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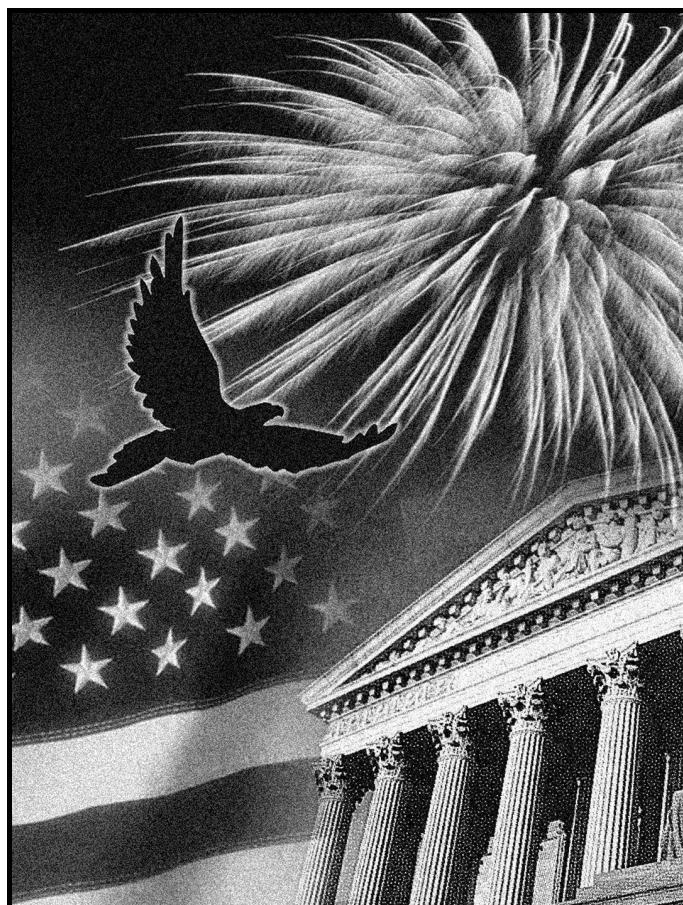
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Household Employer's Tax Guide

For Wages Paid in 2009

For use in **2009**



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What's New

Change to social security and Medicare wage threshold. The social security and Medicare wage threshold is \$1,700 for 2009. This means that if you pay a household employee cash wages of less than \$1,700 in 2009, you do not have to report and pay social security and Medicare taxes on that employee's 2009 wages. For more information, see *Social security and Medicare wages* on page 4.

Increased exclusion amount for transit passes. The American Recovery and Reinvestment Act of 2009 increased the exclusion amount for transit passes to \$230. For more information, see *Wages not counted* beginning on page 4.

Reminder

Photographs of missing children. The Internal Revenue Service is a proud partner with the National Center for Missing and Exploited Children. Photographs of missing children selected by the Center may appear in this publication on pages that would otherwise be blank. You can help bring these children home by looking at the photographs and calling 1-800-THE-LOST (1-800-843-5678) if you recognize a child.

Introduction

The information in this publication applies to you only if you have a household employee. If you have a household employee in 2009, you may need to pay state and federal employment taxes for 2009. You generally must add your federal employment taxes to the income tax that you will report on your 2009 federal income tax return.

This publication will help you decide whether you have a household employee and, if you do, whether you need to pay federal employment taxes (social security tax, Medicare tax, federal unemployment tax, and federal income tax withholding). It explains how to figure, pay, and report these taxes for your household employee. It also explains what records you need to keep.

This publication also tells you where to find out whether you need to pay state unemployment tax for your household employee.

Comments and suggestions. We welcome your comments about this publication and your suggestions for future editions.

You can write to us at the following address:

Internal Revenue Service
Business Forms and Publications Branch
SE:W:CAR:MP:T:B:C
1111 Constitution Ave. NW, IR-6526
Washington, DC 20224

We respond to many letters by telephone. Therefore, it would be helpful if you would include your daytime phone number, including the area code, in your correspondence.

You can email us at *taxforms@irs.gov. (The asterisk must be included in the address.) Please put "Publications Comment" on the subject line. Although we cannot respond individually to each email, we do appreciate your feedback and will consider your comments as we revise our tax products.

Tax questions. If you have a tax question, check the information available on www.irs.gov or call 1-800-829-1040. We cannot answer tax questions sent to either of the above addresses.

Do You Have a Household Employee?

You have a household employee if you hired someone to do household work and that worker is your employee. The worker is your employee if you can control not only what work is done, but how it is done. If the worker is your employee, it does not matter whether the work is full time or part time or that you hired the worker through an agency or from a list provided by an agency or association. It also does not matter whether you pay the worker on an hourly, daily, or weekly basis, or by the job.

Example. You pay Betty Shore to babysit your child and do light housework 4 days a week in your home. Betty follows your specific instructions about household and child care duties. You provide the household equipment and supplies that Betty needs to do her work. Betty is your household employee.

Household work. Household work is work done in or around your home. Some examples of workers who do household work are:

- Babysitters
- Caretakers
- Cleaning people
- Domestic workers
- Drivers
- Health aides
- Housekeepers
- Maids
- Nannies
- Private nurses
- Yard workers

Workers who are not your employees. 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.

A worker who performs child care services for you in his or her home generally is not your employee.

If an agency provides the worker and controls what work is done and how it is done, the worker is not your employee.

Example. You made an agreement with John Peters to care for your lawn. John runs a lawn care business and offers his services to the general public. He provides his own tools and supplies, and he hires and pays any helpers he needs. Neither John nor his helpers are your household employees.

More information. More information about who is an employee is in Publication 15-A, Employer's Supplemental Tax Guide.

Can Your Employee Legally Work in the United States?



It is unlawful for you knowingly to hire or continue to employ an alien who cannot legally work in the United States.

When you hire a household employee to work for you on a regular basis, you and the employee must complete the U.S. Citizenship and Immigration Services (USCIS) Form I-9, Employment Eligibility Verification. No later than the first day of work, the employee must complete the employee section of the form by providing certain required information and attesting to his or her current work eligibility status in the United States. You must complete the employer section by examining documents presented by the employee as evidence of his or her identity and employment eligibility. Acceptable documents to establish identity and employment eligibility are listed on Form I-9. You should keep the completed Form I-9 in your own records. Do not submit it to the IRS, the USCIS, or any other government or other entity. The form must be kept available for review upon notice by an authorized U.S. Government official.

Two copies of Form I-9 are contained in the Handbook for Employers (Form M-274) published by the USCIS.



Call the USCIS at 1-800-870-3676 to order the Handbook for Employers. If you have questions about the employment eligibility verification process or other immigration-related employment matters,

contact the USCIS Office of Business Liaison at 1-800-357-2099.



You also can visit the USCIS website at www.uscis.gov to get Form I-9.

For more information, see Employee's Social Security Number (SSN) in Publication 15 (Circular E), Employer's Tax Guide.

Do You Need To Pay Employment Taxes?

If you have a household employee, you may need to withhold and pay social security and Medicare taxes, pay federal unemployment tax, or both. To find out, read *Table 1*.

You do not need to withhold federal income tax from your household employee's wages. But if your employee asks you to withhold it, you can. See *Do You Need To Withhold Federal Income Tax?* on page 6.

If you need to pay social security, Medicare, or federal unemployment tax or choose to withhold federal income tax, read *Table 2* on page 4 for an overview of what you may need to do.



If you do not need to pay social security, Medicare, or federal unemployment tax and do not choose to withhold federal income tax, read State employment taxes, next. The rest of this publication does not apply to you.

State employment taxes. You should contact your state unemployment tax agency to find out whether you need to

Table 1. Do You Need To Pay Employment Taxes?

IF you ...		THEN you need to ...
A—	Pay cash wages of \$1,700 or more in 2009 to any one household employee. Do not count wages you pay to— • Your spouse, • Your child under the age of 21, • Your parent (see page 4 for an exception), or • Any employee under the age of 18 at any time in 2009 (see page 4 for an exception).	Withhold and pay social security and Medicare taxes. • The taxes are 15.3% of cash wages. • Your employee's share is 7.65%. (You can choose to pay it yourself and not withhold it.) • Your share is a matching 7.65%.
B—	Pay total cash wages of \$1,000 or more in any calendar quarter of 2008 or 2009 to household employees. Do not count wages you pay to— • Your spouse, • Your child under the age of 21, or • Your parent.	Pay federal unemployment tax. • The tax is usually 0.8% of cash wages. • Wages over \$7,000 a year per employee are not taxed. • You also may owe state unemployment tax.
Note. If neither A nor B above applies, you do not need to pay any federal employment taxes. But you may still need to pay state employment taxes.		

pay state unemployment tax for your household employee. For the address and phone number, see the *Appendix* near the end of the publication. You should also determine if you need to pay or collect other state employment taxes or carry workers' compensation insurance.

Social Security and Medicare Taxes

The social security tax pays for old-age, survivors, and disability benefits for workers and their families. The Medicare tax pays for hospital insurance.

Both you and your household employee may owe social security and Medicare taxes. Your share is 7.65% (6.2% for social security tax and 1.45% for Medicare tax) of the employee's social security and Medicare wages. Your employee's share is the same.



You can use Table 3 on page 18 to figure the amount of social security and Medicare taxes to withhold from each wage payment.

You are responsible for payment of your employee's share of the taxes as well as your own. You can either withhold your employee's share from the employee's wages or pay it from your own funds. If you decide to pay the employee's share from your own funds, see *Not withholding the employee's share* on page 5. Pay the taxes as discussed under *How Do You Make Tax Payments?* on page 7. Also, see *What Forms Must You File?* on page 8.

Social security and Medicare wages. You figure social security and Medicare taxes on the social security and Medicare wages you pay your employee.

If you pay your household employee cash wages of \$1,700 or more in 2009, all cash wages you pay to that employee in 2009 (regardless of when the wages were earned) are social security and Medicare wages. However, any noncash wages you pay do not count as social security and Medicare wages.

If you pay the employee less than \$1,700 in cash wages in 2009, none of the wages you pay the employee are social security and Medicare wages and neither you nor your employee will owe social security or Medicare tax on those wages.

Cash wages. Cash wages include wages you pay by check, money order, etc. Cash wages do not include the value of food, lodging, clothing, and other noncash items you give your household employee. However, cash you give your employee in place of these items is included in cash wages.

State disability payments treated as wages. Certain state disability plan payments that your household employee may receive are treated as social security and Medicare wages. For more information about these payments, see Instructions for Schedule H (Form 1040), Household Employers, and the notice issued by the state.

Wages not counted. Do not count wages you pay to any of the following individuals as social security and Medicare wages, even if these wages are \$1,700 or more during the year.

1. Your spouse.
2. Your child who is under the age of 21.
3. Your parent. **Exception:** Count these wages if both the following conditions apply.
 - a. Your parent cares for your child who is either of the following.
 - i. Under the age of 18, or
 - ii. Has a physical or mental condition that requires the personal care of an adult for at least 4 continuous weeks in a calendar quarter.

Table 2. Household Employer's Checklist

You may need to do the following things when you have a household employee.

When you hire a household employee:	☐ Find out if the person can legally work in the United States. ☐ Find out if you need to pay state taxes.
When you pay your household employee:	☐ Withhold social security and Medicare taxes. ☐ Withhold federal income tax. ☐ Make advance payments of the earned income credit. ☐ Decide how you will make tax payments. ☐ Keep records.
By February 1, 2010:	☐ Get an employer identification number (EIN). ☐ Give your employee Copies B, C, and 2 of Form W-2, Wage and Tax Statement.
By March 1, 2010 (March 31, 2010 if you file Form W-2 electronically):	☐ Send Copy A of Form W-2 to the Social Security Administration (SSA).
By April 15, 2010:	☐ File Schedule H (Form 1040), Household Employment Taxes, with your 2009 federal income tax return (Form 1040). If you do not have to file a return, use one of the other filing options, such as the option to file Schedule H by itself.

- b. Your marital status is one of the following.
 - i. You are divorced and have not remarried,
 - ii. You are a widow or widower, or
 - iii. You are living with a spouse whose physical or mental condition prevents him or her from caring for your child for at least 4 continuous weeks in a calendar quarter.

4. An employee who is under the age of 18 at any time during the year. **Exception:** Count these wages if providing household services is the employee's principal occupation. If the employee is a student, providing household services is not considered to be his or her principal occupation.

Also, if your employee's cash wages reach \$106,800 (maximum wages subject to social security tax) in 2009, do not count any wages you pay that employee during the rest of the year as social security wages to figure social security tax. (Continue to count the employee's cash wages as Medicare wages to figure Medicare tax.)

If you provide your employee transit passes to commute to your home, do not count the value of the transit passes (up to \$120 per month for January and February 2009 and \$230 per month for March through December 2009) as wages. A transit pass includes any pass, token, fare card, voucher, or similar item entitling a person to ride on mass transit, such as a bus or train.

If you provide your employee parking at or near your home or at or near a location from which your employee commutes to your home, do not count the value of parking (up to \$230 per month for 2009) as wages.

If you reimburse your employee for transit passes or parking, you may be able to exclude the reimbursement amounts. See Publication 15-B, Employer's Tax Guide to Fringe Benefits, for special requirements for this exclusion.

Withholding the employee's share. You should withhold the employee's share of social security and Medicare taxes if you expect to pay your household employee cash wages of \$1,700 or more in 2009. However, if you prefer to pay the employee's share yourself, see *Not withholding the employee's share*, next.

You can withhold the employee's share of the taxes even if you are not sure your employee's cash wages will be \$1,700 or more in 2009. If you withhold the taxes but then actually pay the employee less than \$1,700 in cash wages for the year, you should repay the employee.

Withhold 7.65% (6.2% for social security tax and 1.45% for Medicare tax) from each payment of social security and Medicare wages. You can use *Table 3*, on page 18, to figure the proper amount to withhold. You will pay the amount withheld to the IRS with a matching amount for your share of the taxes. Do not withhold any social security tax after your employee's social security wages for the year reach \$106,800.

If you make an error by withholding too little, you should withhold additional taxes from a later payment. If you withhold too much, you should repay the employee.

Example. On February 7, 2008, Mary Brown hired Jane R. Oak (who is an unrelated individual over age 18) to care for your child and agree to pay cash wages of \$50 every Friday. Jane worked for the remainder of the year (a total of 46 weeks). Mary did not give Jane a Form W-4 to request federal or state tax withholding. Mary also did not pay advance earned income credit payments. The following is the information Mary will need to complete Schedule H, Form W-2, and Form W-3. See pages 19 and 20 for completed example of Schedule H, Form W-2, and Form W-3.

Total cash wages paid to Jane	\$2,300.00
	(\$50 x 46 weeks)

Jane's share of:	
Social security tax	\$142.60 (\$2,300 x 6.2% (.062))
Medicare tax	\$33.35 (\$2,300 x 1.45% (.0145))

Mary's share of:	
Social security tax	\$142.60 (\$2,300 x 6.2% (.062))
Medicare tax	\$33.35 (\$2,300 x 1.45% (.0145))

Amount reported on Form W-2 and Form W-3:	
Box 1: Wages, tips	\$2,300.00
Box 4: Social security tax withheld . . .	142.60
Box 6: Medicare tax withheld	33.35

For information on withholding and reporting federal income taxes, see Publication 15, (Circular E), Employer's Tax Guide.

Not withholding the employee's share. If you prefer to pay your employee's social security and Medicare taxes from your own funds, do not withhold them from your employee's wages. The social security and Medicare taxes you pay to cover your employee's share must be included in the employee's wages for income tax purposes. However, they are not counted as social security and Medicare wages or as federal unemployment (FUTA) wages.

Example. You hire a household employee (who is an unrelated individual over age 18) to care for your child and agree to pay cash wages of \$100 every Friday. You expect to pay your employee \$1,700 or more for the year. You decide to pay your employee's share of social security and Medicare taxes from your own funds. You pay your employee \$100 every Friday without withholding any social security or Medicare taxes.

For social security and Medicare tax purposes, your employee's wages each payday are \$100. For each wage payment, you will pay \$15.30 when you pay the taxes. This is \$7.65 (\$6.20 for social security tax + \$1.45 for Medicare tax) to cover your employee's share plus a matching \$7.65 for your share. For income tax purposes, your employee's wages each payday are \$107.65 (\$100 + the \$7.65 you will

pay to cover your employee's share of social security and Medicare taxes).

Federal Unemployment (FUTA) Tax

The federal unemployment tax is part of the federal and state program under the Federal Unemployment Tax Act (FUTA) that pays unemployment compensation to workers who lose their jobs. Like most employers, you may owe both the federal unemployment tax (the FUTA tax) and a state unemployment tax. Or, you may owe only the FUTA tax or only the state unemployment tax. To find out whether you will owe state unemployment tax, contact your state's unemployment tax agency. See the list of state unemployment agencies in the *Appendix* for the address.

The FUTA tax is 6.2% of your employee's FUTA wages. However, you may be able to take a credit of up to 5.4% against the FUTA tax, resulting in a net tax of 0.8%. Your credit for 2009 is limited unless you pay all the required contributions for 2009 to your state unemployment fund by April 15, 2010. The credit you can take for any contributions for 2009 that you pay after April 15, 2010, is limited to 90% of the credit that would have been allowable if the contributions were paid by April 15, 2010. (If you did not pay all the required contributions for 2008 by April 15, 2009, see *Credit for 2008*, later.)

Pay the tax as discussed under *How Do You Make Tax Payments?* on page 7. Also, see *What Forms Must You File*, later.



Do not withhold the FUTA tax from your employee's wages. You must pay it from your own funds.

FUTA wages. Figure the FUTA tax on the FUTA wages you pay. If you pay cash wages to all of your household employees totaling \$1,000 or more in any calendar quarter of 2008 or 2009, the first \$7,000 of cash wages you pay to each household employee in 2009 is FUTA wages. (A calendar quarter is January through March, April through June, July through September, or October through December.) If your employee's cash wages reach \$7,000 during the year, do not figure the FUTA tax on any wages you pay that employee during the rest of the year. For an explanation of cash wages, see the discussion on *Social security and Medicare wages* on page 4.

Wages not counted. Do not count wages you pay to any of the following individuals as FUTA wages.

- Your spouse.
- Your child who is under the age of 21.
- Your parent.

Example. You hire a household employee (who is not related to you) on January 1, 2009, and agree to pay cash wages of \$200 every Friday. During January, February, and March you pay the employee cash wages of \$2,600. You pay cash wages of \$1,000 or more in a calendar quarter of 2009, so the first \$7,000 of cash wages you pay the employee (or any other employee) in 2009 or 2010 is FUTA wages. The FUTA wages you pay may also be subject to your state's unemployment tax.

During 2009, you pay your household employee cash wages of \$10,400. You pay all the required contributions for 2009 to your state unemployment fund by April 15, 2010. Your FUTA tax for 2009 is \$56 (\$7,000 × 0.8%).

Credit for 2008. The credit you can take for any state unemployment fund contributions for 2008 that you pay after April 15, 2009, is limited to 90% of the credit that would have been allowable if the contributions were paid on or before April 15, 2009.



You must complete *Worksheet A* to figure the credit for late contributions if you paid any state contributions after the due date for filing Form 1040.

Do You Need To Withhold Federal Income Tax?

You are not required to withhold federal income tax from wages you pay a household employee. You should withhold federal income tax only if your household employee asks you to withhold it and you agree. The employee must give you a completed Form W-4, Employee's Withholding Allowance Certificate.

If you and your employee have agreed to withholding, either of you may end the agreement by letting the other know in writing.

Worksheet A. Worksheet for Credit for Late Contributions

Keep for Your Records



1.	Enter the amount from Schedule H, line 23	_____
2.	Enter the amount from Schedule H, line 20	_____
3.	Subtract line 2 from line 1. If zero or less, enter -0-	_____
4.	Enter total contributions paid to the state(s) after the Form 1040 due date	_____
5.	Enter the smaller of line 3 or 4	_____
6.	Multiply line 5 by .90 (90%)	_____
7.	Add lines 2 and 6	_____
8.	Enter the smaller of the amount on line 1 or 7 here and on Schedule H, line 24	_____

If you agree to withhold federal income tax, you are responsible for paying it to the IRS. Pay the tax as discussed under *How Do You Make Tax Payments?* on page 7. Also, see *What Forms Must You File?* on page 8.

Use the income tax withholding tables in Publication 15-T, New Wage Withholding and Advance Earned Income Credit Payment Tables (For Wages Paid through December 2009 to find out how much to withhold. Publication 15-T is available at www.irs.gov/pub/irs-pdf/p15t.pdf. Figure federal income tax withholding on wages before you deduct any amounts for other withheld taxes. Withhold federal income tax from each payment of wages based on the filing status and exemptions shown on your employee's Form W-4. Publication 15 (Circular E) contains detailed instructions.

Wages. Figure federal income tax withholding on both cash and noncash wages you pay. Measure wages you pay in any form other than cash by the fair market value of the noncash item.

Do not count as wages any of the following items.

- Meals provided to your employee at your home for your convenience.
- Lodging provided to your employee at your home for your convenience and as a condition of employment.
- Up to \$120 per month for January and February 2009 and \$230 per month for March through December 2009 for transit passes you give your employee (or for any cash reimbursement you make for the amount your employee pays for transit passes used to commute to your home if you qualify for this exclusion). A transit pass includes any pass, token, fare card, voucher, or similar item entitling a person to ride on mass transit, such as a bus or train. See Publication 15-B for special requirements for this exclusion.
- Up to \$230 a month for 2009 for the value of parking you provide your employee or for any cash reimbursement you make for the amount your employee pays and substantiates for parking at or near your home or at or near a location from which your employee commutes to your home.

See Publication 15 (Circular E) for more information on cash and noncash wages.

Paying tax without withholding. Any income tax you pay for your employee without withholding it from the employee's wages must be included in the employee's wages for federal income tax purposes. It also must be included in social security and Medicare wages and in federal unemployment (FUTA) wages.

What Do You Need To Know About the Earned Income Credit?

Certain workers can take the earned income credit (EIC) on their federal income tax return. This credit reduces their

tax or allows them to receive a payment from the IRS. You may have to make advance payment of part of your household employee's EIC along with the employee's wages. You also may have to give your employee a notice about the EIC.

Advance EIC payments. You must make advance EIC payments if your employee gives you a properly completed Form W-5, Earned Income Credit Advance Payment Certificate. Use the advance EIC payment tables in Publication 15-T, to find out how much to pay your employee.

Reduce the social security and Medicare taxes and withheld federal income tax you need to pay to the IRS by any advance EIC payments you make. See Publication 15 (Circular E), for more information about making advance EIC payments.

Notice about the EIC. Copy B of the 2009 Form W-2, Wage and Tax Statement, has a statement about the EIC on the back. If you give your employee that copy by February 1, 2010 (as discussed under *Form W-2*, on page 9), you do not have to give the employee any other notice about the EIC.

If you do not give your employee Copy B of the Form W-2, your notice about the EIC can be any of the following items.

1. A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on Copy B of the Form W-2.
2. Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
3. Your own written statement with the same wording as in Notice 797.

If a substitute Form W-2 is given on time but does not have the required EIC information, you must notify the employee within one week of the date the substitute Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement about the 2009 EIC by February 1, 2010. If Form W-2 is not required, you must notify the employee by February 8, 2010.

You must give your household employee a notice about the EIC if you agree to withhold federal income tax from the employee's wages (as discussed earlier under *Do You Need To Withhold Federal Income Tax?*) and the income tax withholding tables show that no tax should be withheld. Even if not required, you are encouraged to give the employee a notice about the EIC if his or her 2009 wages are less than the EIC eligible maximum amount (see the Form W-5 instructions for the 2009 maximum amount).

How Do You Make Tax Payments?

When you file your 2009 federal income tax return in 2010, attach Schedule H (Form 1040), Household Employment Taxes, to your Form 1040. Use Schedule H to figure your total household employment taxes (social security, Medicare, FUTA, and withheld federal income taxes). Add

these household employment taxes to your income tax. Pay the amount due by April 15, 2010. (For more information about using Schedule H, see *Schedule H* under *What Forms Must You File?* on page 9.)

You can avoid owing tax with your return if you pay enough tax during the year to cover your household employment taxes, as well as your income tax. You can pay the additional tax in any of the following ways.

- Ask your employer to withhold more federal income tax from your wages in 2009.
- Ask the payer of your pension or annuity to withhold more federal income tax from your benefits.
- Make estimated tax payments for 2009 to the IRS.
- Increase your payments if you already make estimated tax payments.



You may be subject to the estimated tax underpayment penalty if you did not pay enough income and household employment taxes during the year. (See Publication 505, Tax Withholding and Estimated Tax, for information about the underpayment penalty.) However, you will not be subject to the penalty if both of the following situations apply to you.

- *You will not have federal income tax withheld from wages, pensions, or any other payments you receive.*
- *Your income taxes, excluding your household employment taxes, would not be enough to require payment of estimated taxes.*

Asking for more federal income tax withholding. If you are employed and want more federal income tax withheld from your wages to cover your household employment taxes, give your employer a new Form W-4, Employee's Withholding Allowance Certificate. Complete it as before, but show the additional amount you want withheld from each paycheck on line 6.

If you receive a pension or annuity and want more federal income tax withheld to cover household employment taxes, give the payer a new Form W-4P, Withholding Certificate for Pension or Annuity Payments (or a similar form provided by the payer). Complete it as before, but show the additional amount you want withheld from each benefit payment on line 3.

Get Publication 919, *How Do I Adjust My Tax Withholding?*, to make sure you will have the right amount withheld. It will help you compare your total expected withholding for 2009 with the combined income tax and employment taxes that you can expect to figure on your 2009 return.

Paying estimated tax. If you want to make estimated tax payments to cover household employment taxes, get Form 1040-ES, Estimated Tax for Individuals. You can use its payment vouchers to make your payments by check or money order. You may be able to pay by Electronic Funds Withdrawal (EFW) or credit card. For details, see the form instructions and visit www.irs.gov and click on the *electronic irs* link.

You can pay all the employment taxes at once or you can pay them in installments. If you have already made estimated tax payments for 2009, you can increase your remaining payments to cover the employment taxes. Estimated tax payments for 2009 are due April 15, June 15, and September 15, 2009, and January 15, 2010.

Payment option for business employers. If you own a business as a sole proprietor or your home is on a farm operated for profit, you can choose either of two ways to pay your 2009 household employment taxes. You can pay them with your federal income tax as previously described, or you can include them with your federal employment tax deposits or other payments for your business or farm employees. For information on depositing employment taxes, see Publication 15 (Circular E).

If you pay your household employment taxes with your business or farm employment taxes, you must report your household employment taxes with those other employment taxes on Form 941, Employer's QUARTERLY Federal Tax Return, Form 944, Employer's ANNUAL Federal Tax Return, or Form 943, Employer's Annual Federal Tax Return for Agricultural Employees, and on Form 940, Employer's Annual Federal Unemployment (FUTA) Tax Return. See *Business employment tax returns*, later.



The deduction that can be taken on Schedules C and F (Form 1040) for wages and employment taxes applies only to wages and taxes paid for business and farm employees. You cannot deduct the wages and employment taxes paid for your household employees on your Schedule C or F.

More information. For more information about paying taxes through federal income tax withholding and estimated tax payments, and figuring the estimated tax penalty, get Publication 505, *Tax Withholding and Estimated Tax*.

What Forms Must You File?

You must file certain forms to report your household employee's wages and the federal employment taxes for the employee if you pay any of the following wages to the employee.

- Social security and Medicare wages.
- FUTA wages.
- Wages from which you withhold federal income tax.

The employment tax forms and instructions you need for 2009 will be sent to you automatically in January 2010 if you reported employment taxes for 2008 on Schedule H. Otherwise, for information on ordering these forms, see *How To Get Tax Help* on page 11.

Employer identification number (EIN). You must include your employer identification number (EIN) on the forms you file for your household employee. An EIN is a 9-digit number issued by the IRS. It is not the same as a social security number.



You ordinarily will have an EIN if you previously paid taxes for employees, either as a household employer or as a sole proprietor of a business you own. If you already have an EIN, use that number.

If you do not have an EIN, get Form SS-4, Application for Employer Identification Number. The instructions for Form SS-4 explain how you can get an EIN immediately by telephone or in about 4 weeks if you apply by mail. In addition, the IRS is now accepting applications through its website at www.irs.gov/businesses/small.

Form W-2. File a separate 2009 Form W-2, Wage and Tax Statement, for each household employee to whom you pay either of the following wages during the year.

- Social security and Medicare wages of \$1,700 or more.
- Wages from which you withhold federal income tax.

You must complete Form W-2 and give Copies B, C, and 2 to your employee by February 1, 2010. You must send Copy A of Form W-2 with Form W-3, Transmittal of Wage and Tax Statements, to the Social Security Administration by March 1, 2010 (March 31, 2010, if you file your Form W-2 electronically). Electronic filing is available to all employers and is free, fast, secure, and offers a later filing deadline. Visit the SSA's Employer W-2 Filing Instructions and Information website at www.socialsecurity.gov/employer for guidelines on filing electronically.

Employee who leaves during the year. If an employee stops working for you before the end of 2009, you can file Form W-2 and provide copies to your employee immediately after you make your final payment of wages. You do not need to wait until 2010. If the employee asks you for Form W-2, give it to him or her within 30 days after the request or the last wage payment, whichever is later.

Schedule H. Use Schedule H to report household employment taxes if you pay any of the following wages to the employee.

- Cash wages of \$1,700 or more.
- FUTA wages.
- Wages from which you withhold federal income tax.

File Schedule H with your 2009 federal income tax return by April 15, 2010. If you get an extension to file your return, the extension also will apply to your Schedule H.

Filing options when no return is required. If you are not required to file a 2009 tax return, you have the following two options.

1. You can file Schedule H by itself. See the Schedule H instructions for details.
2. If, besides your household employee, you have other employees for whom you report employment taxes on Form 941, Form 944, or Form 943 and on Form 940, you can include your taxes for your household employee on those forms. See *Business employment tax returns*, next.

Employers having the options listed above include certain tax-exempt organizations that do not have to file a tax return, such as churches that pay a household worker to take care of a minister's home.

Business employment tax returns. Do not use Schedule H if you choose to pay the employment taxes for your household employee with business or farm employment taxes. (See *Payment option for business employers*, earlier.) Instead, include the social security, Medicare, and withheld federal income taxes for the employee on the Form 941, or Form 944, you file for your business or on the Form 943, you file for your farm. Include the FUTA tax for the employee on your Form 940.

If you report the employment taxes for your household employee on Form 941, Form 944, or Form 943, file Form W-2 for that employee with the Forms W-2 and Form W-3 for your business or farm employees.

For information on filing Form 941 or Form 944, get Publication 15 (Circular E). For information on filing Form 943, get Publication 51 (Circular A), Agricultural Employer's Tax Guide. Both of these publications also provide information about filing Form 940.

What Records Must You Keep?



Keep your copies of Schedule H or other employment tax forms you file and related Forms W-2, W-3, W-4, and W-5. You must also keep records to support the information you enter on the forms you file. If you must file Form W-2, you will need to keep a record of your employee's name, address, and social security number.

Wage and tax records. On each payday, you should record the date and amounts of all the following items.

- Your employee's cash and noncash wages.
- Any employee social security tax you withhold or agree to pay for your employee.
- Any employee Medicare tax you withhold or agree to pay for your employee.
- Any federal income tax you withhold.
- Any advance EIC payments you make.
- Any state employment taxes you withhold.

Employee's social security number. You must keep a record of your employee's name and social security number exactly as they appear on his or her social security card if you pay the employee either of the following.

- Social security and Medicare wages of \$1,700 or more.
- Wages from which you withhold federal income tax.

You must ask for your employee's social security number no later than the first day on which you pay the wages. You may wish to ask for it when you hire your employee. You

should ask your employee to show you his or her social security card. The employee may show the card if it is available. You may, but are not required to, photocopy the card if the employee provides it.

An employee who does not have a social security number must apply for one on Form SS-5, Application for a Social Security Card. An employee who has lost his or her social security card or whose name is not correctly shown on the card may apply for a replacement card.



Employees can get Form SS-5 from any Social Security Administration office or by calling 1-800-772-1213.



You also can download Form SS-5 from the Social Security Administration website, www.socialsecurity.gov/online/ss-5.pdf.

How long to keep records. Keep your employment tax records for at least 4 years after the due date of the return on which you report the taxes or the date the taxes were paid, whichever is later.

Can You Claim a Credit for Child and Dependent Care Expenses?

If your household employee cares for your dependent who is under age 13 or for your spouse or dependent who is not capable of self-care, you may be able to take an income tax credit of up to 35% of your expenses. To qualify, you must pay these expenses so you can work or look for work. If you can take the credit, you can include in your qualifying expenses your share of the federal and state employment taxes you pay, as well as the employee's wages. For information about the credit, see Publication 503, Child and Dependent Care Expenses.

How Can You Correct Schedule H?

If you discover that you made an error on a Schedule H (or Anexo H-PR), the forms used to correct the error depend on whether the Schedule H was attached to another form or whether it was filed by itself.

Schedule H attached to another form. If you discover an error on a Schedule H that you previously filed with Form 1040, 1040NR, or Form 1040-SS, file Form 1040X and attach a corrected Schedule H. If you filed Formulario 1040-PR, file a Form 1040X and attach a corrected Anexo H-PR. If you discover an error on a Schedule H that you previously filed with Form 1041, file an "amended" Form 1041 and attach a corrected Schedule H. You discovered (that is, ascertained) the error when you had enough information to be able to correct the error. Write "CORRECTED" (or "CORREGIDO") and the date you

discovered the error in the top margin of your corrected Schedule H (or Anexo H-PR), (in dark, bold letters). In addition, explain the reason for your correction and the date the error was discovered in Part II of Form 1040X or in a statement attached to the amended Form 1041.

Schedule H filed by itself. If you discover an error on a Schedule H (or Anexo H-PR) that you filed as a stand-alone return, file another stand-alone Schedule H with the corrected information. You discovered (that is, ascertained) the error when you had enough information to be able to correct the error. Write "CORRECTED" (or "CORREGIDO") and the date you discovered the error in the top margin of your corrected Schedule H (or Anexo H-PR), (in dark, bold letters). In addition, explain the reason for your correction and the date the error was discovered in Part II of Form 1040X or in a statement attached to the corrected Schedule H. If you have an overpayment, also write "ADJUSTED" (or "CORREGIDO") or "REFUND" (or "REEMBOLSO") in the top margin, depending on whether you want to adjust your overpayment or claim a refund. (See *Overpayment of tax*, later.)

When to file. File a corrected Schedule H when you discover an error on a previously filed Schedule H. If you are correcting an underpayment, file a corrected Schedule H no later than the due date of your next tax return (generally, April 15 of the following calendar year) after you discover the error. If you are correcting an overpayment, file a corrected Schedule H within the refund period of limitations (generally 3 years of the date your original form was filed or within 2 years from the date you paid the tax, whichever is later).

Underpayment of tax. You **must** pay any underpayment of social security and Medicare taxes by the time you file the corrected Schedule H. Generally, by filing on time and paying by the time you file the return, you will not be charged interest (and will not be subject to failure-to-pay or estimated tax penalties) on the balance due. However, underreported FUTA taxes will be subject to interest.

Overpayment of tax. You may either adjust or claim a refund of an overpayment of social security and Medicare taxes on a previously filed Schedule H. However, if you are correcting an overpayment and are filing the corrected Schedule H within 90 days of the expiration of the period of limitations, you can only claim a refund of the overpayment.

Adjust the overpayment. If the corrected Schedule H is filed with a Form 1040X or an amended Form 1041, adjust your return by indicating on line 24 of the Form 1040X or on line 29a of the Form 1041 that you would like the overpayment applied to your estimated taxes on Form 1040, Form 1040NR, Form 1040-PR, Form 1040-SS, or Form 1041 for the year in which you are filing the corrected Schedule H. If the corrected Schedule H is filed as a stand-alone return, adjust your return by writing "ADJUSTED" (or "CORREGIDO") in the top margin (in dark, bold letters). If you adjust your return, you will not receive interest on your overpayment. If the corrected Schedule H will be filed within 90 days of the expiration of the refund period of limitations, you may not adjust the return and

must claim a refund for the overpayment. You may not adjust your return to correct overpayments of FUTA tax.

Claim for refund process. If the corrected Schedule H is filed with a Form 1040X or an amended Form 1041, claim a refund by indicating that you would like the overpayment refunded to you on line 23 of the Form 1040X or line 29b of the Form 1041. If the corrected Schedule H is filed as a stand-alone return, claim a refund by writing "REFUND" (or "REEMBOLSO") in the top margin (in dark, bold letters). You will receive interest on any overpayment refunded, unless the overpayment is for FUTA tax because you were entitled to increased credits for state contributions.

Required repayment or consent. If you previously overreported social security and Medicare taxes, you may adjust your overpayment only after you have repaid or reimbursed your employees in the amount of the overcollection of employee tax. You reimburse your employees by applying the overwithheld amount against taxes to be withheld on future wages. You may claim a refund for the overpayment only after you have repaid or reimbursed your employees in the amount of the overcollection or you have obtained consents from your employees to file the claim for refund for the employee tax. Include a statement that you repaid or reimbursed your employees, or obtained their written consents in the case of a claim for refund, in Part II of Form 1040X or in a statement attached to the amended Form 1041 or the stand-alone corrected Schedule H.

Filing required Forms W-2 or Forms W-2c. Whether you previously underreported tax or overreported tax, you will generally be required to file Form W-2, Wage and Tax Statement, or their territorial equivalents (if none was previously filed), or Form W-2c, Corrected Wage and Tax Statement, to reflect the changes reported on your corrected Schedule H.

Additional information. For more information about correcting errors on previously filed Schedule H, see page 4 of Form 944-X, *Form 944-X: Which process should you use?* (substitute "Schedule H" for "Form 944-X") and the *Overview of New Processes* section in the Instructions for Form 944-X (or Formulario 944-X (PR)). Also, see the IRS website at www.irs.gov.

How To Get Tax Help

You can get help with unresolved tax issues, order free publications and forms, ask tax questions, and get information from the IRS in several ways. By selecting the method that is best for you, you will have quick and easy access to tax help.

Contacting your Taxpayer Advocate. The Taxpayer Advocate Service (TAS) is an independent organization within the IRS whose employees assist taxpayers who are experiencing economic harm, who are seeking help in resolving tax problems that have not been resolved

through normal channels, or who believe that an IRS system or procedure is not working as it should.

You can contact the TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059 to see if you are eligible for assistance. You can also call or write your local taxpayer advocate, whose phone number and address are listed in your local telephone directory and in Publication 1546, Taxpayer Advocate Service—Your Voice at the IRS. You can file Form 911, Request for Taxpayer Advocate Service Assistance (And Application for Taxpayer Assistance Order), or ask an IRS employee to complete it on your behalf. For more information, go to www.irs.gov/advocate.

Low Income Taxpayer Clinics (LITCs). LITCs are independent organizations that provide low income taxpayers with representation in federal tax controversies with the IRS for free or for a nominal charge. The clinics also provide tax education and outreach for taxpayers who speak English as a second language. Publication 4134, Low Income Taxpayer Clinic List, provides information on clinics in your area. It is available at www.irs.gov or your local IRS office.

Free tax services. To find out what services are available, get Publication 910, IRS Guide to Free Tax Services. It contains lists of free tax information sources, including publications, services, and free tax education and assistance programs. It also has an index of over 100 TeleTax topics (recorded tax information) you can listen to on your telephone.

Accessible versions of IRS published products are available on request in a variety of alternative formats for people with disabilities.

Free help with your return. Free help in preparing your return is available nationwide from IRS-trained volunteers. The Volunteer Income Tax Assistance (VITA) program is designed to help low-income taxpayers and the Tax Counseling for the Elderly (TCE) program is designed to assist taxpayers age 60 and older with their tax returns. Many VITA sites offer free electronic filing and all volunteers will let you know about credits and deductions you may be entitled to claim. To find the nearest VITA or TCE site, call 1-800-829-1040.

As part of the TCE program, AARP offers the Tax-Aide counseling program. To find the nearest AARP Tax-Aide site, call 1-888-227-7669 or visit AARP's website at www.aarp.org/money/taxaide.

For more information on these programs, go to www.irs.gov and enter keyword "VITA" in the upper right-hand corner.



Internet. You can access the IRS website at www.irs.gov 24 hours a day, 7 days a week to:

- *E-file* your return. Find out about commercial tax preparation and *e-file* services available free to eligible taxpayers.
- Check the status of your 2008 refund. Go to www.irs.gov and click on *Where's My Refund*. Wait at least 72 hours after the IRS acknowledges receipt of

your e-filed return, or 3 to 4 weeks after mailing a paper return. If you filed Form 8379 with your return, wait 14 weeks (11 weeks if you filed electronically). Have your 2008 tax return available so you can provide your social security number, your filing status, and the exact whole dollar amount of your refund.

- Download forms, instructions, and publications.
- Order IRS products online.
- Research your tax questions online.
- Search publications online by topic or keyword.
- View Internal Revenue Bulletins (IRBs) published in the last few years.
- Figure your withholding allowances using the withholding calculator online at www.irs.gov/individuals.
- Determine if Form 6251 must be filed by using our Alternative Minimum Tax (AMT) Assistant.
- Sign up to receive local and national tax news by email.
- Get information on starting and operating a small business.



Phone. Many services are available by phone.

- *Ordering forms, instructions, and publications.* Call 1-800-829-3676 to order current-year forms, instructions, and publications, and prior-year forms and instructions. You should receive your order within 10 days.
- *Asking tax questions.* Call the IRS with your tax questions at 1-800-829-1040.
- *Solving problems.* You can get face-to-face help solving tax problems every business day in IRS Taxpayer Assistance Centers. An employee can explain IRS letters, request adjustments to your account, or help you set up a payment plan. Call your local Taxpayer Assistance Center for an appointment. To find the number, go to www.irs.gov/localcontacts or look in the phone book under *United States Government, Internal Revenue Service*.
- *TTY/TDD equipment.* If you have access to TTY/TDD equipment, call 1-800-829-4059 to ask tax questions or to order forms and publications.
- *TeleTax topics.* Call 1-800-829-4477 to listen to pre-recorded messages covering various tax topics.
- *Refund information.* To check the status of your 2008 refund, call 1-800-829-1954 during business hours or 1-800-829-4477 (automated refund information 24 hours a day, 7 days a week). Wait at least 72 hours after the IRS acknowledges receipt of your e-filed return, or 3 to 4 weeks after mailing a paper return. If you filed Form 8379 with your return, wait 14 weeks (11 weeks if you filed electronically). Have your 2008 tax return available so you can provide your social security number, your filing status, and the exact whole dollar amount of your refund. Refunds are sent out weekly on Fridays. If you check the status of your refund and are not given the date it will be issued, please wait until the next week before checking back.
- *Other refund information.* To check the status of a prior year refund or amended return refund, call 1-800-829-1954.

Evaluating the quality of our telephone services. To ensure IRS representatives give accurate, courteous, and professional answers, we use several methods to evaluate the quality of our telephone services. One method is for a second IRS representative to listen in on or record random telephone calls. Another is to ask some callers to complete a short survey at the end of the call.



Walk-in. Many products and services are available on a walk-in basis.

- **Products.** You can walk in to many post offices, libraries, and IRS offices to pick up certain forms, instructions, and publications. Some IRS offices, libraries, grocery stores, copy centers, city and county government offices, credit unions, and office supply stores have a collection of products available to print from a CD or photocopy from reproducible proofs. Also, some IRS offices and libraries have the Internal Revenue Code, regulations, Internal Revenue Bulletins, and Cumulative Bulletins available for research purposes.
- **Services.** You can walk in to your local Taxpayer Assistance Center every business day for personal, face-to-face tax help. An employee can explain IRS letters, request adjustments to your tax account, or help you set up a payment plan. If you need to resolve a tax problem, have questions about how the tax law applies to your individual tax return, or you are more comfortable talking with someone in person, visit your local Taxpayer Assistance Center where you can spread out your records and talk with an IRS representative face-to-face. No appointment is necessary—just walk in. If you prefer, you can call your local Center and leave a message requesting an appointment to resolve a tax account issue. A representative will call you back within 2 business days to schedule an in-person appointment at your convenience. If you have an ongoing, complex tax account problem or a special need, such as a disability, an appointment can be requested. All other issues will be handled without an appointment. To find the number of your local office, go to www.irs.gov/localcontacts or look in the phone book under *United States Government, Internal Revenue Service*.



Mail. You can send your order for forms, instructions, and publications to the address below. You should receive a response within 10 days after your request is received.

Department of the Treasury
National Distribution Center
1201 N. Mitsubishi Motorway
Bloomington, IL 61705-6613



DVD for tax products. You can order Publication 1796, IRS Tax Products DVD, and obtain:

- Current-year forms, instructions, and publications.
- Prior-year forms, instructions, and publications.
- Tax Map: an electronic research tool and finding aid.
- Tax law frequently asked questions.
- Tax Topics from the IRS telephone response system.
- Internal Revenue Code—Title 26 of the U.S. Code.
- Fill-in, print, and save features for most tax forms.
- Internal Revenue Bulletins.
- Toll-free and email technical support.
- The DVD is released twice during the year.
 - The first release will ship the beginning of January 2009.
 - The final release will ship the beginning of March 2009.

Purchase the DVD from National Technical Information Service (NTIS) at www.irs.gov/cdorders for \$30 (no handling fee) or call 1-877-233-6767 toll free to purchase the DVD for \$30 (plus a \$6 handling fee).



Small Business Resource Guide 2009. This online guide is a must for every small business owner or any taxpayer about to start a business. This year's guide includes:

- Helpful information, such as how to prepare a business plan, find financing for your business, and much more.
- All the business tax forms, instructions, and publications needed to successfully manage a business.
- Tax law changes for 2009.
- Tax Map: an electronic research tool and finding aid.
- Web links to various government agencies, business associations, and IRS organizations.
- "Rate the Product" survey—your opportunity to suggest changes for future editions.
- A site map of the guide to help you navigate the pages with ease.
- An interactive "Teens in Biz" module that gives practical tips for teens about starting their own business, creating a business plan, and filing taxes.

The information is updated during the year. Visit www.irs.gov and enter keyword "SBRG" in the upper right-hand corner for more information.

Appendix: State Unemployment Tax Agencies



The following list of state unemployment tax agencies was provided to the IRS by the U.S. Department of Labor. If the telephone number listed for your state would be a long distance call from your

area, you can use the name of the agency to look for a local number in your telephone book. The addresses and telephone numbers of the agencies, which were current at the time this publication was prepared for print, are subject to change.



For the most up-to-date addresses and telephone numbers for these agencies, visit the U.S. Department of Labor's website at

www.workforcesecurity.doleta.gov/unemploy/agencies.asp.

State	Address	Telephone number / Website
Alabama	Department of Industrial Relations 649 Monroe Street Montgomery, AL 36131-0099	(334) 242-8830 www.dir.alabama.gov
Alaska	Employment Security Tax Department of Labor and Workforce Development P.O. Box 115509 Juneau, AK 99811-5509	(888) 448-3527 www.labor.state.ak.us/estax
Arizona	Department of Economic Security Unemployment Tax - 911B P.O. Box 6028 Phoenix, AZ 85005-6028	(602) 771-6601 www.azdes.gov/esa/uitax/uihome.asp
Arkansas	Department of Workforce Services P.O. Box 2981 Little Rock, AR 72203-2981	(501) 682-3798 www.state.ar.us/esd
California	Employment Development Department Account Services Group, MIC 90 P.O. Box 942880 Sacramento, CA 94280	(888) 745-3886 www.edd.cahwnet.gov
Colorado	Department of Labor and Employment Unemployment Insurance Operations P.O. Box 8789 Denver, CO 80201-8789	(800) 480-8299 www.coworkforce.com
Connecticut	Connecticut Department of Labor 200 Folly Brook Blvd. Wethersfield, CT 06109-1114	(860) 263-6550 www.ctdol.state.ct.us
Delaware	Division of Unemployment Insurance Department of Labor P.O. Box 9950 Wilmington, DE 19809-0950	(302) 761-8484 www.delawareworks.com
District of Columbia	Department of Employment Services Office of Unemployment Compensation Tax Division 609 H Street NE, 3rd Floor Washington, DC 20001-4347	(202) 698-7550 www.dcnetworks.org
Florida	Unemployment Compensation Service Agency for Workforce Innovation 107 E. Madison Street MSC 229 Tallahassee, FL 32399	(800) 482-8293 http://dor.myflorida.com/dor/uc
Georgia	Department of Labor 148 Andrew Young Inter Blvd., Suite 800 Atlanta, GA 30303-1732	(404) 232-3301 www.dol.state.ga.us
Hawaii	Department of Labor and Industrial Relations 830 Punchbowl Street Room 437 Honolulu, HI 96813-5096	(808) 586-8913 www.hawaii.gov/labor

State	Address	Telephone number / Website
Idaho	Department of Labor 317 Main Street Boise, ID 83735-0002	(800) 448-2977 www.labor.state.id.us
Illinois	Department of Employment Security 33 South State Street Chicago, IL 60603	(800) 247-4984 www.ides.state.il.us
Indiana	Department of Workforce Development 10 North Senate Avenue Room SE 106 Indianapolis, IN 46204-2277	(317) 232-7436 www.in.gov/dwd
Iowa	Workforce Development 1000 East Grand Avenue Des Moines, IA 50319-0209	(515) 281-5339 www.iowaworkforce.org/ui
Kansas	Department of Labor 401 SW Topeka Blvd. Topeka, KS 66603-3182	(785) 296-5025 www.dol.ks.gov
Kentucky	Department of Employment Services P.O. Box 948 Frankfort, KY 40602-0948	(502) 564-2272 www.oet.ky.gov
Louisiana	Louisiana Workforce Commission P.O. Box 94049 Baton Rouge, LA 70804	(225) 342-2944 www.laworks.net/homepage.asp
Maine	Department of Labor P.O. Box 259 Augusta, ME 04332-0259	(207) 621-5120 www.state.me.us/labor
Maryland	Department of Labor, Licensing & Regulation 1100 North Eutaw Street Room 414 Baltimore, MD 21201-2201	(800) 492-5524 www.dlir.state.md.us
Massachusetts	Division of Employment and Training 19 Staniford Street Boston, MA 02114-2589	(617) 626-5050 www.detma.org
Michigan	Department of Labor and Economic Growth 3024 West Grand Blvd. Detroit, MI 48202-6024	(313) 456-2180 www.michigan.gov/uia
Minnesota	Department of Employment and Economic Development 332 Minnesota Street, Suite E200 St. Paul, MN 55101-1351	(651) 296-6141 www.uimn.org/tax
Mississippi	Department of Employment Security P.O. Box 22781 Jackson, MS 39225-2781	(866) 806-0272 www.mdes.ms.gov
Missouri	Division of Employment Security P.O. Box 59 Jefferson City, MO 65104-0059	(573) 751-3340 www.dolir.mo.gov
Montana	Unemployment Insurance Division P.O. Box 6339 Helena, MT 59604-6339	(406) 444-3834 www.uid.dli.mt.gov
Nebraska	Department of Labor Box 94600 State House Station Lincoln, NE 68509-4600	(402) 471-9940 www.dol.state.ne.us
Nevada	Department of Employment Training and Rehabilitation 500 East Third Street Carson City, NV 89713-0030	(775) 684-6300 https://uitax.nvdetr.org
New Hampshire	Department of Employment Security 32 South Main Street Concord, NH 03301-4857	(603) 228-4033 www.nhes.state.nh.us

State	Address	Telephone number / Website
New Jersey	Department of Labor and Workforce Development P.O. Box 947 Trenton, NJ 08625-0947	(609) 633-6400 http://lwd.dol.state.nj.us
New Mexico	Department of Workforce Solutions P.O. Box 2281 Albuquerque, NM 87103-2281	(505) 841-8576 www.dws.state.nm.us
New York	Department of Labor State Campus, Building 12 Room 500 Albany, NY 12240-0339	(518) 457-4179 www.labor.state.ny.us
North Carolina	Employment Security Commission P.O. Box 26504 Raleigh, NC 27611-6504	(919) 733-7396 www.ncesc.com
North Dakota	Job Service of North Dakota P.O. Box 5507 Bismarck, ND 58506-5507	(701) 328-2814 www.jobsnd.com
Ohio	Department of Job and Family Services P.O. Box 182404 Columbus, OH 43218-2404	(614) 466-2319 www.jfs.ohio.gov
Oklahoma	Employment Security Commission P.O. Box 52003 Oklahoma City, OK 73152-2003	(405) 557-7173 www.oesc.state.ok.us
Oregon	Employment Department 875 Union Street NE Room 107 Salem, OR 97311-0030	(503) 947-1488, option 5 (503) 947-1537 FUTA www.oregon.gov/employ/tax
Pennsylvania	Department of Labor and Industry 7th and Forster Street, Room 915 Harrisburg, PA 17121-0001	(717) 787-7679 www.dli.state.pa.us
Puerto Rico	Department of Labor and Human Resources P.O. Box 1020 San Juan, PR 00919	(787) 754-5818
Rhode Island	Division of Taxation One Capitol Hill, Suite 36 Providence, RI 02908-5829	(401) 574-8700 www.uitax.ri.gov
South Carolina	Employment Security Commission P.O. Box 995 Columbia, SC 29202-0995	(803) 737-3075 www.sces.org/ui
South Dakota	Department of Labor P.O. Box 4730 Aberdeen, SD 57402-4730	(605) 626-2312 www.state.sd.us
Tennessee	Department of Labor and Workforce Development 220 French Landing Drive Nashville, TN 37243	(615) 741-2486 www.state.tn.us/labor-wfd/esdiv.html
Texas	Texas Workforce Commission P.O. Box 149037 Austin, TX 78714-9037	(512) 463-2700 www.twc.state.tx.us
Utah	Department of Workforce Services P.O. Box 45288 Salt Lake City, UT 84145-0288	(801) 526-9400 www.jobs.utah.gov
Vermont	Department of Labor P.O. Box 488 Montpelier, VT 05601-0488	(802) 828-4252 www.labor.vermont.gov
Virginia	Virginia Employment Commission P.O. Box 1358 Richmond, VA 23218-1358	(804) 371-7159 www.VAEmploy.com

State	Address	Telephone number / Website
Virgin Islands	Department of Labor P.O. Box 302608 St. Thomas, VI 00803-2608	(340) 776-1440 www.vidol.gov
Washington	Employment Security Department P.O. Box 9046 Olympia, WA 98507-9046	(360) 902-9360 www.esd.wa.gov/uitax/index.php
West Virginia	Bureau of Employment Programs 112 California Avenue Charleston, WV 25305-0016	(304) 558-2676 www.wvbep.org/bep/uc
Wisconsin	Department of Workforce Development P.O. Box 7942 Madison, WI 53707-7942	(608) 261-6700 www.dwd.state.wi.us
Wyoming	Unemployment Tax Division P.O. Box 2760 Casper, WY 82602-2760	(307) 235-3217 http://wydoe.state.wy.us

Table 3. Employee Social Security (6.2%) and Medicare (1.45%) Tax Withholding Table

(See Circular E for income tax withholding tables.)

Use this table to figure the amount of social security and Medicare taxes to withhold from each wage payment. For example, on a wage payment of \$180, the employee social security tax is \$11.16 (\$6.20 tax on \$100 plus \$4.96 on \$80 wages). The employee Medicare tax is \$2.61 (\$1.45 tax on \$100 plus \$1.16 on \$80 wages).

If wage payment is:	The social security tax to be withheld is:	The Medicare tax to be withheld is:	If wage payment is:	The social security tax to be withheld is:	The Medicare tax to be withheld is:
\$ 1.00	\$.06	\$.01	\$ 51.00	\$ 3.16	\$.74
2.00	.12	.03	52.00	3.22	.75
3.00	.19	.04	53.00	3.29	.77
4.00	.25	.06	54.00	3.35	.78
5.00	.31	.07	55.00	3.41	.80
6.00	.37	.09	56.00	3.47	.81
7.00	.43	.10	57.00	3.53	.83
8.00	.50	.12	58.00	3.60	.84
9.00	.56	.13	59.00	3.66	.86
10.00	.62	.15	60.00	3.72	.87
11.00	.68	.16	61.00	3.78	.88
12.00	.74	.17	62.00	3.84	.90
13.00	.81	.19	63.00	3.91	.91
14.00	.87	.20	64.00	3.97	.93
15.00	.93	.22	65.00	4.03	.94
16.00	.99	.23	66.00	4.09	.96
17.00	1.05	.25	67.00	4.15	.97
18.00	1.12	.26	68.00	4.22	.99
19.00	1.18	.28	69.00	4.28	1.00
20.00	1.24	.29	70.00	4.34	1.02
21.00	1.30	.30	71.00	4.40	1.03
22.00	1.36	.32	72.00	4.46	1.04
23.00	1.43	.33	73.00	4.53	1.06
24.00	1.49	.35	74.00	4.59	1.07
25.00	1.55	.36	75.00	4.65	1.09
26.00	1.61	.38	76.00	4.71	1.10
27.00	1.67	.39	77.00	4.77	1.12
28.00	1.74	.41	78.00	4.84	1.13
29.00	1.80	.42	79.00	4.90	1.15
30.00	1.86	.44	80.00	4.96	1.16
31.00	1.92	.45	81.00	5.02	1.17
32.00	1.98	.46	82.00	5.08	1.19
33.00	2.05	.48	83.00	5.15	1.20
34.00	2.11	.49	84.00	5.21	1.22
35.00	2.17	.51	85.00	5.27	1.23
36.00	2.23	.52	86.00	5.33	1.25
37.00	2.29	.54	87.00	5.39	1.26
38.00	2.36	.55	88.00	5.46	1.28
39.00	2.42	.57	89.00	5.52	1.29
40.00	2.48	.58	90.00	5.58	1.31
41.00	2.54	.59	91.00	5.64	1.32
42.00	2.60	.61	92.00	5.70	1.33
43.00	2.67	.62	93.00	5.77	1.35
44.00	2.73	.64	94.00	5.83	1.36
45.00	2.79	.65	95.00	5.89	1.38
46.00	2.85	.67	96.00	5.95	1.39
47.00	2.91	.68	97.00	6.01	1.41
48.00	2.98	.70	98.00	6.08	1.42
49.00	3.04	.71	99.00	6.14	1.44
50.00	3.10	.73	100.00	6.20	1.45

**SCHEDULE H
(Form 1040)**Department of the Treasury
Internal Revenue Service (99)

Name of employer

Household Employment Taxes

(For Social Security, Medicare, Withheld Income, and Federal Unemployment (FUTA) Taxes)

► **Attach to Form 1040, 1040NR, 1040-SS, or 1041.**► **See separate instructions.**

OMB No. 1545-1971

2008Attachment
Sequence No. **44**

Mary Brown

Social security number

0 0 0 1 1 1 1 1

Employer identification number

0 0 1 2 3 4 5 6 7

- A** Did you pay **any one** household employee cash wages of \$1,600 or more in 2008? (If any household employee was your spouse, your child under age 21, your parent, or anyone under age 18, see the line A instructions on page H-4 before you answer this question.)

☒ **Yes.** Skip lines B and C and go to line 1.☐ **No.** Go to line B.**Part I Social Security, Medicare, and Income Taxes**

1	Total cash wages subject to social security taxes (see page H-4)	1	2,300	00		
2	Social security taxes. Multiply line 1 by 12.4% (.124)	2	285	20		
3	Total cash wages subject to Medicare taxes (see page H-4)	3	2,300	00		
4	Medicare taxes. Multiply line 3 by 2.9% (.029)	4	66	70		
5	Federal income tax withheld, if any	5				
6	Total social security, Medicare, and income taxes (add lines 2, 4, and 5)	6	351	90		
7	Advance earned income credit (EIC) payments, if any	7				
8	Net taxes (subtract line 7 from line 6)	8	351	90		

- 9** Did you pay **total** cash wages of \$1,000 or more in **any** calendar **quarter** of 2007 or 2008 to all household employees? (**Do not** count cash wages paid in 2007 or 2008 to your spouse, your child under age 21, or your parent.)

☒ **No. Stop.** Include the amount from line 8 above on Form 1040, line 60, and check box **b** on that line. If you are not required to file Form 1040, see the line 9 instructions on page H-4.

Note: Although not shown, Mary also enters on Form W-2 the required state or local income tax information in boxes 15 through 20.

Visit the SSA website at www.socialsecurity.gov/employer to file Copy A of Form W-2 electronically.

22222		Void ☐	a Employee's social security number 000-00-4567		For Official Use Only ▶ OMB No. 1545-0008	
b Employer identification number (EIN) 00-1234567			1 Wages, tips, other compensation 2300.00		2 Federal income tax withheld	
c Employer's name, address, and ZIP code Mary Brown 20 Gray Street Anyplace, CA 92665			3 Social security wages 2300.00		4 Social security tax withheld 142.60	
			5 Medicare wages and tips 2300.00		6 Medicare tax withheld 33.35	
			7 Social security tips		8 Allocated tips	
d Control number			9 Advance EIC payment		10 Dependent care benefits	
e Employee's first name and initial Jane A.		Last name Oak	Suff.	11 Nonqualified plans		12a See instructions for box 12
18 Pine Avenue Anycity, CA 92666			13 Statutory employee ☐ Retirement plan ☐ Third-party sick pay ☐		12b	
			14 Other		12c	
					12d	
f Employee's address and ZIP code						
15 State	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name

Form **W-2** Wage and Tax Statement

2008

Department of the Treasury—Internal Revenue Service

Copy A For Social Security Administration — Send this entire page with Form W-3 to the Social Security Administration; photocopies are **not** acceptable.

For Privacy Act and Paperwork Reduction Act Notice, see back of Copy D.

Cat. No. 10134D

33333		a Control number	For Official Use Only ▶ OMB No. 1545-0008	
b Kind of Payer ▶	941 ☐	Military ☐	943 ☐	944 ☐
	CT-1 ☐	Hshld. emp. ☒	Medicare govt. emp. ☐	Third-party sick pay ☐
c Total number of Forms W-2		d Establishment number	1 Wages, tips, other compensation 2300.00	2 Federal income tax withheld
e Employer identification number (EIN) 00-1234567			3 Social security wages 2300.00	4 Social security tax withheld 142.60
f Employer's name Mary Brown 20 Gray Street Anyplace, CA 92665			5 Medicare wages and tips 2300.00	6 Medicare tax withheld 33.35
g Employer's address and ZIP code			7 Social security tips	8 Allocated tips
h Other EIN used this year			9 Advance EIC payments	10 Dependent care benefits
			11 Nonqualified plans	12 Deferred compensation
			13 For third-party sick pay use only	
			14 Income tax withheld by payer of third-party sick pay	
15 State	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	
		18 Local wages, tips, etc.	19 Local income tax	
Contact person		Telephone number (123) 456-7890	For Official Use Only	
Email address		Fax number ()		
Under penalties of perjury, I declare that I have examined this return and accompanying documents, and, to the best of my knowledge and belief, they are true, correct, and complete.				
Signature ▶ Mary Brown		Title ▶	Date ▶ 1/29/09	

Form **W-3** Transmittal of Wage and Tax Statements

2008

Department of the Treasury
Internal Revenue Service

Note: When you fill in Forms W-2 and W-3, please—

- Type or print entries, if possible, using black ink.
- Enter all money amounts without the dollar sign and comma, but with the decimal point (for example, 2300.00 **not** \$2,300.00).

- Do not round money amounts—show the cents portion.



A		Federal unemployment (FUTA) tax <u>6</u>	P	
Advance EIC payments <u>7</u>		Form:	Publications (See Tax help)	
Assistance (See Tax help)		940 <u>9</u>		
B		941 <u>9</u>	R	
Baby sitters (See Household employee)		943 <u>9</u>	Records you must keep <u>9</u>	
Baby-sitting costs (See Child and dependent care expenses)		944 <u>9</u>		
Business employers, employment tax payment option <u>8</u>		1040-ES <u>8</u>	S	
C		I-9 <u>3</u>	Schedule H (Form 1040) <u>7, 9</u>	
Caretakers (See Household employee)		M-274 <u>3</u>	Self-employed workers (See Nonemployees)	
Child and dependent care expenses, credit for <u>10</u>		SS-4 <u>9</u>	Social security and Medicare:	
Cleaning people (See Household employee)		SS-5 <u>10</u>	Taxes <u>4</u>	
Comments on publication <u>2</u>		W-2 <u>7, 9</u>	Wages <u>4</u>	
Correcting Schedule H:		W-4 <u>6, 8</u>	Social security number, employee's <u>9</u>	
Schedule H attached to another form <u>10</u>		W-4P <u>8</u>	State:	
Schedule H filed by itself <u>10</u>		W-5 <u>7</u>	Disability payments <u>4</u>	
D		Forms you must file <u>8</u>	Employment taxes <u>3</u>	
Dependent care expenses <u>10</u>		Free tax services <u>11</u>	Unemployment tax agencies <u>14</u>	
Disability payments, state <u>4</u>		FUTA (See Federal unemployment (FUTA) tax)	Suggestions for publication <u>2</u>	
Domestic worker (See Household employee)				
Drivers (See Household employee)				
E		H	T	
Earned income credit (EIC) <u>7</u>		Handbook for Employers <u>3</u>	Tax credits:	
EIC notice <u>7</u>		Health aides (See Household employee)	Child and dependent care expenses <u>10</u>	
Employer identification number (EIN) <u>8</u>		Help (See Tax help)	Earned income <u>7</u>	
Employing an alien legally (See Legal employee)		Household employee <u>2</u>	FUTA <u>6</u>	
Employment eligibility verification form <u>3</u>		Housekeepers (See Household employee)	Tax help <u>11</u>	
Employment taxes:		How to increase withholding <u>8</u>	Taxes:	
Need to pay <u>3</u>		How to pay estimated tax <u>8</u>	How to make payments <u>7</u>	
Payment options <u>8</u>			Medicare <u>4</u>	
Tax returns <u>9</u>		I	Social security <u>4</u>	
Estimated tax, paying <u>8</u>		Income tax withholding, increasing (See How to increase withholding)	Taxpayer Advocate <u>11</u>	
F			TTY/TDD information <u>11</u>	
Federal income tax withholding, increasing (See How to increase withholding)		L	U	
		Legal employee <u>3</u>	Unemployment tax agencies <u>14</u>	
			Unemployment taxes:	
		M	Federal <u>6</u>	
		Maids (See Household employee)	State <u>3</u>	
		Medicare (See Social security and Medicare taxes)	USCIS website <u>3</u>	
		More information (See Tax help)		
			W	
		N	Wages:	
		Nannies (See Household employee)	Cash <u>4</u>	
		Nonemployees <u>2</u>	FUTA <u>6</u>	
		Nurses, private (See Household employee)	Medicare <u>4</u>	
			Social security <u>4</u>	
			State disability payments <u>4</u>	
			Withholding:	
			Employee's share <u>5</u>	
			Federal income tax <u>6</u>	

Withholding: *(Cont.)*

How to increase [8](#)
Wages [7](#)

Y

Yard workers (*See* Household
employee)



Tax Publications for Individual Taxpayers

See *How To Get Tax Help* for a variety of ways to get publications, including by computer, phone, and mail.

General Guides

- 1** Your Rights as a Taxpayer
- 17** Your Federal Income Tax For Individuals
- 334** Tax Guide for Small Business (For Individuals Who Use Schedule C or C-EZ)
- 509** Tax Calendars for 2009
- 553** Highlights of 2008 Tax Changes
- 910** IRS Guide to Free Tax Services

Specialized Publications

- 3** Armed Forces' Tax Guide
- 54** Tax Guide for U.S. Citizens and Resident Aliens Abroad
- 225** Farmer's Tax Guide
- 463** Travel, Entertainment, Gift, and Car Expenses
- 501** Exemptions, Standard Deduction, and Filing Information
- 502** Medical and Dental Expenses (Including the Health Coverage Tax Credit)
- 503** Child and Dependent Care Expenses
- 504** Divorced or Separated Individuals
- 505** Tax Withholding and Estimated Tax
- 514** Foreign Tax Credit for Individuals
- 516** U.S. Government Civilian Employees Stationed Abroad
- 517** Social Security and Other Information for Members of the Clergy and Religious Workers
- 519** U.S. Tax Guide for Aliens
- 521** Moving Expenses
- 523** Selling Your Home
- 524** Credit for the Elderly or the Disabled
- 525** Taxable and Nontaxable Income
- 526** Charitable Contributions
- 527** Residential Rental Property (Including Rental of Vacation Homes)
- 529** Miscellaneous Deductions
- 530** Tax Information for Homeowners

- 531** Reporting Tip Income
- 535** Business Expenses
- 536** Net Operating Losses (NOLs) for Individuals, Estates, and Trusts
- 537** Installment Sales
- 541** Partnerships
- 544** Sales and Other Dispositions of Assets
- 547** Casualties, Disasters, and Thefts
- 550** Investment Income and Expenses (Including Capital Gains and Losses)
- 551** Basis of Assets
- 552** Recordkeeping for Individuals
- 554** Tax Guide for Seniors
- 555** Community Property
- 556** Examination of Returns, Appeal Rights, and Claims for Refund
- 559** Survivors, Executors, and Administrators
- 561** Determining the Value of Donated Property
- 564** Mutual Fund Distributions
- 570** Tax Guide for Individuals With Income From U.S. Possessions
- 571** Tax-Sheltered Annuity Plans (403(b) Plans) For Employees of Public Schools and Certain Tax-Exempt Organizations
- 575** Pension and Annuity Income
- 584** Casualty, Disaster, and Theft Loss Workbook (Personal-Use Property)
- 587** Business Use of Your Home (Including Use by Daycare Providers)
- 590** Individual Retirement Arrangements (IRAs)
- 593** Tax Highlights for U.S. Citizens and Residents Going Abroad
- 594** The IRS Collection Process
- 596** Earned Income Credit (EIC)
- 721** Tax Guide to U.S. Civil Service Retirement Benefits
- 901** U.S. Tax Treaties
- 907** Tax Highlights for Persons with Disabilities

- 908** Bankruptcy Tax Guide
- 915** Social Security and Equivalent Railroad Retirement Benefits
- 919** How Do I Adjust My Tax Withholding?
- 925** Passive Activity and At-Risk Rules
- 926** Household Employer's Tax Guide For Wages Paid in 2009
- 929** Tax Rules for Children and Dependents
- 936** Home Mortgage Interest Deduction
- 946** How To Depreciate Property
- 947** Practice Before the IRS and Power of Attorney
- 950** Introduction to Estate and Gift Taxes
- 967** The IRS Will Figure Your Tax
- 969** Health Savings Accounts and Other Tax-Favored Health Plans
- 970** Tax Benefits for Education
- 971** Innocent Spouse Relief
- 972** Child Tax Credit
- 1542** Per Diem Rates (For Travel Within the Continental United States)
- 1544** Reporting Cash Payments of Over \$10,000 (Received in a Trade or Business)
- 1546** Taxpayer Advocate Service – Your Voice at the IRS

Spanish Language Publications

- 1SP** Derechos del Contribuyente
- 17SP** El Impuesto Federal sobre los Ingresos (Para Personas Físicas)
- 594SP** El Proceso de Cobro del IRS
- 596SP** Crédito por Ingreso del Trabajo
- 850** English-Spanish Glossary of Words and Phrases Used in Publications Issued by the Internal Revenue Service
- 1544SP** Informe de Pagos en Efectivo en Exceso de \$10,000 (Recibidos en una Ocupación o Negocio)

Commonly Used Tax Forms

See *How To Get Tax Help* for a variety of ways to get forms, including by computer, phone, and mail.

Form Number and Title	Form Number and Title
1040 U.S. Individual Income Tax Return	2106 Employee Business Expenses
Sch A&B Itemized Deductions & Interest and Ordinary Dividends	2106-EZ Unreimbursed Employee Business Expenses
Sch C Profit or Loss From Business	2210 Underpayment of Estimated Tax by Individuals, Estates, and Trusts
Sch C-EZ Net Profit From Business	2441 Child and Dependent Care Expenses
Sch D Capital Gains and Losses	2848 Power of Attorney and Declaration of Representative
Sch D-1 Continuation Sheet for Schedule D	3903 Moving Expenses
Sch E Supplemental Income and Loss	4562 Depreciation and Amortization
Sch EIC Earned Income Credit	4868 Application for Automatic Extension of Time To File U.S. Individual Income Tax Return
Sch F Profit or Loss From Farming	4952 Investment Interest Expense Deduction
Sch H Household Employment Taxes	5329 Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts
Sch J Income Averaging for Farmers and Fishermen	6251 Alternative Minimum Tax—Individuals
Sch R Credit for the Elderly or the Disabled	8283 Noncash Charitable Contributions
Sch SE Self-Employment Tax	8582 Passive Activity Loss Limitations
1040A U.S. Individual Income Tax Return	8606 Nondeductible IRAs
Sch 1 Interest and Ordinary Dividends for Form 1040A Filers	8812 Additional Child Tax Credit
Sch 2 Child and Dependent Care Expenses for Form 1040A Filers	8822 Change of Address
Sch 3 Credit for the Elderly or the Disabled for Form 1040A Filers	8829 Expenses for Business Use of Your Home
1040EZ Income Tax Return for Single and Joint Filers With No Dependents	8863 Education Credits (Hope and Lifetime Learning Credits)
1040-ES Estimated Tax for Individuals	9465 Installment Agreement Request
1040X Amended U.S. Individual Income Tax Return	