

Title:

Payroll Washington, Unique Aspects of Washington Payroll Law and Practice

Word Count:

761

Summary:

Washington 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 Washington, Washington payroll, payroll, Washington payroll taxes, Washington Income Tax, Washington payroll withholding, Washington payroll service, Washington Unemployment Insurance, Washing

Article Body:

Washington has no State Income Tax. There for there is no State Agency to oversee withholding deposits and reports. There are no State W2's to file, no supplement wage withholding rates and no State W2's to file.

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 Washington cafeteria plans are taxable for unemployment insurance purposes. 401(k) plan deferrals are taxable unemployment purposes.

Washington doesn't have income tax.

The Washington State Unemployment Insurance Agency is:

Employment Security Department
212 Maple Park Dr., Mail Stop KG-11
Olympia, WA 98504-5311
(360) 902-9360
www.wa.gov/esd/ui.htm

The State of Washington taxable wage base for unemployment purposes is wages up

to \$30,200.00.

Washington has optional reporting of quarterly wages on magnetic media.

Unemployment records must be retained in Washington for a minimum period of four 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 Washington State Agency charged with enforcing the state wage and hour laws is:

Department of Labor and Industries
Specialty Compliance Services Division
P.O. Box 44400
Olympia, WA 98504-4400
(360) 902-5316
www.lni.wa.gov/

The minimum wage in Washington is \$7.01 per hour.

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

Washington 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:

- Employee's name
- Employee's address
- Employee's date of birth
- Employee's social security number
- Employer's name
- Employers address
- Employer's Federal Employer Identification Number (EIN)

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 \$25.00 penalty for a late report and \$500 for conspiracy in Washington.

The Washington new hire-reporting agency can be reached at 800-562-0479 or on the web at <http://www1.dshs.wa.gov/>

Washington does allow compulsory direct deposit but the employee's choice of financial institution must meet federal Regulation E regarding choice of financial institutions.

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

- Gross and Net Earnings
- pay basis
- straight time and overtime pay
- hours worked
- itemized deductions

Washington requires that employee be paid no less often than monthly.

Washington requires that the lag time between the end of the pay period and the payment of wages to the employee not exceed seven days.

Washington payroll law requires that involuntarily terminated employees must be paid their final pay by end of pay period and that voluntarily terminated employees must be paid their final pay by end of pay period.

Deceased employee's wages of \$2,500 must be paid to the surviving spouse, children, or parents (in that order).

Escheat laws in Washington require that unclaimed wages be paid over to the state after one year.

The employer is further required in Washington to keep a record of the wages abandoned and turned over to the state for a period of 6 years.

There is no tip credit in Washington.

In Washington the payroll laws covering mandatory rest or meal breaks are only that all employees must have 30 minutes rest after 2-5 hours after shift starts and after 3 hours overtime; 10 minutes rest each 4 hours.

Washington statute requires that wage and hour records be kept for a period of not less than three years. These records will normally consist of at least the information required under FLSA.

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

Division of Child Support
Department of Social and Health Services
P.O. Box 9162
Mail Stop HJ-31
Olympia, WA 98507-9162
(360) 664-5200
<http://www1.dshs.wa.gov/>

Washington has the following provisions for child support deductions:

When to start Withholding? Immediately after receipt of order.
When to send Payment? Within 7 days of Payday; 5 days after payday in non-IV D cases.
When to send Termination Notice? "Promptly"
Maximum Administrative Fee? \$10 for first payment, \$1 for all others.
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.