

# Oregon Domestic Combined Payroll Tax Report

2006

Oregon Department of Revenue  
Oregon Employment Department  
Oregon Department of Consumer & Business Services

## Forms and Instructions For Oregon Domestic Employers

- **FORM OA DOMESTIC  
OREGON ANNUAL TAX REPORT**
- **FORM 132 DOMESTIC  
EMPLOYEE DETAIL REPORT**
- **FORM 013  
CHANGE IN STATUS REPORT**
- **FORM WR  
OREGON ANNUAL WITHHOLDING  
TAX RECONCILIATION REPORT**

2006 Oregon Combined Tax Payment Coupons (Form OTC) are not in this booklet. They were sent separately to employers in December 2005.

### How to ensure that your report is processed timely

- ❖ Do you use a tax preparer?  
If so, the preparer may need this booklet to file your reports.
- ❖ Double-check your math.
- ❖ When sending a payment, you must include an OTC with your Form OA.
- ❖ If you have no payroll or subject hours worked, enter a -0- for each program.



Oregon Department of Revenue  
955 Center Street NE  
Salem OR 97301-2555

# Table of Contents

New Information .....	3
Important Information .....	4
Required Forms .....	5
Filing the Oregon Combined Annual Tax Report.....	6
Payment Instructions.....	6
Penalties and Interest.....	7
Oregon Annual Tax Report (Form OA) Instructions .....	8
Domestic Employee Detail Report (Form 132) Instructions.....	10
Unemployment Insurance (UI) Tax Information.....	11
Withholding Tax Information.....	12
Workers' Benefit Fund Assessment Information .....	13

Call the numbers below if you need help or more information.

## State Withholding

### OREGON DEPARTMENT OF REVENUE

**Salem:** 503-945-8091 or 800-356-4222

TTY users: 503-945-8617

Internet: [www.oregon.gov/DOR](http://www.oregon.gov/DOR)

e-mail: [payroll.help.dor@state.or.us](mailto:payroll.help.dor@state.or.us)

Reporting forms:

Oregon Annual Tax Report – Form OA - Domestic

Oregon Annual Withholding Tax

Reconciliation Report–Form WR

Change in Status Report–Form 013

## Workers' Benefit Fund Assessment

### OREGON DEPARTMENT OF CONSUMER & BUSINESS SERVICES (DCBS)

Assessment questions:

**Salem:** 503-378-2372

TTY users: 503-378-2372

Internet:

[www.oregon.gov/DCBS/FABS/wbf.shtml](http://www.oregon.gov/DCBS/FABS/wbf.shtml)

e-mail: [wbfassess.fabs@state.or.us](mailto:wbfassess.fabs@state.or.us)

Subjectivity questions:

**Salem:** 503-947-7815 or 888-877-5670

e-mail: [workcomp.questions@state.or.us](mailto:workcomp.questions@state.or.us)

Reporting form:

Oregon Annual Tax Report – Form OA - Domestic

## State Unemployment Insurance Tax

### OREGON EMPLOYMENT DEPARTMENT

**Salem:** 503-947-1488

TTY users: 711

Internet: [www.oregon.gov/EMPLOY/TAX](http://www.oregon.gov/EMPLOY/TAX)

e-mail: [taxinfo@emp.state.or.us](mailto:taxinfo@emp.state.or.us)

Reporting forms:

Oregon Annual Tax Report – Form OA - Domestic

Employee Detail Report– Form 132 - Domestic

Change in Status Report–Form 013

## Payments for all tax programs

Payment coupons (Form OTC) are mailed separately to employers. You must include one with each payment.

To order OTCs call:

**Salem:** 503-945-8091 or 503-378-4988

**Electronic Funds Transfer (EFT) Help Line:**

503-947-2017

## Other Internet addresses

Oregon Business Guide is available at:

[www.sos.state.or.us](http://www.sos.state.or.us)

Federal payroll tax and FUTA forms are available at: [www.irs.gov](http://www.irs.gov)

In compliance with the Americans with Disabilities Act (ADA), this information is available in alternative formats by calling: **Oregon Department of Revenue at 503-378-4988, or 1-800-456-4222 (within Oregon)**  
**Oregon Employment Department at 503-947-1488**

# Filing Due Date for Annual Report is January 31, 2007

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## WHERE TO FILE AND PAY

*Mail all reports and payments to:*

**Oregon Department of Revenue  
PO Box 14800  
Salem OR 97309-0920**

## New Information

### **Quarterly Filing Options**

If you choose to file on a quarterly basis, the Employment Department has free software available. See page 5 or call 503-947-1488 for more information.

### **Unemployment Insurance Tax Rate**

Your unemployment insurance tax rate is based on the last 12 quarters experience through June 30, 2006. You received a Notice of Estimated Tax Rate in November 2005 because the data is not available for the first two quarters of 2006 until we receive your annual report in 2007. Final tax rate notices will be mailed in May 2007 after the year 2006 annual reports are processed.

### **Payroll questions answered via e-mail**

You can now receive answers to your payroll questions via e-mail. Agency e-mails addresses are listed on page 2.

### **Withholding Tax Tables**

The withholding tax tables remained the same for 2006. Continue using your *Oregon Withholding Tax Tables* booklet (150-206-430) dated March 2003. To request a copy, please call 503-945-8091. The tables are also available on the Internet at: **[www.Oregon.gov/DOR](http://www.Oregon.gov/DOR)**.

# Important Information

**Oregon Department of Revenue, Employment Department, and Department of Consumer and Business Services rules differ. Please read all instructions carefully. If you have questions, please contact the appropriate agency. (See page 2.)**

## Reporting hours may differ

The number of hours reported for unemployment insurance tax on the Wage Detail Report (Form 132) will not necessarily equal the number of hours reported for the Workers Benefit Fund assessment in box 9 on Form OA. See pages 9 and 10 for more information.

## Keep your records

WBF assessment related payroll records must be kept for no less than the current year and three previous years.

All other payroll records must be kept **at least** five years after filing the required reports.

## No payroll or subject hours worked

Even if you have no payroll or subject hours worked, enter -0- on subject wages line or subject hours line of Form OA for each program you are subject to. See line instructions for details.

## Closing your account

All reports and payments are due within 20 days of the date that you terminate your employees, rather than January 31. Interest will begin to accrue if payment is not made by that date.

## Oregon Identification Numbers

Your Oregon business identification number (BIN) is not the same as your registry number issued by the Oregon Secretary of State's Corporation Division. **If you do not know your BIN, contact the Department of Revenue at 503-378-4988.**

The correct format for a BIN is NNNNNNN-N (for example, 1234567-8.)

**It is important that you include your BIN on the top of all correspondence, returns, and payments that you file with the Department of Revenue, the Employment Department, and the Department of Consumer and Business Services.**

## Employer Account Access

You can review your unemployment insurance account information anytime, day or night, on the Internet by going to [www.oregon.gov/EMPLOY/TAX](http://www.oregon.gov/EMPLOY/TAX). Want to know when your last report was posted, what your tax rate is, or when we received your last UI tax payment? It's all there. Just click on "Your Account Information Center," enter the information to register your Personal Identification Number (PIN), and you can **look at your information without having to contact the Employment Department!**

## Oregon Legislative Changes

The 2003 Legislature amended ORS 657.571 for domestic filers. Employers with exclusively domestic (in home service) employment may choose to file the combined payroll tax reports quarterly. The annual forms are sent out by November of each year. Call the Oregon Employment Department at 503-947-1488 for more information.

## Filing for bankruptcy

If you file for bankruptcy, you need to notify **separately** each state agency that administers the payroll taxes and/or assessments to which you are subject. Despite combined reporting, each agency manages its own tax program.

## Employer new hire reporting program

All Oregon employers are required to report new and rehired employees to the Division of Child Support within 20 days of date of hire. For information on the law and the procedures for reporting, contact:

Department of Justice  
Employer New Hire Reporting Program  
1495 Edgewater St NW  
Salem OR 97304

Telephone: 503-378-2868  
Fax 503-378-2863 or 877-877-7415  
E-mail: [employer.reports@doj.state.or.us](mailto:employer.reports@doj.state.or.us)  
Website: [www.oregon.gov/DOJ](http://www.oregon.gov/DOJ)

# Required Forms

**If you use a tax preparer**, please check to see if the preparer needs this booklet to file your reports. Your forms can be sent directly to your tax preparer. Fill out the “Change in Status Report” to change your forms’ mailing address to your tax preparer’s address for future mailings.

## Forms needed for reporting

- **Form OA—Oregon Annual Tax Report.** Use this form to report the annual figures for state unemployment insurance (UI) tax, state withholding tax, and Workers’ Benefit Fund (WBF) assessment.
- **Form 132—Domestic Employee Detail Report.** If your business is subject to Oregon UI tax, use these forms to report the quarterly detail for each employee. File these forms with Form OA.
- **Form OTC—Oregon Combined Tax Payment Coupon.** Form OTCs are mailed separately, by December 31 of each year. If you need to order additional coupons, write the Oregon Department of Revenue, PO Box 14800, Salem, OR 97309-0920, or call 503-945-8091 or 503-378-4988. When ordering, tell us how

many coupons you need for the remainder of the year.

- **Please use blue or black ink.** Our equipment can only read these colors.
- **Please do not use colored paper**

## Other forms

- **Form 013—Change in Status Report.** Use this form to report changes in your business including address and phone number changes. Do not use Form OTC or Form OA to make changes. See the “Change in Status Report” at the back of this booklet, for detailed instructions. The “Change in Status Report” is also available on the Internet at: [www.oregon.gov/DOR](http://www.oregon.gov/DOR)
- **Form WR—Oregon Annual Withholding Tax Reconciliation Report.** Use this form to reconcile your state withholding account. Form WR is due by February 28 of each year. Form WR is available on the internet at: [www.oregon.gov/DOR](http://www.oregon.gov/DOR).

# Filing the Oregon Combined Annual Tax Report

## Who must file

You must file a Form OA Domestic each year:

- As long as you are registered as an active employer with the Oregon Department of Revenue, Oregon Employment Department, or are either required by law or choose to have a workers' compensation insurance policy in Oregon.

You must file Form 132 Domestic:

- If you are an employer subject to UI law.

## When to file

Your report and payment are due no later than January 31, 2007. If your account closes mid year, both reports and payment are due within 20 days of the closing.

## Amended reports or adjustments

To amend data on Form OA Domestic or Form 132 Domestic, copy the original report, make the necessary changes on the copy, clearly write "Amended" at the top of the form, write a brief explanation of why you are amending your report, and mail to: Oregon Department of Revenue, PO Box 14800, Salem OR 97309-0920. **Please use only black or blue ink.**

Department of Consumer and Business Services (DCBS) cannot initiate or accept adjustments to resolve errors, omissions or discrepancies in WBF assessment reports or payments for any period that pre-dates the current calendar year and three previous years.

## Failure to file

If you don't file Form OA Domestic, you may receive an assessment(s) based on available information. Penalty and interest will be charged on the amount assessed (see page 7).

## Quarterly Filing Options

Electronic filing is far more efficient, accurate, and less time consuming than paper filing. You can file electronically by the Internet, e-mail, or by telephone if you elect to report quarterly.

The Employment Department has free software for filing electronically. This software is a substitute for quarterly filings of paper Form OQs, Schedule Bs, and Form 132s. If you have questions or want to order the software, call 503-947-1488 or download the software from our Web site [www.oregon.gov/EMPLOY/TAX](http://www.oregon.gov/EMPLOY/TAX).

## Payment Instructions

### Making your Oregon combined payment

To make sure your payment is correctly applied, complete and send in a Form OTC with the payment. Indicate the amount paid to each tax program in the appropriate box. Send payment with Form OTC to the Oregon Department of Revenue, PO Box 14800, Salem, OR 97309-0920. Please do not staple or tape your payment to Form OTC.

### Payment record

Retain records of payments made to all programs for use when you file Form OA Domestic.

### Electronic funds transfer (EFT)

You can make payments for combined payroll taxes using the Department of Revenue's electronic funds transfer (EFT) program. This program allows you to make payments using a touch-tone telephone, a secure Internet site, or through your financial institution.

An employer is required to have an authorization agreement filed with the Department of Revenue before initiating EFT payments. Information and authorization agreements are available on the Internet at: [www.oregon.gov/DOR](http://www.oregon.gov/DOR), or by calling the EFT help line at 503-947-2017.

# Penalties

## Unemployment Insurance Tax

A late filing penalty may be assessed if Form OA Domestic or the Form 132 Domestic (Employee Detail Report) is filed more than 10 calendar days after the due date, and you have received a previous late filing warning. **This is in addition to interest due.** The late filing penalty is \$6 for each employee reported, with \$70 minimum and \$1,400 maximum. Reports not correctly formatted or incomplete may also be assessed a similar penalty. If no subject wages are reportable but the report is filed late, a \$5 late filing penalty may be assessed.

In addition, if Form 132 Domestic is not correctly formatted or is incomplete, it may be returned. If it is not resubmitted before the tenth day following the due date, a penalty may be assessed.

An additional penalty may be charged to employers who have failed as of September 1 to:

- File all unemployment insurance tax reports:
  - Form OA Domestic–Oregon Annual Tax Report,
  - or**
  - Form 132 Domestic–Domestic Employee Detail Report,
  - or**

- Pay all unemployment insurance taxes due.

The penalty is 1 percent of the employer's previous year's taxable payroll.

## State Withholding

- You will be charged a 5 percent late payment penalty on any unpaid tax after the due date of the return.
- You will be charged an additional 20 percent penalty on any tax due as of the due date and if Form OA is filed more than three months late.
- You will be charged a 100 percent penalty on any tax due if Form OA Domestic are not filed for three years in a row.

## Workers' Benefit Fund Assessment

You are subject to a late filing penalty if the Form OA Domestic is filed or payment is received more than 10 calendar days after the due date. A civil penalty of up to \$2,000 may be assessed for each violation if the payment or Form OA Domestic is not filed timely. Penalties will be assessed at 10 percent of the outstanding balance, with a minimum of \$50 for each violation.

In addition, if your account is audited for failure to report or inaccurate reporting, penalties up to \$2,000 will be assessed for failure to respond timely to notices and orders associated with audit findings.

# Interest

## Unemployment Insurance Tax

Interest is assessed on unpaid or late paid unemployment insurance tax. The rate is 1.5 percent per month or fraction of a month after the payment is due. Interest is assessed if the payment is one day late. Use only unpaid tax when calculating interest. Do not calculate interest on previously assessed interest or penalties.

## State Withholding

You will be charged interest on any remaining tax left unpaid after the due date. Employers should

not calculate interest due. You will be billed for interest due on unpaid balances.

## Workers' Benefit Fund Assessment

Interest is assessed on unpaid or late paid Workers' Benefit Fund assessments. The rate of 9 percent per year may be charged on all overdue balances. If your account is assigned for collection, you will be responsible for the collection agency's fee. This additional collection fee may amount to as much as 28 percent of the total dollars collected.

# Oregon Annual Tax Report (Form OA)

## Line-by-Line Instructions

Before you complete Form OA Domestic, review your name, mailing address, Oregon Business Identification Number (**BIN**), and Federal Employer Identification Number (**FEIN**) to be sure they are all correct. Make corrections on the "Change in Status Report" included at the end of this booklet and fax it to 503-947-1700 or mail it to Employment Department 875 Union St NE Rm 107, Salem, OR 97311.

The North American Industry Classification System (NAICS) code is assigned by the Employment Department. If you have questions regarding these codes, call 1-800-262-3912, ext. 7-1248 (toll-free within Oregon) or 503-947-1248.

### Line-by-line instructions

**Number of covered workers for state unemployment insurance.** If you have questions on how to count workers, call 1-800-262-3912, ext. 7-1248 (toll-free within Oregon) or 503-947-1248.

To report number of workers, use the totals for each month in the fourth quarter only (October, November, December.) Include all full-time and part-time workers who worked or received pay subject to unemployment insurance law during the payroll period which includes the 12th of the month. Some examples include:

- Daily pay period. Enter the number of workers on the daily payroll for the workday nearest the 12th of the month.
- Weekly, bi-weekly, or semi-monthly pay period. Enter the number of workers on the payroll for the period that includes the 12th of the month.
- Monthly pay period. Enter the number of workers on your monthly payroll.
- If there were no covered workers during any pay period, enter zero in the appropriate boxes. Do not leave these boxes blank.

Add the numbers for the three months and place the sum in the **Total** (October + November + December) box. This total is used to verify that the automated equipment has correctly read the monthly entries.

### OA columns

In each column, enter the total subject wages paid for each tax program. If you have questions, refer to the specific program information in this booklet.

In each column, enter the total tax owed to each state program. If any of the amounts are less than or equal to zero, enter -0-. Do not enter any credit items. **Any credit in one tax program must be used in that same program as a credit.**

### Column A. Unemployment Insurance (UI)

**Box 1. Subject wages.** This amount must equal the sum of all four quarters from line 1 (total subject wages) on Form(s) 132-Domestic. Include all wages even those exceeding the taxable wage base for UI reporting purposes.

**Box 2. Excess wages.** Excess wages are wages above the taxable wage base for the year *per employee*. The taxable wage base for 2006 is **\$28,000** per employee per year.

**Box 3. Taxable wages.** Enter box 1A minus box 2A.

**Box 4. Tax rate.** Use the estimated 2006 tax rate. If you are subject to UI tax and no rate is printed, call the Employment Department at 503-947-1488.

**Box 5. Total tax.** Multiply box 3A by box 4A. Round down to the nearest cent and enter the tax amount. Enter -0- if you had no UI tax this quarter.

**Box 6. Tax prepaid.** Enter the amount of UI tax prepaid or credits used. Include any UI credit amount that may have been overpaid where no refund was requested or issued.

**Box 7. UI penalty and interest owed.** Enter the amount of penalty and interest owed if the report is late. Figure the penalty amount by multiplying the number of employees by \$6. The minimum penalty is \$70. The maximum penalty is \$1,400. If there were no employees, the penalty is \$5. Late reports are those submitted more than 10 days after the due date.

To calculate interest owed, multiply the unpaid tax owed by .015 for each month or fraction of a month after the date the payment is due. Interest is assessed even if the payment is one day late.



When calculating interest, use only the amount of unpaid tax. Do not calculate interest on previously assessed interest or penalties.

**Box 8. Total due.** Enter box 5A **minus** box 6A **plus** box 7A. If the amount is less than zero, enter -0-.

## Column B. State withholding

**Box 1. Subject wages.** Enter total *wages subject to income tax* (salaries, commissions, and bonuses), paid to Oregon employees.

- This amount need not match box 1A.
- Enter -0- if you had no payroll for the year.

**Box 5. Total tax.** Enter total Oregon tax withheld this year. Enter -0- if you had no withholding tax this year.

**Box 6. Tax prepaid.** Enter the amount of withholding tax prepaid. Include any withholding credits used.

**Box 8. Total tax due.** Enter box 5B minus box 6B. If the amount is less than zero, enter -0-.

## Workers' Benefit Fund (WBF) assessment

**Box 9.** The majority of domestic (in home care) employers and their workers are not subject to the WBF assessment. **Before reporting hours in Box 9**, you may wish to verify with Workers' Compensation Division (503-947-7815 or 888-877-5670) whether your workers are subject. If not, please leave boxes 9-13 blank. If your workers are subject, total all hours worked by all workers who are subject to WBF assessment. **Enter the total hours rounded down to the nearest whole (no fractions or decimals).** If you have no workers' hours to report, enter -0-. More detail on determining hours worked is available at [www.oregon.gov/DCBS/FABS/wbf.shtml](http://www.oregon.gov/DCBS/FABS/wbf.shtml) or by calling 503-378-2372.

**Box 10. Assessment rate.** The current WBF assessment rate is .030. Employers contribute one-half of the hourly assessment amount and deduct one-half from workers' wages.

**Box 11.** Multiply box 9 times box 10. Round down to the nearest cent. This is the total WBF assessment due. If no assessment is due, enter -0-.

**Box 12.** Enter the amount of prepaid WBF assessment or WBF assessment credits used.

**Box 13.** Subtract box 12 from box 11. This is the net WBF assessment amount due. This amount should match the amount you enter in the "Workers' Benefit Fund Assessment" box on Form OTC. If the amount is less than zero, enter -0-.

## Box 14. Total payment due.

Enter total payment due. Add boxes 8A, 8B, and 13. **Do not include any credits.** Make your payment to the Department of Revenue using electronic funds transfer (EFT). **Or** make your check payable to "Oregon Department of Revenue." **Include a payment coupon (Form OTC)** when you mail your check.

**Note: You cannot use Form OA Domestic to transfer credits between programs.**

### • Credit applied to another program:

Send a written request along with a copy of Form OA Domestic to the agency that handles the program that has the credit.

Include your account name, BIN, tax program, and year where the credit exists. Give the same information for where you want the credit applied. Also include any notices or memos you've received regarding the credit.

### • Credit refunded:

Send a written request to the agency that handles the program that has the credit. Include your account name, BIN, the word "**Refund,**" and the amount to refund. Also include any notices or memos you have received regarding the credit.

## Signature

Preparer needs to sign Form OA Domestic on the signature line and include a telephone number and the date the form was prepared. A signature is required even if you file a -0- report.

# Domestic Employee Detail Report (Form 132)

Complete only if you pay unemployment insurance tax.

**Line 1. Total subject quarterly wages.** Enter the total subject wages for all employees for the quarter. If you use multiple pages of Form 132, enter the total amount on page 1 only. This figure (total for all pages and all quarters) must equal the amount in box 1A on Form OA Domestic.

**Column 2. Social Security number.** Enter the Social Security number for each employee reported.

**Column 3. Employee name.** Enter the first initial and last name of each employee reported.

**Column 4. Hours worked during each quarter.** Enter the number of hours the employee worked in each quarter. If you do not track hours for a full-time employee, use 520 hours for the quarter. **Do not report fractions or portions of an hour worked by an individual.** Round up any portion of an hour to the nearest whole hour.

Report the actual number of hours worked. This is straight time and overtime. Do not report hours paid for sick leave, vacation leave or any other hours paid where no work was performed. Even though these hours are not reported in column 4, wages paid are still reported as subject wages in column 5.

Report hours in the quarter worked and wages in the quarter paid.

The number of hours worked subject to unemployment insurance does not need to equal the number of hours reported for Workers' Benefit Fund assessment.

Enter -0- for an employee who did not work during the quarter, but received wages (**do not leave blank**).

If you need to adjust hours worked in a previous year, file an amended Form 132 Domestic (see page 5).

**Column 5. Wages for each quarter.** Wages are reported in the quarter paid to the employee, regardless of when earned. Enter the total subject wages paid to each employee during the quarter regardless of whether the employee's wages exceeded the taxable wage base.

Do not use this report to correct wages for another year. File an amended Form 132 Domestic (see page 5).

**Box 6. Column totals.** Enter the total subject wages for all employees reported in each quarter. Do not include the totals from other pages on this form.

# Unemployment Insurance Tax Information

## Subject wages

Generally, wages reportable for Federal Unemployment Tax Act (FUTA) purposes are reportable for Oregon Unemployment Insurance (UI) tax. All wages, including draws, are reportable when paid to the employee. For example, wages paid January 2007 for work performed in December 2006 are reportable in 2007.

An employee is any person (including aliens or minors) employed for pay by any employer subject to Employment Department law (ORS 657.015).

“Wages” means all compensation for service, unless specifically excluded by law.

The following are examples of subject wages:

- Wages paid in cash.
- Taxes paid on behalf of an employee. This includes withholding and the employee’s half of Social Security and Medicare.
- Other cash payments made on behalf of an employee such as tuition, auto repair bills, credit card payments, and student loans.
- Special payment for services, such as commissions, fees, gifts, bonuses, prizes, separation allowances, guaranteed wage payments, vacation, sick pay and holiday pay.

## Excluded wages

Examples of payments that are not subject under unemployment insurance law are:

- Payments to a proprietor or the proprietor’s child under 18, spouse, or parent.
- Noncash payments
- Sick pay under workers’ compensation law.

## Unemployment insurance tax payments

All payments must be sent with a payment coupon (Form OTC). Enter the amount paid in the “State Unemployment Insurance Tax” box. When there is more owed than taxes, payments are applied first to legal fees, penalties, and interest. The remainder is applied to tax owed.

## Employer ceases to be subject to UI tax

An employer who ceases to have sufficient employment or payroll subject to ORS Chapter 657 must file an application for such a finding by the director of the Employment Department in accordance with ORS 657.415. Such exemptions shall continue until the employer again qualifies as an employer as defined in ORS 657.

## Equal opportunity employer

The Employment Department is an equal opportunity agency and does not discriminate in providing services on the basis of race, color, religion, sex, nation of origin, age, disability, political affiliation or belief, citizenship, or marital status. Auxiliary aids and services are available upon request to disabled individuals. Contact the nearest Employment Department office for assistance.

## Employment offices

Information on unemployment insurance tax laws is available by calling 503- 947-1488 for the Central Office in Salem. The TTY number is 711. Written inquiries may be sent to: Tax Section, Employment Department, 875 Union St NE, Salem OR 97311-0030. The e-mail address is: [taxinfo@emp.state.or.us](mailto:taxinfo@emp.state.or.us).

# Withholding Tax Information

## Who is a household employee?

The information applies to you only if you pay someone for household work and that worker is your employee. Household work is work done in or around your home by babysitters, nannies, health aides, private nurses, maids, caretakers, yard workers, and similar domestic workers.

A household worker is your employee if you can control not only what work is done, but also how it is done.

If only the worker can control how the work is done, the worker is not your employee but is self-employed. A self-employed worker usually provides his or her own tools and offers services to the general public in an independent business. If an agency provides the worker and controls what work is done and how it is done, the worker is not your employee.

## Should Oregon income tax be withheld from a household employee's pay?

Oregon income tax withholding is not required for household employees. However, Oregon income

tax can be withheld if the household employee **asks** you to withhold and you **agree**. In order to determine withholding, the employee must complete federal Form W-4, Employee's Withholding Allowance Certificate.

## Figuring withholding tax

To find out how much state income tax to withhold from an employee's pay, use the withholding tables found in the Oregon Withholding Tax Tables located on the internet at: [www.oregon.gov/DOR](http://www.oregon.gov/DOR). If you do not have internet access, you may call 503-945-8091.

## Transit district tax information

Domestic service in a private home is exempt from the Tri-County Metropolitan Transportation District (TriMet) and the Lane Transit District (LTD).

# Workers' Benefit Fund Assessment Information

## Workers subject to Workers' Benefit Fund (WBF) assessment

There are few domestic workers in Oregon that are subject to the Workers' Benefit Fund assessment. The only domestic workers subject to the WBF assessment are:

- Those for whom the employer is required by law to provide workers' compensation insurance coverage (e.g. those employed by sororities and fraternities); and
- Those for whom the employer elects to provide workers' compensation insurance coverage even though not required by law to do so.

If you are not required by law to have workers' compensation insurance for your workers, and you do not choose to cover yourself or anyone else with workers' compensation insurance, you are not subject to the WBF assessment.

For each calendar year that you do have subject workers or covered nonsubject workers, you must file a Form OA Domestic to report hours worked. In addition, for each calendar year you have coverage, but no workers, you must file a Form OA Domestic to report -0- hours worked and -0- assessment due. If you do not file a Form OA Domestic during the time you have subject workers or workers' compensation insurance coverage, you may be assessed a penalty.

Before you report and pay the WBF assessment, if you have questions about whether your domestic workers are subject, call 503-947-7815 or 888-877-5670, e-mail [workcomp.questions@state.or.us](mailto:workcomp.questions@state.or.us), or write: Compliance Unit, DCBS/WCD, PO Box 14480 Salem, OR 97309-0405.

For all other questions regarding the WBF assessment, call the WBF hotline at 503-378-2372, e-mail [wbfassess.fabs@state.or.us](mailto:wbfassess.fabs@state.or.us), or check out the Information Sheet at [www.oregon.gov/DCBS/FABS/wbf.shtml](http://www.oregon.gov/DCBS/FABS/wbf.shtml).

## Hourly assessment

The assessment is based on the total number of hours or parts of hours worked by all subject workers in the same pay period as is used to compute the employee's withholding. The hourly assessment rate is printed on Form OA Domestic in box 10, and may change annually.

**Note:** The WBF assessment is separate from your workers' compensation insurance premium.

## How to update or close your Workers' Benefit Fund assessment account

If you change ownership, discontinue business, or cease to employ workers, contact your workers' compensation insurer with the corrected information. When your insurer terminates or files an endorsement to the guaranty contract with the Workers' Compensation Division of DCBS, your WBF assessment account also will be corrected or closed. Your insurance coverage and claims liability remain unchanged and in effect until your insurer notifies the Workers' Compensation Division directly. You also may use the "Corrections and Changes Notification for WBF Assessment" form to expedite updating or closing your WBF assessment account for reporting purposes. This form is available on the Internet at [www.oregon.gov/DCBS/FABS/wbf.shtml](http://www.oregon.gov/DCBS/FABS/wbf.shtml), or by calling 503-378-2372.

## Send notices or requests regarding the Workers' Benefit Fund assessment to:

Workers' Compensation Assessments Section  
DCBS/Fiscal and Business Services  
PO Box 14480  
Salem OR 97309-0405