

Withholding taxes: Household employees



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www.oregon.gov/dor

Does this information apply to me?

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.

When is a household worker an employee?

A household worker is your employee if you can control not only what work is done, but also how it is done. It does not matter if the work is full-time or part-time, or if you hired the worker through an agency. It also does not matter whether you pay the worker by the job or on an hourly, daily, or weekly basis.

Should I withhold Oregon income tax from a household employee's pay?

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

How do I figure withholding?

Use the withholding tables found on Revenue's website at www.oregon.gov/dor/bus/pages/publications.aspx to find out how much state income tax to withhold from the employee's pay.

If you do not have internet access and you need a copy of the Oregon Withholding Tax Tables, call 503-945-8100.

How do I report Oregon income tax withholding?

If you agree to withhold Oregon income tax, you will need a business identification number. If you already have one, contact the Oregon Department of Revenue so we can set you up for state withholding. If you need a business identification number, you must apply for one from the Oregon Department of

Revenue. Use the Combined Employer's Registration (form 150-211-055). You can obtain this form by calling 503-945-8100 or by downloading it from the internet at www.oregon.gov/dor. You must register before issuing your first paychecks. Mail the completed registration to the address at the bottom of the form. Within three weeks, the department will assign you an Oregon business identification number and send you the personalized forms you will need.

If you employ only household employees, you may file and pay the tax due annually using Form OA—Domestic. This form is due January 31 of each year. You may make withholding payments during the year, or you may send your payment and OTC in with Form OA.

When are withholding payments due?

Withholding tax payments are due the same day you make your FICA payment or your federal tax payment, regardless of the amount of your Oregon withholding tax.

Send payments with Form OTC, *Oregon Combined Tax Payment Coupon*, directly to:

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

Send a coupon with every payment.

How do I close my Oregon withholding tax account?

If you no longer have employees, you can close your Oregon withholding tax account. Fill out the *Change in Status Report* included in your annual reporting packet and mail to:

Employment Department
875 Union Street NE
Salem OR 97311-0030

How can I get information about Workers' Benefit Fund Assessment and Unemployment Insurance?

For questions about Workers' Benefit Fund Assessment, call the Department of Consumer and Business Services at 503-378-2372.

For questions regarding Unemployment Insurance, call the Employment Department at 503-947-1488.

Should I report transit district tax?

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

Taxpayer assistance

General tax informationwww.oregon.gov/dor
Salem..... 503-378-4988
Toll-free from an Oregon prefix..... 1-800-356-4222

Asistencia en español:

Salem 503-378-4988
Gratis de prefijo de Oregon..... 1-800-356-4222

TTY (hearing or speech impaired; machine only):

Salem 503-945-8617
Toll-free from an Oregon prefix..... 1-800-886-7204

Americans with Disabilities Act (ADA): Call one of the help numbers for information in alternative formats.