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Date: 12/21/2012 8:05 AM
Subject: [Revenews] PayrollTax News LISTSERV: Dec 2012 (New rates)
Attachments: Part.002

Payrolltax News LISTSERV
End of the year Updates
Dec. 2012

Please provide this information to anyone who would benefit from it.
Important Updates:

1. Withholding Tables/Formulas:

The updated Withholding Tax Formulas for 2013 are now posted on our website. Visit www.oregon.gov/dor/forms/business/withholding-formulas_206-436_2013.pdf or www.oregon.gov/dor/BUS/Pages/publications.aspx. From there look under "Combined Payroll Taxes" and click on "Oregon Withholding Tax Formulas", 150-206-436.
<http://www.oregon.gov/dor/forms/business/withholding-formulas_206-436_2013.pdf>

2. Updated Tax Rates for 2013:

a. Transit taxes: TriMet: 0.007118
Lane: 0.0069

b. Withholding Tax Formula:

Standard Deduction amounts: Single: \$2080.00
Married Filing Jointly: \$4160.00

Exemption Credit: \$188.00
Federal Tax Subtraction: \$6250.00

3. Additional Payroll Tax Rate Information:

a. Workers Benefit Fund Assessment:

The Workers Benefit Fund will not be changing its rates until April of 2013.
Until then, the current rate of 2.8 cents per hour will remain in effect.

***As of April 1st, the rate will change to 3.3. cents per hour

b. Employment rates for 2013:

Tax rate for brand new employers: 3.3%
Taxable Wage Base: \$34,100.00

Reminder: Form WR

Even though all employers are now required to submit their W2 information using the iWire system, you must still complete and submit the 2012 Form WR (Withholding Annual Reconciliation Report) by March 31st. Currently, the Form WR can be downloaded from our website at <http://www.oregon.gov/dor/BUS/Pages/forms-payroll.aspx>.

Hints for correctly completing Form WR:

A. Boxes 1-4:

Be sure that boxes 1 through 4 reflect the withholding amounts you ACTUALLY reported on your Form OQ for those quarters. These amounts must match your quarterly tax returns.

B. Box 6:

You must enter the total amount of withholding from all W2's and 1099's issued. Do not enter the total from your OQ reports in Box 6. This figure should reconcile to the W3 and 1096 (summary documents for W2s and 1099s) you issued.

C. Box 7:

Indicate if an adjustment needs to be made and why. Be sure to include a full explanation and any documentation such as W2C's, ledger copies or other correspondence that substantiates why there needs to be an adjustment. This is especially important if the WR reflects that you need to make a fairly large change.

For example: You paid withholding to Oregon on an employee who actually worked in CA. Now you need to subtract \$25,000.00 from what you originally reported so you can pay it to the correct state. You should provide documentation showing that the employee was reported to OR in error. (work site information, W2 or W2C, etc..),

D. Mergers or Acquisitions:

If you had a merger during the year, you must still submit a separate WR for each company involved in the merger using their original Business Identification Numbers (BIN). Do not combine all the companies under the one BIN of the succeeding company and submit just one WR, even though this is allowed for federal purposes.

E. Finally, be sure that the person who signs the Form WR is also able to discuss the information reported in case we have questions.

Education/Outreach:

Virtual Small Business Forum

Date: Tues, Jan 22, 2013 8:30-11:30am

Topic: Marketing on a Shoestring Budget

Come join this free web conference providing information on such topics as "Keeping it Simple", "How a Small Business Can Generate Leads" and "Content Marketing for Small Businesses". Afterwards, there will be a time to network with Small Business organizations and agencies to obtain information on the latest services and programs available.

For further information and to register, contact KayDel Marshall at KayDel.Marshall@irs.gov<<mailto:KayDel.Marshall@irs.gov>>

The Payrolltax-News e-mail list provides employers with complete and up-to-date payroll tax information. Employers can self-subscribe here<<http://listsmart.osl.state.or.us/mailman/listinfo/payrolltax-news>>. Representatives in the Business Division will send information to employers through this list. Employers can request additional information by e-mailing payroll.help.dor@state.or.us<<mailto:payroll.help.dor@state.or.us>>.

As a standard practice, e-mail sent from the department will be in text form only. Department of Revenue will not open attachments.

Questions about list content and subscription problems should be directed to the list owner:

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