

Title:

Payroll North Dakota, Unique Aspects of North Dakota Payroll Law and Practice

Word Count:

827

Summary:

North Dakota payroll has some unique aspects and conditions. Some of the details and laws are set out in this article including information concerning: tax withholding and reporting; unemployment insurance taxes and reporting; wage and hour laws; and child support withholding.

Keywords:

Payroll North Dakota, North Dakota payroll, payroll, North Dakota payroll taxes, North Dakota Income Tax, North Dakota payroll withholding, North Dakota payroll service, North Dakota Unemployment Insu

Article Body:

The North Dakota State Agency that oversees the collection and reporting of State income taxes deducted from payroll checks is:

State Tax Department

State Capitol

600 East Boulevard Ave.

Bismarck, ND 58505-0599

(701) 328-3125

<http://www.nd.gov/tax//>

North Dakota does not use a state form to calculate state income tax withholding.

Not all states allow salary reductions made under Section 125 cafeteria plans or 401(k) to be treated in the same manner as the IRS code allows. In North Dakota cafeteria plans are not taxable for income tax calculation; taxable for unemployment insurance purposes. 401(k) plan deferrals are not taxable for income taxes; taxable for unemployment purposes.

In North Dakota supplemental wages are taxed at a 3.92% flat rate.

You must file your North Dakota State W-2s by magnetic media if you are required

to file your federal W-2s by magnetic media.

The North Dakota State Unemployment Insurance Agency is:

Job Service North Dakota
Job Insurance Administration
1000 E. Divide Ave.
Bismarck, ND 58501
(701) 328-2843
<http://www.nd.gov/home.htm>

The State of North Dakota taxable wage base for unemployment purposes is wages up to \$18,500.00.

North Dakota has optional reporting of quarterly wages on magnetic media.

Unemployment records must be retained in North Dakota for a minimum period of five years. This information generally includes: name; social security number; dates of hire, rehire and termination; wages by period; payroll pay periods and pay dates; date and circumstances of termination.

The North Dakota State Agency charged with enforcing the state wage and hour laws is:

Department of Labor
State Capitol Bldg.
600 East Blvd. Ave., Dept. 406
Bismarck, ND 58505-0340
(701) 328-2660
www.state.nd.us/labor/

The minimum wage in North Dakota is \$5.15 per hour.

The general provision in North Dakota concerning paying overtime in a non-FLSA covered employer is one and one half times regular rate after 40-hour week.

North Dakota state new hire reporting requirements are that every employer must report every new hire and rehire. The employer must report the federally required elements of:

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<ul><li>Employee's name</li>
<li>Employee's address</li>
<li>Employee's social security number</li>
<li>Employer's name</li>
<li>Employers address</li>
<li>Employer's Federal Employer Identification Number (EIN) </li></ul>
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This information must be reported within 20 days of the hiring or rehiring. The information can be sent as a W4 or equivalent by mail, fax or electronically.

There is a \$20.00 penalty for a late report and \$250 for conspiracy in North Dakota.

The North Dakota new hire-reporting agency can be reached at 800-755-8530 or 701-328-3582 or on the web at <http://www.nd.gov/humanservices/>

North Dakota does not allow compulsory direct deposit

North Dakota requires the following information on an employee's pay stub:

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<ul><li>Gross and Net Earnings</li>
<li>straight time and overtime pay</li>
<li>hours worked</li>
<li>required state and federal deductions</li></ul>
<li>employee authorized deductions</li>
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North Dakota requires that employee be paid no less often than monthly or agreed-on paydays.

In North Dakota there are no statutory requirements concerning the lag time between when the services are performed and when the employee must be paid.

North Dakota payroll law requires that involuntarily terminated employees must be paid their final pay by next regular payday or within 15 days, whichever is earlier; or by certified mail at employee's address. Voluntarily terminated employees must be paid their final pay by the next regular payday.

Deceased employee's wages must be paid when normally due to the surviving spouse or next eligible heir (in that order) after affidavit showing proof of

relationship.

Escheat laws in North Dakota require that unclaimed wages be paid over to the state after two years.

The employer is further required in North Dakota to keep a record of the wages abandoned and turned over to the state for a period of 10 years.

North Dakota payroll law mandates no more than 33% of minimum wage may be used as a tip credit.

In North Dakota the payroll laws covering mandatory rest or meal breaks are only that all employees must have 30 minutes rest after five hours of work.

There is no provision in North Dakota law concerning record retention of wage and hour records therefor it is probably wise to follow FLSA guidelines.

The North Dakota agency charged with enforcing Child Support Orders and laws is:

Child Support Enforcement Division
Department of Human Services
1929 N. Washington St.
P.O. Box 7190
Bismarck, ND 58507-7190
(701) 328-3582
<http://www.nd.gov/humanservices/>

North Dakota has the following provisions for child support deductions:

When to start Withholding? First day after pay period.
When to send Payment? Within 7 days of Payday.
When to send Termination Notice? Within 7 days of
termination.
Maximum Administrative Fee? \$3 per month.
Withholding Limits? 50% of disposable earnings.

Please note that this article is not updated for changes that can and will

happen from time to time.