PayrollOrg's TOP 5 (razyy PAYROLL LAWS



1) Report overtime pay

Beginning in 2024, **ALABAMA** is requiring employers to report overtime pay. WHY? Because it is exempt from state income tax! Payroll professionals, dust off your calculators to figure out wages subject to state withholding because it just got a little harder.

2) File monthly UI wage reports

ILLINOIS is the only state that requires employers to file monthly unemployment insurance wage reports. Quarterly wage reporting is good enough for the other states, although some states have to complicate things by adding additional pay data elements to the reporting requirements.





3) Beware employer test for nonresident telecommuters

NEW YORK uses the convenience of the employer test for nonresident telecommuters. And now more states (we're looking at you **NEW JERSEY**) are joining the fun. But New Jersey only applies the test if the nonresident employee's home state uses it too. Play nice, kids!

4) Does not accept state UI wages

MONTANA along with two other states, **LOUISIANA** and **MINNESOTA**, does not accept state unemployment insurance wages from other states for transferability purposes. Can't we all just get along?





5) Pay all wages immediately to terminated employees

CALIFORNIA employees who are discharged from employment must be paid all wages, including accrued vacation, immediately at the time of termination. Because payroll is always the first to know, right? RIGHT?

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