD or the Franchise Tax Board [FTB]). The forms W-2 and W-2C are not filed with the state because you should already be reporting wage and withholding information to the 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-MISC)

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 2015, you must provide a statement to each independent contractor by February 1, 2016,* containing the information furnished to the IRS and FTB. If you do not use the official IRS Form 1099-MISC to furnish the statement to recipients, refer to the 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 or on paper, with the IRS, you should use the same method to file with FTB.

Generally, the FTB's reporting requirements are the same as the IRS reporting requirements. For specific differences, go to www.ftb.ca.gov/businesses/infortrns/how_to_file.shtml.

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 website 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 *Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.* (Form 1099-R) For instructions on completing Form 1099-R, refer to IRS Instructions for Forms 1099-R and 5498. To obtain instructions, access the IRS website at www.irs.gov or call the IRS at 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 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. Refer to [page 76](#) for details.

CHANGE OF STATUS

What does “change of status” mean?

A change of status occurs when you:

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

ACTION REQUIRED:

Notify the EDD of any change to your business status through e-Services for Business at <https://eddservices.edd.ca.gov>.

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 through e-Services for Business at <https://eddservices.edd.ca.gov>.

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 of 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.

REMEMBER: NOTIFY THE EDD IN WRITING OF ANY CHANGE OF STATUS TO YOUR BUSINESS.

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 the *Requirements for Obtaining Certificate of Release of Buyer (DE 2220) When a Business Is Sold* (DE 3409A) is available online at www.edd.ca.gov/pdf_pub_ctr/de3409a.pdf or contact 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 (UI), Employment Training Tax (ETT), and State Disability Insurance (SDI).

WHAT IS A SUCCESSOR EMPLOYER?

A successor employer is an employer who has acquired all or part of another employer's (predecessor's) 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 result in an immediate reduction or increase of the successor's Unemployment Insurance (UI) tax rate. The successor employer must still register with the EDD if they do not already have an existing EDD employer account number.

For more information on reserve account transfers, refer to [page 84](#) or call 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

Make changes to your business name, corporation name, personal name (e.g., marriage), or change in ownership of the business online through e-Services for Business at <https://eddservices.edd.ca.gov>.

MAILING ADDRESS CHANGE

- Change your mailing address online through e-Services for Business at <https://eddservices.edd.ca.gov>.

OR

- 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 using e-Services for Business 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 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 10 days** of quitting business, **regardless** of the normal due dates. For the EDD to close your employer account, you must complete Box "B" and "B1" on the DE 9. Employers may inactivate their account using e-Services for Business at <https://eddservices.edd.ca.gov>.

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

IT IS AGAINST THE LAW TO CHANGE/PURCHASE A BUSINESS ENTITY SOLELY TO OBTAIN A LOWER UI RATE

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 aggressively pursues businesses practicing UI rate manipulation. To read more about UI rate manipulation, refer to [page 86](#).

ADDITIONAL REQUIREMENTS

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 Unemployment Insurance (UI), Disability Insurance (DI), and Paid Family Leave (PFL). 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, DI, and PFL – *Notice to Employees* (DE 1857A).
- UI only – *Notice to Employees - Unemployment Insurance Benefits* (DE 1857D).
- DI and PFL only – *Notice to Employees* (DE 1858).

Required Notices and Pamphlets

Provide a copy of the following notices 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. Refer to "Marital Status, Withholding Allowances, and Exemptions (Form W-4 and DE 4)" on [page 13](#) 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 Services benefits available to the employee and must be given when an employer discharges, lays off, or places an employee on a leave of absence.
 - *Disability Insurance Provisions* (DE 2515) – Provides information on the SDI program.
 - *Paid Family Leave* (DE 2511) – Provides information on PFL benefits.

NOTE: The publications listed above are available online 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 website at www.taxes.ca.gov. Voluntary Plan Disability Insurance (VPDI) insurers have similar literature. VPDI employers must also supply claim forms to their employees. For further information on VPDI, refer to [page 98](#).

- Notice required by the Earned Income Tax Credit Information Act (refer to [page 76](#) 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, along with a DE 2320.

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.

ADDITIONAL REQUIREMENTS (cont.)

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 800-829-3676 or through its website at www.irs.gov."

Subscribe to the EDD no-fee e-mail subscription services at
www.edd.ca.gov/about_edd/get_email_notices.htm.

For the latest news and helpful information,
refer to the online quarterly **California Employer Newsletter** at
www.edd.ca.gov/payroll_taxes/california_employer_newsletter.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) website at www.dir.ca.gov/lawsandregs.html (select "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 [USC] 2101 and 20 Code Federal Regulations [CFR] 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 employees 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 a 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	<p>An employer must provide written notice 60 days prior to a plant closing or mass layoff to all of the following:</p> <ul style="list-style-type: none"> • Employees or their representative. • Employment Development Department Program Support Unit WARN Act Coordinator, MIC 50 PO Box 826880 Sacramento, CA 94280-0001 • The chief elected official of local government within which such closing or layoff is to occur. <p>(29 USC, 2102; 20 CFR 639.6)</p>	<p>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:</p> <ul style="list-style-type: none"> • The Local Workforce Investment Board. • The chief elected official of each city and county government within which the termination, relocation, or mass layoff occurs. <p>(California Labor Code, Section 1401)</p>
Exceptions and Exemptions	<p>Regular federal, state, local, and federally recognized Indian tribal governments are not covered. (29 USC, 2102[a]; 20 CFR 639.3)</p> <p>The following situations are exempt from notice:</p> <ul style="list-style-type: none"> • 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]) 	<p>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])</p> <p>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])</p> <p>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])</p> <p>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])</p>

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 America's Job Center of CaliforniaSM 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 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 100](#). 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 website at www.edd.ca.gov/jobs_and_training/lwia_listing.htm.

For more information about California's WARN requirements or services, contact the EDD at 916-654-7799, the LWIA in your area, or access the EDD website 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) website at www.dol.gov/compliance/laws/comp-warn.htm.

U.S. GOVERNMENT CONTRACTOR JOB LISTING REQUIREMENTS

Employers with U.S. Government contracts or subcontracts who meet the criteria listed in the table below are required to list job openings with the state employment service system or with the National Labor Exchange website at <http://us.jobs/national-labor-exchange.asp>. In California, employers must list job openings with the EDD's CalJOBSSM 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. They must also file an annual VETS-100 or VETS-100A Report with the U.S. Department of Labor to disclose the total number of all current employees in each job category and at each hiring location. For more information, access the U.S. Department of Labor's website at www.dol.gov/vets/vets-100.html.

The table below provides the general provisions of the Federal Contractor Reporting requirements.

Subject	Subject Prior to December 1, 2003	On or after December 1, 2003
Job Listings	Employers with a federal government contract of \$25,000 or more, entered into prior to December 1, 2003, and not modified on or after December 1, 2003, if more than \$100,000, must list applicable job openings with the state National Labor Exchange website. In California, employers must list applicable jobs with the EDD's CalJOBS SM . (41 CFR 60-250.40)	Employers with a federal government contract of \$100,000 or more, entered into or modified on or after December 1, 2003, must list applicable job openings with the state employment service system or with the National Labor Exchange website. In California, employers must list applicable jobs with the EDD's CalJOBS SM . (41 CFR 60-300.40)
VETS-100 Or VETS-100A Report	Employers with a federal government contract of \$25,000 or more, entered into prior to December 1, 2003, and not modified on or after December 1, 2003, if more than \$100,000, must file a VETS-100 Report with the Department of Labor. (38 United States Code, Sections 4211 and 4212)	Employers with a federal government contract of \$100,000 or more entered into or modified on or after December 1, 2003, must file a VETS-100A Report with the Department of Labor. (38 United States Code, Sections 4211 and 4212)
Affirmative Action Program	Employers with a federal government contract of \$50,000 or more, entered into prior to December 1, 2003, and not modified on or after December 1, 2003, if more than \$100,000 and have 50 or more employees, must prepare, implement, and maintain a written Affirmative Action Plan (AAP) for each of its establishments. (41 CFR 60-250.40)	Employers with a federal government contract of \$100,000 or more entered into or modified on or after December 1, 2003, and have 50 or more employees must prepare, implement, and maintain a written Affirmative Action Plan (AAP) for each of its establishments. (41 CFR 60-300.40)

Subscribe to the EDD no-fee e-mail subscription services at
www.edd.ca.gov/about_edd/get_email_notices.htm.

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 57](#).)
- 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). The DE 231TA form is available online at www.edd.ca.gov/pdf_pub_ctr/de231ta.pdf or contact the Taxpayer Assistance Center at 888-745-3886.

For the latest news and helpful information,
refer to the online quarterly **California Employer Newsletter** at
www.edd.ca.gov/payroll_taxes/california_employer_newsletter.htm.

EMPLOYERS' BILL OF RIGHTS

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 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 [page 112](#) 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 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. The DE 195 is available online 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
PO Box 826880
Sacramento, CA 94280-0001**

**Toll-free Phone: 866-594-4177
Phone: 916-654-8957
Fax: 916-654-6969**

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 (e.g., petitions for reassessment, appeals, or denial of 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/or the Attorney General's office.

If you have questions, please contact the Settlements Office at 916-653-9130. The *Information Sheet: Settlements Program* (DE 231SP) is available online at www.edd.ca.gov/pdf_pub_ctr/de231sp.pdf or contact the Taxpayer Assistance Center at 888-745-3886.

Settlement offers must be in writing and be submitted to:

**Employment Development Department
Settlements Office, MIC 93
PO Box 826880
Sacramento, CA 94280-0001**

**Phone: 916-653-9130
Fax: 916-653-7986**

PROTECTING YOUR PRIVACY

The EDD recognizes that your privacy is a personal and fundamental right without exception. The EDD will value and protect your privacy and place strict controls on the gathering and use of personally identifiable data. Your personal information is not disclosed, made available, or otherwise used for purposes other than those specified at or before the time of collection, except with your consent or as authorized by law or regulation.

Payroll tax and benefit information collected and maintained 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 records through a written authorization or *Power of Attorney Declaration* (DE 48). The DE 48 is available online at www.edd.ca.gov/pdf_pub_ctr/de48.pdf or contact the Taxpayer Assistance Center at 888-745-3886.

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

OFFERS IN COMPROMISE (OIC)

An Offer 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 contact the OIC office at 916-464-2739. The *Information Sheet: Offers in Compromise* (DE 631C) is available online at www.edd.ca.gov/pdf_pub_ctr/de631c.pdf.

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, obtain the *Information Sheet: California System of Experience Rating* (DE 231Z) online at www.edd.ca.gov/pdf_pub_ctr/de231z.pdf, or contact 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, refer to the *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 website at www.edd.ca.gov/payroll_taxes/forms_and_publications.htm or contact the Taxpayer Assistance Center at 888-745-3886. For additional information, contact:

**Employment Development Department
Reimbursable Accounting Group, MIC 19
PO Box 826880
Sacramento, CA 94280-0001
Phone: 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. Additional information is available online 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. New employers are assigned a 3.4 percent (.034) UI contribution rate for a period of two to three years. This will depend on when the employer meets the criteria under Section 982(b) of the California Unemployment Insurance Code (CUIC). After that an employer’s UI contribution rate is determined by his/her experience rating and the condition of the UI Fund.

Subscribe to the EDD no-fee e-mail subscription services at
www.edd.ca.gov/about_edd/get_email_notices.htm.

NOTICE OF TAX RATES

Each December, the EDD mails 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 of the Notice of Contribution Rates and Statement of UI Reserve Account (DE 2088) for the period of January 1, 2015, to December 31, 2015* (DE 2088C) included with the DE 2088 or call the Taxpayer Assistance Center at 888-745-3886. The DE 2088C is available online 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 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 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 or file electronically by accessing the EDD website at <https://eddservices.edd.ca.gov>. If the EDD approves the transfer, the UI tax rate will be redetermined and may result in an immediate reduction or increase in the UI tax rate. For further information regarding reserve account transfers, call 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.

WAGES IN ANOTHER STATE

Section 930.1 of the California Unemployment Insurance Code (CUIC) provides that a California employer who pays wages to an employee for employment subject to the unemployment insurance laws of another state (and reports to that state), can use such wages in computing the UI taxable wage limit in the same calendar year, if the individual is subsequently transferred to California. Such wages may not be used to arrive at the taxable wage limit for disability insurance purposes.

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, the *Information Sheet: Multistate Employment* (DE 231D) is available online at www.edd.ca.gov/pdf_pub_ctr/de231d.pdf or contact the Taxpayer Assistance Center at 888-745-3886.

TIPS FOR REDUCING YOUR UI TAX RATE

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 93](#).
- 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. Written documentation of the exit interview may be important in supporting your protest.
- 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.). 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 phone interview questions from 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, the *Managing Unemployment Insurance Costs* (DE 4527) booklet is available online at www.edd.ca.gov/pdf_pub_ctr/de4527.pdf.

Learn more about payroll taxes through our seminars and online courses at
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 Unemployment Insurance (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. Information about our fraud detection and prevention activities is available online at www.edd.ca.gov/unemployment/responding_to_ui_claim_notices.htm.

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 (e.g., 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 Protection website at <http://oag.ca.gov/privacy>.

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 website at www.edd.ca.gov/unemployment/fraud_prevention.htm.

Additionally, the Social Security Administration (SSA) offers employers and authorized agents a service for verifying employees' SSNs. For information on how to access the SSA's SSN verification service, access the SSA website 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, the *How You Can Prevent Unemployment Insurance Imposter Fraud* (DE 2360ER) brochure is available online at www.edd.ca.gov/pdf_pub_ctr/de2360er.pdf.

UI RATE MANIPULATION

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 the creation of a new corporate entity or through the 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.

This law also made changes regarding the transfer of UI reserve account balances and specified that whenever a business transferred 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, access the EDD website 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.

For the latest news and helpful information,
refer to the online quarterly **California Employer Newsletter** at
www.edd.ca.gov/payroll_taxes/california_employer_newsletter.htm.

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 his/her annual UI tax rate. For additional information, please refer to "Unemployment Insurance Taxes" on [page 83](#).

BENEFIT AMOUNT

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 the date the claim begins and whether the claim is for UI or for Disability Insurance (DI).

For UI, there are two types of base periods that may be used to establish a claim: the Standard Base Period and the Alternate Base Period. The Standard Base Period is the **FIRST** four of the last five completed calendar quarters prior to the beginning date of the UI claim. If a claimant does not have sufficient wages in the Standard Base Period to establish a claim, the EDD will consider whether the claimant qualifies to file a claim using the Alternate Base Period. The Alternate Base Period is the four most recently completed calendar quarters prior to the beginning date of the claim. The Alternate Base Period can **ONLY** be used to file a UI claim when there are not enough wages earned in the Standard Base Period to file a monetarily valid UI claim. Refer to [page 95](#) for more information about the Alternate Base Period.

Current Weekly UI Benefit Amount			Maximum Charged to Reserve Account for Each Employee for a Regular Claim
Year	Minimum	Maximum	
2015	\$40	\$450	\$11,700
2014	\$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.
- Accurately report on all earnings during their weekly claim certification – even those from part-time or temporary work.
- 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 88](#).)
- Comply with regulations in regard to filing claims.

Once a claim is filed, 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:

- *Information Sheet: Types of Employment* (DE 231TE).
- *Information Sheet: Types of Payments* (DE 231TP).

Online at www.edd.ca.gov/payroll_taxes/form_and_publications.htm.

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 *Information Sheet: Types of Payments* (DE 231TP) online at www.edd.ca.gov/pdf_pub_ctr/de231tp.pdf. 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 Employment Development Department (EDD) schedules fact-finding phone interviews or sends questionnaires when there are eligibility questions regarding a claim. Our staff will talk to the claimant, employer, and appropriate third parties as 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 employee.

NOTE: The maximum amount an employer can be charged on a regular claim is \$11,700. Refer to “Benefit Amount” on [page 87](#). 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 (a program established to retain displaced workers who need new skills to return to work) 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 Tax Branch. Refer to Change of Status information on [page 73](#).

Reimbursable Employers

Public entity and nonprofit employers should also submit the single agent address or agent information to the EDD 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” information on [page 73](#).

In addition, public entity and nonprofit 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
PO 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
PO Box 826880
Sacramento, CA 94280-0001
Phone: 916-464-2325**

RESPONDING TO NOTICES

You need to respond timely and 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 EDD'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 and within the protest time limits. Refer to the [page 90](#) for Claim Notices and Protest Time Limits table. 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 within the protest time limits of that 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 87](#) 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 the EDD in writing at:

**Employment Development Department
Employers Assistance Unit, MIC 16
PO 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).
- Name, signature, and phone 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, or submitted untimely, for the DE 1101C/Z, DE 1101ER, DE 1545, or DE 1545TE, you waive your right to protest your UI reserve account's potential liability for benefits paid to the claimant and your right to appeal the EDD determination.

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 or DE 1101ER 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.	Ten (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 88 .)	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 fifteen (15) calendar days from the mail date. If wage information is incorrect, submit the information within twenty (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 California Unemployment Insurance Code (CUIC).	Fifteen (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 no-fee e-mail subscription services at
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, DE 1545, or DE 1545TE.

Notice	Purpose
DE 1080EZ:	Reimbursable Employer(s): Sent to an employer who responds timely to a DE 1101C/Z or DE 1101ER, and who submits information about quits and discharges. The notice informs the employer whether or not the claimant was found eligible for Unemployment Insurance (UI) benefits.
• Notice of Determination	Tax-rated and Reimbursable Employers(s): Sent to an employer who responds timely to a DE 1101C/Z, DE 1101ER, DE 1545, or DE 1545TE, 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 claimant's 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 87 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.
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.
• Notice of Modification	

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 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).

UNEMPLOYMENT INSURANCE (UI) BENEFITS – APPEAL RIGHTS

You have the right to file an appeal if you do not agree with a decision made by the Employment Development Department (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 twenty (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 phone 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 ten (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 the ALJ. 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)
- *Office of Appeals Tax Hearing Information Pamphlet* (DE 6412TF)
- *Twenty-Seven Ways to Avoid Losing Your Unemployment Appeal* (DE 1432)

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 website 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 online 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 and/or the employer's agent 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 and/or the employer's agent 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 **thirty (30) calendar days** from the date of assessment. The time to protest can be extended by an ALJ for not more than thirty (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 150
Sacramento, CA 95833-4224**

BENEFIT AUDITS TO DETERMINE FRAUD

Each quarter, as part of the EDD 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 each year the EDD identifies all outstanding *Benefit Audit* (DE 1296B) forms that were not received from employers and sends a replacement audit form to those employers for **each** outstanding quarter.

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.

BENEFIT AUDITS TO DETERMINE FRAUD (cont.)

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 New Employee Registry (NER) audit enables the EDD to detect fraud up to six months sooner than the quarterly Benefit Audit Process and protects the Unemployment Insurance (UI) Fund by reducing overpayments. Employers who have responded to the *New Employee Registry Benefit Audit* (DE 1296NER) form will not receive a *Benefit Audit* (DE 1296B) for the same employee for the same quarter.

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
PO Box 3038, MIC 16A
Sacramento, CA 95812-3038

Phone: 866-401-2849**

Additional information is available online 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 thirty (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 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
Back Pay Awards Coordinator, MIC 8, OARG
PO Box 826880
Sacramento, CA 94280-0001

Phone: 916-464-2263**

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
PO Box 2588
Rancho Cordova, CA 95670

Phone: 916-464-0713**

STATEMENT OF CHARGES

Each September, 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 sixty (60) days from the issued date on your statement to protest any charges you believe are incorrect. An extension of up to sixty (60) days may be granted for good cause if your request is submitted before the protest deadline. When filing your protest, you must include your EDD employer account number, the claimant's name, Social Security number, claim date, the dollar amount, and the specific reason.

Mail your protest to:

**Employment Development Department
Contribution Rate Group, MIC 4
PO Box 826880
Sacramento, CA 94280-0001**

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

For further information, refer to the *Explanation and Instruction Sheet* (DE 428C) included with the DE 428T or contact the Taxpayers Assistance Center at 888-745-3886. The DE 428C is also available online at www.edd.ca.gov/pdf_pub_ctr/de428c.pdf.

ALTERNATE BASE PERIOD

In April 2012, the EDD implemented an Alternate Base Period (ABP) program in accordance with California law. The ABP provisions apply to claimants who do not qualify for a UI claim based on the "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 Alternate Base Period legislation does not change the legal requirements for employers' quarterly wage reporting.

In addition to employers' current quarterly wage reporting, if the Alternate Base Period wages are not showing in the EDD database, employers will be asked to provide the wages for claimants. At times, employers may be asked to provide wages prior to the quarterly wage reporting. The EDD will only request wages from employers if it appears that claimants have enough wages to qualify for a UI claim using the Alternate Base Period. 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 claim using the Standard Base Period or Alternate Base Period. Employers have ten (10) days to respond to the EDD 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 request for wage information within the ten (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 when the quarterly wages are reported by the employer, an overpayment may not 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 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. For 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 website 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 UI toll-free numbers to file a UI claim by phone.
- Instruct your employees to advise the EDD that he/she is participating in the Partial UI Claims program.
- Complete the employer portion of the *Notice of Reduced Earnings* (DE 2063) and issue it to your employees.
- Instruct employees to complete and sign the DE 2063 and mail it to the EDD.

If an employee has no wages (does not work) for two consecutive weeks, instruct the employee 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, contact one of the toll-free UI phone numbers on [page 109](#) or access the EDD website 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 layoff. The affected workforce or work unit(s) must consist of two or more employees who comprise at least 10 percent of the workforce or work unit(s) and the employer must meet other requirements in order to participate. The employer must sign a Work Sharing plan with the EDD and comply with all requirements to remain eligible for participation. The Work Sharing plan must be periodically renewed. 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 website at www.edd.ca.gov/unemployment/work_sharing_claims.htm or contact:

**Employment Development Department
Special Claims Office
PO Box 419076
Rancho Cordova, CA 95741-9076**

**Phone: 916-464-3343
Fax: 916-464-2616
Alternate fax: 916-464-3333**

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

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 77](#) for additional information.

WAGES NOTICES

In the event of a layoff or business closure involving 10 or more employees, the EDD 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 website at www.edd.ca.gov/unemployment/mass_layoffs_and_wage_notices.htm.

STATE DISABILITY INSURANCE (SDI) PROGRAM

The 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 contributions withheld from employee wages.

DI is a component of the SDI program. 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, or childbirth.

PFL is also a component of the SDI program. PFL provides benefits to eligible workers who take time off from work to care for a seriously ill child, parent, parent-in-law, grandparent, grandchild, sibling, spouse, or registered domestic partner or to bond with a new child.

Employers, claimants, physicians/practitioners, and voluntary plan administrators may securely submit DI and PFL claim information online. For additional information, visit the SDI website at www.edd.ca.gov/disability.

TAXES – WHO PAYS FOR SDI?

The SDI program (DI and PFL) is state-mandated and funded through mandatory employee payroll deductions for most California workers. The law requires coverage for employees working for employers with payroll in excess of \$100 in a calendar quarter. There are a few exceptions. Those specifically excluded are:

- Some domestic workers.
- Some governmental employees.
- Employees of interstate railroads.
- Employees of some nonprofit agencies.
- Individuals claiming a religious exemption.

NOTE: When a worker has more than one employer during a calendar year, it is possible that excess SDI contributions 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 Disability Fund. Employee contributions withheld are paid by the employer to either the Disability Fund or a Voluntary Plan (refer to [page 98](#)).

EMPLOYEE BENEFITS

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

The *Disability Insurance Provisions* (DE 2515) brochure contains general information on DI eligibility. The *Paid Family Leave* (DE 2511) brochure contains general information on PFL eligibility. The *Claim for Disability Insurance Benefits* (DE 2501) and *Claim for Paid Family Leave (PFL) Benefits* (DE 2501F) are forms that contain additional program information and applications to apply for benefits. Claimants can also apply through SDI Online at www.edd.ca.gov/disability.

All California employers who have employees subject to SDI contributions are required to provide the DE 2515 and the DE 2511 to each new employee and to post the *Notice of Employees* (DE 1857A) poster. The California Unemployment Insurance Code (CUIC) requires employers to provide general DI information to each employee leaving work due to a non-occupational illness or injury, pregnancy, or 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 brochures and applications are provided to employers at no cost. Additional copies may be ordered online at www.edd.ca.gov/Forms or contact the Taxpayer Assistance Center at 888-745-3886.

CLAIM NOTICES

When a DI claim is filed, the employer(s) shown on the DI claim form will receive a *Notice to Employer of Disability Insurance Claim Filed* (DE 2503). When a PFL claim is filed, employer(s) will receive a *Notice to Employer of Paid Family Leave (PFL) Claim Filed* (DE 2503F). Complete and return the DE 2503 or DE 2503F **within two working days**. You may also submit the DE 2503 online through SDI Online at www.edd.ca.gov/disability.

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.

SDI ONLINE

SDI Online is an electronic claim filing system available to employers, claimants, physicians/practitioners, and voluntary plan third-party administrators for submission of DI and PFL claim information. Employers can securely submit employee information (wages earned, last day worked, etc.) online. For additional information, visit the SDI website at www.edd.ca.gov/disability.

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 [PFL] benefits) for their employees in lieu of the state plan. 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 equal to or exceed the state plan in all respects and provide at least one greater right or benefit than provided by the state plan.

Once a VP is approved, the employer is no longer required to send State Disability Insurance (SDI) withholdings to the EDD for those employees covered by the VP. Instead, the employer holds the VP contributions in trust to pay Disability Insurance (DI) or PFL 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.

Additional information about the VP option is available online at

www.edd.ca.gov/disability/employer_voluntary_plans.htm, or call 916-653-6839, TTY at 800-563-2441, or write to:

**Employment Development Department
Disability Insurance Branch, MIC 29 VP
PO Box 826880
Sacramento, CA 94280-0001**

SELF-EMPLOYED BENEFITS

Any self-employed individual who receives the major part of his or her income from the trade, business, or occupation in which he or she is self-employed may elect coverage for themselves. Under provisions in the California Unemployment Insurance Code (CUIC), self-employed individuals, who are employers, may elect Unemployment Insurance (UI) and State Disability Insurance (SDI) or Disability Insurance (DI) only coverage for themselves. Self-employed individuals, who are not employers, may only elect DI coverage for themselves.

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, the *Information Sheet: Elective Coverage for Employers and Self-Employed Individuals* (DE 231EC) is available online at www.edd.ca.gov/pdf_pub_ctr/de231ec.pdf.

For additional information, the *Fact Sheet: Disability Insurance Elective Coverage Program (DIEC)* (DE 8714CC) is available online at www.edd.ca.gov/pdf_pub_ctr/de8714cc.pdf. All forms are available 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 SDI when receiving workers' compensation benefits unless the SDI 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 phone book) or access their website 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 website at www.edd.ca.gov or contact DI at 800-480-3287 or PFL at 877-238-4373.

NOTE: To provide affordable benefits to eligible workers, the SDI program has systems in place to detect and deter fraud. Report suspected fraudulent activity to the EDD Fraud Hotline at 800-229-6297 or at www.edd.ca.gov/disability/report_fraud.htm.

EMPLOYMENT AND TRAINING SERVICES

EDD WORKFORCE SERVICES

The EDD Workforce Services Branch provides services to bring California employers together with qualified job seekers. The EDD Workforce Services Branch offers an Internet-based system called CalJOBSSM, 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 phone or fax and assist employers in finding qualified applicants. There are no fees to use CalJOBSSM.

To register with CalJOBSSM, you will need your EDD employer account number. To access CalJOBSSM, visit the website 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 7](#) for information about obtaining one.

For more information on these and other services, visit the EDD website at www.edd.ca.gov/jobs_and_training/workforce_partners.htm or contact your nearest Workforce Services Office or America's Job Center of CaliforniaSM. To locate your nearest office, go to www.edd.ca.gov/office_locator/.

EMPLOYMENT TRAINING PANEL (ETP)

The Employment Training Panel (ETP) is a statewide business-labor training and economic development program. The 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 \$1.2 billion for the successful training and employment retention of thousands of workers for more than 80,000 California businesses. 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 to foster job creation and retention of workers in secure, full-time employment in targeted industries to improve California's competitiveness in a global economy and advance the skills of the state's workforce. The ETP core program 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 in California.

Funding

The legislature established the Employment Training Tax (ETT) in 1982. 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. The ETP's Core Program is funded by the ETT, however, ETP has received additional funding for alternative programs. This additional funding has been through partnerships, including the California Energy Commission (CEC), as well as funding from the Labor and Workforce Development Agency (LWDA) and the Employment Development Department (EDD) to fund specific training programs.

How is ETP Different?

The ETP's performance-based contracts ensure that training results in good-paying, secure jobs. Before an employer may earn training reimbursement, trainees must receive a certain number of training hours and complete the required retention period, depending on the contract type, as well as meet the required ETP minimum wage. The employer determines the training courses, trainers, and types of training that best meet their business needs.

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).

Under its core program, the ETP funds the following types of training 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 Training** – Trains 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 SET projects to improve the skills and employment security of frontline workers (workers directly producing goods or services) in occupations that pay at least the state average hourly wage. SET projects are not subject to ETP's out-of-state competition requirement, but are a priority for workforce training. SET funding also allows training of frontline workers who earn below the state average, if they are in the following categories:
 - **Workers in High Unemployment Areas** – Provides training funds for workers in areas where the unemployment rate is significantly higher than the state average.
 - **Small Business Skills** – 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 employee(s).
 - **Workers with Multiple Barriers to Employment** – Training for individuals with barriers to full-time employment, such as, but not limited to, physical disabilities, lack of work history, and limited communication and literacy skills.
 - **Seasonal Industries** – Training funds for workers employed by companies in seasonal industries.

Additional information can be found on the ETP website at www.etp.ca.gov including how to apply for funds, eligible entities, training methods, reimbursement rates, etc., as well as our Annual Reports or contact one of the following ETP offices:

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

TRADE ADJUSTMENT ASSISTANCE

The Trade Adjustment Assistance (TAA) program is a federal program established to help American workers who have lost their jobs or had their hours and wages reduced as a result of foreign trade.

The TAA program is administered by the Employment Development Department (EDD) and may provide 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 (DOL) website 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 209-693-3560 or 888-365-6822.

Subscribe to the EDD no-fee e-mail subscription services at
www.edd.ca.gov/about_edd/get_email_notices.htm.

WORK OPPORTUNITY TAX CREDIT

The Work Opportunity Tax Credit (WOTC) is a federal tax credit available to employers for hiring individuals from certain target groups who have consistently faced significant barriers to employment.

To be considered for the tax credit, employers must submit properly completed forms to the Employment Development Department (EDD) within 28 days of the employee's start date to determine if their new hire meets the eligibility criteria.

For identification of target groups and additional information, visit the EDD website at www.edd.ca.gov/wotc or call 866-593-0173.

eWOTC

eWOTC is a new online service to submit, view, and manage Work Opportunity Tax Credit (WOTC) Request for Certification applications. This system significantly increases efficiency in processing new applications and decreases the waiting period for approvals.

To take full advantage of the benefits offered by eWOTC, employers with 25 or more employees and all agents/consultants must complete a one-time eWOTC enrollment process to be able to submit WOTC Request for Certification applications online. Additional information is available online at www.edd.ca.gov/wotc.

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 America's Job Center of CaliforniaSM 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 the LWIB in partnership with local elected officials. The LWIB are comprised of representatives from private sector businesses, organized labor, community-based organizations, local government agencies, and local education agencies. The LWIB designate America's Job Center of CaliforniaSM operators, provide policy guidance, and oversee the job training activities within Local Workforce Investment Areas (LWIA).

For more information, access the EDD website 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 Labor Market Information Division (LMID) collects, analyzes, and publishes information about California's labor market and economy. Labor market information helps employers, policy makers, and researchers develop plans and make important business decisions.

What Labor Market Information is Available on the Web?

The LMID website at www.labormarketinfo.edd.ca.gov organizes information by customer type. For instance, employers can find information that is specific to their needs by selecting the Business/Employers link under the "LMI by Customer" heading. This page contains links to:

- Affirmative Action and Equal Employment Opportunity Planning Information – Get population, labor force, and summary occupational information to help with developing affirmative action programs.
- Local Area Profile – Find an overview of labor market information in the state or a county, including employment and unemployment, industry payroll information, wages, the consumer price index, and more.
- Occupational Profile – Find occupational descriptions, wages, employment projections, 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.
- CalJOBSSM – 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 about what training is available to develop the skills of your employees.
- Other EDD resources, labor market publications, and the data library.
- Information about workplace issues, including those related to benefits, meal breaks, and pay are available from the Department of Industrial Relations, and can be accessed at www.dir.ca.gov.

For assistance, contact your local Labor Market consultant. Contact information for the LMI 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 location has 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, 2013). Employers have until the end of the following month (e.g., February 1, 2014) 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 and physical location address. 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.

LABOR MARKET INFORMATION (cont.)

The Importance of Occupational Information

The LMID collects data directly from employers using surveys, such as the Occupational Employment Statistics (OES) Survey, to learn about the occupations used by employers and wages paid for those occupations. The OES program produces employment and wage estimates annually for more than 800 occupations by industry and geographic area.

Occupational information forms the basis of good decisions made by employers, job seekers, workforce and economic development professionals, educators, public program planners, and policy makers. For example:

- Employers use occupational information for salary negotiations, to project future skills needs, and to keep a competitive edge in the local community.
- 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.
- Economic developers use wage data for business attraction and retention.
- Educators and trainers use occupational information to identify areas where vocational and educational programs are needed and to create or modify curriculum to better prepare students to meet the needs of employers.

It is extremely important that you respond to a request for information from the LMID. 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. If you have received an **OES Survey**, or would like more information about this program, contact the EDD toll-free at 800-826-4896 or send an e-mail to LMID.INFO@edd.ca.gov.

To access occupational information from the LMID, go to www.labormarketinfo.edd.ca.gov and select "Occupations" or "Wages" under the "LMI by Subject" section of the website.

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 Phone: 888-745-3886 Outside the 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 the 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 PO Box 1468 Sacramento, CA 95812-1468 Automated phone service: 916-845-7057 tax practitioner line Assistance: 800-852-5711 Hearing-impaired (TTY): 800-822-6268 www.ftb.ca.gov
California Tax Service Center (CTSC)	This is a joint tax agency website. 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
CalJOBSSM	An online labor exchange system featuring self-service options to search for jobs, build résumés, find qualified candidates for employment, and gather information on education and training programs. Employers and job seekers may contact the nearest America's Job Center of California SM for additional assistance. www.americasjobcenter.ca.gov	CalJOBS SM Helpline Monday through Friday 8 a.m. to 5 p.m. (PT) English 800-758-0398 Spanish 855-716-3518 www.caljobs.ca.gov Workforce Services Division, MIC 50 PO Box 826880 Sacramento, CA 94280-0001 www.edd.ca.gov/jobs_and_training
Disability Insurance (DI)	Disability Insurance (DI) is a component of the State Disability Insurance (SDI) program and provides benefits to workers who are unable to perform their regular or customary work due to a non-work-related illness or injury, pregnancy, or childbirth.	EDD Disability Insurance: 800-480-3287 <ul style="list-style-type: none">• Press 1 for English• Press 2 for Spanish• Press 3 for Cantonese• Press 4 for Vietnamese• Press 5 for Armenian• Press 6 for Tagalog• Press 7 for Punjabi Hearing Impaired (TTY): 800-563-2441 www.edd.ca.gov/disability
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 49 for additional information.	EDD E-mail: ecom@edd.ca.gov https://eddservices.edd.ca.gov

TOPIC	DESCRIPTION	CONTACT
Economic Development	The EDD 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 Phone: 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 U.S. The U.S. Citizenship and Immigration Services (USCIS) requires you to complete an <i>Employment Eligibility Verification</i> (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 <i>Handbook for Employers: Instructions for Completing Form I-9</i> (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 Phone: 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 PO Box 826880 Sacramento, CA 94280-0001 Toll-Free: 866-594-4177 Phone: 916-654-8957 Fax: 916-654-6969 www.edd.ca.gov/payroll_taxes/taxpayer_advocate.htm
Employment Development Department (EDD) Website	Provides a variety of information on the EDD programs and services, forms and publications, and links to other government sites.	EDD www.edd.ca.gov
Employment Tax Rates	<i>A Notice of Contribution Rates and Statement of UI Reserve Account</i> (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 84 . Protests to the DE 2088 must be submitted within 60 days of the "mail date" on the notice.	EDD Rate Management Group, MIC 4 PO Box 826880 Sacramento, CA 94280-0001 Phone: 916-653-7795 (24-hour automated phone system)
Employment Training Panel	Provides employers funding to train and retain workers in targeted industries in performance-based contracts. Includes retraining current employees, training new hires (unemployed individuals), and Special Employment Training program. For additional information, refer to page 99 .	Employment Training Panel Sacramento Central Office 916-327-5640 Regional Offices: North Hollywood 818-755-1313 Sacramento 916-327-5239 San Diego 619-686-1920 San Francisco Bay Area 650-655-6930 www.etp.ca.gov

TOPIC	DESCRIPTION	CONTACT
Federal Tax Requirements	For federal employment tax and personal income tax requirements, contact the Internal Revenue Service (IRS). The federal <i>Employer's Tax Guide</i> (Publication 15, Circular E) and <i>Employer's Supplemental Tax Guide</i> (Publication 15-A) are available from IRS.	Internal Revenue Service Phone: 800-829-4933 www.irs.gov
Federal Unemployment Tax Act (FUTA) Certification	The method the 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 84 for additional information.	EDD FUTA Certification Unit Phone: 916-654-8545
Forms <ul style="list-style-type: none"> • Alternate Tax Forms • Tax Forms and Publications 	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 Phone: 916-255-0649
	Tax forms and publications are available through the Internet and Employment Tax Offices.	EDD Less than 25 copies: 888-745-3886 25 copies or more: 916-322-2835 www.edd.ca.gov/payroll_taxes/forms_and_publications.htm www.edd.ca.gov/office_locator/
Job Referral and Recruitment Services	All questions regarding the EDD Workforce Services or Workforce Investment Act (WIA) services.	EDD or local America's Job Center of California SM www.edd.ca.gov/office_locator/ Employers: www.edd.ca.gov/jobs_and_training/more_employer_information.htm WIA: www.edd.ca.gov/jobs_and_training/workforce_investment_act.htm www.edd.ca.gov/jobs_and_training/more_job_seeker_information.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 phone book) www.dir.ca.gov
Labor Market Information	California's labor market information can help with important business decisions. Data available includes occupational employment and wage data, industry employment, labor force, and selected population characteristics.	EDD Labor Market Information Division Phone: 916-262-2162 www.labormarketinfo.edd.ca.gov

TOPIC	DESCRIPTION	CONTACT
Paid Family Leave (PFL)	Paid Family Leave is a component of the State Disability Insurance (SDI) program and provides benefits to workers who take time off work to care for a seriously ill child, parent, parent-in-law, grandparent, grandchild, sibling, spouse, or registered domestic partner, or to bond with a new child.	<p>EDD Paid Family Leave 877-238-4373</p> <ul style="list-style-type: none"> • Press 1 for English • Press 2 for Spanish • Press 3 for Cantonese • Press 4 for Vietnamese • Press 5 for Armenian • Press 6 for Tagalog • Press 7 for Punjabi <p>Hearing Impaired (TTY): 800-445-1312 www.edd.ca.gov/disability/paid_family_leave.htm</p>
Payroll Tax Seminars	Seminar topics include reporting requirements, how to complete payroll tax forms, and independent contractor and employee issues.	<p>EDD Taxpayer Assistance Center Phone: 888-745-3886 Register online at www.edd.ca.gov/payroll_tax_seminars/.</p>
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.	<p>EDD Reimbursable Accounting Group, MIC 19 PO Box 826880 Sacramento, CA 94280 Phone: 916-653-5846</p>
School Employees Fund (SEF)	Only public school employers (kindergarten through 12 th grade), community colleges, and charter schools may elect to participate in the SEF (UI program) to finance UI benefits.	<p>EDD School Employees Fund, MIC 13 PO Box 826880 Sacramento, CA 94280 Phone: 916-653-5380 www.edd.ca.gov/payroll_taxes/school_employees_fund.htm</p>
Small Business Assistance Center	Located on the California Tax Service Center website, it provides helpful information about starting, running, or closing your business.	<p>www.taxes.ca.gov</p>

TOPIC	DESCRIPTION	CONTACT
State Disability Insurance (SDI) Program	The SDI program provides two benefits: Disability Insurance (DI) and Paid Family Leave (PFL). 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, or childbirth. PFL benefits are paid to California workers who take time off work 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.	<p>EDD State Disability Insurance Office: 800-480-3287</p> <ul style="list-style-type: none"> • Press 1 for English • Press 2 for Spanish • Press 3 for Cantonese • Press 4 for Vietnamese • Press 5 for Armenian • Press 6 for Tagalog • Press 7 for Punjabi <p>Hearing Impaired (TTY): 800-563-2441</p> <p>Paid Family Leave: 877-238-4373</p> <ul style="list-style-type: none"> • Press 1 for English • Press 2 for Spanish • Press 3 for Cantonese • Press 4 for Vietnamese • Press 5 for Armenian • Press 6 for Tagalog • Press 7 for Punjabi <p>Hearing Impaired (TTY): 800-445-1312 www.edd.ca.gov/disability</p>
SDI Online	SDI Online is an electronic claim filing system available to employers, claimants, physicians/practitioners, and voluntary plan (VP) administrators for submission of Disability Insurance (DI) and Paid Family Leave (PFL) claim information.	<p>EDD SDI Online</p> <p>Phone English: 855-342-3645</p> <p>This number is for employers with inquiries related specifically to SDI Online. Employers with questions about the SDI programs should use the phone numbers listed on this page under State Disability Insurance (SDI) program.</p> <p>www.edd.ca.gov/disability</p>
Tax Debt – California Payroll Taxes <ul style="list-style-type: none"> • Offers in Compromise • Settlements Program 	Enables a qualified tax debtor to eliminate an employment tax liability at less than full value.	<p>EDD Offers in Compromise Phone: 916-464-2739</p>
	Provides employers and the state an opportunity to avoid the cost of prolonged litigation associated with resolving disputed employment tax issues.	<p>EDD Settlements Office, MIC 93 PO Box 826880 Sacramento, CA 94280-0001</p> <p>Phone: 916-653-9130 Fax: 916-653-7986</p>
Taxpayer 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.	<p>EDD Taxpayer Assistance Center</p> <p>Phone: 888-745-3886 Outside the U.S. or Canada, call 916-464-3502</p>

TOPIC	DESCRIPTION	CONTACT
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.	<p>EDD Taxpayer Advocate Office, MIC 93 PO Box 826880 Sacramento, CA 94280-0001</p> <p>Toll-Free: 866-594-4177 Phone: 916-654-8957 Fax: 916-654-6969</p> <p>www.edd.ca.gov/payroll_taxes/taxpayer_advocate.htm</p>
Underground Economy	Investigates businesses that are paying workers undocumented cash payments or not complying with labor and licensing laws.	<p>EDD Underground Economy Operations</p> <p>Hotline: 800-528-1783 E-mail: ueo@edd.ca.gov</p> <p>www.edd.ca.gov/payroll_taxes/underground_economy_operations.htm</p>
Unemployment Insurance (UI) Benefits	Provides temporary income to unemployed workers who meet the UI eligibility requirements.	<p>EDD Unemployment Insurance Services</p> <p>Phone English: 800-300-5616 Spanish: 800-326-8937 Cantonese: 800-547-3506 Vietnamese: 800-547-2058 Mandarin: 866-303-0706 Hearing Impaired (TTY): 800-815-9387 UI program self-service: 866-333-4606</p> <p>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 the EDD website at www.edd.ca.gov/unemployment/ and select the “Employer Information” link.</p> <p>Claimant Information To file for UI online using the Internet: complete the eApply4UI application online at https://eapply4ui.edd.ca.gov. To file for UI by phone, call one of the above phone numbers listed and speak with a representative. To file for UI by mail, print out the <i>Unemployment Insurance Application</i> (DE 1101I) online at https://eapply4ui.edd.ca.gov.</p>

TOPIC	DESCRIPTION	CONTACT
Unemployment Insurance (UI) Benefit Charges	<p>A <i>Statement of Charges to Reserve Account</i> (DE 428T) is mailed annually in September. This statement is an itemized list of UI charges to your reserve account. For additional information, refer to page 95.</p> <p>Protests to the DE 428T must be submitted within 60 days of the "issued date" on the notice.</p>	<p>EDD Contribution Rate Group, MIC 4 PO Box 826880 Sacramento, CA 94280-0001 Phone: 916-653-7795 (24-hour automated phone system)</p>
Workers' Compensation Insurance	<p>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.</p>	<p>Your insurance agent or Division of Workers' Compensation Phone: 800-736-7401 www.dir.ca.gov</p>
Workforce Service	<p>The EDD Workforce Services Branch offers a variety of services that bring employers with job openings together with qualified job seekers.</p>	<p>EDD Find a Workforce Services site nearest you at www.edd.ca.gov/office_locator/.</p>
Work Opportunity Tax Credit (WOTC)	<p>The Employment Development Department is the WOTC certifying agency for California employers. WOTC promotes the hiring of individuals who qualify as a member of a target group, and provides a federal tax credit to employers who hire these individuals.</p>	<p>EDD Workforce Services Phone: 866-593-0173 www.edd.ca.gov/wotc</p>

For the latest news and helpful information,
refer to the online quarterly **California Employer Newsletter** at
www.edd.ca.gov/payroll_taxes/california_employer_newsletter.htm.

GLOSSARY

Account Number	The Employment Development Department (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 what date the claim begins and whether the claim is for Unemployment Insurance or for State Disability Insurance. For Unemployment Insurance, there are two types of base periods: the Standard Base Period (see “Base Period, Standard [UI]”) and Alternate Base Period (see “Base Period, Alternate [UI]”). The Alternate Base Period can ONLY be used to file a UI claim when there are not enough wages earned in the Standard Base Period to file a monetarily valid UI claim.
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 using the Standard Base Period.
Base Period Employer	Employers who paid the earnings used to establish a UI claim and calculate an award.
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 online at www.calregs.com .
CUIAB	The California Unemployment Insurance Appeals Board is available online at www.cuiab.ca.gov .
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 online 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	<p>An application for UI, DI, or PFL benefits.</p> <ul style="list-style-type: none"> • Unemployment Insurance (UI) – The process that establishes a UI benefit year is called a new claim. Weekly <i>Continued Claim</i> (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, EDD Tele-CertSM allows individuals to certify for benefits using the phone and EDD Web-CertSM allows individuals to certify for UI benefits through the EDD website. 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 during the benefit year. • Disability Insurance (DI) – The application that establishes a DI benefit period is called a first claim. Subsequent certifications on an active DI 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 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 <i>Payroll Tax Deposit</i> (DE 88) coupon or any of the various payment options available on the EDD e-Services for Business website at https://eddservices.edd.ca.gov . For additional information, refer to page 55 .
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, or childbirth. DI is a component of the State Disability Insurance (SDI) program and funded through SDI employee payroll withholdings.
Electronic Funds Transfer (EFT)	<p>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 <i>Payroll Tax Deposit</i> (DE 88) coupon and paper check.</p> <p>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.</p>
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, primarily businesses facing out-of-state competition.
Employment Training Tax (ETT)	An employer-paid tax that funds jobs skills training for employees in targeted industries to improve the competitiveness of California businesses. Employers subject to ETT pay one-tenth of one percent (.001) of the first \$7,000 in wages paid to each employee per year.
e-Services for Business	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 e-Services for Business, refer to page 49 .
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, contact 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 additional information about filing the <i>Report of Independent Contractor(s)</i> (DE 542), refer to page 53 .
Labor Market Information	California's labor market information can help in making important business decisions. Data available includes occupational employment and wage data, industry employment, labor force, occupation and industry projections of employment, 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 <i>Report of New Employees</i> [DE 34] on page 51).
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 who take time off work to care for a seriously ill family member or to bond with a new child. PFL is a component of the State Disability Insurance (SDI) program and is funded through SDI employee payroll withholdings.
Payroll Period	The frequency you pay wages: daily, weekly, bi-weekly (every two weeks), 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 <i>Wage and Tax Statement</i> (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 <i>Employee's Withholding Allowance Certificate</i> (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)	UI or 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 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 12 th grade) community colleges, and charter schools.
SDI	State Disability Insurance.
SDI Online	An electronic claim filing system available to employers, claimants, physicians/practitioners, and voluntary plan third-party administrators for submission of Disability Insurance (DI) and Paid Family Leave (PFL) claim information.

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 PFL benefits to eligible workers experiencing a loss of wages. The SDI program is funded by mandatory payroll withholdings from employee wages.
Subject Employer	An employer who is liable under the rules and regulations of the CUIC.
Subject Quarter	The 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 <i>Information Sheet: Types of Employment</i> (DE 231TE) and <i>Information Sheet: Types of Payments</i> (DE 231TP).
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 Limit	The maximum amount of an employee's wages that certain taxes apply to in a calendar year. Refer to the inside front 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. UI is funded by employer payroll taxes.
UI and ETT Prepayment	UI or 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 Plan (VP)	California law allows employers or a majority of employees to apply to the EDD for approval of a VP for the payment of DI and PFL 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 benefits and approved expenses.
Wage Detail	<i>Quarterly Contribution Return and Report of Wages (Continuation)</i> (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.

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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 phone, or online at www.edd.ca.gov. If you require additional assistance, contact the Taxpayer Assistance Center at 888-745-3886.

By Phone: For quantities of 25 or more, call 916-322-2835.
For quantities of less than 25, call 888-745-3886 (toll-free).

**Download Online
Forms and Publications:** www.edd.ca.gov/payroll_taxes/forms_and_publications.htm

Internet Order Form: www.edd.ca.gov/forms/

**Request Annual Mailing
Employer Guide:** https://eddservices.edd.ca.gov/tap/open/annualguide/_/#1

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.

The *California Employer's Guide* (DE 44) is no longer automatically mailed to all employers. The guide is available to view and download online at www.edd.ca.gov/pdf_pub_ctr/de44.pdf. Employers who wish to receive a paper guide each year must submit their request at https://eddservices.edd.ca.gov/tap/open/annualguide/_/#1. You will receive a paper version of the guide each year until you access this link and specify you no longer want the paper guide.

For the latest news and helpful information,
refer to the online quarterly **California Employer Newsletter** at
www.edd.ca.gov/payroll_taxes/california_employer_newsletter.htm.

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



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The EDD is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Requests for services, aids, and/or alternate formats need to be made by calling 888-745-3886 (voice) or TTY 800-547-9565.