

Oregon Domestic Combined Payroll Tax Report

2014

Oregon Department of Revenue
Oregon Employment Department
Oregon Department of Consumer & Business Services

Forms and instructions
for Oregon Domestic employers

- **Form OA Domestic
Oregon Annual Tax Report**
- **Form 132 Domestic
Employee Detail Report**
- **Form WR
Oregon Annual Withholding
Tax Reconciliation Report**
- **Business Change in Status Form**
- **Business Contact Change Form**

2014 Oregon Combined Payroll Tax Payment
Coupons (Form OTC) are mailed separately.

How to ensure that your report is processed on time

- ❖ Do you use a tax preparer? If so, they may need this booklet to file your reports.
- ❖ Double-check your math.
- ❖ When sending a payment by check, you must include Form OTC.
- ❖ If you have no payroll or subject hours worked, enter a “0” in the boxes on lines 1, 5, 9 and 11 for each tax program to which you are subject.



Oregon Department of Revenue
955 Center Street NE
Salem OR 97301-2555

Contact Information

State withholding tax

Oregon Department of Revenue (DOR)

Salem: 503-945-8091 or 1-800-356-4222
TTY users: 503-945-8617 or 1-800-886-7204
Fax: 503-945-8772
Email: payroll.help.dor@oregon.gov
Mail: **Oregon Department of Revenue**
955 Center Street NE
Salem OR 97301-2555
Internet: www.oregon.gov/dor/bus

- Sign up for “*Payroll Tax News*”
- Payroll tax basics
- Withholding tables & formula

Reporting forms:

Oregon Annual Tax Report (Form OA - Domestic)
Oregon Annual Withholding Tax Reconciliation Report (Form WR)
Business Change in Status Form
Business Contact Change Form

Payments for all tax programs

Order OTCs:

Salem: 503-945-8100 or 503-378-4988
Internet: www.oregon.gov/employ/tax

Oregon Combined Payroll Tax Payment Coupons (Form OTC) are mailed separately to employers. You must include one with each payment. You don't need to send Form OTC if you use EFT.

Electronic funds transfer (EFT)

Help Line: 503-947-2017
Internet: www.oregon.gov/dor/eserv

Before starting EFT payments, you must file an authorization agreement with DOR.

Workers' Benefit Fund (WBF) assessment

Oregon Department of Consumer & Business Services (DCBS)

Assessment questions:

Salem: 503-378-2372
Fax: 503-378-3134
Email: wbfassess.fabs@state.or.us
Mail: **WC Assessments Unit**
DCBS/CSD/Financial Services
PO Box 14480
Salem OR 97309-0405

Internet: www.oregon.gov/dcbs/fabs (click on *WBF assessment information under Resources*)

- What is the Workers' Benefit Fund?
- Determining WBF hours worked
- Calculating the WBF assessment

Subjectivity questions:

Salem: 503-947-7815 or 1-888-877-5670
Email: wcd.employerinfo@state.or.us

Reporting forms:

Oregon Annual Tax Report (Form OA - Domestic)
Business Change in Status Form
Business Contact Change Form

State Unemployment Insurance tax

Oregon Employment Department (OED)

Salem: 503-947-1488
TTY users: 711
Fax: 503-947-1700
Email: taxinfo@emp.state.or.us
Mail: **Tax Section**

Employment Department
875 Union St NE
Salem OR 97311-0030

Internet: www.oregon.gov/employ/tax

- Electronic reporting
- Order or download forms
- UI account information

Reporting forms:

Oregon Annual Tax Report (Form OA - Domestic)
Employee Detail Report (Form 132 - Domestic)
Business Change in Status Form
Business Contact Change Form
Order form (paper report forms)

Employer new hire reporting program

Oregon Department of Justice

Salem: 503-378-2868 or 1-866-907-2857
Fax: 503-378-2863 or 503-378-2864
1-877-877-7415 or 1-877-877-7416
Email: emplnewhire.help@doj.state.or.us
Mail: **Department of Justice
Division of Child Support
Employer New Hire Reporting
Program
4600 25th Ave NE, Suite 180
Salem OR 97301**
Internet: www.oregonchildsupport.gov

All Oregon employers must report new and rehired employees to the Oregon Department of Justice's Division of Child Support no later than 20 days from their hire date.

Online resources

www.cbs.state.or.us/wcd/communications/emp_info.html

- Do I need Workers' Compensation insurance?
- Employer incentives to hire an injured worker
- Insurers authorized to write Oregon Workers' Compensation policies

www.filinginoregon.com

- *How to Start a Business in Oregon*
- *Employer's Guide for Doing Business in Oregon*
- Electronic Business Registration
- Electronic Business Contact Change Form

www.irs.gov/businesses/small

- Contracting payroll service
- Acquiring a Federal Employer Identification Number (FEIN)
- Federal payroll tax forms

www.oregon.gov/BOLI

- Technical assistance for employers

www.oregon.gov/BOLI/WHD

- Minimum wage and overtime

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Filing Due Date for Annual Report is January 31, 2015

WHERE TO FILE AND PAY

Mail all reports and payments to:

**Oregon Department of Revenue
PO Box 14800
Salem OR 97309-0920**

In compliance with the Americans with Disabilities Act (ADA), this information is available in alternative formats by calling the **Oregon Department of Revenue**, 503-378-4988, or 1-800-356-4222 (toll free from an Oregon prefix) or the **Oregon Employment Department**, 503-947-1488.

Tips for Successful Reporting

When you report all required information correctly, you can avoid delays in the processing of your forms. Delays may result in penalties, interest charges, and other fees you may be required to pay if you don't report accurately and on time. If you use a payroll service, remember you are ultimately responsible for providing accurate and timely reporting and payments.

How to avoid common problems

- Use the correct Oregon Business Identification Number (BIN).
- Put the BIN and quarter/year on each report form in the appropriate box.
- Use the correct tax and assessment rates.
- If using non-prefilled forms, make sure to include name and address.

- Keep copies of Form OA, Form 132, and Form OTC for your records.
- Report whole hours on Form OA (WBF assessment) and on Form 132.
- Reduce calculation errors and other mistakes by filing your report electronically. Note: Electronic reporting is available only if you elect to report quarterly. See Filing Options on page 6.

Important Information

Oregon Department of Revenue (DOR), Employment Department (OED), and Department of Consumer and Business Services (DCBS) rules may be different from each other. Please read all instructions carefully. If you have questions, please contact the appropriate agency (see page 2).

Quarterly filing options

If you choose to file on a quarterly basis, OED has free software available (see page 6).

Unemployment Insurance (UI) tax rate

Your UI tax rate is based on the last 12 quarters experience through June 30, 2014. You received a *Notice of Estimated Tax Rate* in November of 2013 because the data is not available for the first two quarters of 2014 until we receive your annual report in 2014. Final tax rate notices will be mailed in May 2015 after the year 2014 annual reports are processed.

Closing your account

If you close your account mid year, all reports and payments are due within 20 days of the date that you terminate your employees, instead of January 31. Interest will begin to accrue if payment is not made by that date.

Filing option

Employers with exclusively domestic (in home service) employment may choose to file the combined payroll tax reports quarterly or

annually. The quarterly forms are sent out in February, and annual forms are sent out by November of each year. Contact OED for more information (see page 2).

Oregon identification numbers

Your Oregon BIN is not the same as your registry number issued by the Oregon Secretary of State's Corporation Division. **If you don't know your BIN, contact DOR** (see page 2).

The correct format for a BIN is NNNNNNN-N (for example, 1234567-8).

You must include your BIN at the top of all correspondence, returns, and payments that you file with DOR, OED, and DCBS.

Important: If the structure of your business has changed, contact DOR (see page 2).

Bankruptcy

If you file for bankruptcy, you need to notify **separately** each state agency that administers the payroll taxes and/or assessments to which you are subject.

Keep your records

You must keep WBF assessment-related payroll records for at least four years. You must keep all other payroll records for at least six years after filing the required reports.

Withholding tax tables and formulas

The Oregon withholding tax tables and formulas will be updated each year by December 1, with

an effective date of January 1. DOR will send information through Payroll Tax News. Contact DOR for more information (see page 2).

Required Forms

If you file paper forms, using the forms in this booklet ensures faster and more accurate processing. We process paper forms electronically. It's critical for successful reporting to use the correct format and color of ink.

To avoid problems:

- Use only blue or black ink.
- Use only original forms. Don't photocopy or fax your reports.
- Use **CAPITAL LETTERS ONLY** when filling out your reports.

If you use a tax preparer, check with them to see if they need this booklet to file your reports. Your forms can be sent to your tax preparer. Fill out the *Business Contact Change Form* to change the mailing address to your tax preparer's address.

Forms needed for reporting

- **Form OA** - File this form each year to document how you calculate the annual amounts for UI tax, withholding tax, and the WBF assessment you owe.
- **Form 132** - For UI tax only. File these forms with Form OA to detail, by employee, the quarterly subject wages and hours each employee worked to calculate the amount of UI tax you owe.
- **Form OTC** - File with each payroll tax payment to show how the amount paid is to be distributed among UI tax, withholding tax, and the WBF assessment.

Amended forms

Use fillable amended report forms available at OEDs website (see page 2):

- *Form OQ/OA-AMENDED*
- *Form 132-AMENDED*.

OED and DCBS: You may make changes to the UI tax portion and WBF assessment portion of the reports up to three years back from the current year.

DOR: You may make changes as far back as necessary to make corrections and report the proper amount of withholding. However, if that correction results in a refund, you have three years from the due date of the return, or two years from the date the tax was paid, whichever is later, to request that refund.

Note: Form OTCs are mailed separately, by December 31 of each year. If you need to order additional coupons, write the Oregon Department of Revenue, PO Box 14800, Salem, OR 97309-0920, or call 503-945-8091 or 503-378-4988. When ordering, tell us how many coupons you need for the remainder of the year.

Other forms

Because we process reports and payments electronically, our systems won't pick up special instructions or notations you write on Form OA, Form 132, or Form OTC. Use the following forms, located in the back of this booklet, to make updates:

Business Change in Status Form - Use this form to update your information such as: changing a business name, closing the business, or no longer employing workers. If the structure of your business changes, you may need to complete the *Combined Employers Registration Form*.

Business Contact Change Form - Use this form to update your contact information, such as: physical, mailing, or email address; phone or fax number; and offsite payroll service, accountant, or bookkeeper.

Form WR - Required by all employers who withhold state income tax from their employees. It is filed annually by employers to reconcile the Oregon state withholding taxes reported to DOR with all Oregon W-2s and 1099s issued to your employees. If you stop doing business or no longer have employees, Form WR is due 30 days after your final payroll.

Filing the Oregon Combined Annual Tax Report

Who must file

If you choose an annual reporting schedule, you must file a Form OA Domestic each year if you:

- Are registered as an active employer with DOR or OED, or are either required by law or choose to have a workers' compensation insurance policy in Oregon.

You must file Form 132 Domestic:

- If you are an employer subject to UI law.

When to file

Your report and payment are due by January 31, 2015. If your account closes mid year, both reports and payment are due within 20 days of the closing.

Failure to file

If you don't file a correct, complete annual report, you may receive an assessment from each agency for taxes owed based on available information. Each agency may charge penalties and interest on the amount assessed (see page 7).

Quarterly filing options

Electronic filing is far more efficient, accurate, and less time consuming than paper filing. You can file electronically on the internet or by telephone if you elect to report quarterly.

OED has free software for filing electronically. This software is a substitute for quarterly filings of paper Form OQs and Form 132s. The software is available at OEDs website (see page 2).

Payment Instructions

Oregon combined payment

To make sure your payment is correctly applied:

- Complete and send in Form OTC with every payment when due, including payments made with your Form OA.
- Show the amount paid to each tax program in the appropriate boxes on Form OTC. Don't include credits (see page 8).
- Don't staple or tape check to Form OTC.
- Make checks payable to "Oregon Department of Revenue."
- When reporting annually, enter a "4" in the quarter box regardless of the quarter in which payroll was paid to employees.

- Send Form OTC and your check to:
Oregon Department of Revenue
PO Box 14800
Salem, OR 97309-0920
- Keep all payment records (see page 4).

Electronic Funds Transfer (EFT)

EFT is a convenient, safe, and accurate way to make payments for combined payroll taxes. EFT allows you to make payments using a secure internet site, a touch-tone telephone, or through your financial institution. We encourage you to use the EFT program. Contact DOR for more information (see page 2).

The image shows a sample of Form OTC, Oregon Combined Payroll Tax Payment Coupon. The form is titled "Form OTC OREGON COMBINED PAYROLL TAX Payment Coupon 150-211-053 (Rev. 9-08)". It features a grid for entering tax amounts for various categories: State Unemployment, State Withholding, TriMet District Excise, Lane Transit District Excise, and Workers' Benefit Fund Assessment. A central box prompts the user to "Enter quarter payroll was paid to employees: (1, 2, 3, or 4) →" and "TOTAL PAYMENT (add all the boxes at left)". To the right, there is a section for "Date Received" and "BUSINESS ID NO.". Below this, it instructs to "Make check payable to: Oregon Department of Revenue, PO Box 14800, Salem OR 97309-0920". A large "SAMPLE" watermark is overlaid on the form, and a unique identification number "1234567890000000091920400111" is printed at the bottom right.

Penalties

Unemployment Insurance (UI) tax

A failure-to-file or late-filing penalty may be assessed if you file Form OA Domestic or Form 132 Domestic (Employee Detail Report) more than 10 calendar days after the due date, and you received a warning or had a penalty assessed within the past 3 years. Incomplete or incorrectly formatted forms may be returned to you. You must resubmit these forms by the 10th day after the due date to avoid a penalty.

The UI tax failure-to-file penalty is \$7 for each employee reported, with a \$100 minimum and \$1,800 maximum penalty. If no subject wages are reportable, but you file the report late, you may be assessed a penalty up to \$100.

OED may assess a penalty if you fail to pay a tax assessment. The penalty will be 10 percent of the unpaid tax for that assessment.

OED may assess a 50 percent penalty of the unpaid tax balance if the agency finds out that an employer is intentionally avoiding paying UI tax. [ORS 657.515(5)]

OED may charge an employer an additional 1 percent penalty if, as of September 1, the employer hasn't:

- Filed all UI tax reports:
 - Form OA, **or**
 - Form 132, **or**
- Paid all UI taxes due.

The penalty is 1 percent of the employer's previous year's taxable payroll.

Note: These penalties are in addition to interest.

Under OED law, an employer may not engage in or advise another employer to engage in activity to transfer or acquire, or attempt to transfer or acquire, a trade or business or any part of a trade or business solely or primarily for the purpose of getting a lower UI tax rate.

If an employer knowingly engages in such activity, the highest UI tax rate (currently 5.4 percent) will be assigned to that trade or business for the tax year in which the activity occurred and for the next three years. However, if the employer is already subject to the highest tax rate for the year, or if the amount of increase in the tax rate is less than 2 percent, an additional penalty tax rate of 2 percent will be added to the calculated tax rate.

Also, if any person advises an employer to engage in this activity, the adviser may be charged a civil penalty of up to \$10,000. Criminal penalties for engaging in tax avoidance schemes also may be imposed.

State withholding

- DOR charges a 5 percent late-payment penalty on any unpaid tax after the return's (Form OA) due date.
- DOR charges an additional 20 percent penalty on any tax due as of the due date if you file Form OA more than one month late.
- DOR may charge a 100 percent penalty on any tax due if you don't file Form OA Domestic for three years in a row.

Workers' Benefit Fund (WBF) assessment

DCBS may charge a late-filing penalty if you make your payment or file your Form OA Domestic after the due date. DCBS may charge a civil penalty of up to \$2,000 for each violation if the payment or Form OA Domestic is not filed on time. Penalties are charged at 10 percent of the outstanding balance, with a minimum of \$50 for each violation.

Also, if your account is audited for failure to report or for inaccurate reporting, DCBS may charge up to \$2,000 for failure to respond on time to notices and orders related to audit findings.

Interest

Unemployment Insurance (UI) tax

OED assesses interest on unpaid or late UI tax. The rate is 1.5 percent per month or fraction of a month after the payment is due.

Payments are due by the last day of January each year if you file annually. Interest is assessed if the payment is one day late. Interest is calculated on unpaid tax only. Previously assessed interest or penalties are not included in the calculation.

State withholding

DOR charges interest on any remaining tax left unpaid after the due date. DOR will bill for this interest, so you don't need to calculate interest due.

Workers' Benefit Fund (WBF) assessment

DCBS charges interest on unpaid WBF assessments. The rate of 9 percent per year may be charged on all overdue balances. If your account is assigned for collection, you will be responsible for paying the collection fee.

Credits

To apply a credit in the same tax program:

You may use Form OA to apply an amount that you overpaid if you haven't already requested or been issued a refund. Add the credit to any prepaid amount in the correct box on Form OA (box 6A, 6B, or 12) to reduce the balance owing.

To apply a credit to another tax program:

Send a written request to the agency with the credit. Include your account name, BIN, tax program, year, and amount of the credit. Write the tax program and year to which you want the credit

applied. Attach any notices or memos you received about the credit. Don't use Form OA to transfer credits between programs.

To request a refund:

Send a written request to the agency with the credit. Include your account name, BIN, the word "Refund," and the amount to refund. Attach any notices or memos you received about the credit. Don't use Form OA to request a refund.

Oregon Annual Tax Report (Form OA) Instructions

Employer information section

Before you complete Form OA Domestic, review your name, mailing address, BIN, and FEIN to make sure they are correct. Make corrections on the *Business Change in Status Form* included at the end of this booklet.

The North American Industry Classification System (NAICS) code is assigned by OED. If you have questions about these codes, call 1-800-262-3912, ext. 7-1248 (toll-free from an Oregon prefix) or 503-947-1248.

Number of covered workers for Unemployment Insurance (UI)

Complete this section if you are subject to UI law. If you have questions on how to count workers, call 1-800-262-3912, ext. 7-1248 (toll-free from an Oregon prefix) or 503-947-1248.

To report number of workers, use the totals for each month in the fourth quarter only (October,

November, and December). Include all full-time and part-time workers who worked or received pay subject to UI law during the payroll period which includes the 12th of the month. Some examples are:

- **Daily pay period.** Enter the number of workers on the daily payroll for the workday nearest the 12th of the month.
- **Weekly, bi-weekly, or semi-monthly pay period.** Enter the number of workers on the payroll for the period that includes the 12th of the month.
- **Monthly pay period.** Enter the number of workers on your monthly payroll.
- If there were no covered workers during any pay period, enter zero "0" in the appropriate boxes. Don't leave these boxes blank.

Add the numbers for the three months and place the sum in the **Total** (M1 + M2 + M3) box.

OA columns

In each column:

- Enter the total annual subject wages paid for each tax program. If you have questions, refer to the specific program information in this booklet; and
- Enter the total tax owed to each state program. If any of the amounts are equal to or less than zero, enter “0”. If you have credits, see the Credits section above on page 8.

Column A. Unemployment Insurance (UI)

Box 1. Subject wages. This amount must equal the sum of all four quarters from line 1 (total subject wages) on Form(s) 132 Domestic. Include excess wages (see box 2). Enter “0” if you had no subject payroll for the year.

Box 2. Excess wages. Excess wages are wages above the taxable wage base for the year *per employee*. Yearly taxable wage bases are:

2014 = \$35,000	2012 = \$33,000
2013 = \$34,100	2011 = \$32,300

Box 3. Taxable wages. Enter box 1A minus box 2A.

Box 4. Tax rate. Use the estimated 2014 tax rate. If you are subject to UI tax and no rate is printed, contact OED (see page 2).

Box 5. Total tax. Multiply box 3A by box 4A. Round down to the nearest cent and enter the tax amount. Enter “0” if you had no UI tax due.

Box 6. Tax prepaid. Enter the amount of UI tax prepaid or credits used. Include any UI credit amount that may have been overpaid where no refund was requested or issued.

Box 7. UI penalty and interest owed. Enter the amount of penalty and interest owed if the report is submitted more than 10 days after the due date. To calculate the penalty, multiply the number of employees by:

2014 = \$7	2012 = \$7
2013 = \$7	2011 = \$6

The minimum and maximum penalties are:

<u>Minimum</u>	<u>Maximum</u>
2014 = \$100	\$1,800
2013 = \$85	\$1,700
2012 = \$85	\$1,700
2011 = \$80	\$1,600

If there were no employees, the penalty is up to \$100.

To calculate interest owed, multiply the unpaid tax owed by 0.015 for each month or fraction of a month after the date the payment is due. Interest is assessed even if the payment is one day late.

When calculating interest, use only the amount of unpaid tax. Don’t calculate interest on previously assessed interest or penalties.

Box 8. Total due. Enter box 5A **minus** box 6A **plus** box 7A. If the amount is less than zero, enter “0”.

Column B. State withholding

Box 1. Subject wages. Enter total wages subject to income tax (salaries, commissions, and bonuses), paid to Oregon employees.

- This amount need not match box 1A.
- Enter “0” if you had no subject payroll for the year.

Box 5. Total tax. Enter total Oregon income tax withheld this year. Enter “0” on the wage and tax line if you had no withholding tax this year. Only numerical information entered in the state withholding tax column will be considered a filed return for that program.

Box 6. Tax prepaid. Enter the amount of withholding tax prepaid. Include any withholding credits used.

Box 8. Total due. Enter box 5B minus box 6B. If the amount is less than zero, enter “0”.

Workers’ Benefit Fund (WBF) assessment

Box 9. In addition to domestic employers (e.g. sororities, fraternities, and in-home care providers) who are required by law or who choose to provide workers’ compensation insurance for their workers, employers of all personal support workers who are eligible for workers’ compensation insurance coverage under HB 3618 (2010) must report and pay the WBF assessment.

Before reporting hours in Box 9, you may wish to verify with Workers’ Compensation Division (503-947-7815 or 1-888-877-5670) whether your workers are subject. If you have no subject workers, leave boxes 9-13 blank.

If your workers are subject, total all full and partial hours worked by all paid individuals who are subject to Oregon’s Workers’ Compensation

law or covered by workers' compensation insurance.

Enter the total hours rounded down to the nearest whole (no fractions or decimals). If you have no workers' hours to report, enter "0".

Note: The hours you report for the WBF assessment won't necessarily equal the hours you report for UI tax purposes on Form 132. In part, this is because there may be differences in who is subject to which tax.

Visit www.oregon.gov/dcbs/fabs/wbf.shtml or call 503-378-2372, for more information.

Box 10. Assessment rate. Employers contribute one-half of the hourly assessment amount and deduct one-half from workers' wages.

Yearly WBF assessment rates are:

2014 = .033	2012 = .028
2013 = .032	2011 = .028

Box 11. Multiply box 9 times box 10. Round down to the nearest cent. This is the total WBF assessment due. If no assessment is due, enter "0".

Box 12. Enter the amount of prepaid WBF assessment or WBF assessment credits used.

Box 13. Subtract box 12 from box 11. This is the net WBF assessment amount due. This amount should match the amount you enter in the

"Workers' Benefit Fund Assessment" box on Form OTC. If the amount is less than zero, enter "0".

Box 14. Total payment due

- Enter total payment due.
- Add boxes 8A, 8B, and 13.
- If you have credits, see page 8.

Make your payment to DOR using EFT, or make your check payable to "Oregon Department of Revenue." If you pay by check, include a payment coupon (Form OTC) with your check.

Box 16. Special payroll tax

Multiply box 3A by the amount list for the year you are filing for. Don't add or subtract this amount from boxes 5A or 14. Employers not required to pay Federal Unemployment Tax Assessment (FUTA) are not required to complete this section. See page 11 for more information on the special payroll tax.

Yearly offsets are:

4 th quarter of 2014 = .0009
4 th quarter of 2013 = .0009
4 th quarter of 2012 = .0009
4 th quarter of 2011 = .0009

Signature

The tax preparer needs to sign Form OA Domestic on the signature line and include a telephone number and the date they fill out the form. A signature is required even if you file a "0" report.

Domestic Employee Detail Report (Form 132) Instructions

Complete only if you pay UI tax.

Line 1. Total subject quarterly wages. Enter the total subject wages paid to employees during the quarter. If you use more than one page of Form 132, enter the total amount on page 1 only. This figure (total for all pages and all quarters) must equal the amount in box 1A on Form OA Domestic.

Column 2. Social Security number. Enter the Social Security number for each employee reported.

Column 3. Employee name. Enter the first initial and last name of each employee reported.

Column 4. Hours worked during each quarter. Enter the number of hours each employee worked

in each quarter. If you don't track hours for a full-time employee, use 520 hours for the quarter. **For fractions or portions of an hour worked by an employee,** round up any portion of an hour to the nearest whole hour.

Report the actual number of hours worked. This is straight time and overtime. Don't report hours paid for sick leave, vacation leave or any other hours paid where no work was performed. Even though these hours are not reported in column 4, wages paid are still reported as subject wages in column 5.

Although you report wages in the quarter they are paid, report hours in the quarter they are worked.

Note: The number of hours worked subject to UI doesn't need to equal the number of hours reported for WBF assessment.

Enter "0" for an employee who didn't work during the quarter, but received wages. **Don't leave blank.**

Column 5. Total subject wages for each quarter. Wages are reported in the quarter paid to

the employee regardless of when earned. Enter the total subject wages paid to each employee during the quarter regardless of whether the employee's wages were more than the taxable wage base.

Box 6. Page total. Enter the total subject wages for all employees reported in each quarter. Don't include the totals from other pages on this form.

Unemployment Insurance (UI) Tax Information

Subject wages

Generally, wages reportable for Federal Unemployment Tax Act (FUTA) purposes are reportable for Oregon UI tax. All wages, including draws, are reportable when paid to the employee. For example, wages paid January 2014 for work performed in December 2013 are reportable in 2014.

An employee is any person (including aliens or minors) employed for pay by any employer subject to OED law (ORS 657.015). This includes contract, casual, or temporary labor.

"Wages" means all compensation for service, unless specifically excluded by law.

Examples of subject wages include:

- Wages paid in cash.
- Taxes paid on behalf of an employee. This includes withholding and the employee's half of Social Security and Medicare.
- Other cash payments made on behalf of an employee such as tuition, auto repair bills, credit card payments, and student loans.
- Special payment for services, such as commissions, fees, gifts, bonuses, prizes, separation allowances, guaranteed wage payments, vacation, sick pay and holiday pay.

Excluded wages

Examples of payments that aren't subject to UI tax under UI law are:

- Payments to a proprietor or the proprietor's child under 18, spouse, or parent.
- Noncash payments
- Sick pay under workers' compensation law.

UI tax payments

All payments must be sent with a Form OTC payment coupon. Enter the amount paid in the "State Unemployment Insurance Tax" box. When there is more owed than taxes, payments are applied first to legal fees, penalties, and interest. The remainder is applied to tax owed.

Employer Account Access

You can review your UI tax account information at www.oregon.gov/employ/tax. Click on "Your Account Information Center," read the instructions, then click on "Continue to Employer Account Access." Enter the information to register your personal identification number (PIN).

Special payroll tax

The UI tax program is authorized to collect a special payroll tax that is calculated every quarter. This isn't an additional tax. Employers subject to FUTA must deduct the special payroll tax from the total state unemployment tax to determine the amount reported as "contributions paid to the state unemployment fund" on FUTA Form 940.

The special payroll tax funds the Wage Security Fund (BOLI) and the Supplemental Employment Department Administration Fund (SEDAF). The BOLI fund pays final wages when a business closes and doesn't have enough money to make final payroll. The SEDAf fund provides OED services.

Example 1: An employer has a tax rate of 3 percent (0.03). In the second quarter, the experience rate will be 2.91 percent (0.0291), which is the tax rate less the 0.09 percent (0.0009) special payroll tax offset.

Example 2: Employers with the highest state unemployment tax rate, 5.4 percent (0.054), should not calculate the amount of the special payroll tax offset. The employer should use the unadjusted amount of taxes paid to the state as “contributions paid to your state unemployment fund.”

“Contributions actually paid to the state” should equal the amount on line 17 of Form OA. If the amounts paid were less than owed, report the amount **actually** paid. Download Form 940 from www.irs.ustreas.gov, or by calling the IRS, 1-800-829-3676.

Exemption from UI tax

An employer who doesn't have enough employment or payroll may qualify for exemption from UI tax per ORS 657.415. To apply for the exemption, file a written request with the director of OED. If approved, the exemption will continue until the employer again qualifies as an employer as defined in ORS 657.

Election of coverage

An employer who has employees not subject to UI tax may file a written election to cover such employees under ORS 657.425. To apply for the election, file a *Notice of Election to Cover Employees* form with the director of OED. You will need to receive written notification of approval to begin coverage. To download the form, visit OED's website (see page 2).

Withholding Tax Information

Who is a household employee?

This information applies only if you pay someone for household work and that worker is your employee. Household work is work done in or around your home by babysitters, nannies, health aides, private nurses, maids, caretakers, yard workers, and similar domestic workers.

A household worker is your employee if you can control not only what work is done, but also how it is done.

If only the worker can control how the work is done, the worker is not your employee but is self-employed. A self-employed worker usually provides his or her own tools and offers services to the general public in an independent business. If an agency provides the worker and controls what work is done and how it is done, the worker is not your employee.

Should Oregon income tax be withheld from a household employee's pay?

Oregon income tax withholding is not required for household employees. However, Oregon income tax can be withheld if the household employee **asks** you to withhold and you **agree**. In order to determine withholding, the employee must complete federal *Form W-4, Employee's Withholding Allowance Certificate*.

Figuring withholding tax

All Oregon employers must withhold tax from employee wages (including draws) at the time employees are paid. Taxes are withheld and reported in the quarter the employee is paid.

To figure the amount of tax to withhold from an employee's wages:

- Use the Oregon withholding tax tables (see DOR on page 2).
- For computer payroll systems, use the percentage formula in the Oregon withholding formula publication (see DOR on page 2).

Transit district tax information

Domestic service in a private home is exempt from the Tri-County Metropolitan Transportation District (TriMet) and the Lane Transit District (LTD) tax.

Workers' Benefit Fund Assessment Information

Workers' Benefit Fund

The Workers' Benefit Fund (WBF) supports programs that benefit injured workers and the employers who help them return to the work force. Visit the DCBS website for more information about programs supported by the fund (see page 2).

Note: The WBF assessment is separate from your workers' compensation insurance premium and doesn't provide insurance coverage.

Hourly assessment

This assessment is based on the total number of full and partial hours worked by all paid individuals who are subject to the assessment. You must include hours worked for individuals that are paid on a basis other than by the hour. For example, calculate reasonable hours worked for individuals paid by salary, as well as those paid by commission, by the piece, or by the mile.

Like wages, the hours are reportable when paid. For example, report in 2014 hours worked in December 2013 but not paid until January 1, 2014. The hourly assessment rate may change annually (see page 10).

How to update or close your WBF assessment account

If your business changes ownership, discontinue business, or no longer employs workers, complete a *Business Change in Status Form*. In addition, contact your workers' compensation insurer with the corrected information.

Workers subject to WBF assessment

Domestic workers subject to the WBF assessment are:

- Those for whom the employer is required by law to provide workers' compensation insurance coverage (e.g. those employed by sororities and fraternities); and
- Those for whom the employer elects to provide workers' compensation insurance coverage even though not required by law to do so; and
- All paid individuals performing personal support work who are eligible for workers' compensation insurance coverage under HB 3618 (2010).

For each calendar year that you have domestic workers covered by workers' compensation insurance, you must file a Form OA Domestic to report hours worked. In addition, for each calendar year you have coverage, but no workers, you must file a Form OA Domestic to report "0" hours worked and "0" assessment due. If you don't file a Form OA Domestic during the time you have subject workers or personal elections, you may be assessed a penalty.



NOTES:

**Oregon Annual Withholding Tax
Reconciliation Report**

2014

Department Use Only
Date Received

Return Due Date: March 31, 2015

Business Name	Business Identification Number (BIN)
Federal Employer Identification Number (FEIN)	Number of W-2s

- Please read the instructions on the back of this report.
- The Oregon Department of Revenue may request certain employers to file W-2 or 1099 forms to reconcile their accounts.

Use your 2014 OQ forms. See the instructions on the back.	Tax Reported
1. 1st Quarter.....1	
2. 2nd Quarter2	
3. 3rd Quarter3	
4. 4th Quarter4	
5. Total5	

6. Total Oregon tax shown on **W-2s** or **1099s***6

7. Enter the difference between box 5 and box 67

- If box 6 is **larger** than box 5, you owe tax. Pay the amount in box 7. Include a payment coupon (Form OTC) with your check.
- If box 6 is **smaller** than box 5, you may have a credit for the amount in box 7. If the amount in box 7 is -0-, your withholding account balances.

Explanation of difference _____

***Include the amount of tax on your 1099s unless they are reported on a different BIN.**

I certify that this report is true and correct and is <input checked="" type="checkbox"/> led under penalty of false swearing.		
Signature		Date
X		
Print name	Title	Telephone Number ()

Important: Mail Form WR separately from your 4th quarter Form OQ.

If no payment is included, mail Form WR to: **Oregon Department of Revenue
PO Box 14260
Salem OR 97309-5060**

Mail Form WR with payment to: **Oregon Department of Revenue
PO Box 14800
Salem OR 97309-0920**

INSTRUCTIONS FOR FORM WR

Filing requirements

All Oregon employers who pay state withholding tax must file Form WR, *Oregon Annual Withholding Tax Reconciliation Report*. The 2014 form is due March 31, 2015. If you stop doing business during 2014 or no longer have employees, Form WR is due 30 days **after** your final payroll.

To amend data on Form WR, make a copy of the original Form WR and make the necessary changes on the copy. Write "**Amended**" at the top of the form. Attach any necessary amended OQ forms to the amended Form WR. Send your amended forms to the address below.

Oregon employers who fail to file Form WR may be charged a \$100 penalty.

How to fill out Form WR

Write your business name and Oregon business identification number (BIN) in the spaces shown. If you received a personalized booklet, your name and BIN will be filled in. Follow the instructions below for each line number.

Line 1 through Line 4. Fill in the total Oregon tax **reported** for each quarter (use the amount from box 5B of your 2014 OQ forms).

Line 5. Total. Total amount from all quarters reported.

Line 6. Enter the total Oregon tax withheld from your employees' W-2s or 1099R forms.

Line 7. Enter the difference between line 5 (total tax paid) and line 6 (total tax shown from W-2s or 1099Rs).

If line 6 is **larger** than line 5, you owe additional tax (shown on line 7). If line 6 is **smaller** than line 5, you overpaid your tax and have a credit. If the amount on line 7 is zero, your state withholding account balances.

Please give an explanation of the difference on the lines provided.

If you have overpaid, the credit may be applied to a future quarter. **The credit may not be used for another tax program.** If you want the credit refunded, send a written request, or you may use the explanation lines on Form WR to request your refund.

Sign and date your completed Form WR. Print your name and telephone number.

If you owe tax, please include a payment. Don't staple or tape your payment to Form WR. Remove and keep any check stubs.

Mail Form WR and payment to:

**Oregon Department of Revenue
PO Box 14800
Salem OR 97309-0920**

If no payment is included, mail Form WR to:

**Oregon Department of Revenue
PO Box 14260
Salem OR 97309-5060**

— IMPORTANT —

**Mail your Form WR separately from your 2014 4th quarter Form OQ.
Make a copy for your records.**

Oregon Combined Payroll Tax Business Change in Status Form

To update business status and employment information
Check all boxes that apply. Attach additional sheets if needed.

Business name	BIN (Oregon business identification number) -
Other names (ABN/DBA)	FEIN (Federal employer identification number) -

General updates (check all that apply)

<input type="checkbox"/> Update/Change FEIN	New FEIN -
<input type="checkbox"/> Update/Change business name	New business name
<input type="checkbox"/> Now doing business in TriMet/Lane Transit District	Effective date / /

Owner/Officer updates

To update owner/officer information, attach a complete listing of the current owners and officers including position, SSN, home address, and phone number.

Closing account (check all that apply)

<input type="checkbox"/> Closed pension/annuity account as of: / /	<input type="checkbox"/> No longer doing business in TriMet/Lane Transit District as of: / /
Business was: <input type="checkbox"/> Closed <input type="checkbox"/> No longer doing business in Oregon	<input type="checkbox"/> Sold <input type="checkbox"/> Leased <input type="checkbox"/> Transferred
<input type="checkbox"/> All of business	<input type="checkbox"/> Part of business
Was business operating at the time it was sold, leased or transferred? <input type="checkbox"/> Yes <input type="checkbox"/> No	How many employees were transferred?
Effective date / /	Date of final payroll / /
Describe what was transferred:	
New business name	
New owner's name	New owner's telephone () - Extension
New owner's address	City State Zip
Where are the records of the terminated business? (Contact name, address, telephone number)	

Changing entity (check all that apply)

Effective date / /	Note: A new Combined Employer's Registration form is required when there is an entity change.		
Change from:	<input type="checkbox"/> Corporation—"C"	<input type="checkbox"/> Corporation—Subchapter "S"	<input type="checkbox"/> LLP (Limited Liability Partnership)
	<input type="checkbox"/> Individual (Sole Proprietor)	LLC (Limited Liability Company) Recognized by IRS as:	
	<input type="checkbox"/> Partnership—General	<input type="checkbox"/> Partnership—Limited	<input type="checkbox"/> Corporation <input type="checkbox"/> Sole Proprietor/Single Member <input type="checkbox"/> Partnership
Change to:	<input type="checkbox"/> Corporation—"C"	<input type="checkbox"/> Corporation—Subchapter "S"	<input type="checkbox"/> LLP (Limited Liability Partnership)
	<input type="checkbox"/> Individual (Sole Proprietor)	LLC (Limited Liability Company) Recognized by IRS as:	
	<input type="checkbox"/> Partnership—General	<input type="checkbox"/> Partnership—Limited	<input type="checkbox"/> Corporation <input type="checkbox"/> Sole Proprietor/Single Member <input type="checkbox"/> Partnership

Employment status updates (check all that apply)

<input type="checkbox"/> Still in business, but have no paid employees (corporate officers are still subject to payroll taxes). Effective date / /		
<input type="checkbox"/> Only have workers' compensation insurance to cover owners, officers or members.	<input type="checkbox"/> Only LLC members or officers	<input type="checkbox"/> Only using independent contractors
<input type="checkbox"/> Employing Oregon residents in another state. State:	<input type="checkbox"/> Now working in Oregon. Effective date / /	<input type="checkbox"/> Courtesy withholding

Using leased employees

Name of leasing company	Leasing company contact		
Address	City	State	Zip
Telephone () - Extension	Worker leasing company license #		
Date employees leased / /	Number of leased employees	Total number of non-leased employees	Leasing corporate officers/owners? <input type="checkbox"/> Yes <input type="checkbox"/> No

Submitted by:

Print name	Title	Telephone () - Extension
Signature	Date / /	

Fax to: 503-947-1700 or mail to: Employment Department, 875 Union St NE Rm 107, Salem OR 97311-0030

Business Change in Status Form Instructions

Use this form to notify the Employment Department (OED), Department of Revenue (DOR), and Department of Consumer and Business Services (DCBS) of changes to your business or employment status. Attach additional sheets if needed.

General updates

NOTE: Some FEIN and name changes may require a new *Combined Employer's Registration* form to be completed.

- Provide the correct federal employer identification number (FEIN) for your business.
- Correct the business name and any spelling errors as needed.
- Check the "Now doing business in TriMet/Lane Transit District" box and include the effective date if you're an employer paying wages earned in the TriMet or Lane Transit District. You must register and file with the Oregon Department of Revenue. Wages include salaries, commissions, bonuses, fees, payments to a deferred compensation plan, or other items of value.
- For boundary questions, see the *Oregon Combined Payroll Tax* booklet for the list of cities and ZIP codes.
 - The TriMet district includes parts of Multnomah, Washington, and Clackamas counties. For TriMet boundary questions call 503-962-6466.
 - Lane Transit District serves the Eugene-Springfield area. For Lane Transit District boundary questions call 541-682-6100.

Re-opened business

To re-open your business that you've closed for:

- Less than one year, file a:
 - *Business Change in Status Form*, 150-211-156.
- One year or more, file a:
 - *Combined Employers Registration*, 150-211-055.

For more questions contact DOR at 503-945-8091.

Owner/officer updates

Attach a separate sheet to update or change corporate officer or owner information.

Compensation for services performed by corporate officers and shareholders is subject to payroll taxes (withholding, transit, and unemployment). If owners and officers are covered by Workers' Compensation insurance, the hours worked are also subject to Workers' Benefit Fund (WBF) assessment.

Fax to: 503-947-1700 or

Mail to: **Employment Department
875 Union St NE Rm 107
Salem OR 97311-0030**

For additional copies of this form, download at:
www.oregon.gov/dor/business
or call: **503-947-1488**

Employment status updates

- Check each box that applies to your business and include the effective date of change.
- If Oregon residents are working out of Oregon, indicate which state.
- Check box and indicate effective date of employees now working in Oregon that previously worked in another state.

Using leased employees

If you lease your employees from a Professional Employer Organization (PEO)/Worker Leasing Company, fill in the information requested.

Changing entity

Include the effective date of change, check the box of the entity you're changing from and the box of the entity changing to.

NOTE: Entity changes require the completion of a new *Combined Employer's Registration* form.

Examples include, but aren't limited to:

- Changing from a sole proprietorship to a partnership or corporation.
- Changing from a partnership to a sole proprietorship or corporation.
- Changing from a corporation to a sole proprietorship or partnership.
- Changing of members in a partnership of five or fewer partners.
- Adding or removing a spouse as a liable owner.
- Changing from a sole proprietorship, corporation, or partnership to a limited liability company.

Closing account

- Check the box if you closed a pension and annuity account. Include the effective date of change.
- Check the "No longer doing business in TriMet/Lane Transit District" box and include the effective date if you moved your business from the TriMet or Lane transit district and are no longer subject to this tax.
- Check the box if you closed the business or dissolved a sole proprietorship, partnership, corporation, or limited liability company, and no longer have payroll to report. Fill in the date of final payroll.
- If you sold your business, leased your employees, or transferred your business assets, indicate whether the transaction applied to all or part of the business.
- If you leased all or part of the business, fill out the section "Using Leased Employees."

NOTE: New or reorganized businesses must complete a *Combined Employer's Registration* form, which can be found in pdf format at **www.oregon.gov/dor/business** or electronically at **<https://secure.sos.state.or.us/ABNWeb>**.

Oregon Combined Payroll Tax Business Contact Change Form

To update contact and address information

Current information will ensure that you receive tax forms and other important information.

Form available electronically at: <https://secure.sos.state.or.us/ABNWeb>

Business name	BIN (Oregon business identification number) -
Other names (ABN/DBA)	FEIN (Federal employer identification number) -

Update mailing address

(attach additional sheet if necessary)

Check all that apply: <input type="checkbox"/> Billings <input type="checkbox"/> Business mail <input type="checkbox"/> Payroll tax forms					
Address					
City		State		Zip	
Telephone () -	Extension	Cell () -	Extension	Fax () -	Extension
E-mail			<input type="checkbox"/> Check here to authorize us to initiate e-mail exchange of tax information		<input type="checkbox"/> Revoke all prior e-mail addresses

Update physical locations

(attach additional sheet if necessary)

#1 <input type="checkbox"/> Add location <input type="checkbox"/> Delete location	#2 <input type="checkbox"/> Add location <input type="checkbox"/> Delete location
Reason	Reason
Street address	Street address
City State Zip	City State Zip
<input type="checkbox"/> Is this an employee's home address?	<input type="checkbox"/> Is this an employee's home address?

Update offsite payroll services, accountants or bookkeepers

(attach a Power of Attorney for Authorized Representative)

Name of service, accountant or bookkeeper		Effective date
Contact	Telephone () -	Extension
Address		
City		State Zip
Fax () -	E-mail	

Submitted by:

Print name	Title	Telephone () -
Signature		Date

Fax to: 503-947-1700

Or mail to: Employment Department, 875 Union St NE Rm 107, Salem OR 97311-0030

