Employment Development Department
State of California

Please note:

Page 59
The 2020 Quarterly Payment Table Correction:

- Timely Settlement Date **August 1, 2020** should be corrected to **August 3, 2020**.
- Timely Settlement Date **November 13, 2020** should be corrected to **November 3, 2020**.
- Taxes Due **February 1, 2021** should be corrected to **January 1, 2021**.

We apologize for the inconvenience.

2020 CALIFORNIA EMPLOYER'S GUIDE

Important Information

Electronic Reporting and Payment Requirement: All employers must electronically submit employment tax returns, wage reports, and payroll tax deposits to the Employment Development Department (EDD). For more information, visit the and related noncompliance penalties (edd.ca.gov/EfileMandate) or refer to page 49.

e-Services for Business: Employers can file, pay, and manage their employer payroll tax account online. For more information, visit **e-Services for Business** (edd.ca.gov/e-Services_for_Business) or refer to page 50.

State Information Data Exchange System (SIDES): Employers and third-party administrators can elect to electronically receive and respond to the EDD *Notice of Unemployment Insurance Claim Filed* (DE 1101CZ) using SIDES. For more information, visit **SIDES** (edd.ca.gov/SIDES).

New Employee Registry (NER): All employers are required by law to report all newly hired or rehired employees to the NER within 20 days of their start-of-work date. For more information, visit **NER FAQs** (edd.ca.gov/payroll_taxes/faq_-_california_new_employee_registry) or refer to page 53.

Tax Seminars: The EDD offers no-cost seminars to help employers comply with state payroll tax laws. For more information, visit **payroll tax seminars** (edd.ca.gov/payroll_tax_seminars) or refer to page 1.

Fraud Prevention, Detection, Reporting, and UI Rate Manipulation: For information on how to prevent and detect UI fraud, visit **UI Fraud** (edd.ca.gov/unemployment/fraud_and_penalties_what_you_need_to_know) or refer to page 84.

is a serious problem that has a financial impact on employers and can result in higher UI taxes for all employers. You can help by responding timely to requests for wage information. For more information, visit **UI claim notices** (edd.ca.gov/unemployment/responding_to_ui_claim_notices).

California Employer Newsletter: For the latest news and helpful information, refer to the quarterly **California Employer Newsletter** (edd.ca.gov/payroll_taxes/california_employer_newsletter).

2020 Payroll Tax Rates, Taxable W Amounts

Unemployment Insurance (UI)

- The 2020 taxable wage limit is $7,000 per employee.
- The UI maximum weekly benefit amount is $450.
- The UI tax rate for new employers is 3.4 percent (.034) for a period of two to three years.
- The employer rates are available online at **e-Services for Business** (edd.ca.gov/e-Services_for_Business).

Employment Training Tax (ETT)

- The 2020 ETT rate is 0.1 percent (.001) on the first $7,000 of each employee's wages.

State Disability Insurance (SDI)

- The 2020 SDI withholding rate is 1.0 percent (.01). The rate includes Disability Insurance (DI) and Paid Family Leave (PFL).
- The SDI taxable wage limit is $122,909 per employee, per year.
- The 2020 DI/PFL maximum weekly benefit amount is $1,300.

California Personal Income Tax (PIT) Withholding

California PIT withholding is based on the amount of wages paid, the number of withholding allowances claimed by the employee, and the payroll period. Please refer to page 13 for additional information on PIT withholding or refer to the PIT withholding schedules available on page 17.

For additional rate or PIT withholding information refer to page 10 or visit **Rates and Withholding** (edd.ca.gov/payroll_taxes/rates_and_withholding).

Employment Development Department
State of California

Patrick W. Henning
Director

Gavin Newsom, Governor
California Labor and Workforce Development Agency

Dear California Employer:

The Employment Development Department (EDD) recognizes that employers are vital to California's economy and, like you, the EDD wants your business to thrive well into the future.

A part of that success includes making it easier to file and pay with **e-Services for Business** (edd.ca.gov/e-Services_for_Business). Using e-Services for Business to comply with the e-file and e-pay mandate is a fast, easy, and secure way to manage your employer payroll tax accounts online. These are just a few of the features available now on e-Services for Business:

- File an Unemployment Insurance (UI) benefit charge or UI rate protest.
- File a *Power of Attorney (POA) Declaration* (DE 48).
- File a *Report of New Employee(s)* (DE 34).
- File a *Report of Independent Contractor(s)* (DE 542).
- Express Pay, which allows you to make an electronic payroll tax payment with no enrollment requirement.

In addition to payroll taxes, our website contains valuable information for employers and their employees on topics such as Unemployment Insurance, Disability Insurance, and Paid Family Leave, jobs and training, labor market information, seminars, and EDD forms and publications. Stay informed about our programs and services by subscribing to the **EDD's email subscription service** (edd.ca.gov/about_edd/get_email_notices).

All of these services are provided for you with your continued success in mind. For additional information about any of these programs, services, seminars, or forms and publications, visit the **EDD website** (edd.ca.gov) or call the Taxpayer Assistance Center at 1-888-745-3886.

Your contribution is important to us because together, we can make a visible difference for the state of California.

Sincerely,

PATRICK W. HENNING
Director

PO Box 826880 • Sacramento, CA 94280-0001 • edd.ca.gov

MANAGE YOUR EMPLOYER PAYROLL TAX ACCOUNT ONLINE!

Use the EDD e-Services for Business to electronically

file reports, make deposits, update addresses, and much more.

Enroll today at **e-Services for Business**

(edd.ca.gov/e-Services_for_Business).

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SEMINARS TO HELP EMPLOYERS SUCCEED

The EDD offers no-fee seminars, either classroom-style or online. They are customized to help educate both existing and established employers as well as new employers to better understand and comply with the state payroll tax laws.

The classroom seminars are offered in a variety of locations throughout California. The EDD also offers online seminars that allow you the flexibility to learn at your own pace and wherever you choose to access the Internet.

The EDD offers seminars on:

- State payroll tax reporting requirements and recordkeeping.
- Determining if workers are employees or independent contractors.
- Managing Unemployment Insurance costs.
- Calculating and completing payroll tax forms.

The EDD and the Internal Revenue Service (IRS) jointly offer seminars on:

- Federal/state payroll reporting and withholding requirements.
- Online filing and payment options.
- Difference between employees and independent contractors and the importance of proper worker classification.

The EDD and the Department of Industrial Relations, Division of Labor Standards Enforcement jointly present classes on:

- Wage and hour law application.
- Employer and employee rights and responsibilities.
- Recordkeeping, reporting, and posting requirements.

The EDD offers online seminars on:

- Information to help you enroll and get started using e-Services for Business to manage your employer payroll tax account online.
- Differences between employees and independent contractors.

Register for a tax seminar near you at **payroll tax seminar** (edd.ca.gov/payroll_tax_seminars/).

INTRODUCTION

This guide is published to help you understand your rights and responsibilities as an employer.

How to Use This Guide
Information in this guide is presented in a chronological sequence, beginning with what you need to know or do first, such as who is an employer, when to register, who is an employee, and what are wages.

To simplify reporting requirements, the EDD follows federal tax guidelines and due dates whenever possible. California laws and rates may differ from federal laws and rates. The EDD administers payroll tax reporting laws according to the California Unemployment Insurance Code (CUIC) and California Code of Regulations (CCR).

Regardless of the size of your business, this guide is an important resource on the procedures required for compliance with California payroll tax laws. It clarifies both the provisions of the CUIC and CCR and their application to your business.

This guide provides general information that applies to the majority of employers. The guide provides references to additional information on specialized topics. Information on detailed or complex issues that only apply to a small number of employers is not included in this guide.

How to Obtain Assistance and Additional Information
If you have questions that are not addressed in this **guide** (edd.ca.gov/pdf_pub_ctr/de44.pdf) and/or need additional information, visit the **EDD** (edd.ca.gov) or contact the Taxpayer Assistance Center at 1-888-745-3886.

The EDD also offers workshops on California payroll tax reporting requirements and customized seminars and presentations to help you:

- Understand your California payroll tax reporting requirements.
- Avoid common pitfalls and costly mistakes.
- Control Unemployment Insurance costs.
- Learn the differences between employees and independent contractors.
- Understand your reporting requirements for new employees and independent contractors.
- Discover no-cost services and resources available to you.
- Develop a better understanding of the SDI program.

We tailor our education and outreach activities to meet your needs, such as providing seminars in Spanish, accommodations for the hearing-impaired, and personalized consultations. We offer seminars, workshops, and presentations at locations throughout California. For additional information about a payroll tax education event near you, contact the Taxpayer Assistance Center at 1-888-745-3886 or register for a **payroll tax seminar** (edd.ca.gov/payroll_tax_seminars/).

To find out more about SDI educational presentations, contact the SDI Education and Outreach Unit by email at **diboutreach@edd.ca.gov**.

Other Services
This guide also contains useful information on the many services the EDD offers specifically for employers. The EDD supplies information on a wide range of programs, including programs offering tax credits. The EDD also provides a number of employment services, such as job development and job search workshops that are designed to reduce unemployment and, consequently, your taxes. Whether you are a new or established employer, we offer a variety of services to assist you in building a more successful business while complying with California laws.

We Want to Hear From You
Please let us know what we can do to improve this guide to better meet your needs. Please send your comments and suggestions to:

Employment Development Department
Publications and Marketing Services Group, MIC 93
PO Box 826880
Sacramento, CA 94280-0001
Email: pmsg@edd.ca.gov
Fax: 1-916-654-6969

Other Website of Interest
taxes.ca.gov – This is a joint website sponsored by the California Department of Tax and Fee Administration, the Employment Development Department, the Franchise Tax Board, and the Internal Revenue Service (IRS).

QUICK AND EASY ACCESS FOR TAX

e-Services for Business

- Fulfills the e-file and e-pay mandate.
- Manage your employer payroll tax account online.
- Register as an employer.
- File returns and reports.
- Pay deposits and liabilities.
- Make address changes.

Register online using **e-Services for Business**, (edd.ca.gov/e-Services_for_Business).

Online

Visit the EDD website at **(edd.ca.gov)**.

- Obtain answers to **frequently asked questions** at (edd.ca.gov/payroll_taxes/faqs.htm).
- Obtain information on **payroll tax seminars** at (edd.ca.gov/payroll_tax_seminars/).
- Obtain information for **tax professionals** at (edd.ca.gov/payroll_taxes/tax_practitioners.htm).
- Send comments and questions to the EDD at **Ask EDD** (edd.ca.gov/about_edd/contact_edd.htm).

Visit the **California Tax Service Center** website at (taxes.ca.gov) for federal and California tax information for businesses and individuals.

Phone

Toll-free from the U.S. or Canada: 1-888-745-3886

Hearing impaired: 1-800-547-9565

Outside the U.S. or Canada: 1-916-464-3502

Staff are available from 8 a.m. to 5 p.m., Pacific Time, Monday through Friday to answer your questions.

W

For information and advice on your payroll tax responsibilities, visit your local Employment Tax Office from 8 a.m. to 5 p.m., Pacific Time, Monday through Friday.

Anaheim ..... 2099 S. State College Blvd., #401, 92806

Fresno ..... 1050 O Street, 93721

Oakland ..... 7677 Oakport Street, Suite 400, 94621

Redding ..... 1325 Pine Street, 96001

Sacramento ..... 3321 Power Inn Road, Suite 220, 95826

San Bernardino..... 658 East Brier Drive, Suite 300, 92408

San Diego..... 10636 Scripps Summit Ct., Suite 202, 92131

San Jose..... 906 Ruff Drive, 95110

Santa Fe Springs.. 10330 Pioneer Blvd., Suite 150, 90670

Van Nuys ..... 6150 Van Nuys Blvd., Room 210, 91401

To find an office near you, visit the (edd.ca.gov/Office_Locator/).

Tax forms and a no-cost direct-line phone are available from 8 a.m. to 5 p.m., Pacific Time, Monday through Friday at our self-service offices.

Bakersfield..... 1800 30th Street, Suite 240, 93301

Eureka ..... 409 K Street, Suite 202, 95501

Modesto..... 3340 Tully Road, Suite E-10, 95350

San Francisco..... 745 Franklin Street, Suite 400, 94102

Santa Rosa..... 50 D Street, Room 100, 95404

Vallejo ..... 1440 Marin Street, Suite 114, 94590

Ventura ..... 4820 McGrath Street, Suite 200, 93003

Forms and Publications

Download and order forms, instructions, and publications at **EDD Forms** (edd.ca.gov/forms/).

HOW TO GET STARTED

To help you meet your employer reporting and tax payment obligations, we have highlighted some essential steps to ensure that you get off to a good start. Please keep in mind that your employer requirements may not be limited to what is listed on this page.

Step 1 ***Are You an Employer?***

If you employ one or more employees and pay wages for employment in excess of $100 during any calendar quarter, you are an employer and must register with the EDD.

NOTE: If you pay wages to people who work in or around your home, you may be considered a household employer. Household employers are required to register only after they have paid $750 or more in cash wages during any calendar quarter. Refer to page 7 for additional information.

Step 2 **Register** online for an EDD employer payroll tax account number at **e-Services for Business** (edd.ca.gov/e-Services_for_Business)**. You must register within 15 days after paying wages in excess of $100 for employment.** A "commercial employer" is a business connected with commerce or trade, operating primarily for profit.

You will be assigned an EDD eight-digit employer payroll tax account number, which identifies your business for the purpose of reporting and paying payroll taxes. Include your employer payroll tax account number on all correspondence with the EDD. For additional information and registration options, refer to page 7.

Step 3 ***ACTION REQUIRED:***

- **Report new employee(s)** with the online *Report of New Employee(s)* (DE 34) at **e-Services for Business** (edd.ca.gov/e-Services_for_Business) within 20 days of the employee's start-of-work date. All employees who are newly hired, rehired after a separation of at least 60 consecutive days, or returning to work from a furlough, separation, leave of absence without pay, or termination must be reported to the EDD. If you acquire an ongoing business and employ any of the former owner's workers, these employees are considered new hires, and you must report them to the EDD's New Employee Registry. For additional information and available reporting methods for reporting new employees, refer to page 53.
- **Report independent contractor information** using the online *Report of Independent Contractor(s)* (DE 542) at **e-Services for Business** (edd.ca.gov/e-Services_for_Business) within 20 days of EITHER paying an independent contractor $600 or more for services performed OR entering into a contract for $600 or more, whichever is earlier. Independent contractor information must be reported to the EDD. For additional information and available reporting methods for independent contractor reporting, refer to page 55.
- **Provide your employees with pamphlets** on employee withholdings, Unemployment Insurance (UI), State Disability Insurance (SDI), and Paid Family Leave (PFL). For additional information on employee pamphlets, refer to page 73.
- **Post an employee notice** with UI, SDI, and PFL claim and benefit information. This notice should be posted in a prominent location, easily seen by your employees. The appropriate notice will be sent to you after you register. For additional information on employee notices, refer to page 73.

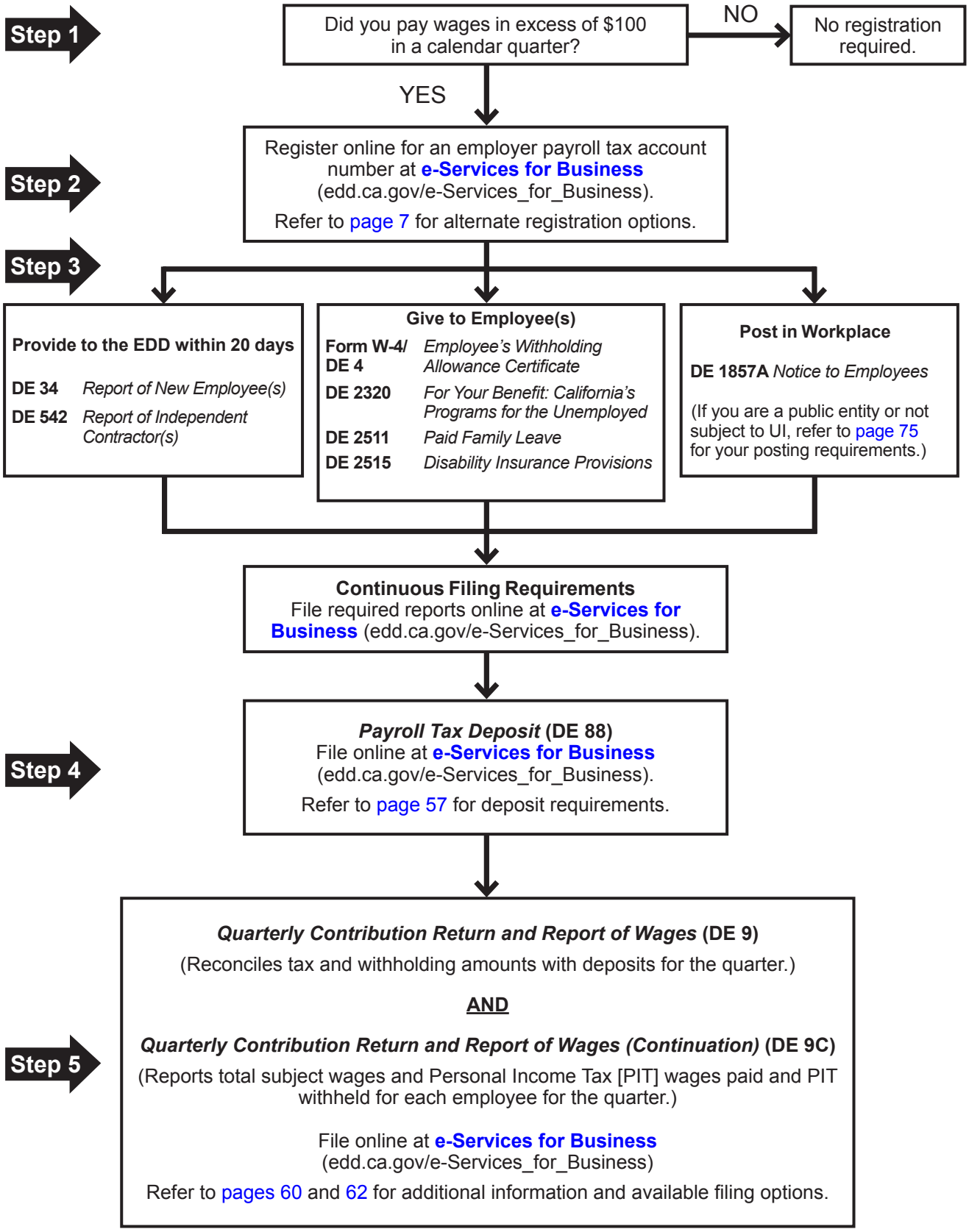
Step 4 **Make your UI, Employment Training Tax (ETT), SDI, and California Personal Income Tax (PIT)** *Payroll Tax Deposit* (DE 88) payments online at **e-Services for Business** (edd.ca.gov/e-Services_for_Business). Your SDI and PIT withholdings deposit due dates are based on your federal deposit schedule/requirement and the amount of accumulated PIT that you have withheld. Your UI and ETT payments are due quarterly. For additional information about deposit requirements, refer to pages 58 and 59.

Step 5 **File a *Quarterly Contribution Return and Report of Wages* (DE 9)** online at **e-Services for Business** (edd.ca.gov/e-Services_for_Business) to reconcile the tax and withholding amounts with your DE 88 deposits for the quarter. Also, file a *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C) to report total subject wages paid, PIT wages, and PIT withheld for each employee for each quarter.

These reports are due on January 1, April 1, July 1, and October 1 of each year. These reports must be submitted even if you have no payroll during a calendar quarter. For additional information and available filling options, refer to pages 62 and 64.

NOTE: Failure to complete the above steps on time may result in penalty and interest charges.

For information on your federal employment tax reporting requirements, access the **IRS website** (irs.gov) or contact the IRS at 1-800-829-4933.



Most forms are available on the **EDD website** (edd.ca.gov) or by calling the Taxpayer Assistance Center at 1-888-745-3886.

2020 FORMS AND DUE DATES		
Form	**Name**	**Due**
DE 1	*Commercial Employer Account Registration and Update Form* (If you are **not** a commercial employer, refer to page 7.)	**Within 15 calendar days** after paying more than $100 in wages during any calendar quarter.
DE 34	*Report of New Employee(s)*	**Within 20 days** of start-of-work date for new or rehired employees.
DE 542	*Report of Independent Contractor(s)*	**Within 20 days** of paying an independent contractor $600 or more or entering into a contract for $600 or more, whichever is earlier.

Report	Quarter	Due	Delinquent if Not Filed by[1]
DE 9/DE 9C	**1st** (January, February, March)	April 1, 2020	April 30, 2020
DE 9/DE 9C	**2nd** (April, May, June)	July 1, 2020	July 31, 2020
DE 9/DE 9C	**3rd** (July, August, September)	October 1, 2020	November 2, 2020
DE 9/DE 9C	**4th** (October, November, December)	January 1, 2021	February 1, 2021

CALIFORNIA DEPOSIT REQUIREMENTS

If Your Federal Deposit Schedule/ Requirement Is[1]	And You Have Accumulated State PIT Withholding Of	If Pay Date Is	PIT and SDI Deposit Due by[2]	California "Deposit Schedule" box to indicate on the DE 88
Next-Day	Less than $350	Any payday	Quarterly[3]	Quarterly
	$350 to $500	Any payday	15th of the following month	Monthly
	More than $500	Any payday	Next-Day	Next-Day
Semi-weekly	Less than $350	Any payday	Quarterly[3]	Quarterly
	$350 to $500	Any payday	15th of the following month	Monthly
	More than $500	Wed., Thurs., or Fri.	Following Wednesday[7]	Semi-weekly
	More than $500	Sat., Sun., Mon., or Tues.	Following Friday[7]	Semi-weekly
Monthly	Less than $350	Any payday	Quarterly[3]	Quarterly
	$350 or more	Any payday	15th of the following month	Monthly
Quarterly[4, 5] or Annually[6]	Less than $350	Any payday	April 30, 2020 July 31, 2020 November 2, 2020 February 1, 2021	Quarterly
	$350 or more	Any payday	15th of the following month	Monthly

1 If the due date falls on a Saturday, Sunday, or legal holiday, the due date is extended to the next business day. For example, if a deposit is due on Friday, but Friday is a holiday, the deposit due date is extended to the following Monday.

2 Electronic transactions for Next-Day deposits must be settled in the state's bank account on or before the third business day following the payroll date.

3 If the due date falls on a Saturday, Sunday, or legal holiday, the due date is extended to the next business day. For example, if a deposit is due on Friday, but Friday is a holiday, the deposit due date is extended to the following Monday.

4 If you have accumulated less than $350 of PIT and you choose to make an additional deposit before the quarterly due date, designate the "DEPOSIT SCHEDULE" as QUARTERLY on your DE 88.

5 If you are not required to follow one of the above federal deposit schedules/requirements, you are still required to make California payroll tax deposits of accumulated SDI deductions and PIT withholdings quarterly or more often, based on the guidelines in this table. Information about federal deposit schedules is located in the Internal Revenue Service's *Employer Tax Guide* (Publication 15).

6 A deposit of employer UI and ETT taxes and any accumulated SDI and PIT withholdings not previously paid MUST BE DEPOSITED EACH QUARTER by the due dates shown.

7 If your federal deposit requirement is annually, you are required to make California payroll tax deposits quarterly or monthly based on the guidelines in this table.

WHO IS AN EMPLOYER?

An employer is a person or legal entity that hires one or more persons to work for a wage, salary, or other compensation. Employers include sole proprietors, partnerships, corporations, nonprofit organizations, charitable organizations, foundations, limited liability companies, limited liability partnerships, public entities (including state and federal agencies), schools, associations and trusts, estates, joint ventures, and Indian Tribes.

When Do I Become an Employer?

You become an employer when you employ one or more employees and pay wages in excess of $100 during any calendar quarter. Wages are compensation for services performed, including, but not limited to, cash payments, commissions, bonuses, and the reasonable cash value of nonmonetary payments for services, such as meals and lodging. For additional information, refer to "What Are Wages?" on page 11.

Private households, local college clubs, and local chapters of fraternities and sororities that employ workers to perform household services are "household employers." Additional information about household employment is available online at (edd.ca.gov/payroll_taxes/household_employer.htm). You can also refer to the ***Household Employer's Guide*** (DE 8829) (edd.ca.gov/pdf_pub_ctr/de8829.pdf), or obtain a copy by contacting the Taxpayer Assistance Center at 1-888-745-3886.

NOTE: If you acquired an existing business, refer to "What Is a Successor Employer?" on page 73 for further details.

WHEN TO REGISTER

All employers conducting business in California are subject to the employment tax laws of the California Unemployment Insurance Code (CUIC). Once a business hires an employee and pays in excess of $100 during any calendar quarter, the business is considered to be an employer and can register at **e-Services for Business** (edd.ca.gov/e-Services_for_Business) or submit a registration form to the EDD within 15 days after paying wages.

Employers are responsible for reporting wages paid to their employees and paying UI tax and Employment Training Tax (ETT) on those wages, as well as withholding and remitting SDI and PIT due on those wages.

➡ ***ACTION REQUIRED***: Register with the EDD for an employer payroll tax account number if you employ one or more employees and pay wages in excess of $100 during any calendar quarter.

How to Register for an EDD Employer Payroll Tax Account Number

Register online using the EDD **e-Services for Business** (edd.ca.gov/e-Services_for_Business).

Additional Options for Registering for an Employer Payroll Tax Account Number

1. Select the appropriate registration form for your industry available at **Forms and Publications** (edd.ca.gov/payroll_taxes/forms_and_publications.htm). These are the most common registration forms available:
   - *Commercial Employer Account Registration and Update Form* (DE 1)
   - *Agriculture Employer Account Registration and Update Form* (DE 1AG)
   - *Governmental Organizations, Public Schools, and Indian Tribes Registration and Update Form* (DE 1GS)
   - *Employers of Household Workers Registration and Update Form* (DE 1HW)
   - *Nonprofit Employers Registration and Update Form* (DE 1NP)
   - *Employers Depositing Only Personal Income Tax Withholding Registration and Update Form* (DE 1P)
2. Submit the completed registration form by mail or fax to the EDD:

   Employment Development Department
   Account Services Group, MIC 28
   PO Box 826880
   Sacramento, CA 94280-0001
   Fax: 1-916-654-9211

REMEMBER:

- Employment occurs when an employer engages the services of an employee for pay.
- You become an employer when you employ one or more employees and pay wages over $100 during any calendar quarter.
- You must register with the EDD within 15 days of paying wages in excess of $100.
- Employers are responsible for reporting wages paid to employees and paying UI and ETT on the wages, as well as withholding and remitting SDI and PIT.

WHO IS AN EMPLOYEE?

An "employee" includes all of the following:

- Any officer of a corporation.
- Any worker who is an employee under the ABC test.
- Any worker whose services are specifically covered by law.

An employee may perform services on a temporary or less than full-time basis. The law does not exclude services from employment that are commonly referred to as day labor, part-time help, casual labor, temporary help, probationary, or outside labor.

"ABC TEST" EMPLOYEE OR INDEPENDENT CONTRACTOR

What Is "the ABC Test"?

Assembly Bill 5 (AB 5) was signed by Governor Gavin Newsom on September 18, 2019, codifying the ABC test for employee versus independent contractor classification adopted by the California Supreme Court in *Dynamex Operations West, Inc. v. Superior Court of Los Angeles (Dynamex)*. AB 5 comes into law on January 1, 2020. AB 5 added section 2750.3 to the Labor Code as well as amending section 621 (b) of the CUIC by removing the "common law rules" and applying the ABC test.

Under amended section 621 (b) of the CUIC and section 2750.3 of the Labor Code, a person providing labor or services for remuneration shall be considered an employee rather than an independent contractor unless the hiring entity demonstrates that all of the following are satisfied:

(A) The person is free from the control and direction of the hiring entity in connection with the performance of the work, both under the contract for the performance of the work and in fact.

(B) The person performs work that is outside the usual course of the hiring entity's business.

(C) The person is customarily engaged in an independently established trade, occupation, or business of the same nature as that involved in the work performed.

NOTE: California does not provide relief under the "Safe Harbor" provisions of the Internal Revenue Code. Therefore, it is important that workers are properly classified under the ABC Test which determines employer-employee relationships.

How Can I Get Additional Information on This Topic?

Incorrectly classifying your workers can be a costly mistake. If you have incorrectly treated employees as independent contractors, you could be liable for back taxes, penalties, and interest. To help you determine if you have correctly classified your workers, the EDD has several resources available:

- ***Employment Determination Guide* (DE 38) –** Asks a series of "Yes" or "No" questions regarding your treatment of workers to help determine if a problem may exist and whether you need to seek additional guidance. Visit (edd.ca.gov/pdf_pub_ctr/de38.pdf) to download the DE 38.
- ***Determination of Employment Work Status for Purposes of State of California Employment Taxes and Personal Income Tax Withholding* (DE 1870) –** Provides a series of questions regarding your relationship with the workers. After you complete and return this form, the EDD will send you a written determination stating whether your workers are employees or independent contractors based on the facts that you have provided. Visit (edd.ca.gov/pdf_pub_ctr/de1870.pdf) to download the DE 1870.
- **Information Sheets –** General and industry-specific issues, including *Information Sheet: Employment* (DE 231). To obtain information sheets, visit **Forms and Publications** (edd.ca.gov/payroll_taxes/forms_and_publications.htm) or contact the Taxpayer Assistance Center at 1-888-745-3886.
- **Independent Contractor Information –** *Frequently Asked Questions and Answers About the California Independent Contractor Reporting Law* (DE 542FAQ) and *Independent Contractors Misconceptions Brochure* (DE 573M) are available at (edd.ca.gov/pdf_pub_ctr/de542faq.pdf) and (edd.ca.gov/pdf_pub_ctr/de573m.pdf).
- **Payroll Tax Seminars** on worker classification issues **–** Visit **Payroll Tax Seminars** (edd.ca.gov/payroll_tax_seminars/) or contact the Taxpayer Assistance Center at 1-888-745-3886.
- **Web-based Seminars –** Employee and independent contractor issues are available in both English and Spanish. Visit **web-based Seminars** (edd.ca.gov/Payroll_Taxes/Web_Based_Seminars.htm) for additional information.

REMEMBER:

- An employee includes any officer of a corporation, a worker who is an employee under the ABC test, and a worker whose services are specifically covered by law. Refer to ***Information Sheet: Types of Employment* (DE 231TE)** (edd.ca.gov/pdf_pub_ctr/de231te.pdf).
- An employee may perform services on a temporary or less than full-time basis.
- The **right to control** is the most important factor in determining an employer-employee relationship.
- The EDD has several resources available to help you correctly classify your workers.

WHAT ARE STATE PAYROLL TAXES?

The EDD administers the following California payroll tax programs:

- Unemployment Insurance Tax
- Employment Training Tax
- State Disability Insurance Tax
- California Personal Income Tax withholding

NOTE: Paid Family Leave is a component of the SDI program.

UI and ETT are employer paid contributions. SDI and PIT are withheld from employee wages. Wages are generally subject to all four payroll taxes unless otherwise stated.

UNEMPLOYMENT INSURANCE (UI) TAX

What Is UI Tax?
The UI program was established as part of a national program administered by the U.S. Department of Labor under the Social Security Act. The UI program provides temporary payments to individuals who are unemployed through no fault of their own.

Who Pays It?
The UI program is funded through payroll taxes paid by the employer. Tax-rated employers pay a percentage on the first $7,000 in wages paid to each employee in a calendar year. The UI rate schedule and amount of taxable wages are determined annually. New employers pay 3.4 percent (.034) for a period of two to three years. The UI rate could increase to a maximum of 6.2 percent (.062) or decrease to a minimum of 1.5 percent (0.015) based on an employer's experience rating and the balance in the UI Fund. For a detailed explanation of the experience rating method, refer to ***Information Sheet: California System of Experience Rating*** **(DE 231Z)** (edd.ca.gov/pdf_pub_ctr/de231z.pdf).

Government entities and certain nonprofit employers may elect the reimbursable method of financing UI in which they reimburse the UI Fund on a dollar-for-dollar basis for all benefits paid to their former employees.

EMPLOYMENT TRAINING TAX (ETT)

What Is ETT?
ETT provides funds to train employees in targeted industries to improve the competitiveness of California businesses. The ETT Fund promotes a healthy labor market by helping California businesses invest in a skilled and productive workforce and develop the skills of new and incumbent workers.

Who Pays It?
ETT is an employer-paid tax. Employers are subject to pay 0.1 percent (.001) for ETT on the first $7,000 in wages paid to each employee in a calendar year. The tax rate is set by statute at 0.1 percent (.001) of UI taxable wages for employers with positive UI reserve account balances and subject to section 977(c) of the CUIC. The maximum tax is $7 per employee per year ($7,000 x .001).

STATE DISABILITY INSURANCE (SDI) TAX

What Is SDI Tax?
SDI tax allows the Disability Fund to pay DI and PFL benefits to eligible claimants. DI benefits are paid to eligible California workers who lose wages when they are unable to perform their regular or customary work due to a non-work-related illness or injury, pregnancy, or childbirth.

PFL benefits are paid to eligible California workers who take time off work to care for a seriously ill child, parent, parent-in-law, grandparent, grandchild, sibling, spouse, or registered domestic partner. Benefits are also available to new parents who need time to bond with a new child through birth, adoption, or foster care placement.

Who Pays It?
The SDI program is funded through a payroll deduction from employees' wages. Employers withhold 1.0 percent (.01) for SDI on the first $122,909 in wages paid to each employee in a calendar year. Taxable wages and rates may change each year.

CALIFORNIA PERSONAL INCOME TAX (PIT)

What Is California PIT?
California PIT is a tax levied on the income of California residents and on income that California nonresidents derive within California. The EDD administers the reporting, collection, and enforcement of PIT wage withholding. The Franchise Tax Board (FTB) and the EDD administer the California PIT program to provide resources needed for California public services such as schools, public parks, roads, health, and human services.

Who Pays It?
California PIT is either withheld from employees' wages based on the *Employee's Withholding Allowance Certificate* (Form W-4 or DE 4) on file with their employer or based on the supplemental tax rates, refer to page 15.

STATE PAYROLL TAXES

	Unemployment Insurance	Employment Training Tax	State Disability Insurance	California Personal Income Tax
Who Pays?	Employer	Employer	Employee (employer withholds from employee wages)	Employee (employer withholds from employee wages)
Taxable Wages	First $7,000 of subject wages per employee, per year.	First $7,000 of subject wages per employee, per year.	First $122,909 of subject wages per employee, per year.	No limit. Refer to the **PIT withholding** (edd.ca.gov/payroll_taxes/rates_and_withholding.htm).
Tax Rate	New employer tax rate is 3.4 percent (.034) for a period of two to three years. Following this period, the tax rate is calculated annually based on each employer's previous experience and the condition of the UI Fund. The EDD notifies employers of their new rate each December.	Set by statute at 0.1 percent (.001) of UI taxable wages for employers with positive UI reserve account balances and employers subject to section 977(c) of the CUIC.	The 2020 SDI withholding rate is 1.0 percent (.01). The SDI taxable wages and tax rate are set by law and may change each year.	Withheld based on the employee's Form W-4 or DE 4.
Maximum Tax (Except when employer is subject to section 977[c] of the CUIC.)	$434 per employee, per year. (The amount has been calculated at the highest UI tax rate of 6.2 percent [$7000 x .062].)	$7 per employee, per year ($7,000 x .001).	$1,229.09 per employee, per year ($122,909 x .01).	No maximum.

NOTE: Some types of employment are not subject to payroll taxes and/or PIT withholding. Refer to ***Information Sheet: Types of Employment* (DE 231TE)** online at (edd.ca.gov/pdf_pub_ctr/de231te.pdf). Certain types of wages and benefits are not subject to payroll taxes. Refer to ***Information Sheet: Types of Payments* (DE 231TP)** (edd.ca.gov/pdf_pub_ctr/de231tp.pdf). For additional assistance, contact the Taxpayer Assistance Center at 1-888-745-3886.

HELP US FIGHT FRAUD

The "underground economy" is a term that refers to those individuals and businesses that deal in cash and/or use other schemes to conceal their activities and their true tax liability from government licensing, regulatory and taxing agencies. Underground economy is also referred to as tax evasion, tax fraud, cash pay, tax gap, payments under-the-table and off-the-books. When businesses operate in the underground economy, they gain an unfair competitive advantage over businesses that comply with the law because they do not pay workers' compensation and state and federal payroll taxes. To address this, the EDD, in partnership with several other governmental agencies, follows up on leads and conducts on-site inspections of businesses throughout the state.* Visit **EDD Underground Economy Operations (UEO) programs** (edd.ca.gov/payroll_taxes/underground_economy_operations.htm) to learn more.

To report businesses that are paying workers undocumented cash payments, failing to carry workers' compensation insurance, or not complying with labor and licensing laws, please download and complete an ***Underground Economy Operations Lead Referral/Complaint Form* (DE 660 in English** or **DE 660/S in Spanish)** (edd.ca.gov/pdf_pub_ctr/de660.pdf) or (edd.ca.gov/pdf_pub_ctr/de660s.pdf) or contact the UEO at:

Hotline: 1-800-528-1783 **Email: ueo@edd.ca.gov**
Fax: 1-916-227-2772 **Online: askedd.edd.ca.gov/ReportFraud.aspx**

- To obtain the brochure *Paying Cash Wages "Under the Table"* (DE 573CA in English or DE 573CA/S in Spanish), visit **Forms and Publications** (edd.ca.gov/payroll_taxes/forms_and_publications.htm) or order copies using our online order form (edd.ca.gov/forms).
- Further information about how to help the EDD fight fraud may be found in the **brochure *Help Us Fight Fraud* (DE 2370)** (edd.ca.gov/pdf_pub_ctr/de2370.pdf).

WHAT ARE WAGES?

Wages are all compensation for an employee's personal services, whether paid by check, cash, electronic debit, or the reasonable cash value of noncash payments, such as meals and lodging. The method of payment, whether by private agreement, consent, or mandate, does not change the taxability of wages paid to employees. Payments are considered wages even if the employee is a casual worker, a day or contract laborer, part-time or temporary worker, or paid by the day, hour, or any other method or measurement. Supplemental payments, including bonuses, overtime pay, sales awards, commissions, and vacation pay are also considered wages.

SUBJECT WAGES

Generally, all wages, unless excluded under the California Unemployment Insurance Code, are considered subject wages and are used to determine the amount of Unemployment Insurance (UI) and State Disability Insurance and Paid Family Leave benefits a claimant should receive. Subject wages are the full amount of wages, regardless of the UI and SDI taxable wage limits. Refer to the inside front cover for UI/SDI taxable wage limits. Enter the Total Subject Wages in "Item F" for each employee on the *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C). Certain types of employment and payments are not considered subject. Refer to ***Information Sheet: Types of Employment* (DE 231TE)** and ***Information Sheet: Types of Payments* (DE 231TP)** (edd.ca.gov/payroll_taxes/forms_and_publications.htm) or contact the Taxpayer Assistance Center at 1-888-745-3886.

PERSONAL INCOME TAX WAGES

Personal Income Tax (PIT) wages are cash and noncash payments subject to state income tax. Wages that must be reported on an individual's California income tax return are PIT wages. Most payments for employees' services are reportable as PIT wages. An employee's calendar year total for PIT wages should agree with the amount reported on the employee's federal *Wage and Tax Statement* (Form W-2) in Box 16 (state wages, tips, etc.). The PIT wages for each employee must be reported quarterly in "Item G" on the DE 9C. For additional information, refer to ***Information Sheet: Personal Income Tax Wages Reported on the Quarterly Contribution Return and Report of Wages (Continuation) (DE 9C)* (DE 231PIT)** (edd.ca.gov/pdf_pub_ctr/de231pit.pdf) or contact the Taxpayer Assistance Center at 1-888-745-3886.

NOTE: Some wages excluded from PIT withholding are still considered PIT wages and must be reported to the EDD; for example, wages paid to agricultural workers.

ARE SUBJECT WAGES AND PERSONAL INCOME TAX WAGES THE SAME?

In most situations, when wages are subject to UI, ETT, SDI, and PIT withholding, subject wages and PIT wages are the same. Examples of when subject wages and PIT wages are different are:

- Employee salary reduction contributions to a qualified retirement or pension plan are generally included as subject wages, but are not reportable as PIT wages. Refer to the "Retirement and Pension Plans" section of ***Information Sheet: Types of Payments* (DE 231TP)** (edd.ca.gov/pdf_pub_ctr/de231tp.pdf) or contact the Taxpayer Assistance Center at 1-888-745-3886.
- Under certain situations, wages paid to family employees (a child under age of 18 years employed by own father or mother, an individual employed by own son, daughter, spouse, or registered domestic partner) may not be reported as subject wages but are reportable as PIT wages. Refer to the "Family Employees" section of ***Information Sheet: Types of Employment* (DE 231TE)** (edd.ca.gov/pdf_pub_ctr/de231te.pdf) or contact the Taxpayer Assistance Center at 1-888-745-3886.
- Payments made to employees of churches are not reported as subject wages, but are reportable as PIT wages. Refer to the "Nonprofit Organization Employees" section of ***Information Sheet: Types of Employment* (DE 231TE)** (edd.ca.gov/pdf_pub_ctr/de231te.pdf) or contact the Taxpayer Assistance Center at 1-888-745-3886.

EMPLOYERS SUBJECT TO CALIFORNIA PERSONAL INCOME TAX ONLY

Employers who are only required to withhold California PIT, but not the other payroll taxes, are still required to register with the EDD using *Registration Form for Employers Depositing Only Personal Income Tax Withholding* (DE 1P). The employer is liable for the required PIT, whether or not it is withheld. By law, the filing of federal Form 1099-MISC (issued to the worker) with the Internal Revenue Service or Franchise Tax Board does not relieve the employer of liability.

MEALS AND LODGING

Meals and lodging that are provided free of charge or at a reduced rate to an employee are wages. If your employees are covered under a contract of employment or union agreement, the taxable value of meals and lodging cannot be less than the estimated value stated in the contract or agreement. Meals and lodging furnished for the employer's convenience and on the employer's premises are not subject to PIT.

If the cash value is not stated in an employment contract or union agreement, please refer to the table below for the value of the meals and/or lodging. To determine the value of lodging, multiply the amount you could rent the property for (ordinary rental value) by 66 2/3 percent (0.6667). Ordinary rental value may be calculated on a monthly or weekly basis as follows:

Value of Meals						Value of Lodging	
Year	**Three Meals Per Day**	**Breakfast**	**Lunch**	**Dinner**	**Meal Not**	**Minimum Per Week**	**Maximum Per Month**
2020	$ 12.00	$ 2.45	$ 3.70	$ 5.85	$ 4.30	$ 52.10	$ 1,607
2019	$ 11.60	$ 2.40	$ 3.55	$ 5.65	$ 4.15	$ 47.25	$ 1,456

The values above apply to non-maritime employees only.

For more information on meals and lodging, including values for those provided to maritime employees, visit **Payroll Taxes Rates and Withholding** (edd.ca.gov/payroll_taxes/rates_and_withholding.htm) or contact the Taxpayer Assistance Center at 1-888-745-3886. If outside the U.S. or Canada, call 1-916-464-3502.

For historical rate information for the last eight years, visit the ***Tax Rates, Wage Limits, and Value of Meals and Lodging* (DE 3395)** (edd.ca.gov/pdf_pub_ctr/de3395.pdf).

ADDITIONAL INFORMATION

- Who Is An Employee? Refer to page 8.
- **EDD forms and publications** (edd.ca.gov/payroll_taxes/forms_and_publications.htm)
- Information Sheets:
  - *Wages* (DE 231A)
  - *Types of Employment* (DE 231TE)
  - *Types of Payments* (DE 231TP)
  - *Personal Income Tax Wages Reported on the Quarterly Contribution Return and Report of Wages (Continuation) (DE 9C)* (DE 231 PIT)
  - *Personal Income Tax Adjustment Process* (DE 231W)

For the latest news and helpful information,
refer to the online quarterly **California Employer Newsletter**
(edd.ca.gov/payroll_taxes/california_employer_newsletter.htm).

Subscribe to the EDD no-fee **email subscription services**
(edd.ca.gov/about_edd/get_email_notices.htm).

PERSONAL INCOME TAX WAGES SUBJECT TO CALIFORNIA WITHHOLDING

With certain exceptions, compensation for services performed by an employee is considered wages and subject to PIT withholding. California wages include, but are not limited to, salaries, bonuses, commissions, fees (except fees paid to public officials), and payments in forms other than checks or cash. Wages in any form other than checks or cash are measured by the fair market value of the goods, lodging, meals, or other compensation given in payment for the employee's services.

HOW TO DETERMINE WHICH WAGES REQUIRE PIT WITHHOLDING

Most wages require California PIT withholding. To determine which wages require PIT withholding, refer to *Information Sheet: Types of Employment* (DE 231TE) and *Information Sheet: Types of Payments* (DE 231TP). These information sheets identify special classes of employment and special types of payments and their treatment for UI, ETT, SDI, and California PIT wages and withholding. Also refer to "Who Is an Employee?" on page 8.

To obtain information sheets for specific industries and types of services, visit **Forms and Publications** (edd.ca.gov/payroll_taxes/forms_and_publications.htm) or contact the Taxpayer Assistance Center at 1-888-745-3886. If outside the U.S. or Canada, contact 1-916-464-3502.

MARITAL STATUS, WITHHOLDING ALLOWANCES, AND EXEMPTIONS FORM W-4 AND DE 4

Beginning January 1, 2020, the Internal Revenue Services (IRS) Employee's Withholding Allowance Certificate (Form W-4) will be used for federal income tax withholding only. The employee must file the state form Employee's Withholding Allowance Certificate (DE 4 for the appropriate California Personal Income Tax (PIT) withholding.

If employees expect to itemize deductions on their California income tax return, they can claim additional withholding allowances, which are greater than their regular withholding allowances. When reduced withholding amounts are appropriate because of large amounts of itemized deductions, employees must complete a DE 4, including the attached worksheets, to support additional allowances for the itemized deductions. For information on treatment of additional withholding allowances for estimated deductions, refer to "Instructions for Additional Withholding Allowances for Estimated Deductions" on page 17 and the "Estimated Deduction" table on page 19.

Use of the DE 4 is no longer optional; however, if employees provide you with a DE 4, you must use it to determine their California PIT withholdings. To obtain the DE 4, download the **DE 4** (edd.ca.gov/pdf_pub_ctr/de4.pdf) or contact the Taxpayer Assistance Center at 1-888-745-3886.

Employees may request that no California PIT be withheld if they:

- Incurred no liability for federal/state income tax for the preceding taxable year **and**
- Anticipate that no federal/state income tax liability will be incurred for the current taxable year.

➡ ***ACTION REQUIRED:*** Each employee must complete a DE 4 with the word "EXEMPT" in Line 1.

If	Then
Employee does not file a DE 4	You may use the existing withholding certificate in your file to withhold. If you have no existing withholding certificate from the employee, then you must use Single with Zero withholding allowance. **Exception:** Do not withhold any California PIT from wages of employees who have filed "EXEMPT" on their Form D-4 unless you receive a written notice from the IRS or Franchise Tax Board (FTB) to withhold at a special rate. To maintain "EXEMPT" status, the employee **must** file a new Form D-4 **each year** on or before February 15.
Employee files a DE 4	You **must** use the DE 4 to calculate and withhold California PIT.
Employee's marital status cannot be determined from the Form DE 4	Request the employee to correct the Form DE 4 or submit a new one. Until the new or corrected form is received, consider the employee as Single with Zero withholding allowances for California PIT withholding purposes.
Employee admits that Form DE 4 is false	When you receive an invalid Form DE 4, do not use it to calculate PIT withholding. Tell the employee that it is invalid and ask for another one. If the employee does not give you a valid one, withhold PIT as if the employee was single and claiming no withholding allowances. However, if you have an earlier Form W-4 of DE 4 for this worker that is valid, withhold as you did before.

EMPLOYER'S OBLIGATIONS FOR THE FORM W-4 AND DE 4

When you hire an employee, you must have the employee complete and furnish a signed withholding exemption certificate, federal Form W-4 and DE 4. The W-4 is used to withhold federal income tax and the DE 4 is used for the appropriate California Personal Income Tax (PIT) withholding. If an employee fails to give you a properly completed federal Form W-4 or state DE 4, you must withhold state income taxes from the employee's wages as if the employee were single and claiming no withholding allowances.

The requirements for a complete exemption from state wage withholding are the same as the federal requirements. You shall not deduct and withhold any tax upon a payment of wages made to an employee if there is in effect, for the federal income tax purposes, with respect to the payment a withholding exemption certificate furnished to the employer by the employee which contains statements that:

- The employee incurred no liability for federal income tax imposed for the preceding taxable year; and
- The employee anticipates that they will incur no liability for federal income tax for the current taxable year.

A Form DE 4 claiming exemption from withholding is valid for only the calendar year in which it is filed with the employer. To continue to be exempt from withholding in the next year, an employee must give you a new DE 4 claiming exempt status by February 15 of that year. If the employee does not give you a new Form DE 4, withhold tax as if the employee is Single, with Zero withholding allowances. However, if you have an earlier Form W-4 or DE 4 (not claiming exempt status) for this employee that is valid, withhold as you did before.

Employers must retain the federal Form W-4 and state DE 4 payroll records.

The Form DE 4 is considered invalid* if either of the following two conditions exist:

- The employee makes major changes to Form DE 4, such as crossing out words or writing more than is asked.
- The employee admits that Form DE 4 is false.

When you receive an invalid Form W-4 or DE 4, do not use it to calculate PIT withholding. Tell the employee that it is invalid and ask for another one. If the employee does not give you a valid one, withhold PIT as if the employee was single and claiming no withholding allowances. However, if you have an earlier Form W-4 or DE 4 for this worker that is valid, withhold as you did before.

The reporting of the certificates to the IRS shall satisfy state reporting requirements. A federal determination that a withholding exemption certificate is invalid or incorrect shall also be effective for state withholding purposes. Thus, if you are instructed by the IRS to withhold as though an employee were a single person claiming no exemptions, then you must do likewise for state withholding purposes. If the IRS specifies marital status and the permissible number of exemptions an employee may claim, such a federal determination shall also be effective for state withholding purposes.

The Franchise Tax Board or the EDD may, by special direction in writing, require you, as the employer, to submit a Form W-4 or DE 4 when such forms are necessary for the administration of the withholding tax programs.

*Pursuant to section 31.3402(f)(2)-1(e) of title 26, Code of Federal Regulations, and section 4340-1(b) of title 22, California Code of Regulations.

For the latest news and helpful information,
refer to the online quarterly **California Employer Newsletter**
(edd.ca.gov/payroll_taxes/california_employer_newsletter.htm).

Subscribe to the EDD no-fee **email subscription services**
(edd.ca.gov/about_edd/get_email_notices.htm).

HOW TO DETERMINE PIT WITHHOLDING AMOUNTS

Refer to page 17 for the 2020 PIT withholding schedules and information on how to calculate withholdings.

What if Your Employee Wants Additional PIT Withholding?

In addition to the tax required to be withheld from salaries and wages, you may, upon written request from the employee, agree to withhold an additional amount from the employee's wages. This agreement will be effective for the periods you and the employee mutually agree upon or until written termination of the agreement.

If employees rely on the Form W-4 instructions when calculating California withholding allowances, their California PIT could be significantly underwithheld. This is particularly true if the household income is derived from more than one source. If an employee wants more California PIT withheld than the schedules and the alternate methods allow, the employee should either request additional withholding or, if married, indicate "single" on the DE 4. For more information, refer to the DE 4 form and instructions.

HOW TO WITHHOLD PIT ON SUPPLEMENTAL WAGES

Supplemental wages include, but are not limited to, bonuses, overtime pay, sales awards, commissions, stock options, vacation pay, and dismissal or severance pay. Under certain circumstances, bonuses and stock options are taxed at a different flat rate than other types of supplemental wages (refer to "Supplemental Wages" below). This only applies to stock options that are considered wages subject to PIT withholding.

If the supplemental wage is given to the employee at the same time as the employee's regular wages are paid, you are ***required*** to treat the sum of the payments as regular wages and withhold PIT based on the regular payroll period using the PIT withholding schedules.

If the supplemental wage is **not** given to the employee at the same time as the employee's regular wages are paid, you may use either of the following two options:

1. Compute the amount of PIT to withhold from the supplemental wage based on the combined regular wages and the supplemental wage. Compute the PIT withholding on the total of the supplemental wage and the current or most recent regular (gross) wage payment using the PIT withholding schedules. From that amount, subtract the PIT you withheld from the regular wages. The difference is the PIT amount you should withhold from the supplemental wages.

   or

2. Withhold the percentage noted below on the following types of supplemental wages without allowing for any withholding allowances claimed by the employee:

Supplemental Wages	Percentage
Bonuses and stock options	10.23 percent (.1023)
Other types (such as overtime pay, commissions, sales awards, severance, and vacation pay)	6.6 percent (.066)

To find out if stock options are wages subject to PIT withholding, obtain ***Information Sheet: Stock Options* (DE 231SK)** (edd.ca.gov/pdf_pub_ctr/de231sk.pdf) or contact the Taxpayer Assistance Center at 1-888-745-3886.

QUARTERLY ESTIMATED PAYMENTS

Wages are subject to mandatory California PIT withholding at the time they are paid to the employee. Quarterly estimates paid directly to the Franchise Tax Board (FTB) are intended to satisfy taxes on income that is not subject to withholding. Quarterly estimates paid by an employee directly to the FTB in lieu of proper withholdings from wages may result in an assessment to the employer. If you have questions regarding quarterly estimated payments, contact the FTB at 1-800-852-5711.

WAGES PAID TO CALIFORNIA RESIDENTS

If	Then
A California resident performs services in California or in another state.	Wages paid to the resident employee are subject to California PIT withholding, and PIT must be withheld from all wages paid, in accordance with the employee's Form W-4 or DE 4. The wages paid must be reported as PIT wages on the *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C). The PIT withheld must also be reported on the DE 9C.
A California resident performs services that are subject to personal income tax withholding laws of both California and another state, political subdivision, or the District of Columbia.	Make the withholding required by the other jurisdiction, and: • For California, withhold the amount by which the California withholding amount exceeds the withholding amount for the other jurisdiction, or • Do not withhold any California PIT if the withholding amount for the other jurisdiction is equal to, or greater than, the withholding amount for California. The wages reported as PIT wages on the *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C) are the same wages that are entered in "Box 16" on your employee's Form W-2. The PIT withheld must also be reported on the DE 9C.

WAGES PAID TO NONRESIDENTS OF CALIFORNIA

If	Then
A nonresident employee performs all services in California (may include spouse of a military service member).	The wages paid to the nonresident employee are subject to California PIT withholding. The PIT must be withheld from all wages paid in accordance with the employee's Form W-4 or DE 4. However, the spouse of a military service member may exclude wages from California PIT withholding by filing a DE 4 (refer to page 13). The wages paid must be reported as PIT wages on the DE 9C. The PIT withheld must also be reported on the DE 9C.
A nonresident employee performs services both in California as well as in another state.	Only the wages earned in California are subject to California PIT withholding. The amount of wages subject to California PIT withholding is that portion of the total number of working days employed in California compared to the total number of working days employed in both California and the other state. The California wages must be reported as PIT wages on the DE 9C. The PIT withheld must also be reported on the DE 9C. **NOTE:** For employees whose compensation depends on the volume of business transacted, the amount of earnings subject to California PIT withholding is that portion received for the volume of business transacted in California compared to the total volume of business in both California and the other state.

PIT WITHHOLDING ON PAYMENTS TO NONRESIDENT INDEPENDENT CONTRACTORS

Please refer to the FTB ***Resident and Nonresident Withholding Guidelines* (Publication 1017)** (ftb.ca.gov/forms/misc/1017.pdf) for guidance regarding PIT withholding on payments to nonresident independent contractors for services performed in California or contact the FTB at 1-888-792-4900.

ADDITIONAL INFORMATION

- EDD **forms and publications** (edd.ca.gov/payroll_taxes/forms_and_publications.htm):
- Information Sheets:
  - *Multistate Employment* (DE 231D)
  - *Withholding From Pensions, Annuities, and Certain Other Deferred Income* (DE 231P)
  - *Personal Income Tax Withholding – Supplemental Wage Payments, Moving Expense Reimbursement – WARN Act Payments* (DE 231PS)
  - *Third-Party Sick Pay* (DE 231R)
  - *Types of Employment* (DE 231TE)
  - *Types of Payments* (DE 231TP)

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

The Internal Revenue (IRS) has changed the Form W-4 for the year 2020 and federal allowances have been removed. Since federal allowances have been removed, the new Form W-4 cannot be used for California purposes. Therefore, all newly hired employees and any existing employees that wish to change the number of California withholding allowances, must provide a DE 4 to their employer. If your existing employee wishes to keep the same number of California withholding allowances used in 2019 and prior, then a new DE 4 is not needed.

California provides two methods for determining the amount of wages and salaries to be withheld for state personal income tax:

- METHOD A - WAGE BRACKET TABLE METHOD **(Limited to wages/salaries less than $1 million)**
- METHOD B - EXACT CALCULATION METHOD

METHOD A provides a quick and easy way to select the appropriate withholding amount, based on the payroll period, filing status, and number of withholding allowances (regular and additional) if claimed. The STANDARD DEDUCTION and EXEMPTION ALLOWANCE CREDIT are **already** included in the wage bracket tables. Even though this method involves fewer computations than Method B, it cannot be used with your computer in determining amounts to be withheld.

METHOD B may be used to calculate withholding amounts either manually or by computer. This method will give an exact amount of tax to withhold. To use this method, you must enter the payroll period, filing status, number of withholding allowances, standard deduction, and exemption allowance credit amounts. These amounts are included in TABLES 1 through 5 of the EXACT CALCULATION section.

If there are any questions concerning the operation/methodology of Method B for computer software, you may contact:

Franchise Tax Board, Statistical Research and Modeling Section – 516, Mail Stop A-351
PO Box 942840, Sacramento, CA 94240.

SPECIAL NOTE FOR MARRIED EMPLOYEES WITH EMPLOYED SPOUSES: To avoid underwithholding of state income tax liability we recommend that you use one of the following options: Single filing status to compute withholding amounts for the employee and spouse, **or** withhold an additional flat amount of tax.

Instructions for additional withholding allowances for estimated deductions:

All additional allowances for ESTIMATED DEDUCTIONS that are claimed on a DE 4 must be used to reduce the amount of salaries and wages subject to withholding by using steps 1 and 2 shown below. If an existing Form W-4 is used for California withholding purposes, all additional allowances for ESTIMATED DEDUCTIONS claimed must be treated as regular withholding allowances; **unless** the employee requests in writing that they be treated in accordance with the following:

1. Subtract the employee's estimated deduction allowance shown in the "TABLE 2 - ESTIMATED DEDUCTION TABLE" from the gross wages subject to withholding; and

2. Compute the tax to be withheld using:

   METHOD A - WAGE BRACKET TABLE METHOD; or
   METHOD B - EXACT CALCULATION METHOD

If the DE 4 is used for California withholding purposes, compute the tax to be deducted and withheld based on the total number of regular withholding allowances claimed on line 1 of the DE 4.

If an existing Form W-4 is used for California withholding purposes, compute the tax to be deducted and withheld based on the total number of withholding allowances claimed on line 5 of Form W-4, minus the number of additional allowances for estimated deductions claimed. If Form W-4 does not separately identify the number of additional allowances for estimated deductions, the employee's request must specify the number claimed. The employee's request will remain in effect until the employee terminates it by furnishing a signed written notice or by furnishing a DE 4.

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

METHOD A - WAGE BRACKET TABLE METHOD

To determine the amount of tax to be withheld, follow these steps:

Step 1 Determine if the employee's gross wages are **less** than, or equal to, the amount shown in “TABLE 1 - LOW INCOME EXEMPTION TABLE”. If so, no income tax is required to be withheld.

Step 2 If the employee claims any additional withholding allowances for deductions, subtract the amount shown in "TABLE 2 - ESTIMATED DEDUCTION TABLE" from the gross wages.

Step 3 Subtract the number of additional withholding allowances from the total allowances to obtain the net allowances for tax computational purposes.

Step 4 Refer to the correct wage bracket table to arrive at the amount of tax to be withheld.

EXAMPLE A: METHOD A - WAGE BRACKET TABLE METHOD. Weekly earnings of $900, married, and claiming five withholding allowances on Form W-4 or DE 4, three of which are for estimated deductions.

Step 1 Earnings for the weekly pay period of $900 are GREATER than the amount shown in “TABLE 1 - LOW INCOME EXEMPTION TABLE” ($579); therefore, income tax should be withheld.

Step 2	Earnings for the payroll period:	$900.00
	Subtract amount from “TABLE 2 - ESTIMATED DEDUCTION TABLE:”	-58.00
	Salaries and wages subject to withholding:	$842.00
Step 3	Total number of withholding allowances claimed:	5
	Subtract number of estimated deduction allowances claimed:	-3
	Net allowances for tax computation purposes:	2
Step 4	Refer to the appropriate wage bracket table (weekly taxable earnings of $842 with two deductions) to arrive at the amount of tax to be withheld.	$5.97

EXAMPLE B: METHOD A - WAGE BRACKET TABLE METHOD. Monthly earnings of $3,500, married, and claiming six withholding allowances on Form W-4 or DE 4, four of which are for estimated deductions.

Step 1 Earnings for the monthly payroll period are GREATER than the amount shown in "TABLE 1 - LOW INCOME EXEMPTION TABLE" ($2,507); therefore, income tax should be withheld.

Step 2	Earnings for the payroll period:	$3,500.00
	Subtract amount from “TABLE 2 - ESTIMATED DEDUCTION TABLE:”	-333.00
	Salaries and wages subject to withholding:	$3,167.00
Step 3	Total number of withholding allowances claimed:	6
	Subtract number of estimated deduction allowances claimed:	-4
	Net allowances for tax computation purposes:	2
Step 4	Refer to the appropriate wage bracket table (monthly taxable earnings of $3,167 with two deductions) to arrive at the amount of tax to be withheld.	$15.04

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

METHOD A---WAGE BRACKET TABLE METHOD

TABLE 1 - LOW INCOME EXEMPTION TABLE

PAYROLL PERIOD	SINGLE, DUAL INCOME MARRIED OR MARRIED WITH MULTIPLE EMPLOYERS	MARRIED ALLOWANCES ON DE 4 OR FORM W-4 '0' OR '1'	MARRIED ALLOWANCES ON DE 4 OR FORM W-4 '2' OR MORE	UNMARRIED HEAD OF HOUSEHOLD
WEEKLY	$289	$289	$579	$579
BIWEEKLY	$579	$579	$1,157	$1,157
SEMI-MONTHLY	$627	$627	$1,253	$1,253
MONTHLY	$1,254	$1,254	$2,507	$2,507
QUARTERLY	$3,761	$3,761	$7,521	$7,521
SEMI-ANNUAL	$7,521	$7,521	$15,042	$15,042
ANNUAL	$15,042	$15,042	$30,083	$30,083
DAILY/MISCELLANEOUS	$58	$58	$116	$116

TABLE 2 - ESTIMATED DEDUCTION TABLE

ADDITIONAL WITHHOLDING ALLOWANCES *	PAYROLL PERIOD WEEKLY	BI-WEEKLY	SEMI-MONTHLY	MONTHLY	QUARTERLY	SEMI-ANNUAL	ANNUAL	DAILY/MISC.
1	$19	$38	$42	$83	$250	$500	$1,000	$4
2	$38	$77	$83	$167	$500	$1,000	$2,000	$8
3	$58	$115	$125	$250	$750	$1,500	$3,000	$12
4	$77	$154	$167	$333	$1,000	$2,000	$4,000	$15
5	$96	$192	$208	$417	$1,250	$2,500	$5,000	$19
6	$115	$231	$250	$500	$1,500	$3,000	$6,000	$23
7	$135	$269	$292	$583	$1,750	$3,500	$7,000	$27
8	$154	$308	$333	$667	$2,000	$4,000	$8,000	$31
9	$173	$346	$375	$750	$2,250	$4,500	$9,000	$35
10**	$192	$385	$417	$833	$2,500	$5,000	$10,000	$38

*Number of Additional Withholding Allowances for Estimated Deductions claimed on a DE 4 or Form W-4.

**If the number of Additional Withholding Allowances for Estimated Deductions claimed is greater than 10, multiply the amount shown for one Additional Allowance by the number claimed.

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

SINGLE PERSONS, DUAL INCOME MARRIED
OR MARRIED WITH MULTIPLE EMPLOYERS----WEEKLY PAYROLL PERIOD

FOR WAGES PAID IN 2020

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$160											
160	170	0.86										
170	180	0.97										
180	190	1.08										
190	200	1.19										
200	210	1.30										
210	220	1.41										
220	230	1.52										
230	240	1.63										
240	250	1.74										
250	260	1.85										
260	270	2.05										
270	280	2.27										
280	290	2.49										
290	300	2.71	0.13									
300	310	2.93	0.35									
310	320	3.15	0.57									
320	330	3.37	0.79									
330	340	3.59	1.01									
340	350	3.81	1.23									
350	360	4.03	1.45									
360	370	4.25	1.67									
370	380	4.47	1.89									
380	390	4.69	2.11									
390	400	4.91	2.33									
400	410	5.13	2.55									
410	420	5.35	2.77	0.18								
420	430	5.57	2.99	0.40								
430	440	5.79	3.21	0.62								
440	450	6.01	3.43	0.84								
450	460	6.23	3.65	1.06								
460	480	6.56	3.98	1.39								
480	500	7.02	4.43	1.85								
500	520	7.90	5.31	2.73	0.14							
520	540	8.78	6.19	3.61	1.02							
540	560	9.66	7.07	4.49	1.90							
560	600	10.98	8.39	5.81	3.22	0.64						
600	640	12.74	10.15	7.57	4.98	2.40						
640	680	14.50	11.91	9.33	6.74	4.16	1.57					
680	720	16.26	13.67	11.09	8.50	5.92	3.33	0.75				
720	760	18.43	15.85	13.26	10.68	8.09	5.51	2.92	0.34			
760	800	21.07	18.49	15.90	13.32	10.73	8.15	5.56	2.98	0.39		
800	840	23.71	21.13	18.54	15.96	13.37	10.79	8.20	5.62	3.03	0.45	
840	880	26.35	23.77	21.18	18.60	16.01	13.43	10.84	8.26	5.67	3.09	0.50
880	920	28.99	26.41	23.82	21.24	18.65	16.07	13.48	10.90	8.31	5.73	3.14
920	960	31.63	29.05	26.46	23.88	21.29	18.71	16.12	13.54	10.95	8.37	5.78
960	1010	34.99	32.41	29.82	27.24	24.65	22.07	19.48	16.90	14.31	11.73	9.14
1010	1070	39.83	37.25	34.66	32.08	29.49	26.91	24.32	21.74	19.15	16.57	13.98
1070	1130	45.11	42.53	39.94	37.36	34.77	32.19	29.60	27.02	24.43	21.85	19.26
1130	1190	50.39	47.81	45.22	42.64	40.05	37.47	34.88	32.30	29.71	27.13	24.54
1190	1250	55.97	53.38	50.80	48.21	45.63	43.04	40.46	37.87	35.29	32.70	30.12
1250 and over		(Use Method B - Exact Calculation Method)										

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

MARRIED PERSONS----WEEKLY PAYROLL PERIOD

FOR WAGES PAID IN 2020

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$160											
160	170	0.94										
170	180	1.05										
180	190	1.16										
190	200	1.27										
200	210	1.38										
210	220	1.49										
220	230	1.60										
230	240	1.71										
240	250	1.82										
250	260	1.93										
260	270	2.04										
270	280	2.15										
280	290	2.26										
290	300	2.37	0.03									
300	310	2.48	0.14									
310	320	2.59	0.25									
320	330	2.70	0.36									
330	340	2.81	0.47									
340	350	2.92	0.58									
350	360	3.03	0.69									
360	370	3.14	0.80									
370	380	3.25	0.91									
380	390	3.36	1.02									
390	400	3.56	1.21									
400	410	3.78	1.43									
410	420	4.00	1.65									
420	430	4.22	1.87									
430	440	4.44	2.09									
440	460	4.77	2.42									
460	480	5.21	2.86									
480	500	5.65	3.30									
500	520	6.09	3.74									
520	540	6.53	4.18	0.09								
540	560	6.97	4.62	0.53								
560	580	7.41	5.06	0.97								
580	600	7.85	5.50	1.41								
600	620	8.29	5.94	1.85								
620	640	8.73	6.38	2.29								
640	660	9.17	6.82	2.73	0.39							
660	680	9.61	7.26	3.17	0.83							
680	700	10.05	7.70	3.61	1.27							
700	720	10.49	8.14	4.05	1.71							
720	740	10.93	8.58	4.49	2.15							
740	760	11.37	9.02	4.93	2.59	0.25						
760	780	11.81	9.46	5.37	3.03	0.69						
780	800	12.25	9.90	5.81	3.47	1.13						
800	820	12.70	10.36	6.25	3.91	1.57						
820	840	13.58	11.24	6.69	4.35	2.01						
840	860	14.46	12.12	7.13	4.79	2.45	0.10					
860	880	15.34	13.00	7.57	5.23	2.89	0.54					

--- CONTINUED NEXT PAGE ---

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

MARRIED PERSONS----WEEKLY PAYROLL PERIOD

FOR WAGES PAID IN 2020

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
880	900	13.94	11.36	6.85	4.27	1.68						
900	920	14.80	12.21	7.29	4.71	2.12						
920	940	15.68	13.09	7.73	5.15	2.56						
940	960	16.56	13.97	8.17	5.59	3.00	0.42					
960	980	17.44	14.85	8.61	6.03	3.44	0.86					
980	1000	18.32	15.73	9.31	6.72	4.14	1.55					
1000	1020	19.20	16.61	10.19	7.60	5.02	2.43					
1020	1040	20.08	17.49	11.07	8.48	5.90	3.31	0.73				
1040	1060	20.96	18.37	11.95	9.36	6.78	4.19	1.61				
1060	1080	21.84	19.25	12.83	10.24	7.66	5.07	2.49				
1080	1100	22.72	20.13	13.71	11.12	8.54	5.95	3.37	0.78			
1100	1120	23.60	21.01	14.59	12.00	9.42	6.83	4.25	1.66			
1120	1140	24.48	21.89	15.47	12.88	10.30	7.71	5.13	2.54			
1140	1170	25.58	22.99	16.57	13.98	11.40	8.81	6.23	3.64	1.06		
1170	1200	26.90	24.31	17.89	15.30	12.72	10.13	7.55	4.96	2.38		
1200	1230	28.22	25.63	19.21	16.62	14.04	11.45	8.87	6.28	3.70	1.11	
1230	1260	29.54	26.95	20.53	17.94	15.36	12.77	10.19	7.60	5.02	2.43	
1260	1290	30.86	28.27	21.85	19.26	16.68	14.09	11.51	8.92	6.34	3.75	1.17
1290	1320	32.18	29.59	23.17	20.58	18.00	15.41	12.83	10.24	7.66	5.07	2.49
1320	1350	33.50	30.91	24.49	21.90	19.32	16.73	14.15	11.56	8.98	6.39	3.81
1350	1390	35.36	32.77	26.03	23.44	20.86	18.27	15.69	13.10	10.52	7.93	5.35
1390	1430	38.00	35.41	27.79	25.20	22.62	20.03	17.45	14.86	12.28	9.69	7.11
1430	1470	40.64	38.05	29.71	27.13	24.54	21.96	19.37	16.79	14.20	11.62	9.03
1470	1510	43.28	40.69	32.35	29.77	27.18	24.60	22.01	19.43	16.84	14.26	11.67
1510	1550	45.92	43.33	34.99	32.41	29.82	27.24	24.65	22.07	19.48	16.90	14.31
1550	1590	48.56	45.97	37.63	35.05	32.46	29.88	27.29	24.71	22.12	19.54	16.95
1590	1630	51.20	48.61	40.27	37.69	35.10	32.52	29.93	27.35	24.76	22.18	19.59
1630	1670	53.84	51.25	42.91	40.33	37.74	35.16	32.57	29.99	27.40	24.82	22.23
1670	1710	56.48	53.89	45.55	42.97	40.38	37.80	35.21	32.63	30.04	27.46	24.87
1710	1750	59.12	56.53	48.19	45.61	43.02	40.44	37.85	35.27	32.68	30.10	27.51
1750	1790	61.76	59.17	50.83	48.25	45.66	43.08	40.49	37.91	35.32	32.74	30.15
1790	1830	64.40	61.81	53.47	50.89	48.30	45.72	43.13	40.55	37.96	35.38	32.79
1830	1890	67.98	65.40	56.77	54.19	51.60	49.02	46.43	43.85	41.26	38.68	36.09
1890	1960	73.70	71.12	61.06	58.48	55.89	53.31	50.72	48.14	45.55	42.97	40.38
1960	2040	80.30	77.72	67.45	64.87	62.28	59.70	57.11	54.53	51.94	49.36	46.77
2040	2120	87.34	84.76	74.49	71.91	69.32	66.74	64.15	61.57	58.98	56.40	53.81
2120	2205	94.60	92.02	81.75	79.17	76.58	74.00	71.41	68.83	66.24	63.66	61.07
2205	2295	102.30	99.72	89.45	86.87	84.28	81.70	79.11	76.53	73.94	71.36	68.77
2295	2385	110.63	108.05	97.37	94.79	92.20	89.62	87.03	84.45	81.86	79.28	76.69
2385	2475	119.84	117.25	105.74	103.16	100.57	97.99	95.40	92.82	90.23	87.65	85.06

2475 and over (Use Method B - Exact Calculation Method)

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

UNMARRIED HEAD OF HOUSEHOLD----WEEKLY PAYROLL PERIOD

FOR WAGES PAID IN 2020

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$250											
250	260	0.89										
260	270	1.00										
270	280	1.11										
280	290	1.22										
290	300	1.33										
300	310	1.44										
310	320	1.55										
320	330	1.66										
330	340	1.77										
340	350	1.88										
350	360	1.99										
360	370	2.10										
370	380	2.21										
380	390	2.32										
390	400	2.43										
400	410	2.54										
410	420	2.65	0.06									
420	430	2.76	0.17									
430	440	2.87	0.28									
440	450	2.98	0.39									
450	460	3.09	0.50									
460	470	3.20	0.61									
470	480	3.31	0.72									
480	490	3.42	0.83									
490	500	3.53	0.94									
500	520	3.69	1.11									
520	540	4.09	1.51									
540	560	4.53	1.95									
560	580	4.97	2.39									
580	600	5.41	2.83	0.24								
600	620	5.85	3.27	0.68								
620	640	6.29	3.71	1.12								
640	660	6.73	4.15	1.56								
660	680	7.17	4.59	2.00								
680	700	7.61	5.03	2.44								
700	740	8.27	5.69	3.10	0.52							
740	780	9.15	6.57	3.98	1.40							
780	820	10.03	7.45	4.86	2.28							
820	860	10.91	8.33	5.74	3.16	0.57						
860	900	11.79	9.21	6.62	4.04	1.45						
900	950	12.78	10.20	7.61	5.03	2.44						
950	1000	13.88	11.30	8.71	6.13	3.54	0.96					
1000	1050	16.03	13.44	10.86	8.27	5.69	3.10	0.52				
1050	1110	18.45	15.86	13.28	10.69	8.11	5.52	2.94	0.35			
1110	1170	21.09	18.50	15.92	13.33	10.75	8.16	5.58	2.99	0.41		
1170	1270	24.84	22.25	19.67	17.08	14.50	11.91	9.33	6.74	4.16	1.57	
1270	1370	31.44	28.85	26.27	23.68	21.10	18.51	15.93	13.34	10.76	8.17	5.59
1370	1470	38.04	35.45	32.87	30.28	27.70	25.11	22.53	19.94	17.36	14.77	12.19
1470	1570	46.06	43.47	40.89	38.30	35.72	33.13	30.55	27.96	25.38	22.79	20.21
1570	1670	54.86	52.27	49.69	47.10	44.52	41.93	39.35	36.76	34.18	31.59	29.01
1670	1770	64.11	61.52	58.94	56.35	53.77	51.18	48.60	46.01	43.43	40.84	38.26

1770 and over (Use Method B - Exact Calculation Method)

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

SINGLE PERSONS, DUAL INCOME MARRIED
OR MARRIED WITH MULTIPLE EMPLOYERS----BIWEEKLY PAYROLL PERIOD

FOR WAGES PAID IN 2020

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$260											
260	280	1.05										
280	300	1.27										
300	320	1.49										
320	340	1.71										
340	360	1.93										
360	380	2.15										
380	400	2.37										
400	420	2.59										
420	440	2.81										
440	460	3.03										
460	480	3.25										
480	500	3.47										
500	520	3.69										
520	540	4.10										
540	560	4.54										
560	580	4.98										
580	600	5.42	0.25									
600	620	5.86	0.69									
620	640	6.30	1.13									
640	660	6.74	1.57									
660	680	7.18	2.01									
680	700	7.62	2.45									
700	720	8.06	2.89									
720	740	8.50	3.33									
740	760	8.94	3.77									
760	780	9.38	4.21									
780	800	9.82	4.65									
800	820	10.26	5.09									
820	860	10.92	5.75	0.58								
860	900	11.80	6.63	1.46								
900	940	12.68	7.51	2.34								
940	980	13.56	8.39	3.22								
980	1020	14.92	9.75	4.58								
1020	1070	16.90	11.73	6.56	1.39							
1070	1120	19.10	13.93	8.76	3.59							
1120	1170	21.30	16.13	10.96	5.79	0.62						
1170	1220	23.50	18.33	13.16	7.99	2.82						
1220	1270	25.70	20.53	15.36	10.19	5.02						
1270	1320	27.90	22.73	17.56	12.39	7.22	2.05					
1320	1370	30.10	24.93	19.76	14.59	9.42	4.25					
1370	1420	32.30	27.13	21.96	16.79	11.62	6.45	1.28				
1420	1470	34.55	29.38	24.21	19.04	13.87	8.70	3.53				
1470	1520	37.85	32.68	27.51	22.34	17.17	12.00	6.83	1.66			
1520	1620	42.80	37.63	32.46	27.29	22.12	16.95	11.78	6.61	1.44		
1620	1720	49.40	44.23	39.06	33.89	28.72	23.55	18.38	13.21	8.04	2.87	
1720	1840	56.66	51.49	46.32	41.15	35.98	30.81	25.64	20.47	15.30	10.13	4.96
1840	1960	64.58	59.41	54.24	49.07	43.90	38.73	33.56	28.39	23.22	18.05	12.88
1960	2100	75.26	70.09	64.92	59.75	54.58	49.41	44.24	39.07	33.90	28.73	23.56
2100	2240	87.58	82.41	77.24	72.07	66.90	61.73	56.56	51.39	46.22	41.05	35.88
2240	2380	99.90	94.73	89.56	84.39	79.22	74.05	68.88	63.71	58.54	53.37	48.20
2380	2520	112.96	107.79	102.62	97.45	92.28	87.11	81.94	76.77	71.60	66.43	61.26
2520	and over				(Use Method B - Exact Calculation Method)							

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

MARRIED PERSONS----BIWEEKLY PAYROLL PERIOD

FOR WAGES PAID IN 2020

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$260											
260	280	1.05										
280	300	1.27										
300	320	1.49										
320	340	1.71										
340	360	1.93										
360	380	2.15										
380	400	2.37										
400	420	2.59										
420	440	2.81										
440	460	3.03										
460	480	3.25										
480	500	3.47										
500	520	3.69										
520	540	3.91										
540	560	4.13										
560	580	4.35										
580	600	4.57										
600	620	4.79										
620	640	5.01										
640	660	5.23	0.06									
660	680	5.45	0.28									
680	700	5.67	0.50									
700	720	5.89	0.72									
720	740	6.11	0.94									
740	760	6.33	1.16									
760	780	6.55	1.38									
780	800	6.77	1.60									
800	820	6.99	1.82									
820	840	7.21	2.04									
840	860	7.43	2.26									
860	880	7.87	2.70									
880	900	8.31	3.14									
900	920	8.75	3.58									
920	940	9.19	4.02									
940	960	9.63	4.46									
960	980	10.07	4.90									
980	1000	10.51	5.34	0.17								
1000	1020	10.95	5.78	0.60								
1020	1060	11.61	6.44	1.27								
1060	1100	12.49	7.32	2.15								
1100	1140	13.37	8.20	3.03								
1140	1180	14.25	9.08	3.91								
1180	1220	15.13	9.96	4.79								
1220	1260	16.01	10.84	5.67	0.49							
1260	1300	16.89	11.72	6.55	1.38							
1300	1340	17.77	12.60	7.43	2.26							
1340	1380	18.65	13.48	8.31	3.14							
1380	1420	19.53	14.36	9.19	4.02							
1420	1460	20.41	15.24	10.07	4.90							
1460	1500	21.29	16.12	10.95	5.78	0.61						

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CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

MARRIED PERSONS----BIWEEKLY PAYROLL PERIOD

FOR WAGES PAID IN 2020

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE…										
1500	1540	22.17	17.00	11.83	6.66	1.49						
1540	1580	23.05	17.88	12.71	7.54	2.37						
1580	1620	23.93	18.76	13.59	8.42	3.25						
1620	1660	24.81	19.64	14.47	9.30	4.13						
1660	1700	25.69	20.52	15.35	10.18	5.01						
1700	1740	26.57	21.40	16.23	11.06	5.89	0.71					
1740	1780	27.45	22.28	17.11	11.94	6.77	1.60					
1780	1820	28.71	23.54	18.37	13.20	8.03	2.86					
1820	1860	30.47	25.30	20.13	14.96	9.79	4.62					
1860	1900	32.23	27.06	21.89	16.72	11.55	6.38	1.21				
1900	1940	33.99	28.82	23.65	18.48	13.31	8.14	2.97				
1940	1980	35.75	30.58	25.41	20.24	15.07	9.90	4.73				
1980	2020	37.51	32.34	27.17	22.00	16.83	11.66	6.49	1.32			
2020	2060	39.27	34.10	28.93	23.76	18.59	13.42	8.25	3.08			
2060	2100	41.03	35.86	30.69	25.52	20.35	15.18	10.01	4.84			
2100	2140	42.79	37.62	32.45	27.28	22.11	16.94	11.77	6.60	1.43		
2140	2180	44.55	39.38	34.21	29.04	23.87	18.70	13.53	8.36	3.19		
2180	2220	46.31	41.14	35.97	30.80	25.63	20.46	15.29	10.12	4.95		
2220	2260	48.07	42.90	37.73	32.56	27.39	22.22	17.05	11.88	6.71	1.54	
2260	2300	49.83	44.66	39.49	34.32	29.15	23.98	18.81	13.64	8.47	3.30	
2300	2350	51.81	46.64	41.47	36.30	31.13	25.96	20.79	15.62	10.45	5.28	0.11
2350	2400	54.01	48.84	43.67	38.50	33.33	28.16	22.99	17.82	12.65	7.48	2.31
2400	2450	56.21	51.04	45.87	40.70	35.53	30.36	25.19	20.02	14.85	9.68	4.51
2450	2500	58.41	53.24	48.07	42.90	37.73	32.56	27.39	22.22	17.05	11.88	6.71
2500	2550	60.61	55.44	50.27	45.10	39.93	34.76	29.59	24.42	19.25	14.08	8.91
2550	2600	62.81	57.64	52.47	47.30	42.13	36.96	31.79	26.62	21.45	16.28	11.11
2600	2650	65.01	59.84	54.67	49.50	44.33	39.16	33.99	28.82	23.65	18.48	13.31
2650	2700	67.21	62.04	56.87	51.70	46.53	41.36	36.19	31.02	25.85	20.68	15.51
2700	2750	69.73	64.56	59.39	54.22	49.05	43.88	38.71	33.54	28.37	23.20	18.03
2750	2800	73.03	67.86	62.69	57.52	52.35	47.18	42.01	36.84	31.67	26.50	21.33
2800	2850	76.33	71.16	65.99	60.82	55.65	50.48	45.31	40.14	34.97	29.80	24.63
2850	2900	79.63	74.46	69.29	64.12	58.95	53.78	48.61	43.44	38.27	33.10	27.93
2900	2950	82.93	77.76	72.59	67.42	62.25	57.08	51.91	46.74	41.57	36.40	31.23
2950	3000	86.23	81.06	75.89	70.72	65.55	60.38	55.21	50.04	44.87	39.70	34.53
3000	3050	89.53	84.36	79.19	74.02	68.85	63.68	58.51	53.34	48.17	43.00	37.83
3050	3150	94.48	89.31	84.14	78.97	73.80	68.63	63.46	58.29	53.12	47.95	42.78
3150	3250	101.08	95.91	90.74	85.57	80.40	75.23	70.06	64.89	59.72	54.55	49.38
3250	3350	107.68	102.51	97.34	92.17	87.00	81.83	76.66	71.49	66.32	61.15	55.98
3350	3450	114.28	109.11	103.94	98.77	93.60	88.43	83.26	78.09	72.92	67.75	62.58
3450	3550	120.88	115.71	110.54	105.37	100.20	95.03	89.86	84.69	79.52	74.35	69.18
3550	3670	128.14	122.97	117.80	112.63	107.46	102.29	97.12	91.95	86.78	81.61	76.44
3670	3790	136.84	131.67	126.50	121.33	116.16	110.99	105.82	100.65	95.48	90.31	85.14
3790	3910	147.40	142.23	137.06	131.89	126.72	121.55	116.38	111.21	106.04	100.87	95.70
3910	4030	157.96	152.79	147.62	142.45	137.28	132.11	126.94	121.77	116.60	111.43	106.26
4030	4150	168.52	163.35	158.18	153.01	147.84	142.67	137.50	132.33	127.16	121.99	116.82
4150	4300	180.40	175.23	170.06	164.89	159.72	154.55	149.38	144.21	139.04	133.87	128.70
4300	4450	193.60	188.43	183.26	178.09	172.92	167.75	162.58	157.41	152.24	147.07	141.90
4450	4610	207.24	202.07	196.90	191.73	186.56	181.39	176.22	171.05	165.88	160.71	155.54
4610	4770	222.29	217.12	211.95	206.78	201.61	196.44	191.27	186.10	180.93	175.76	170.59

4770 and over (Use Method B - Exact Calculation Method)

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

UNMARRIED HEAD OF HOUSEHOLD----BIWEEKLY PAYROLL PERIOD

FOR WAGES PAID IN 2020

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$560											
560	580	2.43										
580	600	2.65										
600	620	2.87										
620	640	3.09										
640	660	3.31										
660	680	3.53										
680	700	3.75										
700	720	3.97										
720	740	4.19										
740	760	4.41										
760	780	4.63										
780	800	4.85										
800	820	5.07										
820	840	5.29	0.12									
840	860	5.51	0.34									
860	880	5.73	0.56									
880	900	5.95	0.78									
900	920	6.17	1.00									
920	940	6.39	1.22									
940	960	6.61	1.44									
960	980	6.83	1.66									
980	1000	7.05	1.88									
1000	1040	7.38	2.21									
1040	1080	8.18	3.01									
1080	1120	9.06	3.89									
1120	1160	9.94	4.77									
1160	1200	10.82	5.65	0.48								
1200	1250	11.81	6.64	1.47								
1250	1300	12.91	7.74	2.57								
1300	1350	14.01	8.84	3.67								
1350	1400	15.11	9.94	4.77								
1400	1450	16.21	11.04	5.87	0.70							
1450	1500	17.31	12.14	6.97	1.80							
1500	1550	18.41	13.24	8.07	2.90							
1550	1600	19.51	14.34	9.17	4.00							
1600	1650	20.61	15.44	10.27	5.10							
1650	1700	21.71	16.54	11.37	6.20	1.03						
1700	1750	22.81	17.64	12.47	7.30	2.13						
1750	1800	23.91	18.74	13.57	8.40	3.23						
1800	1850	25.01	19.84	14.67	9.50	4.33						
1850	1950	26.66	21.49	16.32	11.15	5.98	0.81					
1950	2050	29.85	24.68	19.51	14.34	9.17	4.00					
2050	2150	34.25	29.08	23.91	18.74	13.57	8.40	3.23				
2150	2250	38.65	33.48	28.31	23.14	17.97	12.80	7.63	2.46			
2250	2350	43.05	37.88	32.71	27.54	22.37	17.20	12.03	6.86	1.69		
2350	2470	47.89	42.72	37.55	32.38	27.21	22.04	16.87	11.70	6.53	1.36	
2470	2590	55.62	50.45	45.28	40.11	34.94	29.77	24.60	19.43	14.26	9.09	3.92
2590	2730	64.20	59.03	53.86	48.69	43.52	38.35	33.18	28.01	22.84	17.67	12.50
2730	2870	73.44	68.27	63.10	57.93	52.76	47.59	42.42	37.25	32.08	26.91	21.74
2870	3020	83.75	78.58	73.41	68.24	63.07	57.90	52.73	47.56	42.39	37.22	32.05
3020	3180	97.39	92.22	87.05	81.88	76.71	71.54	66.37	61.20	56.03	50.86	45.69
3180	3350	111.91	106.74	101.57	96.40	91.23	86.06	80.89	75.72	70.55	65.38	60.21
3350	3520	127.70	122.53	117.36	112.19	107.02	101.85	96.68	91.51	86.34	81.17	76.00

3520 and over (Use Method B - Exact Calculation Method)

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

SINGLE PERSONS, DUAL INCOME MARRIED
OR MARRIED WITH MULTIPLE EMPLOYERS----SEMI-MONTHLY PAYROLL PERIOD

FOR WAGES PAID IN 2020

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$300											
300	320	1.33										
320	340	1.55										
340	360	1.77										
360	380	1.99										
380	400	2.21										
400	420	2.43										
420	440	2.65										
440	460	2.87										
460	480	3.09										
480	500	3.31										
500	540	3.64										
540	580	4.12										
580	620	5.00										
620	660	5.88	0.30									
660	700	6.76	1.18									
700	740	7.64	2.06									
740	780	8.52	2.94									
780	820	9.40	3.82									
820	860	10.28	4.70									
860	900	11.16	5.58									
900	940	12.04	6.46	0.87								
940	980	12.92	7.34	1.75								
980	1020	13.80	8.22	2.63								
1020	1060	14.68	9.10	3.51								
1060	1100	16.03	10.44	4.85								
1100	1140	17.79	12.20	6.61	1.02							
1140	1180	19.55	13.96	8.37	2.78							
1180	1220	21.31	15.72	10.13	4.54							
1220	1260	23.07	17.48	11.89	6.30	0.71						
1260	1300	24.83	19.24	13.65	8.06	2.47						
1300	1340	26.59	21.00	15.41	9.82	4.23						
1340	1380	28.35	22.76	17.17	11.58	5.99	0.41					
1380	1420	30.11	24.52	18.93	13.34	7.75	2.17					
1420	1460	31.87	26.28	20.69	15.10	9.51	3.93					
1460	1500	33.63	28.04	22.45	16.86	11.27	5.69	0.10				
1500	1540	35.39	29.80	24.21	18.62	13.03	7.45	1.86				
1540	1580	37.15	31.56	25.97	20.38	14.79	9.21	3.62				
1580	1620	39.74	34.15	28.56	22.98	17.39	11.80	6.21	0.62			
1620	1660	42.38	36.79	31.20	25.62	20.03	14.44	8.85	3.26			
1660	1700	45.02	39.43	33.84	28.26	22.67	17.08	11.49	5.90	0.32		
1700	1750	47.99	42.40	36.81	31.23	25.64	20.05	14.46	8.87	3.29		
1750	1800	51.29	45.70	40.11	34.53	28.94	23.35	17.76	12.17	6.59	1.00	
1800	1850	54.59	49.00	43.41	37.83	32.24	26.65	21.06	15.47	9.89	4.30	
1850	1950	59.54	53.95	48.36	42.78	37.19	31.60	26.01	20.42	14.84	9.25	3.66
1950	2050	66.14	60.55	54.96	49.38	43.79	38.20	32.61	27.02	21.44	15.85	10.26
2050	2170	73.73	68.14	62.55	56.97	51.38	45.79	40.20	34.61	29.03	23.44	17.85
2170	2300	84.73	79.14	73.55	67.97	62.38	56.79	51.20	45.61	40.03	34.44	28.85
2300	2440	96.61	91.02	85.43	79.85	74.26	68.67	63.08	57.49	51.91	46.32	40.73
2440	2580	108.93	103.34	97.75	92.17	86.58	80.99	75.40	69.81	64.23	58.64	53.05
2580	2720	121.99	116.40	110.82	105.23	99.64	94.05	88.46	82.88	77.29	71.70	66.11

2720 and over (Use Method B - Exact Calculation Method)

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

MARRIED PERSONS----SEMI-MONTHLY PAYROLL PERIOD

FOR WAGES PAID IN 2020

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$300											
300	320	1.33										
320	340	1.55										
340	360	1.77										
360	380	1.99										
380	400	2.21										
400	420	2.43										
420	440	2.65										
440	460	2.87										
460	480	3.09										
480	500	3.31										
500	520	3.53										
520	540	3.75										
540	560	3.97										
560	580	4.19										
580	600	4.41										
600	620	4.63										
620	640	4.85										
640	660	5.07										
660	680	5.29										
680	700	5.51										
700	720	5.73	0.14									
720	740	5.95	0.36									
740	760	6.17	0.58									
760	780	6.39	0.80									
780	800	6.61	1.02									
800	820	6.83	1.24									
820	840	7.05	1.46									
840	860	7.27	1.68									
860	880	7.49	1.90									
880	900	7.71	2.12									
900	920	7.93	2.34									
920	940	8.23	2.64									
940	960	8.67	3.08									
960	980	9.11	3.52									
980	1000	9.55	3.96									
1000	1040	10.21	4.62									
1040	1080	11.09	5.50									
1080	1120	11.97	6.38									
1120	1160	12.85	7.26									
1160	1200	13.73	8.14									
1200	1240	14.61	9.02									
1240	1280	15.49	9.90	0.15								
1280	1320	16.37	10.78	1.03								
1320	1360	17.25	11.66	1.91								
1360	1400	18.13	12.54	2.79								
1400	1440	19.01	13.42	3.67								
1440	1480	19.89	14.30	4.55								
1480	1520	20.77	15.18	5.43								
1520	1560	21.65	16.06	6.31	0.72							
1560	1600	22.53	16.94	7.19	1.60							

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CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

MARRIED PERSONS----SEMI-MONTHLY PAYROLL PERIOD

FOR WAGES PAID IN 2020

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
1600	1640	23.41	17.82	8.07	2.48							
1640	1680	24.29	18.70	8.95	3.36							
1680	1720	25.17	19.58	9.83	4.24							
1720	1760	26.05	20.46	10.71	5.12							
1760	1800	26.93	21.34	11.59	6.00	0.42						
1800	1840	27.81	22.22	12.47	6.88	1.30						
1840	1880	28.69	23.10	13.35	7.76	2.18						
1880	1920	29.57	23.98	14.23	8.64	3.06						
1920	1960	30.69	25.10	15.11	9.52	3.94						
1960	2000	32.45	26.86	15.99	10.40	4.82						
2000	2040	34.21	28.62	16.87	11.28	5.70	0.11					
2040	2080	35.97	30.38	17.75	12.16	6.58	0.99					
2080	2120	37.73	32.14	18.63	13.04	7.46	1.87					
2120	2160	39.49	33.90	19.99	14.41	8.82	3.23					
2160	2200	41.25	35.66	21.75	16.17	10.58	4.99					
2200	2250	43.23	37.64	23.73	18.15	12.56	6.97	1.38				
2250	2300	45.43	39.84	25.93	20.35	14.76	9.17	3.58				
2300	2350	47.63	42.04	28.13	22.55	16.96	11.37	5.78	0.19			
2350	2400	49.83	44.24	30.33	24.75	19.16	13.57	7.98	2.39			
2400	2450	52.03	46.44	32.53	26.95	21.36	15.77	10.18	4.59			
2450	2500	54.23	48.64	34.73	29.15	23.56	17.97	12.38	6.79	1.21		
2500	2550	56.43	50.84	36.93	31.35	25.76	20.17	14.58	8.99	3.41		
2550	2600	58.63	53.04	39.13	33.55	27.96	22.37	16.78	11.19	5.61	0.02	
2600	2650	60.83	55.24	41.33	35.75	30.16	24.57	18.98	13.39	7.81	2.22	
2650	2700	63.03	57.44	43.53	37.95	32.36	26.77	21.18	15.59	10.01	4.42	
2700	2750	65.23	59.64	45.73	40.15	34.56	28.97	23.38	17.79	12.21	6.62	1.03
2750	2800	67.43	61.84	47.93	42.35	36.76	31.17	25.58	19.99	14.41	8.82	3.23
2800	2850	69.63	64.04	50.13	44.55	38.96	33.37	27.78	22.19	16.61	11.02	5.43
2850	2900	71.83	66.24	52.33	46.75	41.16	35.57	29.98	24.39	18.81	13.22	7.63
2900	2950	74.03	68.44	54.53	48.95	43.36	37.77	32.18	26.59	21.01	15.42	9.83
2950	3000	77.11	71.52	56.73	51.15	45.56	39.97	34.38	28.79	23.21	17.62	12.03
3000	3075	81.23	75.64	59.48	53.90	48.31	42.72	37.13	31.54	25.96	20.37	14.78
3075	3150	86.18	80.59	62.78	57.20	51.61	46.02	40.43	34.84	29.26	23.67	18.08
3150	3225	91.13	85.54	67.48	61.89	56.30	50.72	45.13	39.54	33.95	28.36	22.78
3225	3300	96.08	90.49	72.43	66.84	61.25	55.67	50.08	44.49	38.90	33.31	27.73
3300	3375	101.03	95.44	77.38	71.79	66.20	60.62	55.03	49.44	43.85	38.26	32.68
3375	3475	106.81	101.22	83.15	77.57	71.98	66.39	60.80	55.21	49.63	44.04	38.45
3475	3575	113.41	107.82	89.75	84.17	78.58	72.99	67.40	61.81	56.23	50.64	45.05
3575	3675	120.01	114.42	96.35	90.77	85.18	79.59	74.00	68.41	62.83	57.24	51.65
3675	3775	126.61	121.02	102.95	97.37	91.78	86.19	80.60	75.01	69.43	63.84	58.25
3775	3875	133.21	127.62	109.55	103.97	98.38	92.79	87.20	81.61	76.03	70.44	64.85
3875	3975	139.81	134.22	116.15	110.57	104.98	99.39	93.80	88.21	82.63	77.04	71.45
3975	4175	151.33	145.75	126.05	120.47	114.88	109.29	103.70	98.11	92.53	86.94	81.35
4175	4375	168.93	163.35	141.12	135.53	129.95	124.36	118.77	113.18	107.59	102.01	96.42
4375	4575	186.53	180.95	158.72	153.13	147.55	141.96	136.37	130.78	125.19	119.61	114.02
4575	4875	208.53	202.95	180.72	175.13	169.55	163.96	158.37	152.78	147.19	141.61	136.02
4875	5175	235.19	229.60	207.12	201.53	195.95	190.36	184.77	179.18	173.59	168.01	162.42
5175	5475	265.88	260.29	235.37	229.78	224.19	218.60	213.01	207.43	201.84	196.25	190.66

5475 and over (Use Method B - Exact Calculation Method)

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

UNMARRIED HEAD OF HOUSEHOLD----SEMI-MONTHLY PAYROLL PERIOD

FOR WAGES PAID IN 2020

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$600											
600	620	2.55										
620	640	2.77										
640	660	2.99										
660	680	3.21										
680	700	3.43										
700	720	3.65										
720	740	3.87										
740	760	4.09										
760	780	4.31										
780	800	4.53										
800	820	4.75										
820	840	4.97										
840	860	5.19										
860	880	5.41										
880	900	5.63	0.04									
900	940	5.96	0.37									
940	980	6.40	0.81									
980	1020	6.84	1.25									
1020	1060	7.28	1.69									
1060	1100	7.72	2.13									
1100	1140	8.24	2.65									
1140	1180	9.12	3.53									
1180	1220	10.00	4.41									
1220	1260	10.88	5.29									
1260	1300	11.76	6.17	0.58								
1300	1350	12.75	7.16	1.57								
1350	1400	13.85	8.26	2.67								
1400	1450	14.95	9.36	3.77								
1450	1500	16.05	10.46	4.87								
1500	1550	17.15	11.56	5.97	0.38							
1550	1600	18.25	12.66	7.07	1.48							
1600	1650	19.35	13.76	8.17	2.58							
1650	1700	20.45	14.86	9.27	3.68							
1700	1750	21.55	15.96	10.37	4.78							
1750	1800	22.65	17.06	11.47	5.88	0.30						
1800	1900	24.30	18.71	13.12	7.53	1.95						
1900	2000	26.50	20.91	15.32	9.73	4.15						
2000	2100	28.70	23.11	17.52	11.93	6.35	0.76					
2100	2200	31.60	26.01	20.42	14.84	9.25	3.66					
2200	2300	36.00	30.41	24.82	19.24	13.65	8.06	2.47				
2300	2420	40.84	35.25	29.66	24.08	18.49	12.90	7.31	1.72			
2420	2540	46.12	40.53	34.94	29.36	23.77	18.18	12.59	7.00	1.42		
2540	2660	51.40	45.81	40.22	34.64	29.05	23.46	17.87	12.28	6.70	1.11	
2660	2780	58.86	53.27	47.68	42.09	36.50	30.92	25.33	19.74	14.15	8.56	2.98
2780	2900	66.78	61.19	55.60	50.01	44.42	38.84	33.25	27.66	22.07	16.48	10.90
2900	3050	75.69	70.10	64.51	58.92	53.33	47.75	42.16	36.57	30.98	25.39	19.81
3050	3230	86.58	80.99	75.40	69.81	64.22	58.64	53.05	47.46	41.87	36.28	30.70
3230	3430	102.96	97.38	91.79	86.20	80.61	75.02	69.44	63.85	58.26	52.67	47.08
3430	3630	120.56	114.98	109.39	103.80	98.21	92.62	87.04	81.45	75.86	70.27	64.68
3630	3830	139.19	133.60	128.02	122.43	116.84	111.25	105.66	100.08	94.49	88.90	83.31

3830 and over (Use Method B - Exact Calculation Method)

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

SINGLE PERSONS, DUAL INCOME MARRIED
OR MARRIED WITH MULTIPLE EMPLOYERS----MONTHLY PAYROLL PERIOD

FOR WAGES PAID IN 2020

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$600											
600	640	2.66										
640	680	3.10										
680	720	3.54										
720	760	3.98										
760	800	4.42										
800	840	4.86										
840	880	5.30										
880	920	5.74										
920	960	6.18										
960	1000	6.62										
1000	1050	7.12										
1050	1100	7.67										
1100	1150	8.36										
1150	1200	9.46										
1200	1250	10.56										
1250	1300	11.66	0.48									
1300	1350	12.76	1.58									
1350	1400	13.86	2.68									
1400	1450	14.96	3.78									
1450	1500	16.06	4.88									
1500	1600	17.71	6.53									
1600	1700	19.91	8.73									
1700	1800	22.11	10.93									
1800	1900	24.31	13.13	1.96								
1900	2000	26.51	15.33	4.16								
2000	2100	28.71	17.53	6.36								
2100	2200	31.61	20.43	9.26								
2200	2300	36.01	24.83	13.66	2.48							
2300	2400	40.41	29.23	18.06	6.88							
2400	2500	44.81	33.63	22.46	11.28	0.11						
2500	2600	49.21	38.03	26.86	15.68	4.51						
2600	2700	53.61	42.43	31.26	20.08	8.91						
2700	2800	58.01	46.83	35.66	24.48	13.31	2.13					
2800	2900	62.41	51.23	40.06	28.88	17.71	6.53					
2900	3000	66.81	55.63	44.46	33.28	22.11	10.93					
3000	3100	71.21	60.03	48.86	37.68	26.51	15.33	4.15				
3100	3200	76.18	65.00	53.83	42.65	31.48	20.30	9.12				
3200	3300	82.78	71.60	60.43	49.25	38.08	26.90	15.72	4.55			
3300	3400	89.38	78.20	67.03	55.85	44.68	33.50	22.32	11.15			
3400	3500	95.98	84.80	73.63	62.45	51.28	40.10	28.92	17.75	6.57		
3500	3600	102.58	91.40	80.23	69.05	57.88	46.70	35.52	24.35	13.17	2.00	
3600	3700	109.18	98.00	86.83	75.65	64.48	53.30	42.12	30.95	19.77	8.60	
3700	3800	115.78	104.60	93.43	82.25	71.08	59.90	48.72	37.55	26.37	15.20	4.02
3800	3900	122.38	111.20	100.03	88.85	77.68	66.50	55.32	44.15	32.97	21.80	10.62
3900	4100	132.28	121.10	109.93	98.75	87.58	76.40	65.22	54.05	42.87	31.70	20.52
4100	4500	154.50	143.32	132.15	120.97	109.79	98.62	87.44	76.27	65.09	53.91	42.74
4500	4900	189.70	178.52	167.35	156.17	144.99	133.82	122.64	111.47	100.29	89.11	77.94
4900	5300	224.90	213.72	202.55	191.37	180.19	169.02	157.84	146.67	135.49	124.31	113.14
5300	5750	267.00	255.83	244.65	233.47	222.30	211.12	199.95	188.77	177.59	166.42	155.24

5750 and over (Use Method B - Exact Calculation Method)

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

MARRIED PERSONS----MONTHLY PAYROLL PERIOD

FOR WAGES PAID IN 2020

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$600											
600	640	2.66										
640	680	3.10										
680	720	3.54										
720	760	3.98										
760	800	4.42										
800	840	4.86										
840	880	5.30										
880	920	5.74										
920	960	6.18										
960	1000	6.62										
1000	1040	7.06										
1040	1080	7.50										
1080	1120	7.94										
1120	1160	8.38										
1160	1200	8.82										
1200	1240	9.26										
1240	1280	9.70										
1280	1320	10.14										
1320	1360	10.58										
1360	1400	11.02										
1400	1440	11.46	0.29									
1440	1480	11.90	0.73									
1480	1520	12.34	1.17									
1520	1560	12.78	1.61									
1560	1600	13.22	2.05									
1600	1640	13.66	2.49									
1640	1680	14.10	2.93									
1680	1720	14.54	3.37									
1720	1760	14.98	3.81									
1760	1800	15.42	4.25									
1800	1840	15.86	4.69									
1840	1880	16.45	5.28									
1880	1920	17.33	6.16									
1920	1960	18.21	7.04									
1960	2000	19.09	7.92									
2000	2040	19.97	8.80									
2040	2080	20.85	9.68									
2080	2140	21.95	10.78									
2140	2200	23.27	12.10									
2200	2260	24.59	13.42									
2260	2320	25.91	14.74									
2320	2380	27.23	16.06									
2380	2440	28.55	17.38									
2440	2500	29.87	18.70									
2500	2560	31.19	20.02	0.52								
2560	2620	32.51	21.34	1.84								
2620	2680	33.83	22.66	3.16								
2680	2740	35.15	23.98	4.48								
2740	2800	36.47	25.30	5.80								
2800	2860	37.79	26.62	7.12								

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CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

MARRIED PERSONS----MONTHLY PAYROLL PERIOD

FOR WAGES PAID IN 2020

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
2860	2920	39.11	27.94	8.44								
2920	2980	40.43	29.26	9.76								
2980	3040	41.75	30.58	11.08								
3040	3100	43.07	31.90	12.40	1.23							
3100	3160	44.39	33.22	13.72	2.55							
3160	3220	45.71	34.54	15.04	3.87							
3220	3280	47.03	35.86	16.36	5.19							
3280	3340	48.35	37.18	17.68	6.51							
3340	3400	49.67	38.50	19.00	7.83							
3400	3460	50.99	39.82	20.32	9.15							
3460	3520	52.31	41.14	21.64	10.47							
3520	3580	53.63	42.46	22.96	11.79	0.61						
3580	3640	54.95	43.78	24.28	13.11	1.93						
3640	3700	56.27	45.10	25.60	14.43	3.25						
3700	3800	58.03	46.86	27.36	16.19	5.01						
3800	3900	60.23	49.06	29.56	18.39	7.21						
3900	4000	64.46	53.28	31.76	20.59	9.41						
4000	4100	68.86	57.68	33.96	22.79	11.61	0.44					
4100	4200	73.26	62.08	36.16	24.99	13.81	2.64					
4200	4300	77.66	66.48	38.67	27.49	16.32	5.14					
4300	4400	82.06	70.88	43.07	31.89	20.72	9.54					
4400	4500	86.46	75.28	47.47	36.29	25.12	13.94	2.76				
4500	4600	90.86	79.68	51.87	40.69	29.52	18.34	7.16				
4600	4700	95.26	84.08	56.27	45.09	33.92	22.74	11.56	0.39			
4700	4800	99.66	88.48	60.67	49.49	38.32	27.14	15.96	4.79			
4800	4900	104.06	92.88	65.07	53.89	42.72	31.54	20.36	9.19			
4900	5000	108.46	97.28	69.47	58.29	47.12	35.94	24.76	13.59	2.41		
5000	5100	112.86	101.68	73.87	62.69	51.52	40.34	29.16	17.99	6.81		
5100	5200	117.26	106.08	78.27	67.09	55.92	44.74	33.56	22.39	11.21	0.04	
5200	5300	121.66	110.48	82.67	71.49	60.32	49.14	37.96	26.79	15.61	4.44	
5300	5400	126.06	114.88	87.07	75.89	64.72	53.54	42.36	31.19	20.01	8.84	
5400	5500	130.46	119.28	91.47	80.29	69.12	57.94	46.76	35.59	24.41	13.24	2.06
5500	5600	134.86	123.68	95.87	84.69	73.52	62.34	51.16	39.99	28.81	17.64	6.46
5600	5700	139.26	128.08	100.27	89.09	77.92	66.74	55.56	44.39	33.21	22.04	10.86
5700	5800	143.66	132.48	104.67	93.49	82.32	71.14	59.96	48.79	37.61	26.44	15.26
5800	5900	148.06	136.88	109.07	97.89	86.72	75.54	64.36	53.19	42.01	30.84	19.66
5900	6000	154.21	143.04	113.47	102.29	91.12	79.94	68.76	57.59	46.41	35.24	24.06
6000	6200	164.11	152.94	120.07	108.89	97.72	86.54	75.36	64.19	53.01	41.84	30.66
6200	6400	177.31	166.14	130.01	118.83	107.66	96.48	85.31	74.13	62.95	51.78	40.60
6400	6600	190.51	179.34	143.21	132.03	120.86	109.68	98.51	87.33	76.15	64.98	53.80
6600	6800	203.71	192.54	156.41	145.23	134.06	122.88	111.71	100.53	89.35	78.18	67.00
6800	7000	216.91	205.74	169.61	158.43	147.26	136.08	124.91	113.73	102.55	91.38	80.20
7000	7200	230.11	218.94	182.81	171.63	160.46	149.28	138.11	126.93	115.75	104.58	93.40
7200	7400	243.31	232.14	196.01	184.83	173.66	162.48	151.31	140.13	128.95	117.78	106.60
7400	7600	256.51	245.34	209.21	198.03	186.86	175.68	164.51	153.33	142.15	130.98	119.80
7600	7800	269.71	258.54	222.41	211.23	200.06	188.88	177.71	166.53	155.35	144.18	133.00
7800	8000	282.91	271.74	235.61	224.43	213.26	202.08	190.91	179.73	168.55	157.38	146.20
8000	8200	298.27	287.09	248.81	237.63	226.46	215.28	204.11	192.93	181.75	170.58	159.40
8200	8400	315.87	304.69	262.01	250.83	239.66	228.48	217.31	206.13	194.95	183.78	172.60
8400	8600	333.47	322.29	277.85	266.67	255.49	244.32	233.14	221.97	210.79	199.61	188.44
8600	8900	355.47	344.29	299.85	288.67	277.49	266.32	255.14	243.97	232.79	221.61	210.44
8900	9300	386.27	375.09	330.65	319.47	308.29	297.12	285.94	274.77	263.59	252.41	241.24
9300	9800	425.87	414.69	370.25	359.07	347.89	336.72	325.54	314.37	303.19	292.01	280.84
9800	10300	470.38	459.21	414.25	403.07	391.89	380.72	369.54	358.37	347.19	336.01	324.84
10300	10800	521.53	510.36	460.50	449.33	438.15	426.98	415.80	404.62	393.45	382.27	371.10
10800	and over	(Use Method B - Exact Calculation Method)										

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

UNMARRIED HEAD OF HOUSEHOLD----MONTHLY PAYROLL PERIOD

FOR WAGES PAID IN 2020

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	1400											
1400	1450	7.36										
1450	1500	7.91										
1500	1550	8.46										
1550	1600	9.01										
1600	1650	9.56										
1650	1700	10.11										
1700	1750	10.66										
1750	1800	11.21	0.03									
1800	1850	11.76	0.58									
1850	1900	12.31	1.13									
1900	1950	12.86	1.68									
1950	2000	13.41	2.23									
2000	2050	13.96	2.78									
2050	2100	14.51	3.33									
2100	2150	15.06	3.88									
2150	2200	15.61	4.43									
2200	2250	16.16	4.98									
2250	2300	17.24	6.07									
2300	2350	18.34	7.17									
2350	2400	19.44	8.27									
2400	2450	20.54	9.37									
2450	2500	21.64	10.47									
2500	2600	23.29	12.12	0.94								
2600	2700	25.49	14.32	3.14								
2700	2800	27.69	16.52	5.34								
2800	2900	29.89	18.72	7.54								
2900	3000	32.09	20.92	9.74								
3000	3100	34.29	23.12	11.94	0.77							
3100	3200	36.49	25.32	14.14	2.97							
3200	3300	38.69	27.52	16.34	5.17							
3300	3400	40.89	29.72	18.54	7.37							
3400	3500	43.09	31.92	20.74	9.57							
3500	3600	45.29	34.12	22.94	11.77	0.59						
3600	3700	47.49	36.32	25.14	13.97	2.79						
3700	3800	49.69	38.52	27.34	16.17	4.99						
3800	3900	51.89	40.72	29.54	18.37	7.19						
3900	4000	54.09	42.92	31.74	20.57	9.39						
4000	4100	56.29	45.12	33.94	22.77	11.59	0.41					
4100	4200	58.49	47.32	36.14	24.97	13.79	2.61					
4200	4300	61.00	49.82	38.65	27.47	16.29	5.12					
4300	4500	67.60	56.42	45.25	34.07	22.89	11.72	0.54				
4500	4700	76.40	65.22	54.05	42.87	31.69	20.52	9.34				
4700	4900	85.20	74.02	62.85	51.67	40.49	29.32	18.14	6.97			
4900	5100	94.00	82.82	71.65	60.47	49.29	38.12	26.94	15.77	4.59		
5100	5300	102.80	91.62	80.45	69.27	58.09	46.92	35.74	24.57	13.39	2.21	
5300	5500	115.07	103.90	92.72	81.54	70.37	59.19	48.02	36.84	25.66	14.49	3.31
5500	5700	128.27	117.10	105.92	94.74	83.57	72.39	61.22	50.04	38.86	27.69	16.51
5700	5900	141.47	130.30	119.12	107.94	96.77	85.59	74.42	63.24	52.06	40.89	29.71
5900	6150	156.32	145.15	133.97	122.79	111.62	100.44	89.27	78.09	66.91	55.74	44.56
6150	6450	174.47	163.30	152.12	140.94	129.77	118.59	107.42	96.24	85.06	73.89	62.71
6450	6850	205.05	193.87	182.70	171.52	160.34	149.17	137.99	126.82	115.64	104.46	93.29
6850	7250	240.25	229.07	217.90	206.72	195.54	184.37	173.19	162.02	150.84	139.66	128.49
7250	7650	277.36	266.19	255.01	243.83	232.66	221.48	210.31	199.13	187.95	176.78	165.60

7650 and over (Use Method B - Exact Calculation Method)

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

SINGLE PERSONS, DUAL INCOME MARRIED
OR MARRIED WITH MULTIPLE EMPLOYERS----DAILY / MISCELLANEOUS PAYROLL PERIOD

FOR WAGES PAID IN 2020

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$28											
28	30	0.13										
30	32	0.15										
32	34	0.17										
34	36	0.19										
36	38	0.22										
38	40	0.24										
40	42	0.26										
42	44	0.28										
44	46	0.30										
46	48	0.33										
48	50	0.35										
50	54	0.39										
54	58	0.47										
58	62	0.56	0.05									
62	66	0.65	0.13									
66	70	0.74	0.22									
70	74	0.83	0.31									
74	78	0.91	0.40									
78	82	1.00	0.49									
82	86	1.09	0.57	0.06								
86	90	1.18	0.66	0.14								
90	94	1.27	0.75	0.23								
94	98	1.35	0.84	0.32								
98	102	1.50	0.98	0.46								
102	106	1.67	1.16	0.64	0.12							
106	110	1.85	1.33	0.82	0.30							
110	114	2.03	1.51	0.99	0.48							
114	118	2.20	1.69	1.17	0.65	0.13						
118	122	2.38	1.86	1.34	0.83	0.31						
122	126	2.55	2.04	1.52	1.00	0.49						
126	131	2.75	2.24	1.72	1.20	0.68	0.17					
131	136	2.97	2.46	1.94	1.42	0.90	0.39					
136	141	3.19	2.68	2.16	1.64	1.12	0.61	0.09				
141	146	3.41	2.90	2.38	1.86	1.34	0.83	0.31				
146	151	3.72	3.20	2.69	2.17	1.65	1.14	0.62	0.10			
151	156	4.05	3.53	3.02	2.50	1.98	1.47	0.95	0.43			
156	161	4.38	3.86	3.35	2.83	2.31	1.80	1.28	0.76	0.25		
161	166	4.71	4.19	3.68	3.16	2.64	2.13	1.61	1.09	0.58	0.06	
166	171	5.04	4.52	4.01	3.49	2.97	2.46	1.94	1.42	0.91	0.39	
171	176	5.37	4.85	4.34	3.82	3.30	2.79	2.27	1.75	1.24	0.72	0.20
176	181	5.70	5.18	4.67	4.15	3.63	3.12	2.60	2.08	1.57	1.05	0.53
181	186	6.03	5.51	5.00	4.48	3.96	3.45	2.93	2.41	1.90	1.38	0.86
186	196	6.53	6.01	5.49	4.98	4.46	3.94	3.42	2.91	2.39	1.87	1.36
196	206	7.35	6.84	6.32	5.80	5.28	4.77	4.25	3.73	3.22	2.70	2.18
206	216	8.23	7.72	7.20	6.68	6.16	5.65	5.13	4.61	4.10	3.58	3.06
216	236	9.55	9.04	8.52	8.00	7.48	6.97	6.45	5.93	5.42	4.90	4.38
236	256	11.41	10.89	10.37	9.86	9.34	8.82	8.30	7.79	7.27	6.75	6.24

256 and over (Use Method B - Exact Calculation Method)

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

MARRIED PERSONS----DAILY / MISCELLANEOUS PAYROLL PERIOD

FOR WAGES PAID IN 2020

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$32											
32	34	0.17										
34	36	0.19										
36	38	0.22										
38	40	0.24										
40	42	0.26										
42	44	0.28										
44	46	0.30										
46	48	0.33										
48	50	0.35										
50	52	0.37										
		0.00										
52	54	0.39										
54	56	0.41										
56	58	0.44										
58	60	0.46										
60	62	0.48										
62	64	0.50										
64	66	0.52	0.01									
66	68	0.55	0.03									
68	70	0.57	0.05									
70	72	0.59	0.07									
72	74	0.61	0.09									
74	76	0.63	0.12									
76	78	0.66	0.14									
78	80	0.68	0.16									
80	82	0.70	0.18									
82	84	0.72	0.20									
84	86	0.74	0.23									
86	88	0.78	0.27									
88	90	0.83	0.31									
90	92	0.87	0.35									
92	94	0.91	0.40									
94	96	0.96	0.44									
96	98	1.00	0.49									
98	100	1.05	0.53	0.01								
100	102	1.09	0.57	0.06								
102	104	1.13	0.62	0.10								
104	106	1.18	0.66	0.14								
106	108	1.22	0.71	0.19								
108	110	1.27	0.75	0.23								
110	112	1.31	0.79	0.28								
112	114	1.35	0.84	0.32								
114	118	1.42	0.90	0.39								
118	122	1.51	0.99	0.47								
122	126	1.60	1.08	0.56	0.05							
126	130	1.68	1.17	0.65	0.13							
130	134	1.77	1.26	0.74	0.22							
134	138	1.86	1.34	0.83	0.31							
138	142	1.95	1.43	0.91	0.40							
142	146	2.04	1.52	1.00	0.49							
146	150	2.12	1.61	1.09	0.57	0.06						

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CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

MARRIED PERSONS----DAILY / MISCELLANEOUS PAYROLL PERIOD

FOR WAGES PAID IN 2020

IF WAGES ARE... AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...

AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
150	154	2.21	1.70	1.18	0.66	0.14						
154	158	2.30	1.78	1.27	0.75	0.23						
158	162	2.39	1.87	1.35	0.84	0.32						
162	166	2.48	1.96	1.44	0.93	0.41						
166	170	2.56	2.05	1.53	1.01	0.50						
170	174	2.65	2.14	1.62	1.10	0.58	0.07					
174	178	2.74	2.22	1.71	1.19	0.67	0.16					
178	182	2.88	2.37	1.85	1.33	0.82	0.30					
182	186	3.06	2.54	2.03	1.51	0.99	0.48					
186	190	3.24	2.72	2.20	1.69	1.17	0.65	0.13				
190	195	3.43	2.92	2.40	1.88	1.37	0.85	0.33				
195	200	3.65	3.14	2.62	2.10	1.59	1.07	0.55	0.04			
200	205	3.87	3.36	2.84	2.32	1.81	1.29	0.77	0.26			
205	210	4.09	3.58	3.06	2.54	2.03	1.51	0.99	0.48			
210	215	4.31	3.80	3.28	2.76	2.25	1.73	1.21	0.70	0.18		
215	220	4.53	4.02	3.50	2.98	2.47	1.95	1.43	0.92	0.40		
220	225	4.75	4.24	3.72	3.20	2.69	2.17	1.65	1.14	0.62	0.10	
225	230	4.97	4.46	3.94	3.42	2.91	2.39	1.87	1.36	0.84	0.32	
230	235	5.19	4.68	4.16	3.64	3.13	2.61	2.09	1.58	1.06	0.54	0.02
235	240	5.41	4.90	4.38	3.86	3.35	2.83	2.31	1.80	1.28	0.76	0.24
240	245	5.63	5.12	4.60	4.08	3.57	3.05	2.53	2.02	1.50	0.98	0.46
245	250	5.85	5.34	4.82	4.30	3.79	3.27	2.75	2.24	1.72	1.20	0.68
250	255	6.07	5.56	5.04	4.52	4.01	3.49	2.97	2.46	1.94	1.42	0.90
255	260	6.29	5.78	5.26	4.74	4.23	3.71	3.19	2.68	2.16	1.64	1.12
260	265	6.51	6.00	5.48	4.96	4.45	3.93	3.41	2.90	2.38	1.86	1.34
265	270	6.73	6.22	5.70	5.18	4.67	4.15	3.63	3.12	2.60	2.08	1.56
270	275	6.98	6.46	5.94	5.43	4.91	4.39	3.88	3.36	2.84	2.32	1.81
275	280	7.31	6.79	6.27	5.76	5.24	4.72	4.21	3.69	3.17	2.65	2.14
280	285	7.64	7.12	6.60	6.09	5.57	5.05	4.54	4.02	3.50	2.98	2.47
285	290	7.97	7.45	6.93	6.42	5.90	5.38	4.87	4.35	3.83	3.31	2.80
290	300	8.46	7.95	7.43	6.91	6.39	5.88	5.36	4.84	4.33	3.81	3.29
300	310	9.12	8.61	8.09	7.57	7.05	6.54	6.02	5.50	4.99	4.47	3.95
310	320	9.78	9.27	8.75	8.23	7.71	7.20	6.68	6.16	5.65	5.13	4.61
320	330	10.44	9.93	9.41	8.89	8.37	7.86	7.34	6.82	6.31	5.79	5.27
330	340	11.10	10.59	10.07	9.55	9.03	8.52	8.00	7.48	6.97	6.45	5.93
340	350	11.76	11.25	10.73	10.21	9.69	9.18	8.66	8.14	7.63	7.11	6.59
350	360	12.42	11.91	11.39	10.87	10.35	9.84	9.32	8.80	8.29	7.77	7.25
360	375	13.25	12.73	12.21	11.70	11.18	10.66	10.15	9.63	9.11	8.59	8.08
375	390	14.52	14.01	13.49	12.97	12.46	11.94	11.42	10.91	10.39	9.87	9.35
390	405	15.84	15.33	14.81	14.29	13.78	13.26	12.74	12.23	11.71	11.19	10.67
405	425	17.38	16.87	16.35	15.83	15.32	14.80	14.28	13.77	13.25	12.73	12.21
425	450	19.36	18.85	18.33	17.81	17.30	16.78	16.26	15.75	15.23	14.71	14.19
450	475	21.58	21.06	20.55	20.03	19.51	18.99	18.48	17.96	17.44	16.93	16.41
475	505	24.39	23.88	23.36	22.84	22.32	21.81	21.29	20.77	20.26	19.74	19.22

505 and over (Use Method B - Exact Calculation Method)

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

UNMARRIED HEAD OF HOUSEHOLD----DAILY / MISCELLANEOUS PAYROLL PERIOD

FOR WAGES PAID IN 2020

IF WAGES ARE...		AND THE NUMBER OF WITHHOLDING ALLOWANCES CLAIMED IS...										
AT LEAST	BUT LESS THAN	0	1	2	3	4	5	6	7	8	9	10 OR MORE
		...THE AMOUNT OF INCOME TAX TO BE WITHHELD SHALL BE...										
$1	$56											
56	58	0.24										
58	60	0.27										
60	62	0.29										
62	64	0.31										
64	66	0.33										
66	68	0.35										
68	70	0.38										
70	72	0.40										
72	74	0.42										
74	76	0.44										
76	78	0.46										
78	80	0.49										
80	82	0.51	0.00									
82	84	0.53	0.01									
84	86	0.55	0.03									
86	88	0.57	0.06									
88	90	0.60	0.08									
90	92	0.62	0.10									
92	94	0.64	0.12									
94	96	0.66	0.14									
96	100	0.69	0.18									
100	104	0.74	0.22									
104	108	0.82	0.30									
108	112	0.90	0.39									
112	116	0.99	0.48									
116	121	1.09	0.57	0.06								
121	126	1.20	0.68	0.17								
126	131	1.31	0.79	0.28								
131	136	1.42	0.90	0.39								
136	141	1.53	1.01	0.50								
141	146	1.64	1.12	0.61	0.09							
146	151	1.75	1.23	0.72	0.20							
151	156	1.86	1.34	0.83	0.31							
156	161	1.97	1.45	0.94	0.42							
161	166	2.08	1.56	1.05	0.53	0.01						
166	171	2.19	1.67	1.16	0.64	0.12						
171	176	2.30	1.78	1.27	0.75	0.23						
176	181	2.41	1.89	1.38	0.86	0.34						
181	186	2.52	2.00	1.49	0.97	0.45						
186	191	2.63	2.11	1.60	1.08	0.56	0.05					
191	196	2.74	2.22	1.71	1.19	0.67	0.16					
196	206	3.02	2.50	1.98	1.47	0.95	0.43					
206	216	3.46	2.94	2.42	1.91	1.39	0.87	0.36				
216	226	3.90	3.38	2.86	2.35	1.83	1.31	0.80	0.28			
226	236	4.34	3.82	3.30	2.79	2.27	1.75	1.24	0.72	0.20		
236	246	4.78	4.26	3.74	3.23	2.71	2.19	1.68	1.16	0.64	0.13	
246	256	5.42	4.90	4.38	3.87	3.35	2.83	2.32	1.80	1.28	0.77	0.25
256	266	6.08	5.56	5.04	4.53	4.01	3.49	2.98	2.46	1.94	1.43	0.91
266	281	6.90	6.39	5.87	5.35	4.84	4.32	3.80	3.28	2.77	2.25	1.73
281	296	7.89	7.38	6.86	6.34	5.83	5.31	4.79	4.27	3.76	3.24	2.72
296	316	9.38	8.86	8.35	7.83	7.31	6.80	6.28	5.76	5.24	4.73	4.21
316	336	11.14	10.62	10.11	9.59	9.07	8.56	8.04	7.52	7.00	6.49	5.97
336	356	13.02	12.50	11.98	11.47	10.95	10.43	9.91	9.40	8.88	8.36	7.85

356 and over (Use Method B - Exact Calculation Method)

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

METHOD B - EXACT CALCULATION METHOD

This method is based upon applying a given percentage to the wages (after deductions) which fall within a taxable income class, adding to this product the accumulated tax for all lower tax brackets; and then subtracting a tax credit based upon the number of allowances claimed on the *Employee's Withholding Allowance Certificate* (Form W-4 or DE 4). **This method also takes into consideration the special treatment of additional allowances for estimated deductions.**

The steps in computing the amount of tax to be withheld are as follows:

Step 1 Determine if the employee's gross wages are **less** than, or equal to, the amount shown in "TABLE 1 - LOW INCOME EXEMPTION TABLE." If so, no income tax is required to be withheld.

Step 2 If the employee claims any additional withholding allowances for estimated deductions on a DE 4, subtract the amount shown in "TABLE 2 - ESTIMATED DEDUCTION TABLE" from the gross wages.

Step 3 Subtract the standard deduction amount shown in "TABLE 3 - STANDARD DEDUCTION TABLE" to arrive at the employee's taxable income.

Step 4 Use "TABLE 5 - TAX RATE TABLE" for the payroll period and marital status to find the applicable line on which the taxable income is located. Perform the indicated calculations to arrive at the computed tax liability.

Step 5 Subtract the tax credit shown in "TABLE 4 - EXEMPTION ALLOWANCE TABLE"* from the computed tax liability to arrive at the amount of tax to be withheld.

*If the employee uses additional allowances claimed for estimated deductions, such allowances **MUST NOT** be used in the determination of tax credits to be subtracted.

EXAMPLE A: Weekly earnings of $210, single, and claiming one withholding allowance on Form W-4 or DE 4.

Step 1 Earnings for the weekly payroll period are LESS than the amount shown in "TABLE 1 - LOW INCOME EXEMPTION TABLE" ($289); therefore, no income tax is to be withheld.

EXAMPLE B: Biweekly earnings of $1,250, married, and claiming three withholding allowances, one of which is for estimated deductions.

Step 1 Earnings for the biweekly payroll period are GREATER than the amount shown in "TABLE 1 - LOW INCOME EXEMPTION TABLE" ($1,157); therefore, income tax should be withheld.

Step 2	Earnings for biweekly payroll period:	$1,250.00
	Subtract amount from "TABLE 2 - ESTIMATED DEDUCTION TABLE:"	-38.00
	Salaries and wages subject to withholding:	$1,212.00
Step 3	Subtract amount from "TABLE 3 - STANDARD DEDUCTION TABLE:"	-349.00
	Taxable income:	$863.00
Step 4	Tax computation from "TABLE 5 - TAX RATE TABLE:"	
	Entry covering $863 (over $676 but not over $1,608).	
	• 2.2% amount over $676 (.022 x [$863 – $676]):	$4.11
	• Plus the marginal amount:	+7.44
	• Computed tax:	11.55
Step 5	Subtract amount from "TABLE 4 - EXEMPTION ALLOWANCE TABLE" for two regular withholding allowances:	-10.32
	Net amount of tax to be withheld:	$1.23

NOTE: Table 5 provides a method comparable to the federal alternative method for percentage calculation of withholding. This method is a minor simplification of the exact calculation method described above in that the tax rate applies to the total taxable income with the excess amount subtracted.

METHOD B - EXACT CALCULATION METHOD (CONTINUED)

EXAMPLE C: Monthly earnings of $4,100 married, and claiming five withholding allowances on Form W-4 or DE 4.

Step 1	Earnings for the monthly payroll period are GREATER than the amount shown in "TABLE 1 - LOW INCOME EXEMPTION TABLE" ($2,507.00); therefore, income tax should be withheld.	
	Earnings for monthly payroll period:	$4,100.00
Step 2	Not applicable - no estimated deduction allowance claimed.	
Step 3	Subtract amount from "TABLE 3 - STANDARD DEDUCTION TABLE:"	-756.00
	Taxable income:	$3,344.00
Step 4	Tax computation from "TABLE 5 - TAX RATE TABLE:"	
	• Entry covering $3,344 (over $1,468 but not over $3,480).	
	• 2.2% of amount over $1,468 (.022 x [$3,344 - $1,468]):	$41.27
	• Plus marginal tax amount:	+16.15
	• Computed tax:	$57.42
Step 5	Subtract amount from "TABLE 4 – EXEMPTION ALLOWANCE TABLE" for five regular withholding allowances:	-55.92
	Net amount of tax to be withheld:	$1.50

EXAMPLE D: Weekly earnings of $800, unmarried head of household, three withholding allowances on Form W-4 or DE 4.

Step 1	Earnings for the weekly payroll period are GREATER than the amount shown in "TABLE 1 - LOW INCOME EXEMPTION TABLE" ($579); therefore, income tax should be withheld.	
	Earnings for weekly payroll period:	$800.00
Step 2	Not applicable - no estimated deduction allowance claimed.	
Step 3	Subtract amount from "TABLE 3 - STANDARD DEDUCTION TABLE"	-175.00
	Taxable income:	$625.00
Step 4	Tax computation from "TABLE 5 - TAX RATE TABLE":	
	• Entry covering $625 (over $339 but not over $803).	
	• 2.2% of amount over $339 (.022 x [$625 - $339]):	$6.29
	• Plus marginal tax amount:	+ 3.73
	• Computed tax:	$10.02
Step 5	Subtract amount from "TABLE 4 - EXEMPTION ALLOWANCE TABLE" for three regular withholding allowances.	- 7.74
	Net amount of tax to be withheld.	$2.28

EXAMPLE E: Semi-monthly earnings of $1,800, married, and claiming four allowances on Form W-4 or DE 4.

Step 1	Earnings for the semi-monthly payroll period are GREATER than the amount shown in "TABLE 1 - LOW INCOME EXEMPTION TABLE" ($1,253); therefore, income tax should be withheld.	
	Annualized wages and salary (24 x $1,800):	$43,200.00
Step 2	Not applicable - no estimated deduction allowance claimed.	
Step 3	Subtract amount from "TABLE 3 - STANDARD DEDUCTION TABLE:"	-9,074.00
	Taxable income:	$34,126.00
Step 4	Tax computation from "TABLE 5 - TAX RATE TABLE:"	
	• Entry covering $34,126 (over $17,618 but not over $41,766).	
	• 2.2% of amount over $34,126 (.022 x [$34,126 - $17,618]):	$363.18
	• Plus marginal tax amount:	+193.80
	• Computed annual tax:	$556.98
Step 5	Subtract amount from "TABLE 4 - EXEMPTION ALLOWANCE TABLE" for four regular withholding allowances:	-536.80
	Annual amount of tax to be withheld:	$20.18
	Divide by number of payroll periods in year (24):	$0.84

NOTE: Employers may determine the amount of income tax to be withheld for an annual payroll period and prorate the tax back to the payroll period. This method may be useful to employers who have employees being paid for more than one payroll period and want to conserve computer memory by storing only the annual tax rates, wage brackets, deduction values, and tax credits.

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

METHOD B - EXACT CALCULATION METHOD (CONTINUED)

EXAMPLE F: Annual earnings of $45,000, monthly pay period, married, and claiming four allowances on Form W-4 or DE 4.

Step 1	Earnings for the annual payroll period are GREATER than the amount shown in "TABLE 1 - LOW INCOME EXEMPTION TABLE" ($30,083); therefore, income tax should be withheld.	
	Annualized wages and/or monthly salary (12 x $3,750):	$45,000.00
Step 2	Not applicable - no estimated deduction allowance claimed.	
Step 3	Subtract amount from "TABLE 3 - STANDARD DEDUCTION TABLE:"	- 9,074.00
	Taxable income:	$35,926.00
Step 4	Tax computation from “TABLE 5 - TAX RATE TABLE:”	
	• Entry covering $35,926 (over $17,618 but not over $41,766).	
	• 2.2% of amount over $17,618 (.022 x [$35,926 - $17,618]):	$402.78
	• Plus marginal tax amount:	+193.80
	• Computed annual tax:	$596.58
Step 5	Subtract amount from "TABLE 4 - EXEMPTION ALLOWANCE TABLE" for four regular withholding allowances:	-536.80
	Annual amount of tax to be withheld:	$59.78
	Divide by number of payroll periods in year (12):	$4.98

NOTE: Employers may determine the amount of income tax to be withheld for an annual payroll period and figure the tax for the payroll period. This method may be useful to employers who have employees being paid for a lump sum, or a yearly amount not withheld on; and want to conserve computer memory by storing only the annual tax rates, wage brackets, deduction values, and tax credits.

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

METHOD B---EXACT CALCULATION METHOD

TABLE 1 - LOW INCOME EXEMPTION TABLE

PAYROLL PERIOD	SINGLE, DUAL INCOME MARRIED OR MARRIED WITH MULTIPLE EMPLOYERS	MARRIED ALLOWANCES ON DE 4 OR W-4 '0' OR '1'	MARRIED ALLOWANCES ON DE 4 OR W-4 '2' OR MORE	UNMARRIED HEAD OF HOUSEHOLD
WEEKLY	$289	$289	$579	$579
BIWEEKLY	$579	$579	$1,157	$1,157
SEMI-MONTHLY	$627	$627	$1,253	$1,253
MONTHLY	$1,254	$1,254	$2,507	$2,507
QUARTERLY	$3,761	$3,761	$7,521	$7,521
SEMI-ANNUAL	$7,521	$7,521	$15,042	$15,042
ANNUAL	$15,042	$15,042	$30,083	$30,083
DAILY/MISCELLANEOUS	$58	$58	$116	$116

TABLE 2- ESTIMATED DEDUCTION TABLE

ADDITIONAL WITHHOLDING ALLOWANCES *	PAYROLL PERIOD WEEKLY	BI-WEEKLY	SEMI-MONTHLY	MONTHLY	QUARTERLY	SEMI-ANNUAL	ANNUAL	DAILY/ MISC.
1	$19	$38	$42	$83	$250	$500	$1,000	$4
2	$38	$77	$83	$167	$500	$1,000	$2,000	$8
3	$58	$115	$125	$250	$750	$1,500	$3,000	$12
4	$77	$154	$167	$333	$1,000	$2,000	$4,000	$15
5	$96	$192	$208	$417	$1,250	$2,500	$5,000	$19
6	$115	$231	$250	$500	$1,500	$3,000	$6,000	$23
7	$135	$269	$292	$583	$1,750	$3,500	$7,000	$27
8	$154	$308	$333	$667	$2,000	$4,000	$8,000	$31
9	$173	$346	$375	$750	$2,250	$4,500	$9,000	$35
10**	$192	$385	$417	$833	$2,500	$5,000	$10,000	$38

*Number of Additional Withholding Allowances for Estimated Deductions claimed on Form DE 4 or W-4.

**If the number of Additional Withholding Allowances for Estimated Deductions claimed is greater than 10, multiply the amount shown for one Additional Allowance by the number claimed.

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

METHOD B---EXACT CALCULATION METHOD

TABLE 3 - STANDARD DEDUCTION TABLE

PAYROLL PERIOD	SINGLE, DUAL INCOME MARRIED OR MARRIED WITH MULTIPLE EMPLOYERS	MARRIED ALLOWANCES ON DE 4 OR W-4 '0' OR '1'	MARRIED ALLOWANCES ON DE 4 OR W-4 '2' OR MORE	UNMARRIED HEAD OF HOUSEHOLD
WEEKLY	$87	$87	$175	$175
BIWEEKLY	$175	$175	$349	$349
SEMI-MONTHLY	$189	$189	$378	$378
MONTHLY	$378	$378	$756	$756
QUARTERLY	$1,134	$1,134	$2,269	$2,269
SEMI-ANNUAL	$2,269	$2,269	$4,537	$4,537
ANNUAL	$4,537	$4,537	$9,074	$9,074
DAILY/MISCELLANEOUS	$17	$17	$35	$35

TABLE 4 - EXEMPTION ALLOWANCE TABLE

ALLOWANCES ON DE 4 OR W-4	PAYROLL PERIOD WEEKLY	BI-WEEKLY	SEMI-MONTHLY	MONTHLY	QUARTERLY	SEMI-ANNUAL	ANNUAL	DAILY/ MISC.
0	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
1	$2.58	$5.16	$5.59	$11.18	$33.55	$67.10	$134.20	$0.52
2	$5.16	$10.32	$11.18	$22.37	$67.10	$134.20	$268.40	$1.03
3	$7.74	$15.48	$16.78	$33.55	$100.65	$201.30	$402.60	$1.55
4	$10.32	$20.65	$22.37	$44.73	$134.20	$268.40	$536.80	$2.06
5	$12.90	$25.81	$27.96	$55.92	$167.75	$335.50	$671.00	$2.58
6	$15.48	$30.97	$33.55	$67.10	$201.30	$402.60	$805.20	$3.10
7	$18.07	$36.13	$39.14	$78.28	$234.85	$469.70	$939.40	$3.61
8	$20.65	$41.29	$44.73	$89.47	$268.40	$536.80	$1,073.60	$4.13
9	$23.23	$46.45	$50.33	$100.65	$301.95	$603.90	$1,207.80	$4.65
10*	$25.81	$51.62	$55.92	$111.83	$335.50	$671.00	$1,342.00	$5.16

* If the number of allowances claimed exceeds 10, you may determine the amount of tax credit to be allowed by multiplying the amount for one allowance by the total number of allowances.

For example, the amount of tax credit for a married taxpayer with 15 allowances, as determined on Form DE 4 or W-4, on a weekly payroll period would be $38.70.

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

METHOD B---EXACT CALCULATION METHOD

TABLE 5 - TAX RATE TABLE

ANNUAL PAYROLL PERIOD

SINGLE PERSONS, DUAL INCOME MARRIED, OR MARRIED WITH MULTIPLE EMPLOYERS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$8,809 ...	1.100%	$0	$0.00
$8,809	$20,883 ...	2.200%	$8,809	$96.90
$20,883	$32,960 ...	4.400%	$20,883	$362.53
$32,960	$45,753 ...	6.600%	$32,960	$893.92
$45,753	$57,824 ...	8.800%	$45,753	$1,738.26
$57,824	$295,373 ...	10.230%	$57,824	$2,800.51
$295,373	$354,445 ...	11.330%	$295,373	$27,101.77
$354,445	$590,742 ...	12.430%	$354,445	$33,794.63
$590,742	$1,000,000 ...	13.530%	$590,742	$63,166.35
$1,000,000	and over ...	14.630%	$1,000,000	$118,538.96

MARRIED PERSONS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$17,618 ...	1.100%	$0	$0.00
$17,618	$41,766 ...	2.200%	$17,618	$193.80
$41,766	$65,920 ...	4.400%	$41,766	$725.06
$65,920	$91,506 ...	6.600%	$65,920	$1,787.84
$91,506	$115,648 ...	8.800%	$91,506	$3,476.52
$115,648	$590,746 ...	10.230%	$115,648	$5,601.02
$590,746	$708,890 ...	11.330%	$590,746	$54,203.55
$708,890	$1,000,000 ...	12.430%	$708,890	$67,589.27
$1,000,000	$1,181,484 ...	13.530%	$1,000,000	$103,774.24
$1,181,484	and over …	14.630%	$1,181,484	$128,329.03

UNMARRIED/HEAD OF HOUSEHOLD

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$17,629 ...	1.100%	$0	$0.00
$17,629	$41,768 ...	2.200%	$17,629	$193.92
$41,768	$53,843 ...	4.400%	$41,768	$724.98
$53,843	$66,636 ...	6.600%	$53,843	$1,256.28
$66,636	$78,710 ...	8.800%	$66,636	$2,100.62
$78,710	$401,705 ...	10.230%	$78,710	$3,163.13
$401,705	$482,047 ...	11.330%	$401,705	$36,205.52
$482,047	$803,410 ...	12.430%	$482,047	$45,308.27
$803,410	$1,000,000 ...	13.530%	$803,410	$85,253.69
$1,000,000	and over ...	14.630%	$1,000,000	$111,852.32

DAILY / MISCELLANEOUS PAYROLL PERIOD

SINGLE PERSONS, DUAL INCOME MARRIED, OR MARRIED WITH MULTIPLE EMPLOYERS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$34 ...	1.100%	$0	$0.00
$34	$80 ...	2.200%	$34	$0.37
$80	$127 ...	4.400%	$80	$1.38
$127	$176 ...	6.600%	$127	$3.45
$176	$222 ...	8.800%	$176	$6.68
$222	$1,136 ...	10.230%	$222	$10.73
$1,136	$1,363 ...	11.330%	$1,136	$104.23
$1,363	$2,272 ...	12.430%	$1,363	$129.95
$2,272	$3,846 ...	13.530%	$2,272	$242.94
$3,846	and over ...	14.630%	$3,846	$455.90

MARRIED PERSONS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$68 ...	1.100%	$0	$0.00
$68	$160 ...	2.200%	$68	$0.75
$160	$254 ...	4.400%	$160	$2.77
$254	$352 ...	6.600%	$254	$6.91
$352	$444 ...	8.800%	$352	$13.38
$444	$2,272 ...	10.230%	$444	$21.48
$2,272	$2,726 ...	11.330%	$2,272	$208.48
$2,726	$3,846 ...	12.430%	$2,726	$259.92
$3,846	$4,544 ...	13.530%	$3,846	$399.14
$4,544	and over …	14.630%	$4,544	$493.58

UNMARRIED/HEAD OF HOUSEHOLD

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$68 ...	1.100%	$0	$0.00
$68	$161 ...	2.200%	$68	$0.75
$161	$207 ...	4.400%	$161	$2.80
$207	$256 ...	6.600%	$207	$4.82
$256	$303 ...	8.800%	$256	$8.05
$303	$1,545 ...	10.230%	$303	$12.19
$1,545	$1,854 ...	11.330%	$1,545	$139.25
$1,854	$3,090 ...	12.430%	$1,854	$174.26
$3,090	$3,846 ...	13.530%	$3,090	$327.89
$3,846	and over ...	14.630%	$3,846	$430.18

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

METHOD B---EXACT CALCULATION METHOD

TABLE 5 - TAX RATE TABLE

QUARTERLY PAYROLL PERIOD

SINGLE PERSONS, DUAL INCOME MARRIED,
OR MARRIED WITH MULTIPLE EMPLOYERS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$2,202 ...	1.100%	$0	$0.00
$2,202	$5,221 ...	2.200%	$2,202	$24.22
$5,221	$8,240 ...	4.400%	$5,221	$90.64
$8,240	$11,438 ...	6.600%	$8,240	$223.48
$11,438	$14,456 ...	8.800%	$11,438	$434.55
$14,456	$73,843 ...	10.230%	$14,456	$700.13
$73,843	$88,611 ...	11.330%	$73,843	$6,775.42
$88,611	$147,686 ...	12.430%	$88,611	$8,448.63
$147,686	$250,000 ...	13.530%	$147,686	$15,791.65
$250,000	and over ...	14.630%	$250,000	$29,634.73

MARRIED PERSONS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$4,404 ...	1.100%	$0	$0.00
$4,404	$10,442 ...	2.200%	$4,404	$48.44
$10,442	$16,480 ...	4.400%	$10,442	$181.28
$16,480	$22,876 ...	6.600%	$16,480	$446.95
$22,876	$28,912 ...	8.800%	$22,876	$869.09
$28,912	$147,686 ...	10.230%	$28,912	$1,400.26
$147,686	$177,222 ...	11.330%	$147,686	$13,550.84
$177,222	$250,000 ...	12.430%	$177,222	$16,897.27
$250,000	$295,371 ...	13.530%	$250,000	$25,943.58
$295,371	and over ...	14.630%	$295,371	$32,082.28

UNMARRIED/HEAD OF HOUSEHOLD

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$4,407 ...	1.100%	$0	$0.00
$4,407	$10,442 ...	2.200%	$4,407	$48.48
$10,442	$13,461 ...	4.400%	$10,442	$181.25
$13,461	$16,659 ...	6.600%	$13,461	$314.09
$16,659	$19,678 ...	8.800%	$16,659	$525.16
$19,678	$100,426 ...	10.230%	$19,678	$790.83
$100,426	$120,512 ...	11.330%	$100,426	$9,051.35
$120,512	$200,853 ...	12.430%	$120,512	$11,327.09
$200,853	$250,000 ...	13.530%	$200,853	$21,313.48
$250,000	and over ...	14.630%	$250,000	$27,963.07

SEMI-ANNUAL PAYROLL PERIOD

SINGLE PERSONS, DUAL INCOME MARRIED,
OR MARRIED WITH MULTIPLE EMPLOYERS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$4,404 ...	1.100%	$0	$0.00
$4,404	$10,442 ...	2.200%	$4,404	$48.44
$10,442	$16,480 ...	4.400%	$10,442	$181.28
$16,480	$22,876 ...	6.600%	$16,480	$446.95
$22,876	$28,912 ...	8.800%	$22,876	$869.09
$28,912	$147,686 ...	10.230%	$28,912	$1,400.26
$147,686	$177,222 ...	11.330%	$147,686	$13,550.84
$177,222	$295,372 ...	12.430%	$177,222	$16,897.27
$295,372	$500,000 ...	13.530%	$295,372	$31,583.32
$500,000	and over ...	14.630%	$500,000	$59,269.49

MARRIED PERSONS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$8,808 ...	1.100%	$0	$0.00
$8,808	$20,884 ...	2.200%	$8,808	$96.89
$20,884	$32,960 ...	4.400%	$20,884	$362.56
$32,960	$45,752 ...	6.600%	$32,960	$893.90
$45,752	$57,824 ...	8.800%	$45,752	$1,738.17
$57,824	$295,372 ...	10.230%	$57,824	$2,800.51
$295,372	$354,444 ...	11.330%	$295,372	$27,101.67
$354,444	$500,000 ...	12.430%	$354,444	$33,794.53
$500,000	$590,742 ...	13.530%	$500,000	$51,887.14
$590,742	and over ...	14.630%	$590,742	$64,164.53

UNMARRIED/HEAD OF HOUSEHOLD

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$8,814 ...	1.100%	$0	$0.00
$8,814	$20,884 ...	2.200%	$8,814	$96.95
$20,884	$26,922 ...	4.400%	$20,884	$362.49
$26,922	$33,318 ...	6.600%	$26,922	$628.16
$33,318	$39,356 ...	8.800%	$33,318	$1,050.30
$39,356	$200,852 ...	10.230%	$39,356	$1,581.64
$200,852	$241,024 ...	11.330%	$200,852	$18,102.68
$241,024	$401,706 ...	12.430%	$241,024	$22,654.17
$401,706	$500,000 ...	13.530%	$401,706	$42,626.94
$500,000	and over ...	14.630%	$500,000	$55,926.12

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

METHOD B---EXACT CALCULATION METHOD

TABLE 5 - TAX RATE TABLE

SEMI-MONTHLY PAYROLL PERIOD

SINGLE PERSONS, DUAL INCOME MARRIED, OR MARRIED WITH MULTIPLE EMPLOYERS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$367 ...	1.100%	$0	$0.00
$367	$870 ...	2.200%	$367	$4.04
$870	$1,373 ...	4.400%	$870	$15.11
$1,373	$1,906 ...	6.600%	$1,373	$37.24
$1,906	$2,409 ...	8.800%	$1,906	$72.42
$2,409	$12,307 ...	10.230%	$2,409	$116.68
$12,307	$14,769 ...	11.330%	$12,307	$1,129.25
$14,769	$24,614 ...	12.430%	$14,769	$1,408.19
$24,614	$41,667 ...	13.530%	$24,614	$2,631.92
$41,667	and over ...	14.630%	$41,667	$4,939.19

MARRIED PERSONS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$734 ...	1.100%	$0	$0.00
$734	$1,740 ...	2.200%	$734	$8.07
$1,740	$2,746 ...	4.400%	$1,740	$30.20
$2,746	$3,812 ...	6.600%	$2,746	$74.46
$3,812	$4,818 ...	8.800%	$3,812	$144.82
$4,818	$24,614 ...	10.230%	$4,818	$233.35
$24,614	$29,538 ...	11.330%	$24,614	$2,258.48
$29,538	$41,667 ...	12.430%	$29,538	$2,816.37
$41,667	$49,229 ...	13.530%	$41,667	$4,324.00
$49,229	and over ...	14.630%	$49,229	$5,347.14

UNMARRIED/HEAD OF HOUSEHOLD

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$735 ...	1.100%	$0	$0.00
$735	$1,740 ...	2.200%	$735	$8.09
$1,740	$2,243 ...	4.400%	$1,740	$30.20
$2,243	$2,777 ...	6.600%	$2,243	$52.33
$2,777	$3,280 ...	8.800%	$2,777	$87.57
$3,280	$16,738 ...	10.230%	$3,280	$131.83
$16,738	$20,085 ...	11.330%	$16,738	$1,508.58
$20,085	$33,475 ...	12.430%	$20,085	$1,887.80
$33,475	$41,667 ...	13.530%	$33,475	$3,552.18
$41,667	and over ...	14.630%	$41,667	$4,660.56

MONTHLY PAYROLL PERIOD

SINGLE PERSONS, DUAL INCOME MARRIED, OR MARRIED WITH MULTIPLE EMPLOYERS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$734 ...	1.100%	$0	$0.00
$734	$1,740 ...	2.200%	$734	$8.07
$1,740	$2,746 ...	4.400%	$1,740	$30.20
$2,746	$3,812 ...	6.600%	$2,746	$74.46
$3,812	$4,818 ...	8.800%	$3,812	$144.82
$4,818	$24,614 ...	10.230%	$4,818	$233.35
$24,614	$29,538 ...	11.330%	$24,614	$2,258.48
$29,538	$49,228 ...	12.430%	$29,538	$2,816.37
$49,228	$83,334 ...	13.530%	$49,228	$5,263.84
$83,334	and over ...	14.630%	$83,334	$9,878.38

MARRIED PERSONS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$1,468 ...	1.100%	$0	$0.00
$1,468	$3,480 ...	2.200%	$1,468	$16.15
$3,480	$5,492 ...	4.400%	$3,480	$60.41
$5,492	$7,624 ...	6.600%	$5,492	$148.94
$7,624	$9,636 ...	8.800%	$7,624	$289.65
$9,636	$49,228 ...	10.230%	$9,636	$466.71
$49,228	$59,076 ...	11.330%	$49,228	$4,516.97
$59,076	$83,334 ...	12.430%	$59,076	$5,632.75
$83,334	$98,458 ...	13.530%	$83,334	$8,648.02
$98,458	and over ...	14.630%	$98,458	$10,694.30

UNMARRIED/HEAD OF HOUSEHOLD

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$1,470 ...	1.100%	$0	$0.00
$1,470	$3,480 ...	2.200%	$1,470	$16.17
$3,480	$4,486 ...	4.400%	$3,480	$60.39
$4,486	$5,554 ...	6.600%	$4,486	$104.65
$5,554	$6,560 ...	8.800%	$5,554	$175.14
$6,560	$33,476 ...	10.230%	$6,560	$263.67
$33,476	$40,170 ...	11.330%	$33,476	$3,017.18
$40,170	$66,950 ...	12.430%	$40,170	$3,775.61
$66,950	$83,334 ...	13.530%	$66,950	$7,104.36
$83,334	and over ...	14.630%	$83,334	$9,321.12

CALIFORNIA WITHHOLDING SCHEDULES FOR 2020

METHOD B---EXACT CALCULATION METHOD

TABLE 5 - TAX RATE TABLE

WEEKLY PAYROLL PERIOD

SINGLE PERSONS, DUAL INCOME MARRIED,
OR MARRIED WITH MULTIPLE EMPLOYERS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$169 ...	1.100%	$0	$0.00
$169	$402 ...	2.200%	$169	$1.86
$402	$634 ...	4.400%	$402	$6.99
$634	$880 ...	6.600%	$634	$17.20
$880	$1,112 ...	8.800%	$880	$33.44
$1,112	$5,680 ...	10.230%	$1,112	$53.86
$5,680	$6,816 ...	11.330%	$5,680	$521.17
$6,816	$11,360 ...	12.430%	$6,816	$649.88
$11,360	$19,231 ...	13.530%	$11,360	$1,214.70
$19,231	and over ...	14.630%	$19,231	$2,279.65

MARRIED PERSONS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$338 ...	1.100%	$0	$0.00
$338	$804 ...	2.200%	$338	$3.72
$804	$1,268 ...	4.400%	$804	$13.97
$1,268	$1,760 ...	6.600%	$1,268	$34.39
$1,760	$2,224 ...	8.800%	$1,760	$66.86
$2,224	$11,360 ...	10.230%	$2,224	$107.69
$11,360	$13,632 ...	11.330%	$11,360	$1,042.30
$13,632	$19,231 ...	12.430%	$13,632	$1,299.72
$19,231	$22,721 ...	13.530%	$19,231	$1,995.68
$22,721	and over ...	14.630%	$22,721	$2,467.88

UNMARRIED/HEAD OF HOUSEHOLD

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$339 ...	1.100%	$0	$0.00
$339	$803 ...	2.200%	$339	$3.73
$803	$1,035 ...	4.400%	$803	$13.94
$1,035	$1,281 ...	6.600%	$1,035	$24.15
$1,281	$1,514 ...	8.800%	$1,281	$40.39
$1,514	$7,725 ...	10.230%	$1,514	$60.89
$7,725	$9,270 ...	11.330%	$7,725	$696.28
$9,270	$15,450 ...	12.430%	$9,270	$871.33
$15,450	$19,231 ...	13.530%	$15,450	$1,639.50
$19,231	and over ...	14.630%	$19,231	$2,151.07

BIWEEKLY PAYROLL PERIOD

SINGLE PERSONS, DUAL INCOME MARRIED,
OR MARRIED WITH MULTIPLE EMPLOYERS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$338 ...	1.100%	$0	$0.00
$338	$804 ...	2.200%	$338	$3.72
$804	$1,268 ...	4.400%	$804	$13.97
$1,268	$1,760 ...	6.600%	$1,268	$34.39
$1,760	$2,224 ...	8.800%	$1,760	$66.86
$2,224	$11,360 ...	10.230%	$2,224	$107.69
$11,360	$13,632 ...	11.330%	$11,360	$1,042.30
$13,632	$22,720 ...	12.430%	$13,632	$1,299.72
$22,720	$38,462 ...	13.530%	$22,720	$2,429.36
$38,462	and over ...	14.630%	$38,462	$4,559.25

MARRIED PERSONS

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$676 ...	1.100%	$0	$0.00
$676	$1,608 ...	2.200%	$676	$7.44
$1,608	$2,536 ...	4.400%	$1,608	$27.94
$2,536	$3,520 ...	6.600%	$2,536	$68.77
$3,520	$4,448 ...	8.800%	$3,520	$133.71
$4,448	$22,720 ...	10.230%	$4,448	$215.37
$22,720	$27,264 ...	11.330%	$22,720	$2,084.60
$27,264	$38,462 ...	12.430%	$27,264	$2,599.44
$38,462	$45,442 ...	13.530%	$38,462	$3,991.35
$45,442	and over ...	14.630%	$45,442	$4,935.74

UNMARRIED/HEAD OF HOUSEHOLD

IF THE TAXABLE INCOME IS... OVER	BUT NOT OVER	THE COMPUTED TAX IS... OF AMOUNT OVER...	PLUS	
$0	$678 ...	1.100%	$0	$0.00
$678	$1,606 ...	2.200%	$678	$7.46
$1,606	$2,070 ...	4.400%	$1,606	$27.88
$2,070	$2,562 ...	6.600%	$2,070	$48.30
$2,562	$3,028 ...	8.800%	$2,562	$80.77
$3,028	$15,450 ...	10.230%	$3,028	$121.78
$15,450	$18,540 ...	11.330%	$15,450	$1,392.55
$18,540	$30,900 ...	12.430%	$18,540	$1,742.65
$30,900	$38,462 ...	13.530%	$30,900	$3,279.00
$38,462	and over ...	14.630%	$38,462	$4,302.14

E-FILE AND E-PAY MANDATE

California passed Assembly Bill (AB) 1245 (Chapter 222, Statutes of 2015) requiring all employers to electronically submit employment tax returns, wage reports, and payroll tax deposits to the Employment Development Department. Depending on the number of employees, the requirement was phased-in as follows:

- January 1, 2017 - Employers with 10 or more employees are required to electronically submit employment tax returns, wage reports, and payroll tax deposits.
- January 1, 2018 - All remaining employers are required to electronically file and pay.
- January 1, 2019 - Noncompliance penalties will be charged in accordance with sections 1112(b), 1112.1(a) and 1114(b) of the California Unemployment Insurance Code (CUIC), in addition to any other penalties imposed by the CUIC.

Benefits of Electronic Filing and Payment

- Increases data accuracy.
- Protects data through encryption.
- Reduces paper and mailing cost.
- Eliminates lost mail.

Penalty	
Paper Submittal	**Penalty**
Tax Return: • *Quarterly Contribution Return and Report of Wages* (DE 9) • *Employer of Household Worker(s) Annual Payroll Tax Return* (DE 3HW) • *Quarterly Contribution Return* (DE 3D)	$50 per return
Wage Report: • *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C) • *Employer of Household Worker(s) Quarterly Report of Wages and Withholdings* (DE 3BHW)	$20 per wage item
Payroll Tax Deposit: • *Payroll Tax Deposit* (DE 88)	15% of amount due

Waiver

Employers may request a waiver from the mandate due to lack of automation, severe economic hardship, current exemption from the federal government, or other good cause. You can download the ***E-file and E-pay Mandate Waiver Request* (DE 1245W)** (edd.ca.gov/pdf_pub_ctr/de1245w.pdf), order the waiver online at **Forms** (edd.ca.gov/forms), or contact the Taxpayer Assistance Center at 1-888-745-3886. Instructions and mailing address are on the waiver request form.

For more information, visit **e-file and e-pay mandate** and **related noncompliance penalties** (edd.ca.gov/EfileMandate).

Enroll in **e-Services for Business** (edd.ca.gov/e-Services_for_Business)
to help you meet the requirements
of the e-file and e-pay mandate.
Fast, easy, and secure!

ONLINE SERVICES

e-Services for Business

e-Services for Business allows employers and employer representatives/payroll agents to manage employer payroll tax accounts online at no cost. With a simple one-time enrollment, e-Services for Business can be used to electronically submit employment tax returns, wage reports, and payments 24 hours a day, 7 days a week.

Enroll in **e-Services for Business** today
(edd.ca.gov/e-Services_for_Business).
Fast, easy, and secure!

Features:

- Register for an employer payroll tax account number.
- File, adjust, and print returns/reports.
- Make payments.
- View and update account information.
- Close or re-open an employer payroll tax account.
- View notices and letters regarding registration, payments, returns, and more.
- File an Unemployment Insurance (UI) benefit charge or UI rate protest.
- File a *Power of Attorney (POA) Declaration* (DE 48).
- File a *Report of New Employee(s)* (DE 34).*
- File a *Report of Independent Contractor(s)* (DE 542).*

Benefits:

- Fulfills the e-file and e-pay mandate for employers.
- No cost to enroll and use.
- Provides confirmation when your return, report, or payment is received.
- Saves time by saving basic account information for future transactions.
- Reduces paper and mailing cost.

*The DE 34 and DE 542 may be filed from 5 a.m. to 12 midnight, Pacific Time, 7 days a week. All other services on this may be accessed 24 hours a day, 7 days a week.

Additional e-Services for Business Information	
View tutorials on how to:	View answers to frequently asked questions about:
• Enroll for a username and password. • Register for an employer payroll tax account number. • File an employment tax return/wage report. • Make a payroll tax deposit. • And more. Visit **e-Services for Business Tutorials** (edd.ca.gov/payroll_taxes/e-Services_for_Business_tutorials.htm) for more!	• Recovering username and/or resetting password. • Handling lock-outs. • Updating account information. • Closing or reopening an employer payroll tax account. • And more. **Frequently Asked Questions** (edd.ca.gov/payroll_taxes/FAQ_-_e-Services_for_Business.htm).

Taxpayer Assistance Center
1-888-745-3886
Enroll in **e-Services for Business**
(edd.ca.gov/e-Services_for_Business).

Express Pay

Employers and employer representatives/payroll agents can make electronic tax payments with no enrollment necessary. Just enter an employer payroll tax account number or letter ID and payment information to submit a payroll tax deposit or account payment online, visit (edd.ca.gov/Payroll_Taxes/File_and_Pay) to make a payment today.

e-Services for Business Tutorials and User Guide

The EDD has created **tutorials** (edd.ca.gov/payroll_taxes/e-Services_for_Business_tutorials.htm) so employers and employer representatives/payroll agents can become familiar with e-Services for Business.

The ***e-Services for Business User Guide* (DE 160)** at (edd.ca.gov/pdf_pub_ctr/de160.pdf) provides detailed step-by-step instructions on how to complete common tasks within e-Services for Business such as, creating a username and password, filing a tax return and wage report, making a payroll tax deposit, and more.

Frequently Asked Questions (FAQs)

For answers to frequently asked questions regarding our electronic services, such as filing returns and reports, making payments, bulk transfer options, and more, visit (edd.ca.gov/payroll_taxes/FAQ_-_e-Services_for_Business).

For more information regarding **e-Services for Business** (edd.ca.gov/e-Services_for_Business) contact the Taxpayer Assistance Center at 1-888-745-3886.

For the latest news and helpful information,
refer to the online quarterly **California Employer Newsletter**
(edd.ca.gov/payroll_taxes/california_employer_newsletter.htm).

REQUIRED FORMS

Under California law, you are required to report specific information periodically or upon notification or request. Timely filing of the required forms will avoid penalty and interest charges. In addition, it will enable the Employment Development Department (EDD) to pay Unemployment Insurance, State Disability Insurance, and Paid Family Leave benefits. Timely filing also assists the California Department of Child Support Services and the Department of Justice in the collection of delinquent child support obligations.

The required reporting forms are:

- *Report of New Employee(s)* (DE 34)
- *Report of Independent Contractor(s)* (DE 542)
- *Payroll Tax Deposit* (DE 88)
- *Quarterly Contribution Return and Report of Wages* (DE 9)
- *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C)

REPORT OF NEW EMPLOYEE(S) (DE 34)

Overview

All employers are required by law to report all newly hired or rehired employees to the New Employee Registry (NER) wit
wages.

- **NEWLY HIRED** employees are those individuals who have not previously been included on your payroll.
- **REHIRED** employees are those individuals who were previously included on your payroll, left your employment, and were rehired after a separation of at least 60 consecutive days.

If you acquire an ongoing business and employ any of the former employees, they are considered new hires, and you should report them to the EDD's NER. The NER assists California's Department of Child Support Services and Department of Justice in locating parents to collect delinquent child support payments. Employers must also report the actual start-of-work date (not the date hired) for each newly hired or rehired employee so that the NER data can be cross-matched to the UI benefit payment file. This will result in the early detection and prevention of UI benefit overpayments.

Filing Options for Reporting New or Rehired Employees:

1. File through **e-Services for Business** (edd.ca.gov/e-Services_for_Business). It's fast, easy, and secure.
2. Download the **DE 34 form** (edd.ca.gov/pdf_pub_ctr/de34.pdf).
3. Order DE 34 forms using the **EDD online order form** (edd.ca.gov/forms).

When Due: You must report all newly hired or rehired employees **within 20 days** of the start-of-work date. If an employee returns to work after a layoff or leave of absence and is required to complete a new IRS *Employee's Withholding Allowance Certificate* (Form W-4), you must report the employee as a new hire. If the returning employee had been separated or removed from payroll records for at least 60 consecutive days, then you need to report the employee as a rehire.

The following information must be included when reporting new employees:

Employer Information	Employee Information
• EDD eight-digit employer payroll tax account number (if applicable) • Federal employer identification number (FEIN) • Business name • Business address • Contact person and phone number	• First name, middle initial, and last name • Social Security number • Home address • Start-of-work date

Refer to sample DE 34 form on page 54.

Filing an Informal Report
If you are not able to obtain a DE 34 by the due date, file an informal report or a copy of the employee's Form W-4 to avoid penalty and interest charges. Your informal report must include all the information listed in the table above.

Mail or fax your new employee information to:

Employment Development Department
Document Management Group, MIC 96
PO Box 997016
West Sacramento, CA 95799-7016
Fax: 1-916-319-4400

Employers who hire employees in more than one state may elect to electronically report all newly hired employees to one state in which they have employees. Multistate employers who choose to file in one state must notify the Office of **Child Support Enforcement**
(acf.hhs.gov/programs/css/resource/ocse-multistate-employer-registration-contacts).

You can file online using **e-Services for Business** (edd.ca.gov/e-Services_for_Business). It's fast, easy, and secure. **IF YOU FILE ELECTRONICALLY, DO NOT FILE A PAPER DE 34.** For additional information on new employee electronic filing, refer to the ***Electronic Filing Guide for the New Employee Registry Program* (DE 340)** (edd.ca.gov/pdf_pub_ctr/de340.pdf) or the **NER FAQs**
(edd.ca.gov/payroll_taxes/faq_-_california_new_employee_registry.htm), or contact the Taxpayer Assistance Center at 1-888-745-3886.

Employment Development Department
State of California

REPORT OF NEW EMPLOYEE(S)

NOTE: Failure to provide all of the information below may result in this form being rejected and/or a penalty being assessed.

00340600

DATE	CA EMPLOYER ACCOUNT NUMBER	BRANCH CODE	FEDERAL ID NUMBER
030420 D Y Y	00000000		xxxxxxxxx

BUSINESS NAME	CONTACT PERSON	PHONE NUMBER
EMPLOYER CITY STORE	JANE SMITH	123-555-7789

ADDRESS	STREET	CITY	STATE	ZIP CODE
PO BOX 12345		ANYTOWN	CA	12345

File this form online through **e-Services for Business** (edd.ca.gov/e-Services_for_Business).

EMPLOYEE FIRST NAME	MI	EMPLOYEE LAST NAME
	E	MILLER

STREET NUMBER	STREET NAME	UNIT/APT
	CEDAR STREET	

STATE	ZIP CODE	START-OF-WORK DATE
CA	12345	022620 D Y Y

EMPLOYEE FIRST NAME	MI	EMPLOYEE LAST NAME

SOCIAL SECURITY NUMBER	STREET NUMBER	STREET NAME	UNIT/APT

CITY	STATE	ZIP CODE	START-OF-WORK DATE
			M M D D Y Y

EMPLOYEE FIRST NAME	MI	EMPLOYEE LAST NAME

SOCIAL SECURITY NUMBER	STREET NUMBER	STREET NAME	UNIT/APT

CITY	STATE	ZIP CODE	START-OF-WORK DATE
			M M D D Y Y

EMPLOYEE FIRST NAME	MI	EMPLOYEE LAST NAME

SOCIAL SECURITY NUMBER	STREET NUMBER	STREET NAME	UNIT/APT

CITY	STATE	ZIP CODE	START-OF-WORK DATE
			M M D D Y Y

EMPLOYEE FIRST NAME	MI	EMPLOYEE LAST NAME

SOCIAL SECURITY NUMBER	STREET NUMBER	STREET NAME	UNIT/APT

CITY	STATE	ZIP CODE	START-OF-WORK DATE
			M M D D Y Y

EMPLOYEE FIRST NAME	MI	EMPLOYEE LAST NAME

SOCIAL SECURITY NUMBER	STREET NUMBER	STREET NAME	UNIT/APT

CITY	STATE	ZIP CODE	START-OF-WORK DATE
			M M D D Y Y

DE 34 Rev. 10 (3-17) **(INTERNET)** Page 1 of 2

MAIL TO: Employment Development Department / PO Box 997016, MIC 96
West Sacramento, CA 95799-7016 or fax to 916-319-4400

CU

regarding any independent contractor providing services to you or your business. The Independent Contractor Reporting (ICR) information assists California's Department of Child Support Services and Department of Justice in locating parents for the purpose of collecting delinquent child support payments. An independent contractor is an individual who is not an employee under the ABC test or statutory employee of a business and/or government entity for California purposes and who receives compensation for, or executes a contract for, services performed for a business and/or government entity, either in or outside of California.

Filing Options for Reporting Independent Contractors:

1. File through **e-services for Business** (edd.ca.gov/e-Services_for_Business). It's fast, easy, and secure.
2. Download the **DE 542** (edd.ca.gov/pdf_pub_ctr/de542.pdf).
3. Order DE 542 forms using the **EDD online order form** (edd.ca.gov/forms).

When Due: Independent contractor information must be reported to the EDD within 20 days of EITHER making payments totaling $600 or more, OR entering into a contract for $600 or more with an independent contractor in any calendar year, whichever occurs first. This is in addition to your requirement to report the total annual payments to the Internal Revenue Service on a Form 1099-MISC after the close of the calendar year.

The following information must be included when reporting independent contractors:

Business or Government Entity (Service-Recipient) Information	Independent Contractor (Service-Provider) Information
• Federal employer identification number • EDD eight-digit employer payroll tax account number (if applicable) • Social Security number (if no FEIN number or eight-digit EDD employer payroll tax account number) • Business or government entity name, address, and phone number • Contact person	• First name, middle initial, and last name (do not use company name) • Social Security number (do not use FEIN) • Address • Start date of contract • Amount of contract (including cents) • Contract expiration date or check box if the contract is ongoing

Refer to sample DE 542 on page 56.

Filing an Informal Report
If you are not able to obtain a DE 542 by the due date, you may file an informal report to avoid penalty and interest charges. Your informal report must include all the information listed in the table above.

Mail or fax your independent contractor information to:

Employment Development Department
Document Management Group, MIC 96
PO Box 997350
Sacramento, CA 95899-7350

Fax: 1-916-319-4410

If you are reporting a large number of independent contractors, we encourage you to send the information electronically. You can file online using **e-Services for Business** (edd.ca.gov/e-Services_for_Business). **IF YOU FILE ELECTRONICALLY, DO NOT FILE A PAPER DE 542**. For additional information on , refer to the ***Electronic Filing Guide for the Independent Contractor Reporting Program* (DE 542M)** (edd.ca.gov/pdf_pub_ctr/de542m.pdf), the **ICR FAQs** (edd.ca.gov/pdf_pub_ctr/de542faq.pdf), and **ICR reporting** (edd.ca.gov/payroll_taxes/faq_-_california_independent_contractor_reporting.htm), or by contacting the Taxpayer Assistance Center at 1-888-745-3886.

Employment Development Department
State of California

REPORT OF INDEPENDENT CONTRACTOR(S)

See detailed instructions on reverse side. Please type or print.

05420101

SERVICE-RECIPIENT (BUSINESS OR GOVERNMENT ENTITY):

DATE	FEDERAL ID NUMBER	CA EMPLOYER ACCOUNT NUMBER	SOCIAL SECURITY NUMBER
031820	XXXXXXXXX	00000000	XXXXXXXX

SERVICE-RECIPIENT NAME / BUSINESS NAME	CONTACT PERSON
EMPLOYER CITY STORE	JANE SMITH

PHONE NUMBER	
123	555-7899

STATE	ZIP CODE
CA	12345

File this form online through **e-Services for Business** (edd.ca.gov/e-Services_for_Business).

SERVICE-PROVIDER (INDEPENDENT CONTRACTOR):

FIRST NAME	MI	LAST NAME
HENRY	A	KENNEDY

SOCIAL SECURITY NUMBER	STREET NUMBER	STREET NAME	UNIT/APT
000000000	2954	HILLCREST DRIVE	

CITY	STATE	ZIP CODE
ANYCITY	CA	12345

START DATE OF CONTRACT (M M D D Y Y)	AMOUNT OF CONTRACT	CONTRACT EXPIRATION DATE (M M D D Y Y)	CHECK HERE IF CONTRACT IS ONGOING
030420	1000.00	062420	

FIRST NAME	MI	LAST NAME

SOCIAL SECURITY NUMBER	STREET NUMBER	STREET NAME	UNIT/APT

CITY	STATE	ZIP CODE

START DATE OF CONTRACT (M M D D Y Y)	AMOUNT OF CONTRACT	CONTRACT EXPIRATION DATE (M M D D Y Y)	CHECK HERE IF CONTRACT IS ONGOING

FIRST NAME	MI	LAST NAME

SOCIAL SECURITY NUMBER	STREET NUMBER	STREET NAME	UNIT/APT

CITY	STATE	ZIP CODE

START DATE OF CONTRACT (M M D D Y Y)	AMOUNT OF CONTRACT	CONTRACT EXPIRATION DATE (M M D D Y Y)	CHECK HERE IF CONTRACT IS ONGOING

MAIL TO: Employment Development Department • PO Box 997350, MIC 96 • Sacramento, CA 95899-7350
or Fax to 916-319-4410

DE 542 Rev. 9 (6-17) **(INTERNET)**

Page 1 of 2

PAYROLL TAX DEPOSIT (DE 88)

Overview

The *Payroll Tax Deposit* (DE 88) is used to report and pay Unemployment Insurance tax, Employment Training Tax, State Disability Insurance tax withholding, and Personal Income Tax withholding to the EDD. Employers can enroll and use e-Services for Business to make deposits.

e-Services for Business. Online. Anytime.

Electronic Filing with e-Services for Business:

- All employers must electronically submit payroll tax deposits. Refer to page 49 for additional information on the e-file and e-pay mandate and related noncompliance penalties.
- Fulfills the e-file and e-pay mandate.
- Fast, easy, and secure way to manage your payroll taxes online.
- Available 24 hours a day, 7 days a week.
- Employer representatives payroll agents can manage their clients' payroll tax accounts by enrolling in e-Services for Business as a Representative/Agent.
- For additional e-Services for Business features, refer to page 50.

Enroll in **e-Services for Business** (edd.ca.gov/e-Services_for_Business) today.

When Due:

- If you do not withhold PIT or if accumulated PIT withholdings are less than $350, taxes (UI, ETT, SDI, and PIT) are due each quarter on January 1, April 1, July 1, and October 1.
- **If PIT withholdings are $350 or more, SDI and PIT may need to be deposited more often.** Refer to page 6 for the California Deposit Requirements table.

NOTE: A penalty of 15 percent plus interest will be charged on late payroll tax payments.

Your UI, ETT, and SDI tax rates are available on e-Services for Business.

For additional assistance, contact the Taxpayer Assistance Center at 1-888-745-3886. If outside of the U.S. or Canada, call 1-916-464-3502.

File through **e-Services for Business** (edd.ca.gov/e-Services_for_Business).

PAYROLL TAX DEPOSIT (DE 88) (cont.)

Withholding Deposits

All employers must electronically submit payroll tax deposits to the EDD. Refer to page 49 for information on the e-file and e-pay mandate and related noncompliance penalties. Employers can enroll and use e-Services for Business to submit a *Payroll Tax Deposit* (DE 88) electronically. Although employer contributions of UI and ETT are due quarterly, withholdings from employee wages for SDI and PIT may need to be deposited more often. The SDI and PIT deposit due dates are based on each employer's federal deposit schedule/requirement and the amount of accumulated PIT the employer has withheld. Details are provided below and in the table on page 61. For information on federal deposit schedules, download the IRS *Employer's Tax Guide* (Publication 15, Circular E) at **IRS** (irs.gov) or contact the IRS at 1-800-829-3676.

A penalty of 15 percent plus interest will be charged on late payroll tax payments.

CALIFORNIA DEPOSIT REQUIREMENTS

CALIFORNIA DEPOSIT SCHEDULE	REQUIREMENT DEFINITION
Next-Day	You are required to make next-day SDI and PIT deposits if you are required to make federal next-day deposits AND you accumulate more than $500* in California PIT during one or more payroll periods. **If you accumulate $350 to $500* in PIT during one or more pay periods, refer to monthly requirements below.** The next-day deposit schedule requires deposits to be made by the next business day. Business days do not include Saturdays, Sundays, or legal holidays.
Semiweekly	You are required to make semiweekly SDI and PIT deposits if you are required to make federal semiweekly deposits AND you accumulate more than $500* in California PIT during one or more payroll periods. **If you accumulate $350 to $500* in PIT during one or more pay periods, refer to monthly requirements below.** The semiweekly deposit schedule requires deposits for paydays on Wednesday, Thursday, and Friday to be made by the following Wednesday. For paydays on Saturday, Sunday, Monday, or Tuesday, deposits must be made by the following Friday. Semiweekly depositors always have three business days after the end of the semiweekly period to make a deposit. If any of the three business days after the end of the semiweekly period is a legal holiday, you will have an additional business day to make your deposit.
Monthly	You are required to make monthly SDI and PIT deposits if you are required to make federal annual, quarterly, or monthly deposits AND you accumulate $350 or more in California PIT during one or more months of a quarter. Monthly deposits are due by the 15th day of the following month. If the 15th is a Saturday, Sunday, or legal holiday, the last timely date would be the next business day. **You are required to make monthly SDI and PIT deposits if you are required to make federal semiweekly or next-day deposits and you accumulate $350 to $500* in California PIT during one or more months of a quarter.**
Quarterly	Quarterly tax payments are due and delinquent on the same dates as the *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C). Refer to the monthly deposit schedule if you are a quarterly depositor but accumulate $350 or more in California PIT during one or more months of the quarter. Employer contributions for UI and ETT are due quarterly. However, they may be submitted more often with any required SDI and PIT deposits.

*California PIT deposit threshold may be adjusted annually.

Please refer to the California Deposit Requirements on page 6.

Due Dates for Quarterly Tax Deposits

Using Electronic Funds Transfer (EFT)
EFT transactions, regardless of the method of transmission (e-Services for Business, vendor, or Federal/State Employment Taxes program), for quarterly Unemployment Insurance (UI) tax, Employment Training Tax, State Disability Insurance tax, and Personal Income Tax withholding payments must settle in the state's bank account on or before the timely settlement date. Refer to the last column in the table below for specific settlement dates.

2020 Quarterly Payment Table

Reporting Period	Taxes Due	Last Timely Date (initiate on or before)	Timely Settlement Date
January, February, March	April 1, 2020	April 30, 2020	May 1, 2020
April, May, June	July 1, 2020	July 31, 2020	August 1, 2020
July, August, September	October 1, 2020	November 2, 2020	November 13, 2020
October, November, December	February 1, 2021	February 1, 2021	February 2, 2021

To ensure timely settlement of your electronic payments, please note:

- EFT Automated Clearing House (ACH) **debit** transactions must be **completed** before 3 p.m., Pacific Time, on or before the last timely date to ensure a timely settlement date.
- The EFT ACH credit transactions are processed based on individual bank requirements. Ask your bank what day you should report your payment to ensure a timely settlement date.

Using a *Payroll Tax Deposit* (DE 88) Coupon
All employers must electronically submit payroll tax deposits to the EDD. Refer to page 49 for additional information on the e-file and e-pay mandate and related noncompliance penalties. Employers who have an approved e-file and e-pay mandate waiver can mail your tax payments with a DE 88 to the EDD. **A penalty of 15 percent plus interest will be charged on late payroll tax payments.** The filing due dates and delinquency dates for 2020 quarterly payroll tax deposits are:

Reporting Period	Filing Due Date	Delinquent if Not Paid By
January, February, March	April 1, 2020	April 30, 2020
April, May, June	July 1, 2020	July 31, 2020
July, August, September	October 1, 2020	November 2, 2020
October, November, December	January 1, 2021	February 1, 2021

Late Deposit, Penalty, and Interest

When tax payments are remitted electronically, the settlement date is used to determine timeliness. When your tax payments are mailed to the EDD, the postmark date is used to determine timeliness. If the last timely filing date falls on a Saturday, Sunday, or legal holiday, the next business day is considered to be the last timely date. **A penalty of 15 percent plus interest will be charged on late payroll tax payments.** The interest rate is reestablished every six months. Refer to the **interest table** (edd.ca.gov/payroll_taxes/interest_rate.htm).

NOTE: If you do not make timely payments, you will receive a *Statement of Account* (DE 2176) that provides details of the delinquent balance due. If the delinquency is not paid, a tax lien may be issued. If a tax lien is issued, it will be recorded at the county recorder's office and the Secretary of State. Tax lien information is a matter of public record after it is recorded.

Penalty for Failure to Deposit Payroll Taxes
Employers are required to withhold payroll taxes and send them to the EDD. Any person or employer who fails to do this, even by mistake, can be charged with a misdemeanor. If convicted, the person or employer can be fined up to $1,000 or sentenced to jail for up to one year, or both, at the discretion of the court.

Correcting Previously Submitted *Payroll Tax Deposit* (DE 88)

Deposits can be corrected online through **e-Services for Business** (edd.ca.gov/e-Services_for_Business) even if the deposit was made using another electronic payment method or a paper DE 88 coupon.

The following tables clarify when to notify the EDD of adjustments and how to make them.

	Reason for Adjustment		How to Make an Adjustment	Form to Use
Correcting a *Payroll Tax Deposit* (DE 88)	Overpaid	UI, ETT, SDI, and/or PIT on a DE 88 **prior to *Quarterly Contribution Return and Report of Wages* (DE 9)**.	On the next DE 88 (for the **same calendar quarter**), reduce the amount of taxes due by the amount of the overpayment. Do not show credits on the DE 88.	DE 88 (DO NOT use a *Quarterly Contribution and Wage Adjustment Form* [DE 9ADJ])
	Overpaid	UI, ETT, SDI, and/or PIT on a DE 88 prior to filing your DE 9, and you cannot reduce the overpayment on your next deposit within the quarter.	Claim refund on Line J when you file your DE 9 for the quarter. Do not apply overpayment to another quarter.	File DE 9 at the end of the quarter. (DO NOT use a 9ADJ.)
	Over-withheld	PIT and: • DE 9 was filed. • Form W-2 was issued to the employee. • DE 9C was filed.	**DO NOT:** • Refund PIT withholding to the employee, • Change the California PIT withholding amount shown on the Form W-2, or • File a claim for refund with the EDD. The employee will receive a credit for the PIT withholding when filing a California state income tax return with the Franchise Tax Board (FTB).	None
	Underpaid	UI, ETT, SDI, and/or PIT .	Submit a DE 88 for the additional amount due, including penalty and interest. Indicate the payroll date on the DE 88.	DE 88 (DO NOT use a DE 9ADJ.)
	Overpaid/ Underpaid	Provided incorrect UI, ETT, SDI, and/or PIT information on DE 9.	File a DE 9ADJ with correct information. **NOTE:** If taxes are due, make a payment for tax amount plus penalty and interest, if any, with the DE 9ADJ.	Complete the DE 9ADJ, Sections I, II, and III, with the correct information.
	Allocated the wrong amounts to specific funds on a DE 88.		**DO NOT ADJUST:** The EDD will make the necessary adjustments at the end of the quarter when your DE 9 is filed.	No form required.

Visit ***Quarterly Contribution and Wage Adjustment Form* (DE 9ADJ)** (edd.ca.gov/pdf_pub_ctr/de9adj.pdf) or page 66 for additional information and samples.

Correcting Payroll Tax Deposits (cont.)

NOTE: All employers must electronically submit payroll tax deposits to the EDD.
Refer to page 49 for additional information on the e-file and e-pay mandate and related noncompliance penalties.

Upon receiving **written permission** from an employee, you are authorized to adjust any over or underwithholding of California PIT from the employee if the adjustment is made within the same calendar year and before the IRS Form W-2 is issued. You should obtain a receipt from the employee whenever a credit adjustment or repayment of overwithheld tax is made.

Overwithheld SDI and/or California PIT must be credited or refunded to your employee before you can take a credit or receive a refund from the EDD. This overpayment can be adjusted in one of the following ways:

- If you have issued an IRS Form W-2 to the employee, you cannot adjust any overwithholding of PIT reported. The employee will receive credit for any overwithholding when he/she files a California state income tax return with the Franchise Tax Board.
- If you have issued the IRS Form W-2 showing the wrong amount, you must issue an IRS *Corrected Wage and Tax Statement* (Form W-2C) to the employee. **DO NOT** send the state copy of the IRS Form W-2C to the EDD or the FTB.

NOTE: A claim for credit or refund must be filed within three years of the delinquent date for the quarter being adjusted.

For the latest news and helpful information,
refer to the online quarterly **California Employer Newsletter**
(edd.ca.gov/payroll_taxes/california_employer_newsletter.htm).

QUARTERLY CONTRIBUTION RETURN AND REPORT OF WAGES (DE 9)

Overview

Employers use the *Quarterly Contribution Return and Report of Wages* (DE 9) to reconcile payroll tax payments and total subject wages reported for the quarter. **You must submit a DE 9 AND a *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C) each quarter.**

2020 Due Dates for the *Quarterly Contribution Return and Report of Wages* (DE 9)

Report Covering	Due Date	Delinquent if Not Filed By
January, February, March	April 1, 2020	April 30, 2020
April, May, June	July 1, 2020	July 31, 2020
July, August, September	October 1, 2020	November 2, 2020
October, November, December	January 1, 2021	February 1, 2021

NOTE: For reporting purposes, wages are taxable when paid, when constructively paid, or when an employee receives payment other than cash.

Y **.** Penalty and interest will be charged on late reports. If the due date falls on a Saturday, Sunday, or legal holiday, the due date is extended to the next business day.

IMPORTANT: All employers must electronically submit employment tax returns, wage reports, and payroll tax deposits to the EDD. Refer to page 49 for additional information on the e-file and e-pay mandate and related noncompliance penalties.

Quarter-End Payment Due: If your DE 9 shows payroll taxes due, submit a *Payroll Tax Deposit* (DE 88) payment and include the correct payment quarter.

e-Services for Business. Online. Anytime.

Electronic Filing with e-Services for Business:

- Fulfills the e-file and e-pay mandate, refer to page 49 for additional information.
- Fast, easy, and secure way to manage your payroll taxes online.
- Available 24 hours a day, 7 days a week.
- Employer representative/payroll agents can manage their clients' payroll tax accounts by enrolling in e-Services for Business as a Representative/Agent.
- For additional e-Services for Business features, refer to page 50.

Enroll in **e-Services for Business** (edd.ca.gov/e-Services_for_Business) today.

For assistance completing your DE 9, contact the Taxpayer Assistance Center at 1-888-745-3886. If outside the U.S. or Canada, call 1-916-464-3502.

NOTE:
- California law requires employers to report all UI/SDI subject California wages paid and California PIT withheld during the quarter.
- A penalty of 15 percent plus interest will be charged for underpayment of contributions and California PIT withheld pursuant to section 1112(a) of the California Unemployment Insurance Code.

Correcting a Previously Filed DE 9

If you made an error on a *Quarterly Contribution Return and Report of Wages* (DE 9), you can make a correction as follows:

Online:

Log in to **e-Services for Business** (edd.ca.gov/e-Services_for_Business) and access the previously filed DE 9 you want to correct. For step-by-step instructions, access the e-Services for *Business User Guide* (DE 160) and tutorials.

Paper:

Complete and mail the *Quarterly Contribution and Wage Adjustment Form* (DE 9ADJ). Refer to page 65 for additional information and a sample form.

File and pay online using **e-Services for Business**
(edd.ca.gov/e-Services_for_Business).

Subscribe to the EDD no-fee **email subscription services**
(edd.ca.gov/about_edd/get_email_notices.htm).

For the latest news and helpful information,
refer to the online quarterly **California Employer Newsletter** at
(edd.ca.gov/payroll_taxes/california_employer_newsletter.htm).

QUARTERLY CONTRIBUTION RETURN AND REPORT OF WAGES (CONTINUATION) (DE 9C)

Overview

Employers use the *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C) to report employee wages subject to Unemployment Insurance tax, Employment Training Tax, State Disability Insurance tax, and to report Personal Income Tax wages and PIT withheld.

2020 Due Dates for the *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C)

Report Covering	Due Date	Delinquent if Not Filed By
January, February, March	April 1, 2020	April 30, 2020
April, May, June	July 1, 2020	July 31, 2020
July, August, September	October 1, 2020	November 2, 2020
October, November, December	January 1, 2021	February 1, 2021

NOTE: For reporting purposes, wages are taxable when paid, when constructively paid, or when an employee receives payment other than cash. If wages are still unpaid at the time the DE 9C is due, wages due to an employee that were not paid within the time required by law should be reported by filing the *Quarterly Contribution and Wage Adjustment Form* (DE 9ADJ) online through e-Services for Business with "Wages Legally Due but Unpaid" noted as the reason for adjustment. This will ensure that an employee receives proper wage credit for the quarter when the wages should have been paid. However, the employment taxes due on these wages should be paid when the wages are actually or constructively paid for the employee.

Y . Penalty and interest will be charged on late reports. If the due date falls on a Saturday, Sunday, or legal holiday, the due date is extended to the next business day. If you no longer have employees or you are no longer in business, refer to page 71 for filing instructions.

e-Services for Business. Online. Anytime.

Electronic Filing with e-Services for Business:

- Fulfills the e-file and e-pay mandate, refer to page 49 for additional information.
- Fast, easy, and secure way to manage your payroll taxes online.
- Available 24 hours a day, 7 days a week.
- Employer representatives/payroll agents can manage their clients' payroll tax accounts by enrolling in e-Services for Business as a Representative/Agent.
- For additional e-Services for Business features, refer to page 50.

Enroll in **e-Services for Business** (edd.ca.gov/e-Services_for_Business) today.

For assistance completing your DE 9C, contact the Taxpayer Assistance Center at 1-888-745-3886. If outside the U.S. or Canada, call 1-916-464-3502 or you can also file online with **e-Services for Business** (edd.ca.gov/e-Services_for_Business).

NOTE:

- As an active employer, you must file a DE 9C even if you paid no wages during the quarter. If you have no payroll during a quarter, you are still considered an employer and are required to file a DE 9C electronically.
- Wages are reported when they are paid to the employee, not when the employee earns the wages. Because UI and SDI benefits are based on the highest quarter of wages, it is important that wages are reported for the correct quarter. If you have any questions on reporting your employees' wages, contact the Taxpayer Assistance Center at 1-888-745-3886.
- A wage item penalty of **$20 per employee** will be charged for late reporting or unreported employee wages.
- All employers are required to electronically submit employment tax returns, wage reports, and payroll tax deposits to the EDD. Refer to page 49 for additional information on the e-file and e-pay mandate and related noncompliance penalties.
- If your reports are filed late or you do not make timely payments, you will receive a *Statement of Account* (DE 2176) that provides details of the delinquent balance due. If the delinquency is not paid, a tax lien may be issued. If a tax lien is issued, it will be recorded at the county recorder's office and the Secretary of State. Tax lien information is a matter of public record after it is recorded.
- Before submitting your DE 9C, make sure the following are correct: the quarter you are reporting, your employer payroll tax account number, the names of your employees, and their Social Security numbers.

Correcting a Previously Filed DE 9C

The DE 9C can be corrected through **e-Services for Business** (edd.ca.gov/e-Services_for_Business) even if originally filed using another electronic filing method or a paper form.

Online:

Log in to **e-Services for Business** (edd.ca.gov/e-Services_for_Business) and access the previously filed DE 9 you want to correct. For step-by-step instructions, access the *e-Services for Business User Guide* (DE 160) and tutorials.

Paper:

Complete and mail the DE 9ADJ. Refer to pages 67 and 68 for additional information and a sample form.

For the latest news and helpful information,
refer to the online quarterly **California Employer Newsletter**
(edd.ca.gov/payroll_taxes/california_employer_newsletter.htm).

QUARTERLY CONTRIBUTION AND WAGE ADJUSTMENT FORM (DE 9ADJ)

Overview

Employers use the *Quarterly Contribution and Wage Adjustment Form* (DE 9ADJ) to make corrections to previously filed reports. Corrections may also be made electronically through **e-Services for Business** (edd.ca.gov/e-Services_for_Business).

Form	Reason for Adjustment	How to Make an Adjustment
Correcting previously filed *Quarterly Contribution Return and Report of Wages* (DE 9)	Provided incorrect UI, ETT, SDI, and/or PIT information.	File a DE 9ADJ. Complete Sections I and II with the correct information. If DE 9C forms were filed incorrectly, also complete Section III of the DE 9ADJ. **NOTE:** If taxes are due, send a payment for the tax amount plus penalty and interest, if any, with the DE 9ADJ.
Correcting previously filed *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C)	Incorrect employee Social Security number (SSN) or name reported.	File a DE 9ADJ. Complete Sections I and III. Section III requires two entries. For the first entry, enter the quarter, incorrect SSN, employee name, and enter zeros in total subject wages, PIT wages, and PIT withheld fields. For the second entry, enter the corrected information. For examples, refer to page 2 of the *Instructions for Completing the Quarterly Contribution and Wage Adjustment Form* (DE 9ADJ-I) Instructions.
	Incorrect wages and/or PIT information for employees previously reported.	File a DE 9ADJ. Complete Sections I and III with correct wages and/or PIT information for each employee by quarter. For examples, refer to page 2 of the DE 9ADJ-I Instructions. **NOTE:** If DE 9 has been filed with incorrect information, also complete Section II.
	No SSN reported for employee.	File a DE 9ADJ. Complete Sections I and III. Section III requires two entries. For the first entry, enter the quarter, all zeros for the SSN filed, employee name, and zeros in subject wages, PIT wages, and PIT withheld fields. In the second entry, enter the corrected information. For examples, refer to page 2 of the DE 9ADJ-I Instructions.
	Employee(s) not previously reported.	File a DE 9ADJ. Complete Sections I and III with unreported employee(s) SSN and full name, total subject wages, PIT wages, and PIT withheld by quarter. **NOTE:** If a DE 9 has been filed with incorrect information, also complete Section II.

Detailed DE 9ADJ instructions are provided on the **DE 9ADJ-I** (edd.ca.gov/pdf_pub_ctr/de9adji.pdf) or contact the Taxpayer Assistance Center at 1-888-745-3886 for additional assistance.

A completed sample DE 9ADJ is shown on pages 67 and 68.

For the latest news and helpful information,
refer to the online quarterly **California Employer Newsletter**
(edd.ca.gov/payroll_taxes/california_employer_newsletter.htm).

FOR ILLUSTRATIVE PURPOSES ONLY

Examples were created using 2019 rates.
Refer to inside front cover for 2020 rates.

QUARTERLY CONTRIBUTION AND WAGE ADJUSTMENT FORM

STATUTE OF LIMITATIONS
A claim for refund or credit must be filed within three years of the last timely filing date of the quarter being adjusted.

You can file this adjustment form online through the Employment Development Department's (EDD) e-Services for Business. Please visit our website at **www.edd.ca.gov**. See *Instructions for Completing the Quarterly Contribution and Wage Adjustment Form* (DE 9ADJ-I) for completing this form.

File this form online through **e-Services for Business** (edd.ca.gov/e-Services_for_Business).

SECTION I: (PLEASE PRINT)

YEAR / QUARTER: 19 4

BUSINESS NAME: JOHN AND JANE SMITH

P.O BOX 12345

DOWN, CA 12345

EMPLOYER ACCOUNT NO.: 000-0000-0

OVERSTATED 4TH QUARTER BY 9,000.00, DID NOT REPORT ONE EMPLOYEE

SECTION II: ADJUSTMENT TO WAGES AND CONTRIBUTIONS	(1) Previously reported	(2) Should have reported	(3) DIFFERENCES Debit/(Credit)
A. TOTAL SUBJECT WAGES	9,000.00	18,000.00	9,000.00
B. UNEMPLOYMENT INSURANCE (UI) Taxable Wages	7,000.00	14,000.00	7,000.00
C. STATE DISABILITY INSURANCE (SDI) Taxable Wages	9,000.00	18,000.00	9,000.00
D. EMPLOYER'S UI CONTRIBUTIONS (UI Rate 3.4 % times B)	238.00	476.00	238.00
E. EMPLOYMENT TRAINING TAX (ETT Rate 0.1 % times B)	7.00	14.00	7.00
F. STATE DISABILITY INSURANCE* (SDI) Withheld (SDI Rate 1.0 % times C; complete **Box 1** below if credit on row F.)	90.00	180.00	90.00
G. PERSONAL INCOME TAX (PIT) Withheld (Complete **Box 2** below if credit on line G.)	150.00	300.00	150.00
H. SUBTOTAL (Lines D, E, F, and G)	485.00	970.00	485.00
I. Penalty (Refer to instructions on DE 9ADJ-I)			0.00
J. Interest (Refer to instructions on DE 9ADJ-I)			0.00
K. Erroneous SDI Deductions not refunded (See **Box 1, NOTE** below)			0.00
L. Less contributions and withholdings paid for the quarter			1,000.00
M. Total taxes due or overpaid **(H2 + I + J + K) - L**			-30.00

* Includes Paid Family Leave amount.

BOX 1. STATE DISABILITY INSURANCE OVERPAYMENTS (Must be completed for credit to be allowed.)

1. Was the credit claimed in column 3 withheld from the wages of employee(s)? ☑ Yes ☐ No
   If yes, has this amount been refunded to employee(s)? ☑ Yes ☐ No
   If not refunded: employee(s) no longer employed, unable to locate.
   NOTE: The EDD cannot refund these contributions to you unless you first refund the erroneous deductions to the employee(s).
   (List each employee name, Social Security Number, and amount of SDI not refunded.)

BOX 2. PERSONAL INCOME TAX OVERPAYMENTS (Must be completed for credit to be allowed.)
If you paid the Employment Development Department (EDD) more than the amount of California PIT withheld from wages of employee(s), you can adjust the amount reported by using this form. The EDD will allow credit adjustments prior to the issuance of Forms W-2. **If you have already issued Forms W-2, please read the additional information on page 2 before proceeding.**

1. Was the credit claimed in column 3 withheld from the pay of employee(s)? ☑ Yes ☐ No
   If yes, has this credit been refunded to employee(s)? ☑ Yes ☐ No
2. Was the credit claimed in column 3 included on Forms W-2 issued to employee(s)? ☐ Yes ☑ No

Be sure to sign this declaration: I declare that the information herein is true and correct to the best of my knowledge and belief.

Signature *Jane Smith* Title EMPLOYER (Owner, Accountant, Preparer, etc.) Phone (123) 555-7899 Date 05/01/2020

SIGN AND MAIL TO: Employment Development Department / P.O. Box 989073 / West Sacramento, CA 95798-9073

FOR ILLUSTRATIVE PURPOSES ONLY

Examples were created using 2019 rates.
Refer to inside front cover for 2020 rates.

Employment Development Department
State of California

QUARTERLY CONTRIBUTION AND WAGE ADJUSTMENT FORM

EMPLOYER ACCOUNT NO. 000-0000-0

BUSINESS NAME JOHN AND JANE SMITH

SECTION III: QUARTERLY WAGE AND WITHHOLDING ADJUSTMENTS
Enter amou[illegible] that [illegible]uld have been reported; if unchanged, leave field blank. Correcting the Social Security Number or Name req[illegible] *ctions for Completing the Quarterly Contribution and Wage Adjustment Form* (DE 9ADJ-I), [illegible]d instructions.

File this form online through **e-Services for Business** (edd.ca.gov/e-Services_for_Business).

YEAR / QUARTER	SOCIAL SECURITY NUMBER	EMPLOYEE NAME (FIRST, MIDDLE INITIAL, LAST)	TOTAL SUBJECT WAGES	PIT WAGES	PIT WITHHELD
		[illegible]OMAS T. TAYLOR	9,000.00	9,000.00	150.00

FEDERAL FORMS W-2 AND 1099

***Wage and Tax Statement* (Form W-2)**

As an employer, you are required to prepare a federal *Wage and Tax Statement* (Form W-2) for each of your employees. For 2020, you are required to provide your employees with Form W-2 by January 31, 2021*. Prepare the Form W-2 on the federal/state four-part paper form. To obtain these forms, visit the **IRS** (irs.gov).

If you need information on Form W-2 reporting requirements, refer to the IRS *Employer's Tax Guide* (Publication 15, Circular E). For federal instructions on completing Form W-2, refer to the IRS publication 2018 General Instructions for Forms W-2 and W-3. To obtain these publications, visit the **IRS** (irs.gov) or call the IRS at 1-800-829-3676.

In addition to the federal information required, you must include PIT wages, PIT withholding, and SDI tax withheld in the following Form W-2 boxes:

FORM W-2	
Box	**Enter**
Box 16 (State wages, tips, etc.)	California PIT wages
Box 17 (State income tax)	California PIT withheld
Box 19 (Local income tax)	The abbreviation "CASDI" and SDI withheld (For additional information, refer to "NOTE" below.)

NOTE: If Box 19 has local taxes, use "Box 14-Other." If no boxes are available, you are required to provide your employees with a separate written statement containing:

- Your business or entity name, address, federal employer identification number, and the Employment Development Department (EDD) eight-digit employer payroll tax account number.
- The employee's name, address, state, and Social Security number.
- The amount of SDI tax actually withheld and/or paid directly by you under the state plan.
- If the wages were not subject to SDI, show "CASDI 0" (zero).
- If you pay SDI taxes without withholding SDI from the employee's wages, you should show the SDI taxes as if withheld and increase the amount you report according to the formula as shown on *Information Sheet: Social Security/Medicare/State Disability Insurance/Federal Income Taxes Paid by an Employer* (DE 231Q). Download the **DE 231Q** (edd.ca.gov/pdf_pub_ctr/de231q.pdf) or contact the Taxpayer Assistance Center at 1-888-745-3886.
- If you are covered under an authorized Voluntary Plan Disability Insurance (VPDI), enter "VPDI" and the VPDI amount actually withheld.

Generally, the amount reported as California PIT wages on Form W-2 (Box 16, state wages) is the same as the federal wages (Box 1). However, the amounts may differ based on:

- Federal and California differences in definition of:
  - Employee (refer to *Information Sheet: Types of Employment* [DE 231TE]).
  - Taxable wages (refer to *Information Sheet: Types of Payments* [DE 231TP]).
- The DE 231TE and DE 231TP are available on **Forms and Publications** (edd.ca.gov/payroll_taxes/forms_and_publications.htm) or contact the Taxpayer Assistance Center at 1-888-745-3886.
- Residency of the employee (refer to page 16).
- If the employee performs services in more than one state.

For additional information on federal and California differences, please contact the Taxpayer Assistance Center at 1-888-745-3886. If the employee performs services in more than one state, contact the other state(s) for guidance on how to complete the Form W-2 for that state.

If you discover an error on a previously issued Form W-2, refer to the IRS publication *General Instructions for Forms W-2C and W-3C* for guidance on completing an IRS *Corrected Wage and Tax Statement* (Form W-2C). To obtain these forms, visit the **IRS** (irs.gov) or call 1-800-829-3676.

*Employers failing to provide a Form W-2 to each employee, or who furnish a false or fraudulent statement, are subject to a for each such failure as imposed pursuant to section 13052 of the California Unemployment Insurance Code (CUIC). Employers may also be subject to an additional penalty for failure to file informational returns (Form W-2 or a Form 1099-MISC) to misclassified employees as provided pursuant to section 13052.5 of the CUIC. The amount of the penalty is determined based upon the unreported payments for personal services multiplied by the maximum rate as provided pursuant to section 17041 of the Revenue and Taxation Code. Contact the EDD Taxpayer Assistance Center at 1-888-745-3886 for assistance.

Do not send a copy of Form W-2 or Form W-2C to the State of California (the EDD or the Franchise Tax Board [FTB]). The Forms W-2 and W-2C are not filed with the state because you should already be reporting wage and withholding information to the EDD on the *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C). However, you must continue to send Forms W-2 and W-2C to your employees and the Social Security Administration.

Information Return (Form 1099-MISC)

Individuals, partnerships, corporations, or other organizations engaged in a trade or business in California may have a requirement to report independent contractor payments made in the course of their business. For 2020, you must provide a statement to each independent contractor by January 31, 2021*, containing the information furnished to the IRS and FTB. If you do not use the official IRS Form 1099-MISC to furnish the statement to recipients, refer to the IRS Publication 1179 for specific rules for substitute statements.

How to File

The FTB recommends that you file under the IRS Combined Federal/State Filing program. When you are approved and use the IRS Combined Federal/State Filing program, you only have to file once. The IRS will forward your California returns to the FTB. The following forms may be filed under this program: Forms 1099-DIV, 1099-G, 1099-INT, 1099-MISC, 1099-OID, 1099-PATR, 1099-R, and 5498. For information on the IRS Combined Federal/State Filing program, call 1-866-455-7438.

If you are not participating in the Combined Federal/State Filing program and file 250 or more information returns of one type, you must file directly with the FTB electronically. If you file less than 250 returns electronically or on paper with the IRS, you should use the same method to file with FTB.

If you file paper information returns with the IRS, **do not send a paper copy to the FTB**. The IRS will forward the information to the FTB. This applies to paper filing only.

Generally, the FTB's reporting requirements are the same as the IRS reporting requirements. For specific differences, visit the **FTB** (ftb.ca.gov/businesses/infortrns/how_to_file.shtml).

Publications and Contact Information

Visit the **IRS** (irs.gov) to: obtain Form 1099 reporting requirements and instructions, the IRS Publication 1220, and the IRS General Instructions for Forms 1099, 1098, 5498, and W-2G, or call 1-800-829-3676.

NOTE: California PIT withheld from pension, annuity, and other deferred income should be reported on the IRS form *Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.* (Form 1099-R). For instructions on completing Form 1099-R, refer to IRS Instructions for Forms 1099-R and 5498. To obtain instructions, access the **IRS** (irs.gov) or call the IRS at 1-800-829-3676.

For more information, contact:

INTERNAL REVENUE SERVICE
1-866-455-7438
irs.gov
mccirp@irs.gov

FRANCHISE TAX BOARD
1-916-845-6304
ftb.ca.gov
irphelp@ftb.ca.gov

*Failure to provide an *Information Return* (Form 1099), if required, to each independent contractor may be subject to a penalty as imposed pursuant to section 13052.5 of the California Unemployment Insurance Code or section 19175 of the Revenue and Taxation Code (RTC). The amount of the penalty is determined based upon the unreported payments for personal services multiplied by the maximum rate as provided pursuant to section 17041 of the RTC. Contact the EDD Taxpayer Assistance Center at 1-888-745-3886 for assistance.

NOTE: As of January 1, 2018, all employers are required to notify all of their employees of the federal Earned Income Tax Credit. Refer to page 74 for details.

Changes to Your Business Status

A change to your business status occurs when you:

- Change your business name, address, or ownership.
- No longer have employees (business remains open).
- Reopen your employer payroll tax account.
- Purchase a business with employees.
- Close your business.
- Selling your business.

ACTION REQUIRED:

Notify the EDD of any change to your business status through **e-Services for Business** (edd.ca.gov/e-Services_for_Business).

BUSINESS NAME CHANGE

Make changes to your business name, corporation name, personal name (e.g., marriage), or change in ownership of the business online through **e-Services for Business** (edd.ca.gov/e-Services_for_Business).

MAILING ADDRESS CHANGE

Change your mailing address online through **e-Services for Business** (edd.ca.gov/e-Services_for_Business).

NO LONGER HAVE EMPLOYEES

If you no longer have employees and will not be reporting wages in any future quarter, you must submit a final DE 88, DE 9, and DE 9C. You may close your employer payroll tax account using **e-Services for Business** (edd.ca.gov/e-Services_for_Business). For more information, please visit the e-Services for Business FAQs category "Register, Close, or Reopen an Employer Payroll Tax Account."

If you currently do not have employees but may have employees in future quarters, you are still required to file your DE 9 and DE 9C stating you have no payroll to report, otherwise the EDD may presume you have employees and assess your account.

If you resume paying wages in excess of $100 in a calendar quarter (or $750 for household employers), you may request to reopen employer payroll tax account on **e-Services for Business** (edd.ca.gov/e-Services_for_Business).

CLOSE YOUR BUSINESS

If you close your business, **you are required** to submit a final DE 88, DE 9, and DE 9C **within 10 days** of quitting business, **regardless** of the normal due dates. You may close your employer payroll tax account using **e-Services for Business** (edd.ca.gov/e-Services_for_Business). For more information, please visit the e-Services for Business FAQs category "Register, Close, or Reopen an Employer Payroll Tax Account."

If you resume paying wages in excess of $100 in a calendar quarter (or $750 for household employers), you may request to reopen your employer payroll tax account on **e-Services for Business** (edd.ca.gov/e-Services_for_Business).

Reopen Your Employer Payroll Tax Account

If your employer payroll tax account was previously closed, but you recently paid wages in excess of $100 in a calendar quarter (or $750 for household employers), you may submit an online request to reopen your employer payroll tax account on **e-Services for Business** (edd.ca.gov/e-Services_for_Business), or visit **Forms and Publications** (edd.ca.gov/Payroll_Taxes/Forms_and_Publications.htm) to complete and submit the appropriate DE 1 registration form.

Steps to Reopen an Employer Payroll Tax Account Online:

1. Go to **e-Services for Business** (edd.ca.gov/e-Services_for_Business).
2. Select "Login."
3. Select the closed account number (in grey).
4. Select the "Reopen" tab at the top.
5. Complete the online registration application.

Please allow three business days for processing, then log back into e-Services for Business to check the status of your request.

If you do not have a username/password, you must first complete the Employer Services Online enrollment process.

Note: If you are an agent, you must first add access to the employer payroll tax account.

PURCHASE, SELL, TRANSFER, OR CHANGE OWNERSHIP

Registered employers must report any change in business status; for example, any change in business name or legal entity, such as a change from partnership or limited liability company to corporation. Report changes through **e-Services for Business** (edd.ca.gov/e-Services_for_Business).

When there is a change in the ownership (add or remove partners/LLC members; change corporate name/officers) of a business entity type, the entity normally keeps the same EDD employer payroll tax account number and continues to make payroll tax deposits and file reports as though it was the same type of ownership for the entire year. The EDD must be notified of any change in the ownership of a business entity so that the taxpayer information can be updated. For additional information, contact the Taxpayer Assistance Center at 1-888-745-3886. If outside the U.S. or Canada, call 1-916-464-3502.

REMEMBER: Report changes through **e-Services for Business** (edd.ca.gov/e-Services_for_Business).

Purchase a Business

If you purchase a business with employees (or a business that previously had employees), you may be held liable for the previous owner's EDD liability if a *Certificate of Release of Buyer* (DE 2220) is not obtained. To request a DE 2220, contact the Taxpayer Assistance Center at 1-888-745-3886. If outside the U.S. or Canada, call 1-916-464-3502.

Until a DE 2220 is issued, you (the buyer) must hold in escrow an amount sufficient to cover all amounts the seller owes to the EDD, up to the purchase price of the business. The DE 2220 is issued after the seller pays all amounts owed to the EDD. Payment must be made by cash, cashier's check, certified check, escrow check, or money order payable to the Employment Development Department.

For your protection, escrow funds should not be disbursed until the DE 2220 has been issued. For additional information, download the ***Requirements for Obtaining Certificate of Release of Buyer (DE 2220) When a Business Is Sold* (DE 3409A)** (edd.ca.gov/pdf_pub_ctr/de3409a.pdf) or contact the Taxpayer Assistance Center at 1-888-745-3886. If outside the U.S. or Canada, call 1-916-464-3502.

NOTE: If you employ any of the former owner's workers immediately after the acquisition of the business, the wages paid to these employees during the same calendar year are considered as having been paid by you. Therefore, wages paid by the former owner in the current calendar year are applied to the taxable wage limits for Unemployment Insurance tax, Employment Training Tax, and State Disability Insurance tax.

WHAT IS A SUCCESSOR EMPLOYER?

A successor employer is an employer who has acquired all or part of another employer's (predecessor's) business and continues to operate the business without substantial reduction of personnel resulting from the acquisition. The successor employer may receive all or part of the predecessor's UI reserve account balance by applying for a reserve account transfer. The transfer may result in an immediate reduction or increase of the successor's UI tax rate. The successor employer must register the acquired business with the EDD.

For more information on reserve account transfers, refer to page 82 or call 1-916-653-7795.

NOTE: Acquiring all or part of the stock in a corporation does not constitute a new employing unit. The corporation retains the same EDD employer payroll tax account number.

IT IS AGAINST THE LAW TO CHANGE/PURCHASE A BUSINESS ENTITY SOLELY TO OBTAIN A LOWER UI RATE

Changing your business ownership solely for the purpose of obtaining an employer account with a lower UI contribution rate is not allowed. Section 1052 of the California Unemployment Insurance Code provides that a reserve account transfer will not apply to any acquisition, which is determined to have been made for the purpose of obtaining a more favorable UI contribution rate. The EDD aggressively pursues businesses practicing UI rate manipulation. To read more about UI rate manipulation, refer to page 84.

ADDITIONAL REQUIREMENTS

Posting Requirements

Once you are registered with the EDD, you will receive a notice to post in your workplace that informs your employees of their rights under Unemployment Insurance, Disability Insurance, and Paid Family Leave. This notice must be posted in a prominent location that is easily seen by your employees. You will receive the following notice if you 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).

Required Notices and Pamphlets

Provide a copy of the following notices and pamphlets to each of your employees when appropriate. The publications listed below are available at **Required Notices and Pamphlets** (edd.ca.gov/payroll_taxes/required_notices_and_pamphlets.htm).

- The following pamphlets explain your employees' benefit rights:
  - *For Your Benefit*: *California's Programs for the Unemployed* (DE 2320) – Provides information on UI, DI, PFL, and Workforce Services benefits available to the employee and must be given when an employer discharges, lays off, or places an employee on a leave of absence.
  - *Disability Insurance Provisions* (DE 2515) – Provides information on the SDI program.
  - *Paid Family Leave* (DE 2511) – Provides information on PFL benefits.

NOTE: For additional information on your posting requirements, access the **California Tax Service Center** (taxes.ca.gov). Voluntary Plan Disability Insurance (VPDI) insurers have similar literature. VPDI employers must also supply claim forms to their employees. For further information on VPDI, refer to page 96.

- Notice required by the Earned Income Tax Credit Information Act (refer to page 74 for details).
- Notice to Employee as to Change in Relationship – Written notice must be given immediately to employees of their discharge, layoff, leave of absence, or change in employment status, along with a DE 2320.

The following sample meets the minimum requirements:

NOTICE TO EMPLOYEE AS TO CHANGE IN RELATIONSHIP

(Issued pursuant to provisions of section 1089 of the California Unemployment Insurance Code.)

Name _____ SSN _____

1. You were/will be laid off/discharged on _____, 20_____.
   (date)
2. You were/will be on leave of absence starting _____, 20_____.
   (date)
3. On _____, your employment status changed/will change as follows:
   (date)

_____
(Name of Employer)

_____
(By)

You may wish to prepare the employee notice in duplicate and keep a copy for your files. Notices prepared by the employer **must** include the information shown on the Notice to Employee as to Change in Relationship (above).

- Notice of plant closure or mass layoff.

  ➡ ***ACTION REQUIRED:*** Post the DE 1857A and provide a DE 2320, DE 2511, and DE 2515 to each of your employees. Provide the Notice to Employee as to Change in Relationship and/or Worker Adjustment and Retraining Notification (WARN) as applicable.

  No written notice is required if it is a voluntary quit, promotion or demotion, change in work assignment or location (some changes in location require a WARN notice), or if work stopped due to a trade dispute.

Earned Income Tax Credit Information Act

You may be eligible to receive the California Earned Income Tax Credit (California EITC) starting with the 2015 tax year. The California EITC is a refundable state income tax credit for low-income working individuals and families. The California EITC is treated in the same manner as the federal EITC and generally will not be used to determine eligibility for welfare benefits under California Law. To claim the California EITC, even if you do not owe California taxes, you must file a California income tax return and complete and attach the *California Earned Income Tax Credit* (FTB 3514) form. For information on the availability of the credit, eligibility requirements, and how to obtain the necessary California forms and get help filing, visit the **Franchise Tax Board** at (ftb.ca.gov/individuals/faq/net/900.shtml) or call 1-800-852-5711.

Employers who are subject to, and required to provide, Unemployment Insurance to their employees must provide EITC notification to the employee by either handing it directly to the employee or mailing it to the employee's last known address. Posting of this information on an employee bulletin board **will not** satisfy the notification requirement.

The notification shall be provided within one week before, after, or during the time the employer provides an annual wage summary, including, but not limited to, a Form W-2 or a Form 1099-Misc, to the employee. The notice shall include instructions on how to obtain any notices available from the IRS for this purpose, including, but not limited to, the IRS Notice 797 **or** any successor notice or form, or any notice created by you as long as it contains substantially the same language as the notice below.

> "Based on your annual earnings, you may be eligible to receive the earned income tax credit from the federal government. The earned income tax credit is a refundable federal income tax credit for low-income working individuals and families. The earned income tax credit has no effect on certain welfare benefits. In most cases, earned income tax credit payments will not be used to determine eligibility for Medicaid, supplemental security income, food stamps, low-income housing, or most temporary assistance for needy families' payments. Even if you do not owe federal taxes, you must file a tax return to receive the earned income tax credit. Be sure to fill out the earned income tax credit form in the federal income tax return booklet. For information regarding your eligibility to receive the earned income tax credit, including information on how to obtain the IRS Notice 797, or any other necessary forms and instructions, visit the **IRS** (irs.gov) or contact the IRS at 1-800-829-3676."

PLANT CLOSURE OR MASS LAYOFF

Federal and California Worker Adjustment and Retraining Notification (WARN) legislation requires covered employers to provide 60 days advance notice of plant closings and mass layoffs. Advance notice provides employees and their families some transition time to adjust to the prospective loss of employment, to seek and obtain alternative jobs, and, if necessary, to acquire skill training or retraining that will allow these employees to successfully compete in the job market.

For the complete notification requirements of the California WARN legislation, carefully review the Labor Code provisions on the Department of Industrial Relations (dir.ca.gov/lawsandregs.html) select ("California Labor Code," division 2, part 4, chapter 4, sections 1400-1408).

The table below provides the general provisions of the federal and California WARN legislation.

Subject	Federal	California (Assembly Bill 2957 [2002], Koretz)
Covered Employers	Applicable only to employers with 100 or more full-time employees who must have been employed for at least six months of the 12 months preceding the date of required notice in order to be counted. (29 United States Code [USC] 2101 and 20 Code Federal Regulations [CFR] 639.3)	Applicable to a "covered establishment" with 75 or more full- or part-time employees. As under the federal WARN Act, employees must have been employed for at least six months of the 12 months preceding the date of required notice in order to be counted. (California Labor Code, section 1400[a] and [h])
Plant Closings or Layoffs Requiring Notice	Plant closings involving 50 or more employees during a 30-day period. Layoffs within a 30-day period involving 50 to 499 full-time employees constituting at least 33 percent of the full-time workforce at a single site of employment. Layoffs of 500 or more employees are covered regardless of percentage of workforce. (29 USC, et seq., 2101 and 20 CFR 639.3)	Plant closure affecting any amount of employees. Layoff of 50 or more employees within a 30-day period regardless of percent of workforce. Relocation of at least 100 miles affecting any amount of employees. [California Labor Code section 1400 (d)-(f)]
Legal Jurisdiction	Enforcement of WARN requirements through U.S. District Courts. The court, in its discretion, may allow the prevailing party a reasonable attorney's fee as part of the costs. (29 USC 2101, et seq.)	Suit may be brought in "any court of competent jurisdiction." The court may award reasonable attorney's fees as part of costs to any prevailing plaintiff. The California WARN law is in the Labor Code, and the authority to investigate through the examination of books and records is delegated to the Labor Commissioner. (California Labor Code, sections 1404 and 1406)
Employer Liability	An employer who violates the WARN provisions is liable to each employee for an amount equal to back pay and benefits for the period of the violation, up to 60 days, but no more than one-half the number of days the employee was employed by the employer. (29 USC; 2104[a])	A possible civil penalty of $500 a day for each day of violation. Employees may receive back pay to be paid at employee's final rate or three-year average rate of compensation, whichever is higher. In addition, employer is liable for cost of any medical expenses incurred by employees that would have been covered under an employee benefit plan. The employer is liable for a period of violation up to 60 days or one-half the number of days the employee was employed whichever period is smaller. (California Labor Code, section 1403)

PLANT CLOSURE OR MASS LAYOFF (WARN)

Subject	Federal	California (Assembly Bill 2957 [2002], Koretz)
Notice Requirements	An employer must provide written notice 60 days prior to a plant closing or mass layoff to all of the following: • Employees or their representative. • Employment Development Department Statewide Services Unit, MIC 50 WARN Act Coordinator, PO Box 826880 Sacramento, CA 94280-0001 • The chief elected official of local government within which such closing or layoff is to occur. (29 USC, 2102; 20 CFR 639.5 and 639.6)	An employer must give notice 60 days prior to a plant closing, layoff, or relocation. In addition to the notifications required under the federal WARN Act, notice must also be given to both of the following: • The Local Workforce Development Board. • The chief elected official of each city and county government within which the termination, relocation, or mass layoff occurs. (California Labor Code, section 1401)
Exceptions and Exemptions	Regular federal, state, local, and federally recognized Indian tribal governments are not covered. (20 CFR 639.3) The following situations are exempt from notice: • There is an offer to transfer employee to a different site within a reasonable commuting distance. (29 USC, 2101[b][2]; 20 CFR 639.5) • The closure is due to unforeseeable business circumstances or a natural disaster. (29 USC, 2102; 20 CFR 639.9) • The closing or layoff constitutes a strike or constitutes a lockout not intended to evade the requirement of this chapter. (29 USC, 2103[2])	California WARN law does not apply when the closing or layoff is the result of the completion of a particular project or undertaking of an employer subject to Wage Orders 11, 12, or 16, regulating the Broadcast industry, regulating the Motion Picture Industry, or Construction, Drilling, Logging, and Mining Industries, and the employees were hired with the understanding that their employment was limited to the duration of that project or undertaking. (California Labor Code, section 1400[g]) The notice requirements do not apply to employees involved in seasonal employment where the employees were hired with the understanding that their employment was seasonal and temporary. (California Labor Code, section 1400[g][2]) Notice is not required if a mass layoff, relocation, or plant closure is necessitated by a physical calamity or act of war. (California Labor Code, section 1401[c]) Notice of a relocation or termination is not required where, under multiple and specific conditions, the employer submits documents to DIR, and DIR determines that the employer was actively seeking capital or business, and a WARN notice would have precluded the employer from obtaining the capital or business. (California Labor Code, section 1402.5). This exception does not apply to notice of a mass layoff as defined in California Labor Code section 1400(d). (California Labor Code, section 1402.5[d])

The EDD has established local Rapid Response Teams to assist employers and workers during a mass layoff or plant closure. These teams, facilitated through the America's Job Center of California℠ system, are a cooperative effort between the Local Workforce Development Area (Local Area) and the EDD. These teams disseminate information on the adult and dislocated worker services available under the Workforce Innovation and Opportunity Act and through the EDD Workforce Services and UI programs. If the dislocation is the result of foreign competition or foreign relocation, the dislocated worker may be eligible for assistance, income support, job search assistance/relocation, and/or training under the Trade Adjustment Assistance (TAA) program. For information on TAA, refer to page 98. To find out more about or request Rapid Response services, visit the **Local Area listing** (edd.ca.gov/jobs_and_training/local_area_listing_by_county.htm).

For more information on WARN requirements visit **WARN** (edd.ca.gov/jobs_and_training/layoff_services_warn.htm). Visit the federal **WARN Act** (doleta.gov/layoff/warn.cfm) for more information.

U.S. GOVERNMENT CONTRACTOR JOB LISTING REQUIREMENTS

Nationally, employers with U.S. Government contracts or subcontracts who meet the criteria listed in the table below are required to list job openings with either the state employment service system or with the **National Labor Exchange (NLx)** (usnlx.com). In California, employers must register and list job openings with the state labor exchange system known as **CalJOBS**SM (caljobs.ca.gov). This is required to enable EDD to comply with federal compliance inquiries. CalJOBS does not maintain permanent records of jobs imported from the NLx or third party job sites. Furthermore, employers are required to take affirmative action to employ and advance in employment, qualified disabled veterans, other protected veterans, Armed Forces service medal veterans, and recently separated veterans. They must also file an annual VETS-4212 Federal Contract Reporting with the U.S. Department of Labor to disclose the total number of all current employees in each job category and at each hiring location. For more information, visit the U.S. **Department of Labor** (dol.gov/vets/vets4212.htm).

The table below provides the general provisions of the Federal Contractor Reporting requirements.

Subject	Subject Prior to December 1, 2003	On or After December 1, 2003
Job Listings	Employers with a federal government contract of $25,000 or more, prior to December 1, 2003, and not modified on or after December 1, 2003, if more than $100,000, must list applicable job openings with the state National Labor Exchange website. In California, employers must first register and list applicable jobs within CalJOBS. (41 CFR 60-250.40)	Nationally, government contractors with 50 or more employees and a federal government contract of $100,000 or more must list applicable job openings with the National Labor Exchange website or with their state's employment service system. In California, employers are required to register and list applicable jobs with CalJOBS, fulfilling both federal and state requirements. (41 CFR 60-300.40 and 451 CFR 60-300.5)
VETS-4212 Federal Contract Reporting	Employers with a federal government contract of $25,000 or more, entered into prior to December 1, 2003, and not modified on or after December 1, 2003, if more than $100,000, must file a VETS-4212 Federal Contract Reporting. (38 United States Code, sections 4211 and 4212)	Employers with 50 or more employees and a federal government contract of $100,000 or more entered into or modified on or after December 1, 2003, must file a VETS-4212 Federal Contract Reporting. (38 United States Code, sections 4211 and 4212)
Action Program	Employers with a federal government contract of $50,000 or more, entered into prior to December 1, 2003, and not modified on or after December 1, 2003, if more than $100,000 and have 50 or more employees, must prepare, implement, and maintain a written Affirmative Action Plan (AAP) for each of its establishments. (41 CFR 60-250.40)	Government contractors with 50 or more employees and a federal government contract of $100,000 or more, must prepare, implement, and maintain a written AAP for each of its establishments. (41 CFR 60-300.40)

Subscribe to the EDD no-fee **email Subscription Services**
(edd.ca.gov/about_edd/get_email_notices.htm).

RECORDKEEPING

Employers are required to keep payroll records for at least four years. If you believe that you are not a subject employer or that your employees are exempt, state law requires that you maintain records of payments made to people who provide services to your business for at least eight years in case of an employment tax audit. Your records must provide a true and accurate account of all workers (employed, no longer employed, on a leave of absence, and independent contractors) and all payments made. Records must include the following information for each worker:

- Worker's:
  - Full name (first name, middle initial, and last name).
  - Social Security number.
- Date hired, rehired, or returned to work after a temporary layoff.
- Last date services were performed.
- Place of work.
- Monies paid:
  - Dates and amounts of payment.
  - Pay period covered.
- Cash or cash value of in-kind wages (such as meals, lodging, bonuses, gifts, and prizes) showing the nature of the payment, the period that the services were performed, and the type of special payment made.
- The amounts withheld from employee wages. (**NOTE:** You may be required to make withholding deposits. Refer to "Withholding Deposits" on page 58.)
- Disbursement records showing payments to workers.
- Other information necessary to determine payments to workers.

If you have any questions on the records you must keep, refer to the ***Information Sheet: Employment Tax Audit Process*** (DE 231TA) (edd.ca.gov/pdf_pub_ctr/de231ta.pdf) or by contacting the Taxpayer Assistance Center at 1-888-745-3886.

For the latest news and helpful information,
refer to the online quarterly **California Employer Newsletter**
(edd.ca.gov/payroll_taxes/california_employer_newsletter.htm).

EMPLOYERS' BILL OF RIGHTS

COMMITMENT

The EDD is committed to applying the payroll tax laws of the State of California in an equitable and impartial manner. Toward that goal, we have developed the following information to inform you of your rights during the employment taxation process.

EMPLOYER RIGHTS

As an employer, you have the right to:

- Courteous and timely service from EDD employees.
- Expect that information maintained by the EDD be kept confidential and not published or made available for public inspection. However, in certain instances, the law requires that this information be shared with other governmental agencies. When those instances occur, the EDD closely follows the law to protect your rights to confidentiality.
- Call upon the EDD for accurate information, assistance, and to have all your questions answered.
- Receive a clear and accurate account statement if the EDD believes you owe taxes.
- Request a filing extension for up to 60 days. The law provides that the EDD may grant a filing extension where "good cause" is shown for a delay. (Refer to page 110 for the definition of "good cause.")
- Request a waiver of penalty by showing "good cause" for filing a report or making a payment late.
- An impartial audit and a full explanation of our findings if your business is selected for an audit.
- Discuss the issue(s) with an EDD representative, supervisor, office manager, and the Taxpayer Advocate Office if you disagree with an action taken by the EDD.
- Appeal certain actions to the California Unemployment Insurance Appeals Board.

The ***Employers' Bill of Rights* (DE 195)** (edd.ca.gov/pdf_pub_ctr/de195.pdf) brochure has been developed to inform you of your rights during the employment taxation process. For more information contact the Taxpayer Assistance Center at 1-888-745-3886.

OFFICE OF THE TAXPAYER RIGHTS ADVOCATE

The EDD Tax Branch established the Office of the Taxpayer Rights Advocate (OTRA), which is responsible for providing a clear and consistent focus on protecting the rights of the taxpayer. Incorporated within OTRA are the Taxpayer Advocate Office and the Settlements Office.

Taxpayer

The Taxpayer Advocate Office is responsible for protecting the rights of taxpayers during all phases of the payroll tax administration, assessment, and collection process, while also protecting the interests of the state.

If you are unable to resolve a payroll tax problem with an EDD representative, supervisor, **and** office manager, you may contact the Taxpayer Advocate Office for assistance. This office will review the issues and facts of your case to ensure that your rights have been protected and work to facilitate a resolution.

Employment Development Department
Taxpayer
PO Box 826880
Sacramento, CA 94280-0001

Toll-free Phone: 1-866-594-4177
Phone: 1-916-654-8957
Fax: 1-916-654-6969

The Settlements Program provides employers and the state an opportunity to avoid the cost of prolonged litigation associated with resolving disputed payroll tax issues (e.g., petitions for reassessment, appeals, or denial of refund claims).

When reviewing a settlement offer, the EDD considers the risks and costs for the state associated with litigating the issues, balanced against the benefit of reaching a settlement agreement. Final tax liabilities, cases still in process, cases involving fraud or criminal violations, and issues solely involving fairness or financial hardship are generally not eligible. Depending on the reduction of tax and penalties, settlement agreements are subject to approval by an Administrative Law Judge, the California Unemployment Insurance Appeals Board, and/or the Attorney General's office.

If you have questions, refer to the ***Information Sheet: Settlements Program* (DE 231SP)** (edd.ca.gov/pdf_pub_ctr/de231sp.pdf) or contact the Settlement Office or the Taxpayer Assistance Center at 1-888-745-3886.

Settlement offers must be in writing and be submitted to:

Employment Development Department

PO Box 826880
Sacramento, CA 94280-0001

Phone: 1-916-653-9130
Fax: 1-916-449-2161
Email: TAXTSDSG@edd.ca.gov

PROTECTING YOUR PRIVACY

The EDD recognizes that your privacy is a personal and fundamental right without exception. The EDD values and protects your privacy and place strict controls on the gathering and use of personally identifiable data. Your personal information is not disclosed, made available, or otherwise used for purposes other than those specified at or before the time of collection, except with your consent or as authorized by law or regulation.

Payroll tax and benefit information collected and maintained by the EDD is confidential. As an employer, you have the right to obtain access to and inspect your records. You may also authorize your agent or representative to access your records through a written authorization or *Power of Attorney Declaration* (DE 48). You can download the **DE 48** (edd.ca.gov/pdf_pub_ctr/de48.pdf) or by contacting the Taxpayer Assistance Center at 1-888-745-3886.

If you have further questions regarding your privacy rights, contact the Tax Information Security Office at 1-916-654-5981.

OFFERS IN COMPROMISE

An Offer in Compromise (OIC) enables a qualified applicant to reduce an employment tax liability to less than full value. To qualify for an OIC, all of the following are required:

- The liability must be final and undisputed.
- The employer's account must be inactive and out-of-business or the applicant must no longer have a controlling interest or any association with the business that incurred the liability.
- The applicant must meet all financial requirements.
- Full financial disclosure is required before an offer can be analyzed.

If you have questions, refer to the ***Information Sheet: Offers in Compromise* (DE 631C)** (edd.ca.gov/pdf_pub_ctr/de631c.pdf) or contact the OIC office at 1-916-464-2739.

UNEMPLOYMENT INSURANCE – TAXES

The Unemployment Insurance (UI) program provides financial assistance to individuals who are temporarily out of work through no fault of their own. In California, this program is financed entirely by employers.

METHODS OF PAYING FOR UI BENEFITS

Experience Rating Method
The experience rating method is used by the majority of employers. For a detailed explanation of the experience rating method, refer to "How Your UI Tax Rate Is Determined" below, obtain ***Information Sheet: California System of Experience Rating* (DE 231Z)** (edd.ca.gov/pdf_pub_ctr/de231z.pdf), or contact the Taxpayer Assistance Center at 1-888-745-3886.

Reimbursable Method
Public employers and nonprofit organizations described under section 501(c)(3) of the Internal Revenue Code have the option of becoming "reimbursable" employers. Employers electing the **reimbursable method** (also known as the cost-of-benefits method) are required to reimburse the UI Fund on a dollar-for-dollar basis for all benefits paid to their former employees and charged to their account. Reimbursable employers are billed quarterly and payment is due within 30 days of the statement date.

For public employers, financing under the reimbursable method **must** remain in effect for **two** complete calendar years. For nonprofit employers, financing under the reimbursable method **must** remain in effect for complete calendar years. Employers who terminate their reimbursable coverage remain liable for UI benefits paid to their former employees covered under this program for a period of **three** calendar years.

For a detailed explanation of the reimbursable method, refer to *Information Sheet: Nonprofit and/or Public Entities* (DE 231NP) and *Potential Liability for Unemployment Insurance (UI) Benefits When Electing the Reimbursable Method of Financing Under the California Unemployment Insurance Code (CUIC)* (DE 1378F). To obtain these publications, visit **Forms and Publications** (edd.ca.gov/payroll_taxes/forms_and_publications.htm) or contact the Taxpayer Assistance Center at 1-888-745-3886. For additional information, contact:

Employment Development Department
Reimbursable Accounting Group, MIC 19
PO Box 826880
Sacramento, CA 94280-0001

Phone: 1-916-653-5846

School Employees Fund (SEF) Method
Public school districts (kindergarten through 12th grade), community colleges, and charter schools may elect to participate in the School Employees Fund (SEF), which is a special UI reimbursable financing method available for school districts. For additional information visit **SEF** (edd.ca.gov/payroll_taxes/school_employees_fund.htm) or by contacting the SEF Unit at 1-916-653-5380.

HOW YOUR UI TAX RATE IS DETERMINED

Tax Rate Schedules
The UI tax rates are based on one of seven tax rate schedules (AA through F) established by law. The first step in the annual process of establishing the UI tax rates for the calendar year is for the EDD to determine which of the seven tax rate schedules will be in effect. Employers are assigned their UI tax rates from the same rate schedule.

New Employer – UI Tax Rate and Reserve Account
A UI reserve account is a nonmonetary account that is set up when an employer registers with the EDD. New employers are assigned a 3.4 percent (.034) UI contribution rate for a period of two to three years. This will depend on when the employer meets the criteria under section 982(b) of the California Unemployment Insurance Code (CUIC). After that, an employer's UI contribution rate is determined by his/her experience rating and the condition of the UI Fund.

Subscribe to the EDD no-fee **email subscription services**
(edd.ca.gov/about_edd/get_email_notices.htm).

NOTICE OF TAX RATES

Each December, the EDD mails the *Notice of Contribution Rates and Statement of UI Reserve Account* (DE 2088) that shows your UI, ETT, and SDI tax rates and taxable wage limits for the upcoming year. If you have address changes and/or agent updates, please contact the EDD immediately in order to receive your notice timely.

Any item on the DE 2088 may be protested except the ETT and SDI tax rates, which are specifically set by law. The protest must be filed in writing and postmarked within 60 days of the issued date shown on the notice. Please include your employer payroll tax account number, the specific item you wish to protest, and the reason you are protesting. You may request up to a 60-day extension. The extension request must be in writing, show good cause, and be postmarked before the protest deadline.

For further information, please refer to the ***Explanation of the Notice of Contribution Rates and Statement of UI Reserve Account (DE 2088) for the Period Shown on Your DE 2088* (DE 2088C)** (edd.ca.gov/pdf_pub_ctr/de2088c.pdf) included with the DE 2088 or call the Taxpayer Assistance Center at 1-888-745-3886.

FEDERAL UNEMPLOYMENT TAX ACT CERTIFICATION

The IRS uses the Federal Unemployment Tax Act (FUTA) certification process to verify that the total taxable wages claimed on the *Employer's Annual Federal Unemployment (FUTA) Tax Return* (Form 940) or the federal *Household Employment Taxes* (Form 1040, Schedule H) was actually paid to the state. Under this "dual" system, you are subject to both the state and federal payroll tax requirements.

You are required to file reports and pay UI taxes with the EDD. You are also required to file a Form 940 with IRS to report total taxable UI wages and pay any federal Unemployment Tax due. Generally, you can take a federal credit against your FUTA tax for the UI taxes you paid to California. You may request a FUTA Recertification at **Ask EDD** (askedd.edd.ca.gov) and follow the prompts under Payroll Tax.

On an annual basis, the IRS and the EDD compare amounts reported on your IRS Form 940 to the Total Subject Wages (line C) and UI Taxable Wages (line D2) reported on your EDD *Quarterly Contribution Return and Report of Wages* (DE 9). When an "out-of-balance" condition exists, reconciliation must be made or an assessment may be issued by either the IRS or the EDD. A common reason for an "out-of-balance" is a change of entity or FEIN that has not been updated with the EDD. You can update your FEIN and make changes to your account at **e-Services for Business** (edd.ca.gov/e-Services_for_Business). For more information, contact the EDD FUTA Certification Unit at 1-916-654-8545.

RESERVE ACCOUNT TRANSFERS

When an employer acquires all or part of an ongoing business and continues to operate the business without substantial reduction of personnel resulting from the acquisition, the employer may request the previous owner's UI reserve account balance be transferred to the new ownership by completing an *Application for Transfer of Reserve Account* (DE 4453). This form can also be filed electronically through **e-Services for Business** (edd.ca.gov/e-Services_for_Business). If the EDD approves the transfer, the UI tax rate will be redetermined and may result in an immediate reduction or increase in the UI tax rate. For further information regarding reserve account transfers, call 1-916-653-7795.

NOTE:

- When a UI reserve account transfer has been approved, the employer requesting the transfer will receive a revised DE 2088 stating the UI tax rate.
- Employers who receive a reserve account transfer accept responsibility for the UI benefit charges for the previous owner's former employees. This may increase your UI tax rate in future years.
- A reserve account transfer cannot be reversed once it has been completed.
- There are time limits to qualify for a reserve account transfer. Apply for a reserve account transfer immediately after purchasing an ongoing business.

WAGES IN ANOTHER STATE

Section 930.1 of the CUIC provides that a California employer who pays wages to an employee for employment subject to the unemployment insurance laws of another state (and reports to that state), can use such wages in computing the UI taxable wage limit in the same calendar year if the individual is subsequently transferred to California. Such wages may not be used to arrive at the taxable wage limit for disability insurance purposes.

INTERSTATE RECIPROCAL COVERAGE ELECTIONS FOR MULTISTATE WORKERS

When an individual performs services in two or more states and the services are not localized in any one state, under the provisions of CUIC (sections 602 and 603), the employer may request to report the individual's services to one state.

Upon approval for Unemployment and Disability Insurance purposes, the employer may report to any state in which (a) services are performed, (b) the employee has residence, or (c) the employer maintains a place of business.

NOTE: Special reporting may be required for California Personal Income Tax withholding purposes.

For additional information, refer to the ***Information Sheet: Multistate Employment* (DE 231D)** (edd.ca.gov/pdf_pub_ctr/de231d.pdf) or contact the Taxpayer Assistance Center at 1-888-745-3886.

TIPS FOR REDUCING YOUR UI TAX RATE

UI tax works like any other insurance premium. An employer may pay a lower rate when former employees make fewer claims on the employer's payroll tax account. The following steps may help reduce your UI tax rate:

- Maintain a stable workforce; it could save you UI taxes. High employee turnover increases the potential for benefits to be charged to your reserve account.
- Submit your *Payroll Tax Deposit* (DE 88) within the required time limits to ensure your UI contributions are included in calculating your UI tax rate for the following year.
- Respond timely to the *Benefit Audit* (DE 1296B and DE 1296NER). It may lead to the reversal of related charges to your reserve or reimbursable account. For additional information, refer to "Benefit Audits to Determine Fraud" on page 91.
- Respond timely to the *Notice of Unemployment Insurance Claim Filed* (DE 1101CZ or DE 1101ER) if you believe that a former employee does not meet the UI eligibility criteria. A timely response to a DE 1101CZ or DE 1101ER may reduce charges to your reserve account. For added convenience, employers and third-party administrators can elect to electronically receive and respond to the DE 1101CZ through the State Information Data Exchange System (SIDES). Visit **SIDES** (edd.ca.gov/SIDES) to learn more.
- Respond timely to the *Notice of Wages Used for Unemployment Insurance (UI) Claim* (DE 1545) if you believe the wages used to establish a claim are incorrect, the employee is still working, or if you believe a former employee does not meet the UI eligibility criteria. A timely response to a DE 1545 may reduce charges to your reserve account.
- Conduct and document an exit interview to help you to understand why the employee is leaving. This may result in changes to your policies or procedures that will assist you in retaining your employees. Written documentation of the exit interview may be important in supporting your protest.
- Permit leaves of absence because they may help keep fully trained personnel.
- Keep good personnel records to justify any action(s) taken. Give written warnings prior to discharging an employee and keep a copy of these warnings and other supporting information.
- Protest UI benefit claims for former employees who you believe are not eligible for benefits (e.g., employee voluntarily quit or was discharged for misconduct, etc.). Answer UI claim notices promptly, accurately, and in detail.
- Rehire former employees who are currently receiving UI benefits that may be charged against your reserve account.
- Report refusals of work to the EDD.
- Provide clear, specific answers to phone interview questions from EDD personnel.
- Review your *Statement of Charges to Reserve Account* (DE 428T) and report inaccuracies within the protest time limits.
- Bring witnesses with firsthand knowledge of pertinent facts when attending an appeal hearing.

For additional information on the UI program or assistance in reducing UI costs, refer to the booklet ***Managing Unemployment Insurance Costs* (DE 4527)** (edd.ca.gov/pdf_pub_ctr/de4527.pdf).

Learn more about payroll taxes through our **seminars and online courses** (edd.ca.gov/payroll_tax_seminars/).

FRAUD PREVENTION DETECTION AND REPORTING

The EDD recognizes your concerns about imposter fraud and the threat of identity theft. Imposter fraud and identity theft occurs when someone steals your employees' employment and/or personal information and uses that information for personal gain. We actively investigate cases of imposter fraud and are committed to taking the steps necessary to protect the integrity of the Unemployment Insurance (UI) Fund. To assist in these efforts, you may receive a *Request for Additional Information* (DE 1326ER) asking you to validate information provided to us by an individual when we suspect a UI claim may have potential identity or imposter issues. Completing and returning the DE 1326ER with the requested information will assist us in resolving these issues promptly. Visit our **fraud detection and prevention activities** (edd.ca.gov/Unemployment/Fraud_and_Detection_Activities.htm) for more information.

We also encourage you to take all necessary steps to protect your employees' Social Security numbers (SSN) and other identifying information. A key way to protect yourself and your employees is by properly disposing of your old payroll records. California law requires you to properly destroy (e.g., shred, erase, etc.) the personal information on all records under your control. Your employees may sue you for civil damages if you fail to protect their confidential information. For more information on California privacy legislation and protecting yourself and your employees from identity theft, visit the (oag.ca.gov/privacy).

To minimize potential fraud and protect your UI reserve account, we urge you to carefully review each EDD statement and/or notice and respond as directed in a timely manner to any items for which you have questions. If you suspect your payroll or personnel data has been compromised, please report the incident immediately to our Fraud Hotline at 1-800-229-6297 by submitting a fraud reporting form (edd.ca.gov/unemployment/fraud_prevention.htm).

Additionally, the Social Security Administration (SSA) offers employers and authorized agents a service for verifying employees' SSNs. For information on how to access the SSA's SSN verification service, visit the **SSA** (ssa.gov/employer/ssnv.htm) or contact your local SSA office.

To learn about steps that you can take to fight imposter fraud, protect your employees, and control your UI costs, the brochure ***How You Can Prevent Unemployment Insurance Imposter Fraud* (DE 2360ER)** (edd.ca.gov/pdf_pub_ctr/de2360er.pdf).

UI RATE MANIPULATION

There are several types of schemes businesses use to unlawfully lower their UI contribution rates. These UI rate manipulation schemes typically involve a business with a high UI tax rate obtaining a lower UI rate through the creation of a new corporate entity or through the purchase of a shell business with a low UI rate. The practice of UI rate manipulation threatens the stability of California's UI Fund and creates an unfair advantage for those businesses that use these schemes to lower their rates.

In 2005, California implemented a law to prevent UI rate manipulation; it requires employers who are illegally lowering their UI rates to pay at the highest rate provided by law plus an additional 2 percent. The law also provides for the greater of a $5,000 penalty or 10 percent of underreported contributions, penalty, or interest for anyone knowingly advising another person or business to violate California's UI rate and reporting laws.

This law also made changes regarding the transfer of UI reserve account balances and specified that whenever a business transferred all or part of its business or payroll to another employer, the reserve account attributable to the transferred business will also be transferred if they are under common ownership, management, or control. It also provides that the transfer will be denied if the acquisition was for the purpose of obtaining a lower UI rate.

For more information, visit **UI rate manipulation** (edd.ca.gov/payroll_taxes/suta_dumping.htm) or contact the Taxpayer Assistance Center at 1-888-745-3886. If outside the U.S. or Canada, call 1-916-464-3502.

For the latest news and helpful information,
refer to the online quarterly **California Employer Newsletter**
(edd.ca.gov/payroll_taxes/california_employer_newsletter.htm).

UNEMPLOYMENT INSURANCE FUNDING

The California UI program is funded through payroll taxes paid by employers. These taxes are placed in the UI Fund and benefits are paid to qualified claimants from this fund. The individual tax reserve account established for each employer has no monetary value. The reserve account is an accounting tool used to keep track of credits and charges made against the employer's account to determine his/her annual UI tax rate. For additional information, please refer to "Unemployment Insurance Taxes" on page 81.

BENEFIT AMOUNT

The maximum amount of UI benefits payable to a claimant during a regular benefit year is 26 times the claimant's weekly benefit amount or one-half of the total base period earnings, whichever is less. The benefit year is a 52-week period starting on the effective date of a new UI claim. The base period consists of four calendar quarters of three months each. When a base period begins and which calendar quarters are used depends on the date the claim begins and whether the claim is for UI or for Disability Insurance (DI).

For UI, there are two types of base periods that may be used to establish a claim: the Standard Base Period (SBP) and the Alternate Base Period (ABP). The SBP is the **FIRST** four of the last five completed calendar quarters prior to the beginning date of the UI claim. If a claimant does not have sufficient wages in the SBP to establish a claim, the EDD will consider whether the claimant qualifies to file a claim using the ABP. The ABP is the four most recently completed calendar quarters prior to the beginning date of the claim. The ABP can ONLY be used to file a UI claim when there are not enough wages earned in the SBP to file a monetarily valid UI claim. Refer to page 93 for more information about the ABP.

Current W Year	Amount Minimum	Amount Maximum	Maximum Charged to Reserve Account for Each Employee for a Regular Claim
2020	$40	$450	$11,700
2019	$40	$450	$11,700

BENEFIT QUALIFICATIONS

To be eligible for UI benefits, claimants must:

- Be unemployed through no fault of their own.
- Be totally or partially unemployed and registered for work with the EDD, as required.
- Accurately report on all earnings during their weekly claim certification – even those from part-time or temporary work.
- Be physically **able to work** in their usual occupation or in other work for which they are reasonably qualified.
- Be **available for work** by being ready and willing to immediately accept suitable work in their usual occupation or in an occupation for which they are reasonably qualified.
- Be actively **seeking work** on their own behalf.
- Have received a minimum amount of wages during the base period. For additional information, please refer to "Qualifying UI Wages" on page 86.
- Comply with regulations in regard to filing claims.

Once a claim is filed, EDD staff will determine if there are eligibility issues. An EDD representative may call employers as well as claimants to resolve eligibility issues.

A claimant may be ineligible for UI benefits if the claimant:

- Was discharged for misconduct connected to his/her work, proof of misconduct rests with the employer.
- Voluntarily quit without "good cause" (includes quitting for personal reasons, to go to school, or to move).
- Files a UI claim during a recess period, if he/she worked for a school employer, and had reasonable assurance of returning to work for a school employer.
- Refused suitable work without "good cause."
- Failed to take part in reemployment services.
- Failed to apply for a job when referred by a public employment office.
- Failed to make reasonable efforts to look for work.
- Failed to comply with regulations.
- Made false statements or withheld information for the purpose of receiving UI benefits.
- Is not legally entitled to work in the U.S.
- Is not able to work or is not available for work.
- Is working full-time or earns wages totaling more than 25 percent of their weekly UI benefit amount.
- Voluntarily left work due to a trade dispute.

Certain types of employees are not covered for UI benefits. For additional information, refer to:

- *Information Sheet: Types of Employment* (DE 231TE).
- *Information Sheet: Types of Payments* (DE 231TP).

The DE 231TE and DE 231TP information sheets are available on our **Forms and Publications** (edd.ca.gov/payroll_taxes/forms_and_publications.htm).

QUALIFYING UI WAGES

To have a valid UI claim, individuals must have earned:

- $1,300 or more in **covered employment wages** in one quarter of the base period, or
- $900 or more in **covered employment wages** in the base-period quarter with the highest earnings and earned at least 1.25 times the high quarter earnings during the entire base period.

Certain types of payments made to employees are not considered covered employment (wages) for UI purposes. For additional information, refer to ***Information Sheet: Types of Payments* (DE 231TP)** at (edd.ca.gov/pdf_pub_ctr/de231tp.pdf). The table shows if certain types of jobs and types of income are taxable for UI. If the table shows that a job or type of income is "not subject" to UI tax, then that income is excluded from establishing a UI claim.

UI ELIGIBILITY DETERMINATION

The EDD schedules fact-finding phone interviews or sends questionnaires when there are eligibility questions regarding a claim. Our staff will talk to the claimant, employer, and appropriate third parties as necessary to make a decision. Based on the decision, benefits will either be paid or denied. If benefits are denied, a notice will be issued to the claimant. If the employer responds timely to the first notice sent by the EDD and addresses the issue being decided, a notice will also be sent to the employee.

NOTE: The maximum amount an employer can be charged on a regular claim is $11,700. Refer to "Benefit Amount" on page 87. In addition, an employer's reserve account may be subject to charges for benefits paid on a Training Extension (TE) claim. Claimants who have been approved for California Training Benefits (a program established to retain displaced workers who need new skills to return to work) may be eligible for a TE claim. A claimant with a TE claim is eligible to receive a maximum of 52 times his/her weekly benefit amount on the regular claim, which includes the maximum benefit award of the regular claim.

HOW TO DESIGNATE AN AGENT OR SINGLE ADDRESS

Tax-Rated Employers or Reimbursable Employers
Tax-Rated or Reimbursable Employers may make address changes or designate an agent by contacting the EDD Tax Branch. Refer to Change of Status information on page 71.

Reimbursable Employers
Public entity and nonprofit employers should also submit the single agent address or agent information to the EDD Tax Branch to have the address on file changed. To have the *Notice of Unemployment Insurance Claim Filed* (DE 1101CZ) and tax forms sent to the designated single address, refer to "Changes to Your Business Status" information on page 71.

In addition, public entity and nonprofit employers and their agents must elect to have the notice of new or additional claim (DE 1101CZ or DE 1101ER) sent to a designated single address, per section 806 of the California Unemployment Insurance Code.

Requests for designation of a single address should be sent to:

Employment Development Department
Unemployment Insurance Division, MIC 40
PO Box 826880
Sacramento, CA 94280-0001

Fax: 1-916-654-8117

HOW TO REQUEST AN ELECTRONIC DE 1545

Employers and their agents may electronically obtain the *Notice of Wages Used for Unemployment Insurance (UI) Claim* (DE 1545) through the Electronic Data Interchange (EDI). To obtain information about EDI, contact:

Employment Development Department
Employer Assistance Unit, MIC 16
PO Box 826880
Sacramento, CA 94280-0001

Phone: 1-916-464-2325

RESPONDING TO NOTICES

You need to respond timely and in writing to the *Notice of Unemployment Insurance Claim Filed* (DE 1101CZ or DE 1101ER), *Notice of Wages Used for Unemployment Insurance (UI) Claim* (DE 1545), or the *Notice of Potential Increased Liability For Training Extension Benefits* (DE 1545TE) if:

- The claimant was terminated or voluntarily quit.
- You have knowledge of information that might affect the claimant's eligibility for UI benefits.
- The claimant's name and Social Security number are not correct.
- You want a written decision of eligibility that provides you appeal rights to the EDD's decision.
- The claimant's work was in non-covered employment for UI purposes and the wages should not be used to establish a UI claim, including work performed as an elected official.

If you believe the claimant is not entitled to benefits, it is important to protest in writing when you receive the first notice and within the protest time limits. Refer to page 88 for the Claim Notices and Protest Time Limits table. Your response must include any facts that may affect the claimant's eligibility for UI benefits or the potential liability of your UI reserve account for benefits paid to the claimant.

Protests to the DE 1101CZ, DE 1101ER, DE 1545, DE 1545R, or DE 1545TE should be in writing and mailed to the address noted on the form within the protest time limits of that form. Employers and third-party administrators can elect to electronically receive and respond to the EDD's *Notice of Unemployment Insurance Claim Filed* (DE 1101CZ) using **SIDES** (edd.ca.gov/SIDES). Protests may be written on the notice or included in a separate letter and should contain the following information:

- Employer's payroll tax account number, name, and address.
- Claimant's name and Social Security number.
- Beginning date of the claim.
- Date of separation from employment.
- Dates of separation(s) and rehire(s) during and following the quarters shown on the DE 1545.
- Information supporting your belief of the claimant's ineligibility. (Refer to page 85 for a list of disqualifying events.) Protests should include specific facts and circumstances. General statements (e.g., employee was fired for misconduct) should be supported with specific events and documentation. This will result in better eligibility decisions based on the facts.
- If the wage information listed on the DE 1545 or DE 1545TE is incorrect, please inform the EDD in writing at:

  Employment Development Department
  Employers Assistance Unit, MIC 16
  PO Box 826880
  Sacramento, CA 94280-0001

  Include the following information with your correction of wage information:

  - Employer's payroll tax account number, name, and address.
  - Claimant's name and Social Security number.
  - Beginning date of the claim.
  - Correction to the wage information. Please provide supporting documentation to the correction, such as a copy of the *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C) or *Quarterly Contribution and Wage Adjustment Form* (DE 9ADJ).
  - Name, signature, and phone number of the employer or employer representative preparing the wage correction.
  - Date of the wage correction.
- The protest should be signed by the person having personal knowledge of the facts or having access to records containing the facts.

REMEMBER: If a written protest is not submitted, or submitted untimely, for the DE 1101CZ, DE 1101ER, DE 1545, or DE 1545TE, you waive your right to protest your UI reserve account's potential liability for benefits paid to the claimant and your right to appeal the EDD determination.

SUBSEQUENT BENEFIT YEAR

If you receive a notice that a subsequent benefit year has been established, you must resubmit any facts you furnished on the initial *Notice of Unemployment Insurance Claim Filed* (DE 1101CZ or DE 1101ER) to be entitled to a determination and/or ruling based on such facts for the later benefit year.

CLAIM NOTICES AND PROTEST TIME LIMITS	
Notice	**Postmarked Within**
DE 1101CZ or DE 1101ER Mailed to the last employer when a current or former employee files a new UI claim or an existing claim is reopened.	10 calendar days of the date mailed to you (the date is printed on the top-right side of the DE 1101CZ and the DE 1101ER).
DE 1545 Issued to all base-period employers after a claimant receives the first UI payment. This notice informs each employer of the wages used to establish the claim and the amount of potential charges to their UI reserve account for that claim. **NOTE:** Employers and their agents may obtain the DE 1545 electronically. (Refer to "How to Request an Electronic DE 1545" on page 86.)	The deadline to submit a ruling request is located on the top-right side of the DE 1545. To request a ruling, submit separation information within 15 calendar days from the mail date. If wage information is incorrect, submit the information within 30 calendar days.
DE 1545TE Mailed to base-period employers only when a former employee has been approved for the California Training Benefits (CTB) program. This form will inform you of the maximum amount of potential benefits payable, including training extension benefits, and the amount of potential charges to your UI reserve account. When protesting a former employee's eligibility for the CTB program, employers should address the particular criteria that individuals must meet under section 1269 and 1269.1 of the California Unemployment Insurance Code.	15 calendar days from the mail date.

NOTE: If you respond untimely, provide the reason you are submitting the eligibility information untimely and the EDD will determine if you had "good cause" for not submitting your response timely. If there is a finding of "good cause," you will be entitled to receive a notice of determination or ruling. If it is determined that you did not have "good cause" for the late response, a *Response to Employer Communication* (DE 4614) will be issued. This form can be appealed if you disagree with the determination. Also, if you respond untimely with eligibility information, the EDD will conduct a determination of eligibility with the claimant regardless of whether you are entitled to a notice of determination or ruling.

Subscribe to the EDD no-fee **email subscription services**
(edd.ca.gov/about_edd/get_email_notices.htm).

NOTICES OF DETERMINATION, RULING, OR MODIFICATION

You will receive one of the following DE 1080 notices in response to eligibility issues you reported on the *Notice of Unemployment Insurance Claim Filed* (DE 1101CZ or DE 1101ER), *Notice of Wages Used for Unemployment Insurance (UI) Claim* (DE 1545), or the *Notice of Potential Increased Liability for Training Extension Benefits* (DE 1545TE).

Notice	Purpose
DE 1080CZ: • *Notice of Determination*	Reimbursable Employer(s): Sent to an employer who responds timely to a DE 1101CZ or DE 1101ER, and who submits information about quits and discharges. The notice informs the employer whether or not the claimant was found eligible for Unemployment Insurance (UI) benefits. Tax-rated and Reimbursable Employers(s): Sent to an employer who responds timely to a DE 1101CZ, DE 1101ER, DE 1545, or DE 1545TE, or who provides eligibility information about issues other than quits or discharges that can affect a claimant's eligibility for UI benefits, such as job refusals or a claimant's unavailability for work because of school attendance, lack of child care, etc. The notice informs the employer whether or not the claimant was found eligible to receive UI benefits. Refer to page 85 for a list of disqualifying events.
• Notice of Determination/Ruling	Sent to a tax-rated employer who responds timely to a DE 1101CZ or DE 1101ER with eligibility information regarding a voluntary quit or discharge. The ruling portion of this notice informs the employer whether or not the reserve account will be charged for UI benefits paid.
• Notice of Ruling	Sent to a tax-rated employer who responds timely to a DE 1545 with separation information. The separation must have occurred during or after the base period of the claim. This notice informs the employer whether or not the reserve account will be charged for UI benefits paid.
DE 1080M: • *Notice of Modification*	Sent to the employer who previously received a DE 1080EZ stating that the claimant was disqualified. This form informs the employer that the claimant's disqualification period is over. This notice does not change the original ruling issued to the employer.

REMEMBER: Employers who finance UI coverage under one of the reimbursable financing methods receive Notices of Determination, but do not receive Notices of Ruling because they do not have a UI reserve account.

The *Notice of Potential Increased Liability for Training Extension Benefits* (DE 1545TE) provides base-period employers with a timely notice of maximum amount of potential UI benefits, including training extension benefits that may be charged to their accounts. This form is mailed to base-period employers only when a former employee has been approved for the California Training Benefits (CTB) program. When protesting a claimant's eligibility for the CTB program, employers should address the particular criteria that individuals must meet under section 1269 and 1269.1 of the CUIC.

UNEMPLOYMENT INSURANCE (UI) BENEFITS – APPEAL RIGHTS

You have the right to file an appeal if you do not agree with a decision made by the EDD about your:

- Former employee's right to receive UI benefits.
- UI reserve account being charged for benefits paid to a former employee.

You must send your written appeal to the EDD within 30 calendar days of the date the decision was mailed to you. The EDD will send you an acknowledgment of receipt and registration of your appeal with the phone number for the Office of Appeal hearing the case. The Office of Appeal will schedule a hearing with an Administrative Law Judge (ALJ). Both you and your former employee will be notified of the date, time, and place of the hearing at least 10 days before the hearing date. If you are filing an appeal to a *Notice of Ruling* (DE 1080CZ), the employee is not considered a party to the proceeding and is not notified of the hearing. The ALJ will conduct a hearing and give all interested parties the opportunity to present their evidence. The ALJ will consider the facts presented at the hearing and issue a written decision that is mailed to all concerned parties.

If you do not agree with the ALJ's decision, you may appeal to the California Unemployment Insurance Appeals Board (CUIAB). The CUIAB reviews appeals to decisions rendered by the ALJ. Both the CUIAB and the ALJs operate impartially and independently of the EDD.

The CUIAB provides the following publications to assist in filing an appeal and preparing for an administrative hearing:

- *Appeals Procedure* (DE 1433)
- *Office of Appeals Tax Hearing Information Pamphlet* (DE 6412TF)

For copies of these publications, write to the California Unemployment Insurance Appeals Board at the address shown on the following page. You may also download these forms from the CUIAB website at (cuiab.ca.gov/forms.asp). If you have any questions about filing an appeal, please contact the EDD at 1-800-300-5616.

NOTE: An EDD ***Appeal Form* (DE 1000M)** (edd.ca.gov/pdf_pub_ctr/de1000m.pdf) is enclosed with all DE 1080s.

FALSE STATEMENT PENALTY

Section 1142(a) of the CUIC provides that an employer and/or the employer's agent may be assessed a cash penalty from 2 to 10 times the claimant's weekly benefit amount if it is determined that the employer, employer representative, employer officer, or employer agent willfully made a false statement or misrepresentation or failed to report a material fact concerning the claimant's termination of employment.

Section 1142(b) of the CUIC provides that an employer and/or the employer's agent may be assessed a cash penalty from 2 to 10 times the claimant's weekly benefit amount if it is determined that the employer, employer representative, employer officer, or employer agent willfully made a false statement or representation or willfully fails to report a material fact concerning the claimant's reasonable assurance of reemployment as defined in section 1253.3 of the CUIC.

Section 1142.1 of the CUIC provides that an employer may be assessed a cash penalty from 2 to 10 times the claimant's weekly benefit amount if it is determined that the employer, employer representative, employer officer, or employer agent, where the claimant was performing services for an educational institution as defined in section 1253.3, willfully makes a false statement or representation or fails to report a material fact concerning the claimant's termination of employment or regarding any week during which services were performed (as provided in section 1253.3) or any time granted to the claimant for professional development while working for that employer.

If you are not in agreement with the *Notice of Determination or Assessment Under UI Code Section 1142(A)* (DE 3807 SEP) or *Notice of Determination or Assessment Under UI Code Section 1142(B)* (DE 3807 RA), you may file a *Notice of Petition Rights* (DE 2350) to an Administrative Law Judge (ALJ) of the CUIAB. The CUIAB, established separate and apart from the EDD, reviews, hears, and renders impartial and independent decisions in tax and benefit matters related to the CUIC.

Prepare an original and a copy of the petition. The petition may be informal but must be in writing and should:

- Show your EDD employer payroll tax account number and the date of the assessment. For faster processing, enclose a copy of the DE 3807 SEP or DE 3807 RA with your petition.
- Provide the claimant's name and Social Security number.
- Clearly indicate that it is a "Petition for Reassessment."
- Describe the reason for the petition and specify the facts or grounds for requesting a reassessment.
- Be signed by you or your authorized agent.
- State your address or that of your agent, if any.

To be timely, the petition must be mailed or delivered to the office shown below within **thirty** (**30**) **calendar days** from the date of assessment. The time to protest can be extended by an ALJ for not more than thirty (30) days but **only** if "good cause" for the delay is shown. Mail or deliver the original and a copy of your petition for reassessment to:

California Unemployment Insurance Appeals Board
Appeals
2400 Venture Oaks Way, Suite 100
Sacramento, CA 95833-4224

BENEFIT AUDITS TO DETERMINE FRAUD

The benefit audit process leads to the recovery of improper UI benefit payments and the potential reversal of related charges to the employer's reserve account when the EDD determines that the claimant was not entitled to UI benefits. The *Benefit Audit* (DE 1296B) identifies individuals who may have improperly received UI benefits for weeks in which they worked and had earnings. The EDD has several processes to detect and deter fraud; thereby, protecting the integrity of the UI program. Each quarter, as part of the EDD fraud detection efforts, DE 1296B audit forms are mailed to employers to request wage information for specific weeks that their California employees may have worked.

Each quarter, the EDD also runs a cross-match with other states' wage records. If it appears an individual may have worked in another state while receiving California UI benefits, then an *Interstate Unemployment Insurance Benefit Payment Audit* (IB 8605) form will be sent to out-of-state employers.

BENEFIT AUDITS TO DETERMINE FRAUD (cont.)

Additionally, as part of our continuing efforts to detect and deter fraud, the EDD cross-matches the Social Security number and Start-of-Work Date (SWD) from the New Employee Registry information reported by employers with UI benefit payment information. An accurate SWD (not the hire date) is important for this cross match process. If a match is identified, a *New Employee Registry Benefit Audit* (DE 1296NER) audit form will be sent to the employer requesting earnings and eligibility information. The returned employer information is used to identify benefit overpayments and to recover the improper benefit payments.

The DE 1296NER audit form enables the EDD to detect fraud up to six months sooner than the quarterly Benefit Audit Process and protects the UI Fund by reducing overpayments. Employers who have responded to the DE 1296NER audit form will not receive a DE 1296B for the same employee for the same quarter.

Employers are required by state and federal laws to respond to the DE 1296B, the DE 1296NER, and the IB 8605 benefit audits. **Employers' participation in these processes is essential to detect potential fraud and to protect the integrity of the UI program.**

Questions or comments about the benefit audit process should be sent to:

Employment Development Department
PO Box 3038, MIC 16A
Sacramento, CA 95812-3038

Phone: 1-866-401-2849

For more information visit (edd.ca.gov/unemployment/FAQ_-_Benefit_Audits.htm).

BACK PAY AWARD

Employees who receive UI benefits and later receive back pay awards or settlements must have the Back Pay Award or settlement allocated to the period for which it was awarded. The EDD must be reimbursed an amount that equals the amount of UI benefits received if the Back Pay Award covers the same period for which UI benefits were paid. Back pay is considered wages and should be reported within thirty (30) days from the settlement or agreement date.

A
amounts. If the Back Pay Award agreement states that the employer will withhold overpayment amounts from the Back Pay Award or settlement, the employer is responsible for submitting the amounts withheld to the EDD to clear the overpayment. The employer must provide the claimant's name and complete Social Security number and information concerning the period covered by the Back Pay Award.

At the employer's request, the EDD will determine the amount of UI benefits to be repaid, establish an overpayment, and notify the claimant and employer. ("Employer" refers to both tax-rated and reimbursable employers.) Reimbursable employers will receive credits against their future charges only after the liability has been paid. For further information, contact:

Employment Development Department
Back Pay Awards Coordinator, MIC 8, OARG
PO Box 826880
Sacramento, CA 94280-0001

Phone: 1-714-687-4400

WORKERS' COMPENSATION BENEFITS

Employees who received UI benefits and later receive workers' compensation benefits in the form of Temporary Total Disability (TTD) benefits, Vocational Rehabilitation Maintenance Allowance (VRMA), or settlements for the same period must repay the EDD an amount equal to the UI benefits received. For further information, contact:

Employment Development Department
Workers' Compensation Specialist
PO Box 2588
Rancho Cordova, CA 95670

Phone: 1-916-464-0713

STATEMENT OF CHARGES

Each September, the annual *Statement of Charges to Reserve Account* (DE 428T) is mailed to you. This statement notifies you of the UI benefit charges and credits to your reserve account for the prior one-year period from July 1 through June 30. Charges are itemized and based on the UI benefits paid to your former employees. Charges to your reserve account may increase your UI contribution rate for the next tax year. It is important to review your statement carefully and respond timely if you do not agree with the charges. You have 60 days from the issued date on your statement to protest any charges you believe are incorrect. An extension of up to 60 days may be granted for good cause if your request is submitted before the protest deadline. When filing your protest, you must include your EDD employer payroll tax account number, the claimant's name, Social Security number, claim date, the dollar amount, total number of claimants being protested, and the specific reason.

Mail your protest to:

Employment Development Department
Contribution Rate Group
PO Box 826831
Sacramento, CA 94230-6831

For a sample form and detailed instructions on how to file a protest, refer to the ***DE 428T Protest Sample Form* (DE 428C)** and the ***Information Sheet Statement of Charges to Reserve Account, DE 428T* (DE 428I)** (edd.ca.gov/Forms) or contact the Taxpayer Assistance Center at 1-888-745-3886.

To ensure your DE 428T is received timely, please make the necessary updates to your address and/or agent information. For your convenience, these updates can be submitted online using e-Services for Business.

ALTERNATE BASE PERIOD

The Alternate Base Period (ABP) program requires the EDD to use more recently earned wages to calculate monetary eligibility for new UI claims for unemployed individuals who do not qualify for a UI claim using the Standard Base Period (SBP). The "Standard" Base Period uses the wages earned in the first four of the last five completed calendar quarters prior to the beginning date of the UI claim. The "Alternate" Base Period uses the wages earned in the four most recently completed calendar quarters.

In addition to employers' current quarterly wage reporting, if the ABP wages are not showing in the EDD database, employers will be asked to provide the wages for claimants. At times, employers may be asked to provide wages prior to the quarterly wage reporting. The EDD will only request wages from employers if it appears that claimants have enough wages to qualify for a UI claim using the ABP. If it is necessary for the EDD to obtain the wages from the employer, the EDD will mail the employer a *Request for Wages* (DE 1919) to request wage information for each of the five most recently completed quarters. This will assist the EDD in determining if the claimant qualifies for a claim using the SBP or ABP. Employers have 10 days to respond to the EDD request.

In addition to mailing the employer a DE 1919, the EDD will mail the claimant an *Affidavit of Wages* (DE 23A) to request the wage information. If the employer does not respond to the EDD request for wage information within the 10 days, and the claimant provides the DE 23A along with tangible evidence of the wages earned, the EDD will file the claim based on the wage information provided by the claimant.

If the base period wages on an ABP claim are later adjusted when the quarterly wages are reported by the employer, an overpayment may not be established on the ABP claim unless the claim was based on fraudulent information provided by the claimant. This means that, if employers do not respond timely to the EDD original DE 1919, they may incur reserve account charges they might not have otherwise incurred.

LAYOFF ALTERNATIVES

Partial UI Claims

The Partial UI Claim program enables employers to keep trained employees who are partially employed during slow business periods. Employers may use the Partial UI Claim program if employees are temporarily working reduced hours or have been placed on layoff status for no more than two consecutive weeks. For information about partial claims and the partial forms, refer to the ***Notice of Reduced Earnings* (DE 2063)** and ***Notice of Reduced Earnings (Fisherperson)* (DE 2063F)** (edd.ca.gov/unemployment/faq_-_partial_claims.htm).

If you participate in the program, you should:

- Instruct your employees to call the EDD UI toll-free numbers to file a UI claim by phone.
- Instruct your employees to advise the EDD that he/she is participating in the Partial UI Claims program.
- Complete the employer portion of the *Notice of Reduced Earnings* (DE 2063) and issue it to your employees.
- Instruct employees to complete and sign the DE 2063 and mail it to the EDD.

If an employee has no wages (does not work) for two consecutive weeks, instruct the employee to contact the EDD to obtain the regular *Continued Claim* (DE 4581) form. Participation in this program may increase the employer's UI tax rate.

For more information about partial UI claims contact one of the toll-free UI phone numbers on page 107 or visit **UI Claims** (edd.ca.gov/unemployment/partial_claims.htm).

Work Sharing Program

The Work Sharing program is available to employers who reduce employee wages and hours as an alternative to a layoff. The affected workforce or work unit(s) must consist of two or more employees who comprise at least 10 percent of the workforce or work unit(s) and the employer must meet other requirements in order to participate. The employer must sign a *Work Sharing (WS) Unemployment Insurance Plan Application* (DE 8686) with the EDD and comply with all requirements to remain eligible for participation. The DE 8686 must be periodically renewed. Participation in this program may increase the employer's UI tax rate. If you are interested in participating in the program or would like additional information, visit **work sharing claims** (edd.ca.gov/unemployment/work_sharing_claims.htm) or contact:

Employment Development Department

PO Box 419076
Rancho Cordova, CA 95741-9076

Phone: 1-916-464-3343
Fax: 1-916-464-2616
Alternate fax: 1-916-464-3333

NOTE: Employees participating in the Work Sharing or Partial Claims programs cannot use Tele-Cert℠ or the EDD UI Online℠ to certify for UI weekly benefits. Participants of these programs are required to continue using the existing paper continued claim form by mail.

NOTICE OF LAYOFF

Employers with at least 100 full-time employees who plan plant closures resulting in employment loss of 50 or more full-time employees within a 30-day period or mass layoffs of 50 to 499 full-time employees constituting at least 33% of the full-time workforce at a single site of employment within a 30-day period or layoff of 500 or more employees regardless of percentage of workforce, must give affected employees at least 60 days written notice. Please refer to "Plant Closure or Mass Layoff" on page 75 for additional information.

WAGES NOTICES

In the event of a layoff or business closure involving 10 or more employees, the EDD Wages Notice Group will investigate and post Electronic Wages Notices (EWN) for staff in the EDD offices to use. The EWNs contain wage findings (e.g., findings on in-lieu-of-notice pay and bonuses) to ensure consistent determinations when several employees may be affected by the same set of facts. For additional information, visit **mass layoffs and wage notices** (edd.ca.gov/unemployment/mass_layoffs_and_wage_notices.htm).

STATE DISABILITY INSURANCE PROGRAM

The State Disability Insurance program provides Disability Insurance (DI) and Paid Family Leave (PFL) benefits to eligible workers who need time off work. The SDI program is state mandated and funded by employee payroll deductions.

DI is a component of the SDI program. DI provides partial wage replacement benefits to eligible California workers who have a loss of wages when they are unable to perform their regular or customary work due to a non-work-related illness or injury, pregnancy, or childbirth.

PFL is also a component of the SDI program. PFL provides benefits to eligible workers who take time off work to care for a seriously ill child, parent, parent-in-law, grandparent, grandchild, sibling, spouse, or registered domestic partner. Benefits are also available to new parents who need time to bond with a new child through birth, adoption, or foster care placement.

Employers, claimants, physicians/practitioners, and voluntary plan administrators may securely submit **DI and PFL claim** (edd.ca.gov/disability) information online.

TAXES – WHO PAYS FOR SDI?

The SDI program (DI and PFL) is funded through mandatory employee payroll deductions for most California workers. California law requires employers to provide coverage for employees with payroll in excess of $100 in a calendar quarter. There are a few exceptions. Some of those specifically excluded are:

- Some domestic workers.
- Some governmental employees.
- Employees of interstate railroads.
- Employees of some nonprofit agencies.
- Individuals claiming a religious exemption.

NOTE: When a worker has more than one employer during a calendar year, it is possible that excess SDI contributions may be withheld from the worker's wages. Workers should request a refund of excess SDI withholdings on their California income tax return.

The SDI tax rate may be adjusted annually to not more than 1.5 percent (.015) or less than 0.1 percent (.001) depending on the balance in the Disability Fund. Employee contributions withheld are paid by the employer to either the Disability Fund or a Voluntary Plan (refer to page 96).

EMPLOYEE BENEFITS

Eligible claimants may file for DI for each occurrence of disability or PFL benefits up to the maximum number of weeks allowed within any 12-month period for care or bonding. *The Disability Insurance Provisions* (DE 2515) brochure contains general information on DI eligibility. The Paid Family Leave (DE 2511) brochure contains general information on PFL eligibility. The *Claim for Disability Insurance (DI) Benefits* (DE 2501) and *Claim for Paid Family Leave (PFL) Benefits* (DE 2501F) are forms that contain additional program information and applications to apply for benefits. Claimants can also apply through **SDI Online** (edd.ca.gov/disability).

California employers whose employees are subject to SDI contributions must provide new employees the DE 2515 and the DE 2511 and post the *Notice to Employees* (DE 1857A) poster. The California Unemployment Insurance Code (CUIC) requires employers to provide general DI information to each employee leaving work due to a non-occupational illness or injury, pregnancy, or childbirth. Employers are also required to provide PFL information to each employee leaving work to care for a seriously ill family member or to bond with a new child through birth, adoption, or foster care placement. The brochures and applications are provided to employers at no cost. Additional copies may be ordered at **EDD Forms** (edd.ca.gov/Forms) or contact the Taxpayer Assistance Center at 1-888-745-3886.

CLAIM NOTICES

When a DI claim is filed, the employer(s) reported on the DI claim form will receive a *Notice to Employer of Disability Insurance Claim Filed* (DE 2503). When a PFL claim is filed, the employer(s) will receive a *Notice of Paid Family Leave (PFL) Claim Filed* (DE 2503F). Employers are required to complete and return the DE 2503 or DE 2503F **within two working days**. The DE 2503 can also be submitted electronically using SDI Online at (edd.ca.gov/disability).

To deter fraud, please respond immediately if you are not the employer shown on the DE 2503 or DE 2503F, or if the claimant:

- Is not your employee.
- Has quit his/her job.
- Is receiving wages.
- Has not stopped working.
- Is known to be working for another employer.

NOTE: Your Unemployment Insurance reserve account will not be affected when your employees file DI and/or PFL claims. Because employees pay for DI and PFL through payroll deductions, you will not be notified of claimant eligibility for DI/PFL benefits.

SDI ONLINE

SDI Online is an electronic claim filing system available to employers, claimants, physicians/practitioners, and voluntary plan administrators for submission of DI and PFL claim information. Employers can securely submit employee information (e.g., wages earned, last day worked, etc.) for DI claims online. For additional information, visit **DI Claims** (edd.ca.gov/disability).

VOLUNTARY PLAN

California law allows an employer to apply to the EDD for approval of a Voluntary Plan (VP) for the payment of DI and PFL benefits in place of the mandatory SDI coverage. A VP must provide all the benefits of SDI, at least one benefit that is better than SDI, and it cannot cost employees more than SDI. To be approved for a VP, the employer must post a security deposit with the EDD.

Once a VP is approved, the employer is no longer required to send SDI withholdings to the EDD for those employees covered by the VP. Instead, the employer holds the VP contributions in a trust fund to pay DI or PFL benefit claims and approved expenses. The VP employer pays a quarterly assessment to the EDD based on the taxable wages of employees participating in the plan and other factors.

A VP must provide better coverage without additional cost to the employees. Based on claims experience, excess funds may be used to increase benefit levels or lower contributions. Please note that any money collected for VP purposes must be used only for the benefit of employees who contribute to the plan.

An employer considering a VP commitment should be aware that the employer takes ultimate responsibility for the plan benefits and expenses. If the accumulated VP trust fund is inadequate to cover benefits or expenses, the employer is responsible to cover the deficit; employer loans made to the VP may be recovered from future excess VP trust funds. If a plan terminates and there are insufficient trust funds, the employer must assume the financial obligation until all plan liabilities have been met.

Learn more about the **VP option** (edd.ca.gov/disability/vp_information), or call 1-916-653-6839 (TTY users dial the California Relay Service 711) or write to:

Employment Development Department
Disability Insurance Branch, MIC 29 VP
Voluntary Plan Group
PO Box 826880
Sacramento, CA 94280-0001

SELF-EMPLOYED BENEFITS

Any self-employed individual who receives the major part of his or her income from the trade, business, or occupation in which he or she is self-employed may elect coverage for themselves. Under provisions in the California Unemployment Insurance Code (CUIC), self-employed individuals, who are employers, may elect Unemployment Insurance (UI) and State Disability Insurance (SDI) or SDI coverage only for themselves. Self-employed individuals, who are not employers, may only elect SDI coverage for themselves.

Self-employed individuals who elect coverage pay at a rate determined by the prior annual combined usage of all participants.

For more information on elective coverage, refer to the ***Information Sheet: Elective Coverage for Employers and Self-Employed Individuals* (DE 231EC)** (edd.ca.gov/pdf_pub_ctr/de231ec.pdf).

For additional information, refer to the ***Fact Sheet: Disability Insurance Elective Coverage Program (DIEC)* (DE 8714CC)** (edd.ca.gov/pdf_pub_ctr/de8714cc.pdf), or call the Taxpayer Assistance Center at 1-888-745-3886.

WORKERS' COMPENSATION INSURANCE

Workers' compensation insurance is an employer paid indemnity that provides benefits to eligible workers experiencing a loss of wages when they are unable to perform their regular or customary work due to an occupational illness or injury. Generally, employees are not eligible for SDI when receiving workers' compensation benefits unless the SDI rate is greater than the workers' compensation rate. For additional information, visit the **Department of Industrial Relations** (dir.ca.gov/dwc).

If you have **any** employees, you are required by law to have workers' compensation insurance. Failure to do so is a crime and may result in penalties and closure of your business.

If you have questions about workers' compensation insurance or how to obtain coverage, contact your insurance agent or the Division of Workers' Compensation at 1-800-736-7401.

SDI FRAUD

To provide affordable benefits to eligible workers, the SDI program has systems in place to detect and deter fraud. Report suspected fraudulent activity to the **EDD** (askedd.edd.ca.gov/ReportFraud.aspx) or contact the Fraud hotline at 1-800-229-6297.

EMPLOYMENT AND TRAINING SERVICES
WORKFORCE SERVICES

The EDD provides a comprehensive range of employment and training services, in partnership with state and local agencies, through numerous America's Job Center of California℠ (AJCC) locations. The EDD administers several federal employment and training programs, the largest being the Workforce Innovation and Opportunity Act (WIOA) and the Wagner-Peyser Act programs. These programs provide job seekers with access to employment, education, training, and supportive services in order to succeed in the California's labor market, and help match employers with the skilled workers they need to compete in the global economy.

Employers may access the following services offered by the WIOA and Wagner-Peyser programs at an AJCC:

- Applicant screenings and referrals
- Recruitment services
- Business closure assistance
- Customized training
- Job placement assistance
- Labor market information
- On-the-job training
- CalJOBSSM services

To locate your nearest AJCC, visit the **EDD'** (edd.ca.gov/Office_Locator/).

CalJOBS℠

CalJOBS is California's online labor exchange system which provides quick access to a large pool of job-ready candidates. Employers can list job openings, browse résumés, and find qualified candidates for employment.

Employers without Internet access, or who have special requirements, can be served by customer service representatives who take job opening information by phone or fax, and assist employers in finding qualified applicants. There is no fee to use CalJOBS.

To register with CalJOBS, you will need your EDD employer payroll tax account number. Visit **CalJOBS**, visit (caljobs.ca.gov) or call the CalJOBS Employer Helpdesk at 1-877-622-4997 for assistance. If you do not have an EDD employer payroll tax account number, please refer to page 7 for information about obtaining one.

Visit **employment and training services** (edd.ca.gov/jobs_and_training/Employer_information.htm) for more information or locate your nearest **America's Job Center of California℠** (edd.ca.gov/Office_Locator/).

EMPLOYMENT TRAINING PANEL (ETP)

The Employment Training Panel (ETP) is a statewide business-labor training and economic development program. The ETP provides funding to employers to assist in upgrading the skills of their workers through training that leads to good paying, long-term jobs. The ETP was created in 1982 by the California State Legislature and has invested approximately $1.58 billion for the successful training and employment retention of more than 1.2 million workers by over 83,950 California businesses to date. The ETP is a funding agency, not a training agency. Businesses determine their own training needs and how best to provide training.

Purpose: The ETP funds training to foster job creation and the retention of workers in secure, full-time employment in targeted industries in order to improve California's competitiveness in a global economy and to advance the skills of the state's workforce. The ETP's Core Funding Program primarily funds retraining of currently employed workers in companies threatened by out-of-state competition and has placed special emphasis on training for small businesses with fewer than 100 employees in California.

Funding

The legislature established the Employment Training Tax (ETT) in 1982. All tax-rated employers, including new employers, are subject to the ETT. Employers with positive reserve accounts are assessed 0.1 percent (.001) on the first $7,000 of each employee's wages. Employers do not pay the ETT while their accounts have a negative reserve balance, but they must pay a higher rate of Unemployment Insurance (UI) tax. The maximum ETT collected is $7 per employee, per year. The ETP's Core Funding Program is funded by the ETT. The ETP has also received additional funding for alternative programs. This additional funding has been through partnerships with the California Energy Commission (CEC), as well as through funding from the Labor and Workforce Development Agency (LWDA) to fund specific training programs.

How Is ETP Different?

The ETP's performance-based contracts ensure that ETP funded training results in good-paying, secure jobs. Before an employer may earn training cost reimbursement, trainees must receive a certain number of training hours and must complete the required retention period at their job, depending on the contract type, as well as meet the required ETP minimum wage. The employer determines the training courses, trainers, and types of training that best meet their business needs.

GENERAL INFORMATION

The ETP contracts directly with tax-rated employers, groups of employers (including associations and chambers of commerce), training agencies, vocational schools, Workforce Development Boards (WDB), and grant recipients under the Workforce Innovation and Opportunity Act (WIOA).

Under its Core Funding Program, the ETP funds the following types of training to promote a healthy labor market in a growing and competitive economy:

- **Retraining** – Helps companies facing out-of-state competition by upgrading the job skills of current employees.
- **New-Hire Training** – Trains unemployed workers eligible to receive California UI benefits or who have exhausted UI benefits within 24 months of the start of training.
- **Special Employment Training (SET)** – The ETP provides limited funding for SET projects to improve the skills and employment security of frontline workers (workers directly producing goods or services) in occupations that pay at least the state average hourly wage. SET projects are not subject to ETP's out-of-state competition requirement, but are a priority for workforce training. SET funding also allows training of frontline workers who earn below the state average, if they are in the following categories:
  - **Workers in High Unemployment Areas** – Provides training funds for workers in areas where the unemployment rate is significantly higher than the state average.
  - **Small Business Skills** – Training for small business owners to enhance the competitive position of their business. Owners must have at least one, but no more than nine, full-time employee(s).
  - **Workers With Multiple Barriers to Employment** – Training for individuals with barriers to full-time employment, such as, but not limited to, physical disabilities, lack of work history, and limited communication and literacy skills.
  - **Seasonal Industries** – Training funds for workers employed by companies in seasonal industries.

For more information, including how to apply for funds, eligible entities, training methods, reimbursement rates, and ETP Annual Reports, visit **ETP** (etp.ca.gov). Interested parties may also contact one of the following ETP offices:

Sacramento Central Office 1-916-327-5640
North Hollywood Regional Office 1-818-755-1313
Sacramento Regional Office 1-916-327-5239
San Diego Regional Office 1-619-881-1777
San Francisco Bay Area Regional Office 1-650-655-6930

TRADE ADJUSTMENT ASSISTANCE

The Trade Adjustment Assistance (TAA) program is a federal program established to help American workers who have lost their jobs or had their hours and wages reduced as a result of foreign trade.

The TAA program is administered by the EDD and may provide training, job search assistance, relocation assistance, and weekly income support to trade impacted workers. To obtain and file a *Petition for Trade Adjustment Assistance* (ETA 9042), workers may visit the U.S. Department of Labor (DOL) (doleta.gov/tradeact), contact any local EDD Workforce Services Office, America's Job Center of California℠ partner, or call the EDD TAA Coordinator at 1-916-654-7570.

For additional information on the TAA program, call the DOL at 1-202-693-3560 or 1-888-365-6822.

WORK OPPORTUNITY TAX CREDIT

The Work Opportunity Tax Credit (WOTC) is a federal tax credit available to employers for hiring individuals from certain target groups who have consistently faced significant barriers to employment.

To be considered for the tax credit, employers must submit properly completed forms to the EDD within 28 days of the employee's start date to determine if their new hire meets the eligibility criteria.

For identification of target groups and additional information, visit **work opportunities tax credit** (edd.ca.gov/Jobs_and_Training/Work_Opportunity_Tax_Credit.htm), call 1-866-593-0173 or email (WOTCSupport@edd.ca.gov).

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eWOTC

eWOTC is an online service to submit, view, and manage Work Opportunity Tax Credit Request for Certification applications. This system significantly increases efficiency in processing new applications and decreases the waiting period for approvals.

To take full advantage of the benefits offered by eWOTC, employers with 25 or more employees and all agents/ consultants must complete a one-time **eWOTC enrollment** (edd.ca.gov/Jobs_and_Training/Work_Opportunity_Tax_Credit.htm) to be able to submit WOTC Request for Certification applications online.

Employers with 24 employees or less, without agent/consultant representation, are also encouraged to submit new applications online through eWOTC, but they may also mail applications to the address below. Please note that mailed applications will take longer to process.

Employment Development Department
Work Opportunity Tax Credit Authorization Center
2901 50th Street
Sacramento, CA 95817

LABOR MARKET INFORMATION

The EDD Labor Market Information Division (LMID) collects, analyzes, and publishes information about California's labor market and economy. Labor market information helps employers, policy makers, and researchers develop plans and make important business decisions.

What Labor Market Information Is Available Online?

To access labor market data of interest to employers and the business community, visit the LMID website at (labormarketinfo.edd.ca.gov). Labor market information is organized by customer type. Select "LMI by Customer" to find information specific to employers' needs, such as:

- Affirmative Action and Equal Employment Opportunity Planning Information – Get population, labor force, and summary occupational information to help with developing affirmative action programs.
- Labor Market Information for Employers – Find links to wage statistics, benefits information, data for your business plans, local labor market profiles, and more.
- National Compensation Survey – A federal survey of employee salaries, wages, and benefits.
- Quarterly Census of Employment Wages – The program serves as a near census of monthly employment and quarterly wage information at the state and county levels and provides the most detailed industry data available.
- Local Area Profile – Find an overview of labor market information in the state or a county, including employment and unemployment, industry payroll information, wages, the consumer price index, and more.
- Employment Projections – Reports the changes in industry and occupational employment over time resulting from industry growth, technological change and other factors.

Information about workplace issues, including those related to benefits, meal breaks, and pay are available from the Department of Industrial Relations, and can be accessed at **dir.ca.gov**.

For assistance, contact the LMID at 1-916-262-2162 or your local **Labor Market consultant** (labormarketinfo.edd.ca.gov/file/resource/LMIConsultants.pdf).

Multiple Location and/or Function Employers

When an employer maintains a business with more than one physical location or conducts more than one business activity/function at the same location, and the secondary location has a total of 10 or more employees, the employer is considered to be a multiple establishment employer. A primary location is defined as the one with the highest number of employees. If your firm fits the multiple location criteria and you are not currently completing a *Multiple Worksite Report* (BLS 3020), please contact the LMID's Employment and Payroll Group at 1-916-262-1856.

REMEMBER: Filing the *Multiple Worksite Report* (BLS 3020) is mandatory and must be done on a quarterly basis.

The LMID mails the federal form BLS 3020 to multiple worksite business owners at the close of each quarter (e.g., December 31, 2019). Employers have until the end of the following month (e.g., January 31, 2020) to return the BLS 3020 form to the EDD.

How Your Industry Code Is Determined

All businesses and government organizations are assigned an industry classification code from the North American Industry Classification System (NAICS), which allows the U.S. Bureau of Labor Statistics to tabulate national and state economic data by industry. Most new employers are assigned an industry code based on their response to Section P (industry activity) of the *Commercial Employer Account Registration and Update Form* (DE 1). Each year, selected employers are sent an *Industry Verification Form* (BLS 3023 NVS or NVM) to verify the accuracy of their industry code and physical location address. This process is known as the Annual Refile Survey. Other employers, who have not yet been assigned an industry code, may receive an *Industry Classification Form* (BLS 3023 NCA). Please answer ALL questions about your business and industry thoroughly when completing these forms. For additional information, call 1-800-562-3366.

NOTE: The BLS 3023-NVS form can be filed electronically by using the Web ID and Password located in the upper right-hand corner of the form. To complete the form electronically, visit the (idcfars.bls.gov/).

The Importance of Occupational Information

The LMID collects data directly from employers primarily using surveys, such as the Occupational Employment Statistics (OES) Survey, to learn about the occupations used by employers and the wages paid for those occupations. The OES program produces employment and wage estimates annually for more than 827 occupations by industry and geographic area.

Occupational information creates the basis of good decisions made by employers, job seekers, workforce and economic development professionals, educators, public program planners, and policy makers. For example:

- Employers use occupational information for salary negotiations, to project future skills needs, and to keep a competitive edge in the local community.
- Job seekers use occupational information to become better informed about the education, training, skill, and ability requirements for specific occupations thus enabling them to make better decisions when preparing and applying for desired jobs.
- Economic developers use wage data for business attraction and retention.
- Educators and trainers use occupational information to identify areas where vocational and educational programs are needed and to create or modify curriculum to better prepare students to meet the needs of employers.

It is extremely important that employers respond to a request for information from the LMID. Our ability to obtain information from employers about the occupations found in California is essential for the development of tools used by decision makers throughout our economy. If you have received an OES Survey, or would like more information about this program, contact the EDD at 1-800-826-4896 or by email at **LMIOccupationalSurvey@edd.ca.gov**.

To access occupational information, visit **Labor Market information** (labormarketinfo.edd.ca.gov) and under the "LMI by Subject" section, select "Occupations" or "Wages."

INFORMATION AND ASSISTANCE BY TOPIC

If you have any questions regarding the following topics, please contact the designated agency or office.

TOPIC	DESCRIPTION	CONTACT
California Personal Income Tax (PIT) Withholding	To request the California PIT withholding tables or for information on whether payments are subject to California PIT withholding.	**EDD** (edd.ca.gov) Taxpayer Assistance Center Phone: 1-888-745-3886 Outside the U.S. or Canada, call 1-916-464-3502
	Information on programming your computer or acceptable computer software programs to calculate California PIT withholding. **NOTE:** When you call the Franchise Tax Board's (FTB) assistance phone number, please request to speak to their Statistical Research Section so they can provide the appropriate assistance.	Statistical Research Section Franchise Tax Board MS 351 PO Box 1468 Sacramento, CA 95812-1468 Automated phone service: 1-916-845-7057 tax practitioner line Assistance: 1-800-852-5711 Hearing-impaired (TTY): 1-800-822-6268 **ftb.ca.gov**
California Tax Service Center (CTSC)	This is a joint tax agency website. It contains tax-related information from the Employment Development Department, the Franchise Tax Board, the California Department of Tax and Fee Administration, and the Internal Revenue Service.	**CTSC** (taxes.ca.gov)
CalJOBS℠	An online labor exchange system featuring self-service options to search for jobs, build résumés, find qualified candidates for employment, and gather information on education and training programs. Employers and job seekers may contact the nearest America's Job Center of California℠ for additional assistance. To locate your nearest office, visit: .	CalJOBS Employer Helpdesk Monday through Friday 8 a.m. to 5 p.m. (PT) 1-877-622-4997 **CalJOBS** (caljobs.ca.gov) Central Office Workforce Services Division, MIC 50 PO Box 826880 Sacramento, CA 94280-0001 **Jobs and Training** (ca.gov/jobs_and_training)
Disability Insurance (DI)	Disability Insurance (DI) is a component of the State Disability Insurance (SDI) program. DI provides partial wage replacement benefits to California workers who are unable to work due to a non-work-related illness or injury, pregnancy, or childbirth.	EDD Disability Insurance: • English.....1-800-480-3287 • Spanish .....1-866-658-8846 Hearing Impaired (TTY): 1-800-563-2441 Employer/Physician-Practitioner: Phone: 1-855-342-3645 This phone number is dedicated to employers and physicians/practitioners only. **Disability** (edd.ca.gov/disability)
e-Services for Business	A convenient and secure method for managing your employer payroll tax account, filing most of your returns and reports, and paying tax deposits and liabilities online. Refer to page 50 for additional information.	**e-Services for Business** (edd.ca.gov/e-Services_for_Business) Email: **ecom@edd.ca.gov**

TOPIC	DESCRIPTION	CONTACT
Economic Development	The EDD Labor Market Information Division offers data on occupational wages and outlook, employment by industry, and state and local labor market.	**Labor Market Information Division** (labormarketinfo.edd.ca.gov) Phone: 1-916-262-2162
Employee Eligibility to Work	Under federal law, employers are required to verify that every individual (citizen, national, or alien) whom they hire has the right to work in the U.S. The U.S. Citizenship and Immigration Services (USCIS) requires you to complete an *Employment Eligibility Verification* (Form I-9) for each person hired to verify employment eligibility.	**U.S. Citizenship and Immigration Services** (uscis.gov/portal/site/uscis) Business Liaison Automated phone service: 1-800-357-2099 Request a copy of the *Handbook for Employers: Guidance for Completing Form I-9* (M-274).
Employer Requirements	The Taxpayer Assistance Center can answer your payroll tax questions (e.g., employee and independent contractor status, employer registration, independent contractor reporting, and new employee reporting).	**Taxpayer Assistance Center** (edd.ca.gov/payroll_taxes/contact_us_about_payroll_taxes.htm) Phone: 1-888-745-3886
Employer Rights During the Employment Tax Audit and Collection Process	Employer rights are protected by the Taxpayer Advocate Office during the employment tax audit and collection process. You may request assistance from this office after first attempting to resolve an issue with the EDD representative, supervisor, and office manager.	**Taxpayer Advocate Service** (edd.ca.gov/payroll_taxes/taxpayer_advocate.htm) Taxpayer Advocate Office, MIC 93 PO Box 826880 Sacramento, CA 94280-0001 Toll-Free: 1-866-594-4177 Phone: 1-916-654-8957 Fax: 1-916-654-6969
Employment Development Department Website	Provides a variety of information on the EDD programs and services, forms and publications, and links to other government sites.	**EDD** (edd.ca.gov)
Employment Tax Rates	A *Notice of Contribution Rates and Statement of UI Reserve Account* (DE 2088) is mailed annually by December 31 to notify employers of their UI, ETT, and SDI tax rates. For additional information, refer to page 82. Protests to the DE 2088 must be submitted within 60 days of the "issued date" on the notice.	EDD Rate Management Group, MIC 4 PO Box 826880 Sacramento, CA 94280-0001 Phone: 1-916-653-7795 (24-hour automated phone system)
Employment Training Panel	Provides employers funding to train and retain workers in targeted industries in performance-based contracts. Includes retraining current employees, training new hires (unemployed individuals), and Special Employment Training program. For additional information, refer to page 97.	**Employment Training Panel** (etp.ca.gov) Sacramento Central Office 1-916-327-5640 North Hollywood 1-818-755-1313 Sacramento 1-916-327-5239 San Diego 1-619-881-1777 San Francisco Bay Area 1-650-655-6930

TOPIC	DESCRIPTION	CONTACT
Federal Tax Requirements	For federal employment tax and personal income tax requirements, contact the Internal Revenue Service (IRS). The federal *Employer's Tax Guide* (Publication 15, Circular E) and *Employer's Supplemental Tax Guide* (Publication 15-A) are available from IRS.	**Internal Revenue Service** (irs.gov) Phone: 1-800-829-4933
Federal Unemployment Tax Act (FUTA)	The method the IRS uses to verify with the states that the credit claimed on the Form 940 or Form 1040, Schedule H, was actually paid to the state. Refer to page 82 for additional information.	EDD FUTA Certification Unit Phone: 1-916-654-8545
Forms • **Alternate Tax Forms**	The requirements and approval for using alternate forms to file your payroll tax reports can be obtained by contacting the alternate forms coordinator.	EDD Alternate Forms Coordinator Phone: 1-916-255-0649
• **Tax Forms and Publications**	Tax forms and publications are available on the Internet and Employment Tax Offices.	**EDD Forms and Publications** (edd.ca.gov/payroll_taxes/forms_and_publications.htm) Less than 25 copies: 1-888-745-3886 25 copies or more: 1-916-322-2835
Job Referral and Recruitment Services	The EDD Workforce Services Branch offers a variety of services that bring employers with job openings together with qualified job seekers.	Find a **America's Job Center of California℠** (edd.ca.gov/Office_Locator/). **Employer Information**: (edd.ca.gov/Jobs_and_Training/Employer_Information.htm)
Labor Law Requirements	Information about workplace issues, including those related to benefits, meal breaks, and pay are available on the DIR website.	**Department of Industrial Relations** (dir.ca.gov)
Labor Market Information	California's labor market information can help with important business decisions. Data available includes occupational employment and wage data, industry employment, labor force, and selected population characteristics.	**Labor Market Information Division** (labormarketinfo.edd.ca.gov) Phone: 1-916-262-2162

TOPIC	DESCRIPTION	CONTACT
Paid Family Leave	Paid Family Leave (PFL) is a component of the State Disability Insurance (SDI) program. PFL provides partial wage replacement benefits to California workers who take time off work to care for a seriously ill child, parent, parent-in-law, grandparent, grandchild, sibling, spouse, or registered domestic partner. Benefits are also available to new parents who need time off work to bond with a new child through birth, adoption, or foster care placement.	EDD Paid Family Leave: • English.....1-877-238-4373 • Spanish .....1-877-379-3819 • Cantonese .....1-866-692-5595 • Vietnamese.....1-866-692-5596 • Armenian .....1-866-627-1567 • Punjabi .....1-866-627-1568 • Tagalog.....1-866-627-1569 Hearing Impaired (TTY): 1-800-445-1312 Employer/Physician-Practitioner: Phone: 1-855-342-3645 This phone number is dedicated to employers and physicians/practitioners only. **EDD Disability** (edd.ca.gov/disability)
Payroll Tax Seminars	Seminar topics include reporting requirements, how to complete payroll tax forms, and independent contractor and employee issues.	EDD Taxpayer Assistance Center Phone: 1-888-745-3886 Register online at **EDD Payroll Tax Seminars** (edd.ca.gov/payroll_tax_seminars/).
Reimbursable Method of Paying Unemployment	Public employers and certain nonprofit organizations have the option of becoming "reimbursable" employers. Employers using this method to pay UI benefits are required to reimburse the UI Fund on a dollar-for-dollar basis for all UI benefits paid to their former employees.	EDD Reimbursable Accounting Group, MIC 19 PO Box 826880 Sacramento, CA 94280 Phone: 1-916-653-5846
School Employees Fund (SEF)	Only public school employers (kindergarten through 12th grade), community colleges, and charter schools may elect to participate in the SEF (UI program) to finance UI benefits.	EDD School Employees Fund, MIC 13 PO Box 826880 Sacramento, CA 94280 Phone: 1-916-653-5380 **School Employees Fund** (edd.ca.gov/payroll_taxes/school_employees_fund.htm)
Small Business Assistance Center	Located on the California Tax Service Center website, it provides helpful information about starting, running, or closing your business.	**California Tax Service Center** (taxes.ca.gov)
State Disability Insurance (SDI) Program	The SDI program provides two benefits: Disability Insurance (DI) and Paid Family Leave (PFL). DI provides partial wage replacement benefits to California workers who are unable to work due to a non-work-related illness, or injury, pregnancy, or childbirth. PFL provides partial wage replacement benefits to California workers who take time off work to care for a seriously ill family member. Benefits are also available to new parents who need time to bond with a new child through birth, adoption, or foster care placement. The SDI program is funded through employee payroll deductions.	EDD Disability Insurance: • English.....1-800-480-3287 • Spanish .....1-866-658-8846 Hearing Impaired (TTY): 1-800-563-2441 Paid Family Leave: • English.....1-877-238-4373 • Spanish .....1-877-379-3819 • Cantonese .....1-877-692-5595 • Vietnamese.....1-866-692-5596 • Armenian .....1-866-627-1567 • Punjabi .....1-866-627-1568 • Tagalog.....1-866-627-1569 Hearing Impaired (TTY): 1-800-445-1312 Employer/Physician-Practitioner: Phone: 1-855-342-3645 This phone number is dedicated to employers and physicians/practitioners only. **EDD Disability** (edd.ca.gov/disability)

TOPIC	DESCRIPTION	CONTACT
SDI Online	SDI Online is an electronic claim filing system available to claimants and physicians/practitioners, for submission of Disability Insurance and Paid Family Leave (PFL) claim information. Employers and Voluntary Plan (VP) administrators can securely submit employee information for DI claims online.	EDD Employer/Physician-Practitioner: 1-855-342-3645 This phone number is dedicated to employers and physicians/practitioners only. **SDI Online** (edd.ca.gov/disability/SDI_online.htm)
State Information Data Exchange System (SIDES)	SIDES is a secure and timely way for employers and third party administrators to electronically receive and respond to the EDD's *Notice of Unemployment Insurance Claim Filed* (DE 1101CZ). SIDES streamlines communication to helps employers manage their UI account and reduce improper payments.	EDD SIDES E-Response Technical Support: 1-855-327-7057 NASWA SIDES Web Service Technical Support **tom.byerley@itsc.org** This number is for employers with inquiries related specifically to SIDES. Employers with questions about the Unemployment Insurance (UI) program should use the phone numbers listed below under Unemployment Insurance Benefits.
Tax Debt – California Payroll Taxes • **Offers in Compromise** • **Settlements Program**	Enables a qualified tax debtor to eliminate an employment tax liability at less than full value.	EDD Offers in Compromise Phone: 1-916-464-2739
	Provides employers and the state an opportunity to avoid the cost of prolonged litigation associated with resolving disputed employment tax issues.	EDD Settlements Office, MIC 93 PO Box 826880 Sacramento, CA 94280-0001 Phone: 1-916-653-9130 Fax: 1-916-653-7986
Taxpayer Assistance Center	For general tax information, the Taxpayer Assistance Center staff is available 8 a.m. to 5 p.m., PT, Monday through Friday. The Center is closed on state holidays.	EDD Taxpayer Assistance Center Phone: 1-888-745-3886 Outside the U.S. or Canada, call 1-916-464-3502
Taxpayer Advocate	If you are unable to resolve an employment tax problem with an EDD representative, supervisor, and office manager, you can contact the Taxpayer Advocate Office for assistance.	**Taxpayer** (edd.ca.gov/payroll_taxes/taxpayer_advocate.htm) Taxpayer Advocate Office, MIC 93 PO Box 826880 Sacramento, CA 94280-0001 Toll-Free: 1-866-594-4177 Phone: 1-916-654-8957 Fax: 1-916-654-6969
Underground Economy	Investigates businesses that are paying workers undocumented cash payments or not complying with labor, taxes, and licensing laws.	EDD **Underground Economy Operations** (edd.ca.gov/payroll_taxes/ underground_economy_operations.htm) Hotline: 1-800-528-1783 Email: **ueo@edd.ca.gov**

TOPIC	DESCRIPTION	CONTACT
Unemployment	Provides temporary income to unemployed workers who meet the UI eligibility requirements.	EDD Unemployment Insurance Services **Phone** • English.....1-800-300-5616 • Spanish .....1-800-326-8937 • Cantonese .....1-800-547-3506 • Vietnamese.....1-800-547-2058 • Mandarin .....1-866-303-0706 Hearing Impaired (TTY) 1-800-815-9387 UI program self-service 1-866-333-4606 **Employer Information:** Employers who call should listen to the introduction message, select language choice, and press "5" for the employer menu (available in English and Spanish) that provides UI and Workforce Service information, or visit (edd.ca.gov/unemployment/) and select the "Employer Information" link. **Claimant Information:** File for UI benefits using one of the following methods: • **Online:** UI Online℠ is the fastest and most convenient way to file your UI claim. Visit **UI Online** (edd.ca.gov/UI_Online) to get started. • **Phone:** Call one of the phone numbers listed above and speak with an EDD representative 8 a.m. to 12 noon (PT). Monday to Friday, except on state holidays. • **Fax or Mail:** When filing a new claim through UI Online℠, some customers will be instructed to fax or mail their UI application to the EDD. If this occurs, the *Unemployment Insurance Application* (DE 1101I) will display. For faster and more secure processing, fax the completed form to the number listed on the form. If you decide to mail your UI application, use the address on the form and allow additional time for processing.
Unemployment Charges	A *Statement of Charges to Reserve Account* (DE 428T) is mailed annually in September. This statement is an itemized list of UI charges to your reserve account. For additional information, refer to page 93. Protests to the DE 428T must be submitted within 60 days of the "issued date" on the notice.	EDD Contribution Rate Group, MIC 4 PO Box 826831 Sacramento, CA 94320-6831 Phone: 1-916-653-7795 (24-hour automated phone system)

TOPIC	DESCRIPTION	CONTACT
Workers' Compensation Insurance	If you have employees, you are required by law to have workers' compensation insurance coverage. Failure to do so is a crime and may result in penalties and closure of your business.	**Workers' Compensation Insurance** (dir.ca.gov/dwc) Your insurance agent or Division of Workers' Compensation Phone: 1-800-736-7401
Workforce Services	The EDD offers a variety of services that bring employers with job openings together with qualified job seekers.	Find a local **America's Job Center of California**SM (edd.ca.gov/Office_Locator/).
Work Opportunity Tax Credit (WOTC)	The EDD is the WOTC certifying agency for California employers. WOTC promotes the hiring of individuals who qualify as a member of a target group, and provides a federal tax credit to employers who hire these individuals.	EDD Workforce Services Phone: 1-866-593-0173 **edd.ca.gov/wotc** Email: **WOTCSupport@edd.ca.gov**

For the latest news and helpful information,
refer to the online quarterly **California Employer Newsletter**
(edd.ca.gov/payroll_taxes/california_employer_newsletter.htm).

GLOSSARY

Automated Clearing House (ACH) Any entity that operates as a clearing house for electronic debit or credit transactions pursuant to an Electronic Funds Transfer agreement with an association that is a member of the National ACH Association.

Base Period The base period consists of four calendar quarters of three months each. When a base period begins and which calendar quarters are used depends on what date the claim begins and whether the claim is for Unemployment Insurance or for State Disability Insurance. For UI, there are two types of base periods: the Standard Base Period (see "Base Period, Standard [UI]") and Alternate Base Period (see "Base Period, Alternate [UI]"). The Alternate Base Period can ONLY be used to file a UI claim when there are not enough wages earned in the Standard Base Period to file a monetarily valid UI claim.

Base Period, Alternate (UI) The UI Alternate Base Period is the last four completed calendar quarters prior to the beginning date of the claim. The Alternate Base Period can only be used if an individual cannot monetarily establish a valid UI claim using the Standard Base Period.

Base Period Employer Employers who paid the earnings used to establish a UI claim and calculate an award.

Base Period, Standard (UI) The UI Standard Base Period is the first four of the last five completed calendar quarters prior to the beginning date of the claim.

CCR The **California Code of Regulations** (govt.westlaw.com/).

CUIAB The **California Unemployment Insurance Appeals Board** (cuiab.ca.gov).

California Unemployment Insurance Code (CUIC) The laws administering California's Unemployment Insurance, Employment Training Tax, State Disability Insurance, and Personal Income Tax programs. The CUIC is available at (leginfo.legislature.ca.gov/faces/codes.xhtml).

Cash Wages Checks, currency, and electronic debit payments paid to employees.

Charges Amounts deducted from an employer's reserve account or amounts reimbursable for state UI benefits paid to former employees.

Claim An application for Unemployment Insurance, Disability Insurance, or Paid Family Leave benefits.

- UI – The process that establishes a UI benefit year is called a new claim. *Weekly Continued Claim* (DE 4581) forms are used by claimants to certify for UI benefits during the benefit year. The EDD has two new methods that unemployed individuals may use to certify for UI benefits. Rather than filling out and submitting a paper DE 4581 by mail, EDD Tele-Cert℠ allows individuals to certify for benefits using the phone and EDD UI Online℠ allows individuals to certify for UI benefits through the EDD website. After establishing a benefit year, claimants can interrupt their claims for a variety of reasons; for example, the claimant may receive a disqualification, obtain intervening employment, or fail to continue to certify for benefits. The claimant may request to reopen an existing claim with a claim balance during the benefit year.
- DI – The application that establishes a DI benefit period is called an initial claim. Subsequent certifications on that DI claim are called continued claims. For each separate period of disability, a new first initial claim must be filed.
- PFL – The application that establishes a PFL benefit period is called an initial claim. Subsequent certifications on that claim are called continued claims. For each separate period of family leave, an initial claim must be filed.

Claimant A wage-earner who files a claim for UI, DI, or PFL benefits.

Contributions Employer's payroll tax payments for UI and ETT. The CUIC refers to taxes under its provision as "contributions." In this guide, "contributions" are generally referred to as "taxes."

Deposit An amount of money electronically submitted to the EDD with a *Payroll Tax Deposit* (DE 88) through the **e-Services for Business** (edd.ca.gov/e-Services_for_Business). For additional information, refer to page 57.

Determination	A decision regarding a claimant's eligibility to receive UI, DI, or PFL benefits.
Disability Insurance (DI)	Benefits paid to eligible California workers who have a loss of wages when they are unable to perform their regular or customary work due to a non-work-related illness or injury, pregnancy, or childbirth. DI is a component of the State Disability Insurance (SDI) program and funded through SDI employee payroll withholdings.
Electronic Funds Transfer (EFT)	An electronic method of remitting state payroll tax payments. Funds are transferred from your bank account (with payment information) to the state's account.
Employee	A wage-earner in employment covered by the CUIC.
Employer Payroll Tax Account Number	The EDD eight-digit employer payroll tax account number assigned to each registered employer (e.g., 000-0000-0). Always refer to your EDD employer payroll tax account number when communicating with the EDD. Omission of your employer payroll tax account number may result in delays in processing payments, reporting documents, and correspondence.
Employment Taxes	Unemployment Insurance tax, Employment Training Tax, State Disability Insurance tax, and Personal Income Tax withholding.
Employment Training Fund	A special fund in the State Treasury for depositing into or transferring all ETT contributions collected from employers.
Employment Training Panel (ETP)	Administers the employment training funds that are provided by the ETT to train and retain workers with job skills needed by employers. Funds may be used to train unemployed individuals or to train and retain current workers of businesses, primarily businesses facing out-of-state competition.
Employment Training Tax (ETT)	An employer-paid tax that funds jobs skills training for employees in targeted industries to improve the competitiveness of California businesses. Employers subject to ETT pay one-tenth of one percent (.001) of the first $7,000 in wages paid to each employee per year.
Mandate	State law requires all employers to electronically submit employment tax returns, wage reports, and payroll tax deposits to the EDD. Employers with 10 or more employees became subject to this requirement beginning January 1, 2017, and all remaining employers became subject to this requirement as of January 1, 2018.
e-Services for Business	Online tool that allows employers to manage their employer payroll tax accounts through the Internet. New employers can register for an employer payroll tax account online. Registered employers can access account and payment information, file most returns and reports, pay tax deposits and tax liabilities, review statements, correspondence, and email messages, obtain tax rates, change addresses, make payment arrangements, close and/or reopen their account. For additional information about the EDD e-Services for Business, refer to page 50.
Excluded Employment	Employment specifically excluded from pursuant to the CUIC.
Experience Rating	The system by which an employer's UI contribution rate is determined each calendar year based on previous employment experience.
Good Cause	A substantial reason that provides a legal basis for an employer filing a tax report or payment late. "Good cause" cannot exist unless there are unusual circumstances or circumstances that could not be reasonably foreseen; for example, earthquakes or floods. For more information, contact the Taxpayer Assistance Center at 1-888-745-3886.
Household Employment	Describes employment of a household nature.
Independent Contractor	An independent contractor (service-provider) is any individual who is not an employee of the service-recipient for California purposes and who receives compensation or executes a contract for services performed for that business or government entity in or outside of California. Refer to page 8 for Independent Contractor determination reference material For additional information about filing the *Report of Independent Contractor(s)* (DE 542), refer to page 55.
Audit	Each quarter, the EDD runs a cross-match with wages earned in other states against California's Unemployment Insurance Benefits paid file. When the crossmatch identifies an overlap between the earnings reported by the out-of-state employers and weeks the claimant was paid UI benefits, the system automatically generates the *Interstate Unemployment Insurance Benefit Payment Audit* (IB 8605) that is mailed to the out-of-state employer(s).

Labor Market Information (LMI)	California's labor market information can help in making important business decisions. Data available includes occupational employment and wage data, industry employment, labor force, occupation and industry projections of employment, and selected population characteristics.
Mid-month Employment	The number of full-time and part-time employees who worked during or received pay subject to UI for the payroll period that includes the 12th day of the month.
Multiple Establishment Employer	An employer that maintains a business at more than one physical location and/or conducts more than one business activity/function at the same location and the secondary locations have a total of 10 or more employees.
New Employee Registry (NER)	California's new hire reporting program. Employers are required to report their new or rehired employees within 20 days of their start-of-work date (refer to *Report of New Employee(s)* [DE 34] on page 53).
North American System (NAICS)	The six-digit industry classification code that identifies the primary business functions of an employer's business. Visit the **United States Census Bureau** (census.gov/eos/www/naics) for more information.
Paid Family Leave (PFL)	Benefits paid to eligible California workers who take time off work to care for a seriously ill family member or to bond with a new child. PFL is a component of the State Disability Insurance program and is funded through SDI employee payroll withholdings.
Payroll Period	The frequency you pay wages: daily, weekly, bi-weekly (every two weeks), semi-monthly (twice a month), etc.
Payroll Records	Records providing an accurate account of all workers (employed, laid off, on a leave of absence, or an independent contractor) and all payments made.
Payroll Taxes (State)	Unemployment Insurance tax, Employment Training Tax, State Disability Insurance tax, and Personal Income Tax withholding.
Personal Income Tax (PIT) Wages	All wages paid during the periods that are subject to PIT, even if they are not subject to PIT withholding. The PIT wages consist of all compensation for services by employees for their employer and include, but are not limited to, salaries, fees, bonuses, commissions, and payments in forms other than cash or checks. Wages in any form other than cash or checks are measured by the fair market value of the goods, lodging, meals, or other compensation given in payment for the employee's services. The calendar year total for PIT wages should agree with the amount reported on the individual's *Wage and Tax Statement* (Form W-2), in Box 16 (State Wages, Tips, etc.).
Personal Income Tax (PIT) Withholding	California PIT is withheld from employees' pay based on the *Employee's Withholding Allowance Certificate* (Form W-4 or DE 4) on file with the employer.
Predecessor	A previous owner registered with the EDD as an employer.
Prepayments (UI and ETT)	UI or ETT taxes that an employer voluntarily sends to the EDD during a quarter even though they are not due until the end of the quarter.
Registered Domestic Partner	A domestic partnership registered with the Secretary of State in California pursuant to section 297 of the Family Code.
Reimbursable Employer	A public entity employer or certain types of nonprofit employers who are permitted by law to be billed for UI benefits after they are paid to former employees.
Reserve Account	A book account kept for each tax-rated employer to measure employment experience and set the employer's UI tax rate. For tax-rated employers, a ruling is the EDD decision as to whether an employer's reserve account will be charged for UI benefits. The ruling is based on the reason for separation.
Ruling on Tax Question	A decision, in writing, as to an employer's subject status or tax liability in the stated circumstances.
School Employees Fund (SEF)	A UI financing method available only to public schools (kindergarten through 12th grade), community colleges, and charter schools.

SDI Online	An electronic claim filing system available to claimants and physicians/practitioners for submission of Disability Insurance (DI) and Paid Family Leave (PFL) claim information. Employers and voluntary plan administrators can securely submit employee information (e.g., wages earned, last day worked, etc.) for DI claims online.
Service-Provider	A service-provider (independent contractor) is any individual who is not an employee of the service-recipient for California purposes and who receives compensation or executes a contract for services performed for that business or government entity in or outside of California.
Service-Recipient	Any business or government entity that, for California purposes, pays compensation to an independent contractor (service-provider) or executes a contract for services to be performed by an independent contractor in or outside of California.
Settlement Date	The date an electronic payment transaction is completed and posted on the books of the Federal Reserve Bank and the state's bank account.
SIDES	State Information Data Exchange System. Allows employers and third-party administrators to electronically receive and respond to the EDD's *Notice of Unemployment Claim Filed* (DE 1101CZ).
Social Security Numbers (SSN)	Social Security number. All employee wage records and claim actions are filed under this number, rather than by name.
State Disability Insurance (SDI)	The SDI program provides Disability Insurance (DI) and Paid Family Leave (PFL) benefits to eligible workers who need time off work. DI benefits are paid to eligible California workers who have a loss of wages when they are unable to work due to an illness or injury, pregnancy, or childbirth. PFL benefits are paid to eligible California workers who take time off work to bond with a new child or to care for an ill family member. The SDI program is funded by mandatory payroll withholdings from employee wages.
Subject Employer	An employer who is liable pursuant to the rules and provisions of the CUIC.
Subject Quarter	The calendar quarter when an employer first meets the requirements for reporting their payroll taxes.
Subject Wages	Subject wages are used to determine UI, DI, and PFL benefits. Generally, all wages are considered subject wages regardless of the UI and SDI taxable wage limits. Refer to the inside front cover of this guide for current rates and taxable wage limits. For special classes of employment and payments that may not be considered subject wages, refer to *Information Sheet: Types of Employment* (DE 231TE) and *Information Sheet: Types of Payments* (DE 231TP).
Successor	A change in ownership or a new ownership of a business already registered with the EDD as an employer.
Tax-Rated Employer	An employer who is required to register with the EDD and pay UI taxes each year on wages paid to each of their employees, up to the UI taxable wage limit.
Taxable Wage Limit	The maximum amount of an employee's wages that certain taxes apply to in a calendar year. Refer to the inside front cover of this publication for taxable wage limits.
Taxable Wages	Compensation paid for "covered employment" up to the taxable wage limits for the year. Compensation includes wages and allowances such as meals, lodging, and other payments in lieu of money for services rendered in employment.
Unemployment Insurance (UI)	Benefits paid to eligible California workers who are unemployed. Recipients must meet specific qualifications to receive benefits. UI is funded by employer payroll taxes.
UI and ETT Prepayment	The UI or ETT taxes that an employer voluntarily sends to the EDD during a quarter even though they are not due until the end of the quarter.
Voluntary Plan (VP)	California law allows an employer to apply to the EDD for approval of a VP for the payment of DI and PFL benefits in place of the mandatory SDI state plan. A VP must provide all the benefits of SDI, at least one benefit that is better than SDI, and it cannot cost employees more than SDI. Once a VP is approved, an employer is no longer required to send SDI withholdings to the EDD. Instead, the employer holds the contributions in a separate trust fund to pay the DI and PFL benefits and approved expenses.

Wage Detail	*Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C) filed each quarter listing employee(s) full name, SSN, total subject wages, PIT wages, and PIT withholding.
Wages	All payments made to employees, whether paid by check, cash, or the reasonable cash value of noncash payments, such as meals and lodging.
Work Opportunity Tax Credit (WOTC)	Federal tax credits for employers who hire and retain job seekers from any one of 10 different target groups.
Worker Adjustment and (WARN) Act	Requires certain employers to give advance notice in the event of a plant closure or mass layoff.

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INSTRUCTIONS FOR ORDERING FORMS AND PUBLICATIONS

Reminder: All employers are required to electronically submit employment tax returns, wage reports, and payroll tax deposits to the Employment Development Department (EDD) as of January 1, 2018. Refer to page 49 for information on the e-file and e-pay mandate and related noncompliance penalties.

The EDD provides easy access to its forms, publications, and information sheets by phone or online at (edd.ca.gov). If you require additional assistance, contact the Taxpayer Assistance Center at 1-888-745-3886.

By Phone: For quantities of 25 or more, call 1-916-322-2835.
For quantities of 24 or less, call 1-888-745-3886.

Download Online Forms and Publications: (edd.ca.gov/payroll_taxes/forms_and_publications.htm)

Internet Order Form: (edd.ca.gov/forms/)

Request Annual Mailing Employer Guide: (eddservices.edd.ca.gov/tap/open/annualguide/_/#1)

The *California Employer's Guide* (DE 44) is no longer automatically mailed to all employers. The DE 44 is available online. You can view or download the **DE 44** (edd.ca.gov/pdf_pub_ctr/de44.pdf). Employers who wish to receive a paper guide each year must submit their request at (eddservices.edd.ca.gov/tap/open/annualguide/_/#1). You will receive a paper version of the guide each year until you access this link and specify you no longer want the paper guide.

California passed Assembly Bill (AB) 1245 (chapter 222, statutes of 2015) requiring all employers to electronically submit employment tax returns, wage reports, and payroll tax deposits to the Employment Development Department.

For the latest news and helpful information,
refer to the online quarterly **California Employer Newsletter**
(edd.ca.gov/payroll_taxes/california_employer_newsletter.htm).

Learn more about payroll taxes through our **seminars and online courses**
(edd.ca.gov/payroll_tax_seminars/).

STATE OF CALIFORNIA

LABOR AND WORKFORCE DEVELOPMENT AGENCY

EMPLOYMENT DEVELOPMENT DEPARTMENT

The EDD is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Requests for services, aids, and/or alternate formats need to be made by calling 1-888-745-3886 (voice) or TTY 1-800-547-9565.