

# STATE AND LOCAL PAYROLL CERTIFICATE PROGRAM

## 2023 Course Outline

### State Topics

#### Regulations on Paying the Employee

- Pay frequency requirements
- Timing of payment at termination
  - Penalties for noncompliance
- Paying wages owed to deceased employees
  - Penalties for noncompliance
- Payment methods
- Pay statement requirements
  - Electronic pay statements
- Deductions from wages

#### State Wage and Hour Issues

- State and local minimum wage laws
  - Rates
  - Tip credits
- Overtime requirements
- State vs. federal white collar exemptions
  - State definitions of exempt employees
- Call-in time requirements
- Predictive scheduling requirements

#### State Income Tax Withholding Requirements

- Determination of state withholding liability
- Resident vs. Non-resident
- Reciprocal agreements
- Resident/nonresident taxation policies
- Employees working in multiple states
- Remote workers
- State EFT requirements
- States following the Internal Revenue Code
- Withholding requirements on fringe benefits
  - Group-term life insurance
  - Moving expenses
  - Section 125 and 401(k) plan contributions
- Supplemental withholding rates
- Employee withholding certificate requirements
- Recordkeeping requirements

#### State Unemployment Insurance

- Determination of state reporting requirements
  - Four factor test
- Definition of wages
- Transferring SUI-covered wages
  - States that do not accept transfers
  - Problems in reporting transferred wages
- SUI wage bases
- State contribution experience rating methods
- Employee contributions
- FUTA credit reduction
- Voluntary contributions
- Joint account option
- Quarterly wage reporting requirements

#### State Disability Insurance/ Paid Family Leave Requirements

- Employee contributions
- Employer contributions
- Wage limits and contribution rates

#### Paid Sick Leave Requirements

- State, county, and city programs
  - Accruals vs. front loading
  - Waiting periods
  - Allowed usage events
  - Payout vs. reinstatement

#### Child Support

- State definitions of disposable earnings
- Requirements for withholding priority, payment remittance, administrative fees, and withholding limits
- Lump sum payments

#### State Unclaimed Wages Rules

- Time period for abandoned wages
- Reporting and recordkeeping requirements

## Local Topics

### Introduction to Local Taxes

- Types of taxes
- Assessed on employee or employer
- Resident vs. nonresident
- Impact of nexus
- Courtesy withholding risks for employees, employers, or both
- Chart summarizing all local taxes
- Additional resources

### Entities Assessing Local Taxes

- Cities
- Counties
- School districts
- Mass transit districts
- Registering with local tax authorities

### Exemptions

- Nonresident disaster relief employees
- Types of businesses
- Categories of employees

### Local Taxes to Be Covered

- **ALABAMA**
  - City and county occupational license fees
- **CALIFORNIA**
  - Business operations and administrative office taxes
- **COLORADO**
  - City occupational privilege taxes
- **DELAWARE**
  - Earned income and business license head taxes
- **INDIANA**
  - County local income taxes
- **KENTUCKY**
  - City, county, and school district occupational license taxes
  - Uniform local occupational license tax forms

- **MARYLAND**
  - County and city income taxes
- **MICHIGAN**
  - City income taxes
- **MISSOURI**
  - City earnings and payroll expense taxes
- **NEW JERSEY**
  - Jersey City and Newark payroll taxes
- **NEW YORK**
  - City surcharges and earnings taxes
  - Metropolitan Commuter Transportation Mobility Tax
  - Waterfront Commission Assessment
- **OHIO**
  - Municipal income taxes
  - School district income taxes
- **OREGON**
  - City, area, and district transit and payroll taxes
  - Income taxes in Multnomah County and Portland Metro area
- **PENNSYLVANIA**
  - Municipal and school district earned income and local services taxes
  - Philadelphia wage tax
  - Unique Pittsburgh taxes
  - New payroll preparation taxes for financially distressed cities
- **WASHINGTON**
  - Seattle payroll expense tax
- **WEST VIRGINIA**
  - City service fees

### Local Payroll Taxes Authorized, But Not Currently in Effect

- Taxes potentially effective in the future