

Multi-State Tax Issues for Payroll 2018



Speaker : Patrick A Haggerty

Date : 31st July 2018

Time : 10:00 AM PST | 01:00 PM EST

Duration : 90Min

Description

This session will cover the issue of nexus and its implications for a business, identification of the states for which the employer is liable for the collection and payment of income tax and state unemployment tax, and the determination of what is required in order to comply with the various state rules regarding tax collection, payment, and reporting.

There are significant compliance issues for employers when employees cross state lines in the course of employment. Frequently, multi-state employment issues arise when the employer has business locations in more than one state. However, issues also arise when individual employees perform services in more than one state, live in one state and work in another, move from one state to another, or telecommute across state lines. Compliance issues directly related to payroll include identification of the states for which the business is liable for the collection and payment of income tax, and compliance with the rules for each state regarding tax collection, payment and reporting. In addition, special rules are used to establish the state that is to receive the unemployment tax for a particular employee. A very significant non-payroll issue is whether the employment creates nexus, i.e. a business presence, within a particular state and whether the employer is subject to that state's income, franchise, sales and use, or other state business taxes imposed by the state and the related apportionment issues.

Why Should You Attend

Creation of nexus in a new state or local tax jurisdiction creates tax and compliance issues for a business such as liability of business income, franchise, property, sale taxes, employment taxes, and apportionment, and reporting compliance issues. Employers can inadvertently create nexus when employees work within a taxing jurisdiction. Failure to properly withhold or pay taxes to the appropriate jurisdiction can lead to fines and penalties as well as employer liability and possible personal liability of employer officers and managers for underwithheld employee taxes. Correcting errors after the fact can be an expensive and time consuming process. Employers must exercise due diligence in obtaining and documenting the information used to compute employee withholding in order to avoid penalties for withholding or reporting errors or missing information. This webinar will provide you with information on required documentation and ways to avoid problems and penalties

Areas Covered in the Session

- Reciprocal agreements and how they affect state income tax withholding
- Employee domicile and tax residency
- State and local withholding certificates - when the federal W-4 isn't enough
- How to handle multi-state payroll processing when employees work in several states
- Fringe benefit taxation - which states differ from federal rules
- The payroll tax implications of conducting business in a state
- How to determine the states for which you must withhold tax
- Special rules for military spouses SUTA dumping - what it is and how to avoid this penalty trap
- Which states get withholding tax proceeds when employees work in multiple state telecommuting

Who will Benefit

- Payroll Supervisors and Personnel
- Payroll Consultants
- Payroll Service Providers
- Public Accountants
- Internal Auditors
- Tax Compliance Officers
- Enrolled Agents
- Employee Benefits Administrators
- Officers and Managers with Payroll or Tax Compliance Oversight
- Company/Business Owners
- Managers/Supervisors
- Public Agency Managers
- Audit and Compliance Personnel /Risk Managers

Speaker Profile

Pat Haggerty is a tax practitioner, author, and educator. His work experience includes non-profit organization management, banking, manufacturing accounting, and tax practice. He began teaching accounting at the college level in 1988. He is licensed as an Enrolled Agent by the U. S. Treasury to represent taxpayers at all administrative levels of the IRS and is a Certified Management Accountant. He has written numerous articles and a monthly question and answer column for payroll publications. In addition, he regularly develops and presents webinars and presentations on a variety of topics including Payroll tax issues, FLSA compliance, information returns, and accounting.