**Virginia Payroll Taxes**

**VA State Income Tax Withholding**

<https://www.tax.virginia.gov/withholding-tax>

**Who Must Withhold VA State Income Taxes**

You must have a Virginia withholding account if you have an employee who is earning income while in Virginia. This includes a person or business that pays wages or salaries for services performed in Virginia or pays pensions or annuities to Virginia residents. Visit <https://www.tax.virginia.gov/register-business-virginia> to register your business and enroll in a business online services account.

All employers are required to file all returns and payments electronically. A business online services account <https://www.business.tax.virginia.gov/VTOL/tax/Login.xhtml> allows you to file returns and make payments using your banking information, schedule payments up to the due date, view your return filing history, make updates to your business and contact information, and manage other account activities all in one place.

Filing status is determined by the average amount of income tax withheld each month.

* If your withholding liability is less than $100 per month, your withholding returns and tax payments are due quarterly on the last day of the month following the close of each quarter. File your returns on Form VA-5.
* If your withholding liability is more than $100 but less than $1,000, your withholding returns and tax payments are due monthly on the 25th of the following month. You must submit your payment electronically using Form VA-15.
* If your withholding liability is $1,000 or more, your withholding returns and tax payments are due semi-weekly within 3 banking days. Semi-weekly filers must electronically file Form VA-16, Employer’s Payments Quarterly Reconciliation and Return of Virginia Income Tax Withheld, for each quarter by the end of the month following the close of the quarter.

After you register for a withholding tax account, you must file a return for every period during which the account remains open, even if there is no tax due.

All employers must also file Form VA-6, Employer's Annual Summary of Virginia Income Tax Withheld. The VA-6 is due to Virginia Tax by Jan. 31 of the following calendar year, or within 30 days of the final payment of wages by your company. When you file Form VA-6, you must submit each federal Form W-2, W-2G, 1099, or 1099-R that shows Virginia income tax withheld. You must submit Form VA-6 and all W-2 and 1099 forms electronically.

**VA W-4 Requirements**

Virginia employees must complete Form VA-4, Virginia Employee’s Income Tax Withholding Exemption Certificate <https://www.tax.virginia.gov/sites/default/files/taxforms/withholding/any/va-4-any.pdf>.

**VA State Unemployment Insurance**

In general, workers are covered by the unemployment law of the state in which the work is performed. The Virginia Employment Commission (VEC) is responsible for collecting unemployment tax. If you register online, you may register with VEC at the same time you register with Virginia Tax for withholding.

The taxable wage base is the **first $8,000** that each employee earns per year. Employers may file quarterly Unemployment Insurance Tax Reports and pay Unemployment Insurance Taxes via Business iFile: <https://www.business.tax.virginia.gov/VTOL/tax/Login.xhtml>, the same system used for filing and paying VA State withholding taxes.

A state or local government organization may elect to self-pay via the reimbursable method (the agency is billed for its share of unemployment benefits paid to former employees in lieu of unemployment taxes).

Virginia determines unemployment insurance coverage for multi-state employees by using the four-part test. The state may enter into reciprocal arrangements under the Interstate Reciprocal Coverage Arrangement, but such arrangements are subject to government approval. The agreement should be initiated through the state where the employer wants to report the payroll. A Washington employer may request to elect reciprocal coverage with another state by following the filing process outlined by Washington Administrative Code 192-300-150: <https://app.leg.wa.gov/wac/default.aspx?cite=192-300-150>.

**VA State Workers’ Compensation**

Virginia law requires that an employer who regularly employs more than two part-time or full-time employees carry Virginia workers' compensation coverage. The Virginia Workers’ Compensation Commission (VWC) is responsible for carrying out the requirements of the Virginia Workers’ Compensation Act. VWC ensures compliance with the Act and all workers’ compensation requirements.

Washington State Department of Enterprise Services (DES) administers a Workers' Compensation Insurance program 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](mailto:kimberly.haggard@des.wa.gov) at DES Risk Management.

**VA State Paid Family / Medical Leave**

Virginia does not have a paid family and medical leave program as of 01/30/2024.

**Helpful resources for Virginia**

VA Income Tax Withholding Guide for Employers: <https://www.tax.virginia.gov/sites/default/files/vatax-pdf/employer-withholding-instructions.pdf>

VA Department of Taxation Find a Form: <https://www.tax.virginia.gov/forms>

VA Employment Commission Employers’ website: <https://www.vec.virginia.gov/employers>

VA Unemployment Insurance Information for Employers: <https://www.vec.virginia.gov/employers/unemployment-insurance-information>

Virginia Workers’ Compensation Commission (VWC): <https://workcomp.virginia.gov/>

VA Workers’ Compensation Insurance questions telephone: 804-205-3586

Email VA Workers’ Compensation Insurance questions to: [vwcinsurance@workcomp.virginia.gov](mailto:vwcinsurance@workcomp.virginia.gov).