

Tips and Reminders for Filing Unemployment Insurance, Withholding Tax, and Wage Reporting Information



Magnetic media wage reporting Web upload

Employers can now electronically submit quarterly wage reporting information in an acceptable magnetic media format through the Online Tax Center. Files can be uploaded electronically as an alternative to mailing a CD, disc, tape, or paper form. Benefits of this approach include secure online filing, immediate data transmittal and confirmation, and an online history of your wage reporting.

Starting on November 1, 2008, employers who are required to file, or who elect to file, wage reporting using magnetic media **must** upload all magnetic media wage reporting files through the Online Tax Center. You will no longer have the option to mail your media to the Tax Department.

For more details on how to register to begin uploading electronic files, visit the Tax Department's Online Tax Center at www.nystax.gov.

Tips for completing Forms NYS-45 and NYS-45-ATT

Important note: Do not use pencil or gel pens. Do not enter stray marks or information that is not required by the instructions. Do not use minus signs, parentheses, or any other symbols to show negative money amounts.

Form NYS-45, Part A, *Unemployment insurance (UI) information*, and Part C, column c, *UI total remuneration/gross wages paid this quarter*

The wage reporting information that you report each quarter on Form NYS-45 is used to determine an individual's entitlement to UI benefits and the weekly benefit amount. Incorrect or incomplete information may result in inaccurate benefit amounts charged to your UI account, assessment of penalties, and increased costs.

- For Part A and Part C, column c:
 - Include all covered employees that you are required to report for unemployment insurance purposes.
 - Report only the total quarterly remuneration/gross wages that must be reported for unemployment insurance purposes (refer to Publication NYS-50).
- Your *Total remuneration paid this quarter* (Part A, line 1) must equal your total for quarterly wage reporting (from Form NYS-45, Part C, column c, or Form NYS-45-ATT, column c). See the instructions for Form NYS-45 for possible exceptions.
- Reimbursable employers (those with employer registration numbers beginning with 04-5 or 04-6) must complete Part A, line 1, along with other applicable parts of the return, including *Number of employees*, Part B, Part C, and *Sign your return*.
- Report wage information using only one filing method (Form NYS-45, Part C; Form NYS-45-ATT; or magnetic media).
- Employers can volunteer to file Part C information on magnetic media even if they are below the required filing threshold of 250 employees. Magnetic media filing (such as diskettes, CDs, or tape cartridges) is easy to use, streamlines processing, and virtually eliminates the possibility of data capture errors, which could result in notices to employers. Publication 69, *Magnetic Media Reporting of Quarterly Combined Wage and Withholding Tax Information*, describes how to file employee wage and withholding tax information on magnetic media.
- **Line 4** — Enter the **UI** tax rate in the boxes on line 4 (for example 4.025%). Your **UI** tax rate can be found in the top part of the box located in the right-hand corner of your annual tax rate notice.

This percentage is the normal and subsidiary part of the rate that is certifiable for Federal Unemployment Tax Act (FUTA). **You may also obtain this rate online at www.labor.state.ny.us by following the links to the *UI Employer Home Page* or by calling the Unemployment Insurance Division at 1 888 899-8810.**

- **Line 5** — Use the *Re-employment service fund* rate, which is 0.075% for all tax-rated employers.
When these two parts of UI tax rate are added together, it equals your total rate. Do not use the total rate to calculate line 4, as this will result in an overpayment of your UI taxes.
- Be sure to complete line 9, *Total UI amounts due*; line 19, *Total WT amount due*; and line 21, *Total payment due*. Without this information, your payment may not be allocated correctly between unemployment insurance and withholding tax, and you may be issued a bill for an underpaid liability.
- Remit one check: Separate checks for unemployment insurance and withholding tax are not required. Make one check payable to **NYS Employment Taxes** equal to the amount on line 21, *Total payment due*.
- Only enter a new address in the space provided on the back of Form NYS-45 (line 22) if you wish to **change** the address at which you receive Form NYS-45 to one different from the preprinted address.

For complete filing instructions, please refer to Form NYS-45-I, *Instructions for Form NYS-45*.

Form NYS-45, Part B, *Withholding tax (WT) information*

How to properly withhold New York City and Yonkers resident income tax from employees

The Tax Department has identified the following instances where employers are not properly withholding New York City and Yonkers resident income tax from employees who reside in New York City or Yonkers:

- The first instance involves individuals who live within the political boundary of these cities, but whose postal mailing addresses do not indicate New York City or Yonkers addresses.
For example, employers withhold New York City resident income tax on employees whose addresses are within the borough of Manhattan and whose city and state are shown in the employers' records as New York, NY. However, individuals who reside in the following counties are all subject to New York City resident income tax: Kings County (Brooklyn), Bronx County, New York County (Manhattan), Richmond County (Staten Island), and Queens County. Employers should make certain to properly withhold tax on New York City residents who live in **any** of the five boroughs.

Note: Certain mailing addresses in Queens (ZIP codes starting with 110) and the Bronx (ZIP code 10803) may actually be part of Nassau or Westchester County.

Additionally, there are individuals who have postal mailing addresses in certain areas of Bronxville, Scarsdale, and Tuckahoe whose residences are physically located within the city limits of Yonkers.

Employers may use the Tax Department's *Withholding Tax Jurisdiction Lookup* service to determine if an employee's address is a New York City address for purposes of withholding New York City resident income tax, or a Yonkers address for purposes of withholding Yonkers resident income tax. A link to use this service may be found at www8.nystax.gov/WTLR/wtlrHome.

- The second instance involves individuals who perform services for employers outside of New York City or Yonkers. All wages paid to New York City residents are subject to New York City resident income tax withholding even though the services may have been performed outside of New York City. Similarly, all wages paid to Yonkers residents are subject to Yonkers resident income tax withholding even though the services may have been performed outside of Yonkers. Employers should make certain to properly withhold tax on Yonkers and New York City residents, regardless of where the employees perform services.

For more information see Publication NYS-50, *Employer's Guide to Unemployment Insurance, Wage Reporting, and Withholding Tax*, and Publication NYS-50-T, *New York State, New York City, and Yonkers Withholding Tables and Methods*. You may download Publications NYS-50 and NYS-50-T from the Tax Department's Web site at www.nystax.gov or call 1 800 462-8100 to request them.

Form NYS-45, Part C, or Form NYS-45-ATT, column a, Social security number

Enter the social security number for each employee/payee. Do not enter dashes or slash marks. Enter the nine numerals without any spaces.

Reporting employee annual wages and withholding

On the final or fourth quarter return (Form NYS-45 or Form NYS-45-ATT), employers must report every employee who worked at any time during the year and earned wages subject to withholding (even if the employee did not work during the final or fourth quarter). The return must indicate the annual wages subject to withholding and total New York State, New York City, and Yonkers taxes for each employee. Quarterly gross wages must also be reported for each employee who worked during the final or fourth quarter.

Claiming a withholding tax refund or credit and identifying changes to filed Form(s) NYS-1

If you are claiming a refund or credit because you overstated and overpaid a liability reported on Form(s) NYS-1 during the quarter, you **must** correct the information on Form NYS-45 (back), Part D – *Form NYS-1 Corrections/Additions*. All corrections or additions to the last payroll dates or liability information that was submitted on Form NYS-1 during the quarter must be reported on Form NYS-45, Part D. **If Part D is not properly completed, your refund or credit request may be delayed.**

Amending a prior quarter

- When amending a previously filed Form NYS-45 for the current or a prior quarter, you must use Form NYS-45-X. **Do not** use Form NYS-45 for amending, even if you write **Amended** on Form NYS-45.
- Do not use minus signs, parentheses, or any other symbols on Forms NYS-45 and NYS-45-ATT to amend a previously filed Form NYS-45 or NYS-45-ATT. Use Form NYS-45-X to amend forms from a previous quarter.
- Amending Form NYS-45 may also require amending Form(s) NYS-45-ATT and NYS-45-CC (if filed). See Form NYS-45-X-1, *Instructions for Form NYS-45-X*.

Form NYS-1, Return of Tax Withheld (coupon)

- Do not make any payment of unemployment insurance contributions with Form NYS-1. All unemployment insurance payments must be made with Form NYS-45 or with the appropriate unemployment insurance remittance form as required by the Department of Labor.

- Be sure to enter the last payroll date covered by the return in the box on line A of the Form NYS-1 coupon. This date is necessary to reconcile your quarterly return (Form NYS-45). If you fail to enter the last payroll date, the processing of the refund or credit request may be delayed.
- Whether you file by magnetic media and submit tax withheld via electronic funds transfer or file by paper, if you are required to withhold New York City or Yonkers tax, do not enter all tax withheld on line 1, *New York State tax withheld*. Enter the amount actually withheld for each jurisdiction on the appropriate lines of Form NYS-1.
- If there has been a change in your withholding tax mailing address, mark an **X** in the address change box on the front of Form NYS-1, and enter the new address in the spaces provided on the back of the form.

New hire reporting

Within 20 days of the hire date, all employers must submit a new hire report that includes the employer's federal employer identification number (FEIN), name, and address with the social security number, name, and address for every newly hired employee.

Employers must use the *first day that compensated services* are performed by an employee as the hire date for purposes of the new hire reporting program. This would be the first day any services are performed for which the employee will be paid wages or other compensation, or the first day an employee working for commissions is eligible to earn commissions. Employers will have 20 days from that date to report newly hired or rehired employees.

The new hire reporting program strengthens New York's ability to identify noncustodial parents who have failed to pay their court-ordered child support.

Employers who are required to report to New York State (and multistate employers who designate New York as their reporting state) should submit new hire information:

- via the Internet at www.nynewhire.com
- by fax to (518) 869-3318; or
- by mail to: NYS DEPARTMENT OF TAXATION AND FINANCE
NEW HIRE NOTIFICATION
PO BOX 15119
ALBANY NY 12212-5119

Do you need help or more information regarding which type of services and wages to report for unemployment insurance and wage reporting purposes?

Access the **Department of Labor's** Web site at www.labor.state.ny.us or call 1 888 899-8810 – option 4, or fax questions to (518) 485-6172. Please include your telephone number or fax number on your fax.

To confidentially report Unemployment Insurance employer fraud, call our toll-free hotline 1 866 435-1499.

If you need to contact the **Tax Department**, see *Need help?* below.

Need help?



Internet access: www.nystax.gov
(for information, forms, and publications)



Fax-on-demand forms: Forms are available 24 hours a day, 7 days a week. 1 800 748-3676



Telephone assistance is available from 8:00 A.M. to 5:00 P.M. (eastern time), Monday through Friday.
To order forms and publications: 1 800 462-8100
Withholding Tax Information Center: 1 877 698-2910
From areas outside the U.S. and outside Canada: (518) 485-6800



Text Telephone (TTY) Hotline (for persons with hearing and speech disabilities using a TTY): If you have access to a TTY, contact us at 1 800 634-2110. If you do not own a TTY, check with independent living centers or community action programs to find out where machines are available for public use.



Persons with disabilities: In compliance with the Americans with Disabilities Act, we will ensure that our lobbies, offices, meeting rooms, and other facilities are accessible to persons with disabilities. If you have questions about special accommodations for persons with disabilities, please call 1 800 972-1233.