**New York Payroll Taxes**

**NY State Income Tax Withholding**

NY State Department of Taxation and Finance Withholding Tax information for businesses: <https://www.tax.ny.gov/bus/wt/wtidx.htm>.

**Who Must Withhold NY State Income Taxes**

An employer that pays wages or other compensation to employees for services performed within NY State is required to register and withhold New York State, New York City, and City of Yonkers withholding taxes as appropriate. Employers may use the Tax Department’s [*Jurisdiction/Rate Lookup by address*](https://www8.tax.ny.gov/JRLA/jrlaStart) to determine if an employee’s address is in New York City or the City of Yonkers, for the purposes of withholding resident taxes.

New business, agricultural, and household employers can register for UI, wage reporting, and withholding tax through NYBE at [*www.businessexpress.ny.gov*](http://www.businessexpress.ny.gov/). To register a non-profit entity, governmental entity, or Indian tribe, go to [*dol.ny.gov*](https://dol.ny.gov/).

Employers paying wages or other payments subject to New York State withholding must file a return and pay the New York State, New York City, and Yonkers taxes required to be withheld. You must [electronically file](https://www.tax.ny.gov/bus/wt/wt_efile_mandate.htm) and pay your withholding tax returns. Filers of paper returns may be subject to penalties and delays in processing.

All employers required to withhold tax from wages must file Form NYS-45, *Quarterly Combined Withholding, Wage Reporting, and Unemployment Insurance Return*, each calendar quarter.

* If you withhold **less than $700** during a calendar quarter, remit taxes withheld with your quarterly return, Form NYS-45. See NYS-1 below if you withhold $700 or more during the calendar quarter for additional filing requirements.
* Generally, employers must file quarterly, even if they did not pay wages during the quarter and have zero withholding. See [*Instructions for Form NYS-45*](https://www.tax.ny.gov/pdf/current_forms/wt/nys45i.pdf) for exceptions.

If you withhold **$700 or more** during a calendar quarter, you must file Form NYS-1, *Return of Tax Withheld*, and remit the tax due, within 3 or 5 business days after the payroll that caused the accumulated tax withheld to equal or exceed $700.

* If you have more than one payroll within a week (Sunday through Saturday), you are not required to file Form NYS-1 until after the last payroll in the week.
* When a calendar quarter ends between payrolls paid within a week, any accumulated tax required to be withheld of at least $700 must be remitted with Form NYS-1 after the last payroll in the quarter.
* If you have filed at least once during the calendar quarter (using Form NYS-1) and have an unremitted balance of tax withheld that is less than $700 after the last payroll of the quarter, remit this amount with your quarterly return, Form NYS-45, instead of with Form NYS-1. See [*Instructions for Form NYS-1*](https://www.tax.ny.gov/pdf/current_forms/wt/nys1i.pdf) for more information.

**NY W-4 Requirements**

All employees should complete and give you a New York State Form IT-2104 or Form IT-2104.1 (whichever is applicable). The forms are available for download from the following website: <https://www.tax.ny.gov/forms/income_with_allow_forms.htm>.

**NY State Unemployment Insurance**

In general, workers are covered by the unemployment law of the state in which the work is performed. Employees who work entirely within New York State are covered under New York State's unemployment law, and all of their earnings must be reported to New York State.

You have the option of reimbursing unemployment insurance benefits paid to your former employees and charged to your account if you are:

* A nonprofit organization organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes (those exempt under Section 501(c)(3) of the Internal Revenue Code);
* A governmental entity; or
* An Indian Tribe.

When you choose the Unemployment Insurance Benefit Reimbursement Option, you do not pay quarterly contributions on your payroll and you are not required to contribute to the Reemployment Service Fund. For more details, including application requirements, review the Benefit Reimbursement pamphlet (IA 318.13). It is available online at <https://dol.ny.gov/forms-and-publications> or call the Employer Hotline at (888) 899-8810 to request a copy.

Each calendar quarter, the law requires liable employers to report their payroll and pay unemployment insurance contributions. They do this on the *Quarterly Combined Withholding, Wage Reporting and Unemployment Insurance Return*(Form NYS-45), which must be filed online. This applies even if the wages are not subject to contributions or withholding under the Personal Income Tax Law.

Use the employer online services portal at <https://dol.ny.gov/online-services-employers-0> to view and manage UI Employer Account Information and File Quarterly Combined Withholding, Wage Reporting, and UI Returns.



NY does not fully participate in the Interstate Reciprocal Coverage Arrangement for employees who work in multiple states. However, if coverage cannot be determined using the four-part test, New York will try to accommodate employers who request coverage in New York provided the individual performed some services in the state.

**NY State Workers’ Compensation**

All out-of-state employers with employees or subcontractors working in New York State are required to carry a New York State workers' compensation insurance policy.

An employer has a full, statutory New York State Workers' Compensation insurance policy when New York is listed in "Item 3A" on the Information Page of the employer's workers' compensation insurance policy.

Washington State Department of Enterprise Services (DES) administers a [Workers' Compensation Insurance program](https://des.wa.gov/sites/default/files/2023-08/Out-Of-State-Workers-Compensation-FAQs.pdf) for state workers. If your employee works outside of Washington in a single other state for more than 30 days (240 hours) per year, **your agency must work with DES** to insure your out-of-state employee. For more information, contact Kimberly Haggard kimberly.haggard@des.wa.gov at DES Risk Management.

**NY State Paid Family / Medical Leave**

New York established a Paid Family Leave (PFL) program in 2016. A private employer who employs one or more persons in New York State on each of 30 days in any calendar year becomes a “covered employer'' four weeks after the 30th day of such employment. Self-employed individuals and public employers (defined as the State, any political subdivision of the State, a public authority or any government agency or instrumentality) are permitted to opt in. To learn more about your agency voluntarily opting into the New York State paid family leave program please visit the New York State Paid Family Leave Public Employers website at <https://paidfamilyleave.ny.gov/public-employers> or contact the Bureau of Compliance at (866) 298-7830.

Washington Paid Family & Medical Leave (PFML) and Washington Cares benefits are not available to employees who are physically working in New York. If agencies have WA PFML or WA Cares policy questions they are asked to email Washington Employment Security Department at esddlpfmlpolicy@esd.wa.gov.

**NY State Disability Insurance**

New York State disability benefits insurance is required if an out-of-state business employs one or more workers whose work is localized in New York State on each of at least 30 days in a calendar year, however employees of the state and its political subdivisions, employees of a public authority, and those engaged in a professional or teaching capacity for a religious, charitable, or educational institution are exempt from New York State disability insurance. An exempt employer (public authority, municipal corporation, fire district, or other political subdivision) may voluntarily comply with the law if the chairperson of the Workers' Compensation Board (WCB) approves. To learn more about your agency voluntarily opting into the New York State disability insurance program please contact the Bureau of Compliance at (866) 298-7830.

**Helpful resources for New York**

Employer’s Guide to Unemployment Insurance, Wage Reporting, and Withholding Tax <https://www.tax.ny.gov/pdf/publications/withholding/nys50-12-22.pdf>

Department of Taxation and Finance (NY State Withholding Tax)

Website: [www.tax.ny.gov](http://www.tax.ny.gov)

Withholding Tax Information Center: 518-485-6654

Department of Labor (NY State Unemployment Insurance)

Website: <https://dol.ny.gov/>

UI registration information: Employer Hotline, toll-free: 1-888-899-8810

Telephone assistance is available from 8:00 AM to 5:00 PM (Eastern Time), Monday through Friday.

NY Unemployment Insurance Information for Employers web page: <https://dol.ny.gov/unemployment/employer-unemployment-insurance-information>

Unemployment Insurance Employer Guide: <https://dol.ny.gov/system/files/documents/2021/02/p820.pdf>

View insurance coverage requirements for out-of-state employers who have workers in New York State here: <https://www.wcb.ny.gov/content/main/Employers/lp_out-of-state-employers.jsp>.

Businesses who are unsure whether they are required to obtain a New York State disability and Paid Family Leave benefits insurance policy should contact the Bureau of Compliance at (866) 298-7830.

For ctcLink vendor setup, the NY employer withholding tax mailing address is:

NYS Tax Department

Processing Unit

PO Box 4111

Binghamton, NY 13902-4111

For ctcLink vendor setup, the NY unemployment insurance tax mailing address is:

NYS Employment Contributions and Taxes

PO Box 4119

Binghamton, NY 13902-4119