



# Hours and Estimating Hours Worked

SUPPORT BUSINESS & PROMOTE EMPLOYMENT

The Employee Detail Report, Form 132, requires employers to report the number of hours worked during a quarter. If you don't keep hours worked as part of your payroll system, a reasonable estimate of hours worked is acceptable.

Report only actual hours worked; do not include vacation time, sick leave, or any other paid time where no work is performed, even though these wages are still reported as subject wages.

When reporting hours on the Form 132, **do not** report fractions or portions of hours. The Employment Department asks that the hours be rounded up to the next whole hour.

For Oregon unemployment insurance tax purposes, hours worked are reported in the quarter that they are actually worked, not when paid. The wages are reported in the quarter paid, or in the quarter the individual received any remuneration other than cash.

If your payroll system does not track hours, the following guidelines will help you estimate hours worked. If you have another method to reasonably estimate the hours worked, you can use that method. When estimating hours you must be consistent and able to explain the method used.

1. Multiply the number of days worked by the average number of hours worked in a day.

If an "average" work day consists of 15 hours and an employee worked 40 days during the quarter then that employee would be reported for 600 hours during the quarter.

2. If you pay on a piece-rate basis:

Multiply the number of pieces completed by the time to complete one.

An employee completed 453 pieces and the average time to complete one piece is 1.5 hours then the employee should be reported for 680 hours (453 x 1.5 rounded up to the next whole hour).

3. An average calendar quarter has 520 hours.

An employee who worked the whole quarter but only half time would be reported for 260 hours (520 x 1/2 or 520 ÷ 2).

This works for any percentage of time an employee works.

4. An average month contains 173.33 hours (520 ÷ 3), this would be reported as 174 hours.

If an employee worked two months of the quarter they would be reported for 347 hours (173.33 x 2). An employee who worked a full month but only half time would be reported for 87 hours (173.33 x 1/2 rounded up to the next whole hour).

This works for any percentage of time an employee works.

## Questions

If you have questions or need additional information, please contact the Employment Department tax representative in your area or call 503-947-1488. To find your tax representative, view the web page at [www.oregon.gov/EMPLOY/TAX/TaxOffices.shtml](http://www.oregon.gov/EMPLOY/TAX/TaxOffices.shtml). TDD/Nonvoice Users 711 or by email at [taxinfo@emp.state.or.us](mailto:taxinfo@emp.state.or.us). You may also visit our web site at [www.oregon.gov/EMPLOY/TAX/](http://www.oregon.gov/EMPLOY/TAX/).

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