



Second Quarter 2014

Paid Family Leave to Cover Additional Family Members

Senate Bill 770, signed by Governor Brown on September 24, 2013, expands California's Paid Family Leave (PFL) to provide benefits to workers who take time off work to care for a seriously ill parent-in-law, grandparent, grandchild, or sibling. The law will take effect July 1, 2014.

Currently, eligible individuals can receive up to six weeks of PFL benefits within a 12-month period to care for a seriously ill child, parent, spouse or registered domestic partner, or to bond with a minor child. SB 770 expands coverage but does not change existing eligibility requirements. To be eligible for PFL, an employee still must:

- Be unable to do their regular or customary work for at least eight days due to the need to provide care to a seriously ill family member or to bond with a new child.
- Be employed or actively looking for work at the time family leave begins.
- Have lost wages due to caring for a seriously ill family member or bonding with a new child or, if unemployed, been actively looking for work.
- Have earned at least \$300 from which State Disability Insurance (SDI) deduc-

tions were withheld during a base period.

- Obtain medical certification from a physician/practitioner for claims to care for a seriously ill family member.
- Complete and submit a claim form within 49 days of the first day of their family leave or they may lose benefits.

Learn more at the **PFL Fact Sheet**.

Employees can now file for Disability Insurance and PFL benefits using SDI Online. Employers can also use SDI Online to submit forms for an employee's claim. For more information about SDI Online, go to www.edd.ca.gov/disability.

Helpful Reminders

Mail your 2014 2nd quarter *Quarterly Contribution Return and Report of Wages* (DE 9) and *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C) forms together, due July 1, 2014, and delinquent by July 31, 2014. Remember to file a DE 9 and DE 9C even if you paid no wages during the quarter. Penalty and interest will be charged on late filing of reports.

Mail your *Payroll Tax Deposit* (DE 88) to the address shown on the coupon. Do not mail it with other forms as it may delay processing. Failure to provide a completed DE 88 with your payment may cause a misallocation of funds, which may result in penalties and interest.

Your deposit date **may** change if you have withheld over \$350 in Personal Income Tax withholding. Failing to meet payroll tax deposit time frames could result in a penalty. For more information, go to www.edd.ca.gov/payroll_taxes/Timely_Payroll_Tax_Deposits.htm.

You can enroll in e-Services for Business to file reports, make tax payments, manage payroll tax accounts, register businesses, and more. For more information, go to <https://eddservices.edd.ca.gov/>.

Statement of Charges to Reserve Account

In September 2014, an annual *Statement of Charges to Reserve Account* (DE 428T) will be mailed to you. This statement notifies you of the Unemployment Insurance (UI) benefit charges and credits to your reserve account during the fiscal year July 1, 2013, through June 30, 2014.

The itemized charges to your reserve account are based on UI benefits paid to your former employees. Since these charges may increase your UI contribution rate for the 2015 tax year, it is important to review your DE 428T and respond within 60 days of the statement date to protest any charge you believe is incorrect.

If you have address changes and/or agent updates, you must immediately notify the EDD to ensure that you receive your DE 428T.

For further information, refer to the Explanation and Instruction Sheet: *Statement of Charges to Reserve Account* (DE 428C) included with the DE 428T. The DE 428C is also available online at www.edd.ca.gov/pdf_pub_ctr/de428c.pdf, or by calling the Taxpayer Assistance Center at 888-745-3886.

Interest Rate Will Be 3%

For the period July 1 through December 31, 2014, the annual interest rate will be 3 percent (0.03), compounded daily. The daily interest factor will be 0.000082. Interest is charged on all delinquent taxes, interest, and certain penalties.

If you have any questions about the annual interest rate for 2014, call the Taxpayer Assistance Center at 888-745-3886 or visit www.edd.ca.gov/Payroll_Taxes/Interest_Rate.htm.

Penalty Increase

The Employment Development Department (EDD) thanks you for your timely filing of payroll tax reports, submitting timely deposits, and providing timely wage information. Effective the 3rd quarter 2014, penalties charged for late filing and late deposits will increase from 10 percent to 15 percent. In addition, penalties charged for not reporting employee wage information will increase from \$10 per employee to \$20 per employee. For more information, refer to the EDD website.

Get Started with e-Services for Business!

e-Services for Business provides employers and payroll agents with an easy, fast, and secure way to manage your payroll tax account(s) online.

With access available 24 hours a day, seven days a week, you can easily file reports, make tax payments, register for an employer account number, and make updates to your account.

The following links provide helpful information on how to enroll and get started using e-Services for Business.

e-Services for Business Enrollment Information

Instructions on completing the one-time enrollment process.

e-Services for Business Advantages and Features

Advantages and features of e-Services for Business.

e-Services for Business Video Tutorials

Online video tutorials to guide you through e-Services for Business.

FAQ e-Services for Business

Frequently asked questions about e-Services for Business.

e-Services for Business Login

Access e-Services for Business by logging in.

For more information on e-Services for Business, please go to <https://eddservices.edd.ca.gov/>.

Subscribe to E-mail for News and Updates

The EDD wants to remind you of our convenient and complimentary e-mail subscription services that provide you the opportunity to keep up-to-date online.

You can subscribe to our e-mail lists to keep updated with the most current news on programs and services, stay updated on forms and publications, upcoming events, and important announcements.

The following subscription services are available:

- Employment and Payroll Tax Information.
- Unemployment Insurance Information.
- Labor Market Information.
- Workforce Investment Act and Wagner-Peyser Act.

To subscribe, go to www.edd.ca.gov/about_edd/Get_Email_Notices.htm. It's easy to keep updated and informed with the EDD!

Reminder of Posting Requirements

As a registered employer with the EDD, you are required to post notices in your workplace that inform your employees of their rights under the Unemployment Insurance (UI) and State Disability Insurance (SDI) programs. SDI includes Disability Insurance (DI) and Paid Family Leave (PFL).

Employers receive the following notices if they 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).

These notices must be posted in a prominent and visible location that is easily seen by your employees.

For more information on these and other notices and pamphlets, go to: www.edd.ca.gov/Payroll_Taxes/Required_Notices_and_Pamphlets.htm.

Sign up for Payroll Tax Seminars

If you are an established business, just starting a business, or a payroll agent, you can sign up for no-fee seminars to learn more about your various reporting responsibilities and to better understand how to stay in compliance with state payroll tax laws.

The EDD offers seminars at convenient sites throughout the state. The semi-

nars are led and taught by outstanding and experienced instructors. We also offer online seminars that provide you the flexibility to learn at your own pace.

For more information and to register for a classroom or online seminar, go to www.edd.ca.gov/Payroll_Tax_Seminars/.

CALIFORNIA EMPLOYER

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