



# PAYROLL LEGAL

BUSINESS MANAGEMENT DAILY

June 2014  
Special Edition

# Alert

Secrets  
for Surviving  
an IRS Payroll Audit  
...see page 2

## TAXES AND COMPLIANCE

### *Outsourcing Your Payroll May Not Be a Good Idea, After All*

A new court ruling serves as an important cautionary tale of the risks companies take when they let payroll processing out of their hands.

The case involved a payroll service bureau that didn't remit clients' withheld taxes and then declared bankruptcy. Payroll professionals need to be more vigilant than ever to such risks, as corporate bankruptcies have spiked in the past three years.

**Here's what happened:** Roughly speaking, when you file for bankruptcy protection, you list your assets and liabilities in a bankruptcy petition. The petition filed by this service bureau listed tax-related claims as liabilities—in other words, funds provided by clients and meant to be remitted to the IRS as payroll deposits.

Some clients received notices from the IRS regarding undeposited taxes. Others didn't because the service bureau was also receiving IRS correspondence. The service bureau told some clients that the IRS made the error. Other clients sued the service bureau or got in line as creditors.

Either way, they're out their money, which—as a double whammy—they still owe to the IRS.

**Reducing the risk: 4 steps.** Too many innocent companies have found themselves in similar positions. They've gone to court asserting that they shouldn't be held responsible for their service

bureau's failures. If they are, they say, they'll be paying their taxes twice.

*Warning:* The IRS isn't sympathetic. Companies are *always* responsible for their payroll taxes. And the courts agree.

Since payroll taxes accumulate quickly, take these steps to ensure you are walking the legal line with your service bureau:

**1. Hire only bonded service bureaus.**

**2. Don't allow the service bureau to sign tax returns.** Confirm that the service bureau deposited your taxes and filed your returns. You and the service bureau can enroll separately in the IRS' Electronic Federal Tax Payment System (EFTPS). Don't reveal your EFTPS PIN or password to anyone.

**3. Don't allow tax correspondence to be sent to the service bureau.**

**4. Request that the IRS provide you** with a transcript of the company's tax accounts on a regular basis. ❖

## WAGES & HOURS

### *Final Wages: Pay at the Door... Or Pay More in Court*

When to deliver  
paycheck:  
State-by-state  
chart  
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When you terminate employees, be wary of making them wait for their final checks. While state laws vary on the required timing of final paychecks (*see page 8*), the best strategy—

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### 941 Forms Will No Longer Be Mailed

Due to the continuing growth in electronic filing, the IRS has announced that it will no longer mail Forms 941 to employers. Instead, you will have to retrieve forms from the IRS' website: [www.irs.gov/app/picklist/list/formsPublications.html](http://www.irs.gov/app/picklist/list/formsPublications.html). PDF forms can be filled in and saved. In addition, the IRS will no longer mail Forms 940, 944 and 945.

➤ **PAYROLL PRACTICE TIP:** You should check the IRS website at least quarterly, since 941 forms are often updated from one quarter to the next.

regardless of state law—is to deliver that paycheck at the time of termination.

Some states, like California, practically make the choice for you. If you fail to timely pay final wages, employees can sue for an equal amount in penalty wages, up to 30 days' pay.

One California employer learned this the hard way when the state Supreme Court ruled that employees have three years to sue for penalty wages, not one year. (*Pineda v. Bank of America*, Cal.Sup.Ct., 50 Cal. 4th 1389)

#### Don't let the door hit you on the way out.

Under California law, employees have three years to sue their former employers for unpaid final pay, plus up to 30 days of penalty wages related to that unpaid final pay. Another section of state law,

however, allows litigants just one year to sue for penalties.

An employee who gave two weeks' notice of quitting was paid his final pay four days late. A little over a year later, he filed a class-action lawsuit seeking only penalty wages related to the late final pay. A trial court ruled that the one-year statute of limitations applied, and dismissed the lawsuit. On appeal, the company argued that since there was no final pay due, the class was suing only for penalty wages. The lawsuit, therefore, was time barred because the one-year limit applied. The state Supreme Court disagreed, reversed the lower courts' decision and ruled for the employees.

➤ **PAYROLL PRACTICE TIP:** It's immeasurably easier to reconcile a manually cut final check in the payroll accounts than fight over that check in court.

This case also shows that it's critical to understand your state's final wage payment laws. To help you along, this month's Page 8 chart digests these laws. *NOTE:* States without laws have been omitted. Delaware, Kansas, Indiana, Maryland, New Jersey, New Mexico, New York, North Carolina, North Dakota, Oklahoma, Pennsylvania, Virginia and Washington have also been omitted because they require that employees receive their final pay at the next regular payday, regardless of whether they quit or were fired. ❖

## IRS AUDITS

### Secrets of the IRS Payroll Audit Program Revealed

The IRS is in the middle of intensive, line-by-line audits of payroll returns conducted under the auspices of the IRS' National Research Program (NRP). The two-year-old NRP audits program will randomly target 2,000 employers in 2014.

**We know more than you think we know.** NRP audits focus on worker classification, fringe benefits, officer compensation and Form 1099-MISC. Auditors aren't coming into your business blind. For example, if the source return is Form 1120S, prior and subsequent 1120S forms, W-2 forms, 1099-MISC forms and CP2100 notices will be included in auditors' files. Auditors will also have learned about your business by surfing your website.

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**Keep cool under pressure.** The IRS kicks off each NRP audit with a 3851-B letter. While your Forms 941 and 1120 may be in order, it's not what's on those forms that most interests the auditors. The IRS is keen to determine items that could be fringe benefits that *aren't* on those returns.

With that in mind, here are four tips for handling the NRP process:

**1. Assess your liability for hidden fringes** by examining every payment rank-and-file employees receive. If the tax code doesn't specifically exclude a payment from income, it's taxable. Hidden fringes can lurk in employer-provided meals, tax-free fringes that exceed their ceiling (e.g., \$5,000 a year for dependent care) and reimbursed expenses that aren't paid under an accountable plan.

**2. Go through the same process for executive compensation,** but also include executive compensation agreements, loan agreements and nonqualified deferred compensation plans. Additional hidden fringes may lurk in executive dining rooms, country club dues, sky boxes and chauffeur services.

**3. To determine the status of independent contractors, apply the safe harbor factors** of Section 530 of the Revenue Act of 1978: You treat all independent contractors consistently by filing Forms 1099-MISC, if necessary; you treat all similar independent contractors similarly; and you have a reasonable basis for your actions.

**4. Forms 1099-MISC must be provided** to noncorporate service providers to whom you pay \$600 or more a year. Service providers' Taxpayer Identification Numbers (TINs) must be reported on the form. Auditors will look through your accounts payable books to assess compliance. *Warning:* If you don't have service providers' TINs prior to payment, you must backup withhold at the 28% rate. ❖

## TAXES AND COMPLIANCE

### *IRS Issues New Guidance on W-2 Health Benefit Reporting*

The health care reform law requires employers to report the value of employees' health benefits on their W-2 forms (Box 12, with Code DD). The IRS initially waived mandatory reporting, pending issuance of guidance.

### *Uncle Sam wants you! ... to properly handle summer military duty*

The nation relies on the National Guard and Reserve. Employees usually serve their two weeks during the summer, but others may be away longer. Here's what you need to know.

✓ Ask employees about their military leave. *Note:* Some states allow employees' family members to take leave.

✓ For military leave beginning midweek, offset military pay against exempts' salaries; non-exempts need no offset, since they need not be paid if they don't work.

✓ Employees may choose to use vacation time for military leave; withhold taxes from vacation pay and from the value of time donated to them by co-workers.

✓ Watch child-support withholding; employees' disposable pay may decrease when they're gone, or they may skip a pay period; notify the appropriate state office.

✓ Withhold income and FICA taxes from military differential payments made to employees who are absent for up to 30 days. Withhold *only* income taxes from differential pay paid to employees who are serving for longer periods. You may treat the pay as supplemental wages.

✓ If your cafeteria plan allows, employees who are away for at least 180 days or indefinitely may take qualified reservist distributions from their health flexible spending accounts; these distributions are fully taxable.

✓ Nonseniority benefits (e.g., health benefits) provided to employees must match benefits provided to employees on nonmilitary leave. If leave is for 31 days or fewer, you can't charge reservists more than the regular amount. *Idea:* Allow them to prepay.

✓ For longer periods of military leave, military law allows reservists and their dependents to elect COBRA-like benefits (i.e., benefits for 24 months at 102% of the premium). *Warning:* This applies to all employers, including small employers that aren't covered under COBRA. For COBRA-covered employers, COBRA also applies.

✓ The accrual rate for seniority-based benefits includes all time spent on military leave. *Example:* If vacation increases from two to three weeks after five years, military service counts when determining when that threshold is met.

✓ Employers' pension contributions continue during employees' absence; employees must be allowed to make up contributions when they return to work. Employees called to military duty for a period exceeding 30 days may receive distributions of their 401(k) pretax amounts.

### ***One Phish, Two Phish, Old Phish, New Phish***

Employees are becoming more comfortable going to the IRS website to download IRS forms and tax publications. Oftentimes, they're using their high-speed work computers to access these documents—especially during tax return season.

**But beware:** The IRS is warning that scam artists continue to create so-called “phishing” websites that resemble the IRS’ site. Plus, some legitimate commercial websites also try to resemble the IRS’ website or contain some form of the IRS’ name in their address but end in “.com,” “.net,” or “.org.” Those sites aren’t connected to the IRS. The only legitimate IRS sites are those beginning with [www.irs.gov](http://www.irs.gov).

↳ **BE A HERO:** Remind employees that the IRS doesn’t send unsolicited emails. *Upshot:* Emails that solicit employees’ tax accounts or detailed personal and financial information (including PINs, passwords or similar secret access information) are phony.

Employees who receive suspicious emails should report them to a special IRS mailbox: [phishing@irs.gov](mailto:phishing@irs.gov). To learn more, type “phishing” into the search box at the IRS’ homepage.

Now that the guidance has been released, it requires employers filing 250 or more W-2s to include the value of health benefits. Reporting on Form W-3, however, isn’t required.

The guidance provides valuation methods and transition relief for certain employers and benefits. (*Notice 2011-28, IRB 2011-16*)

**What the rules say.** The law excludes from reporting health reimbursement accounts, health savings accounts, dental or vision care that’s not integrated into a group plan, long-term care insurance, workers’ compensation and specific disease or hospital/fixed indemnity plans.

The transition relief extends this reporting exclusion to employers filing fewer than 250 W-2s for the preceding calendar year and to situations in which:

- Terminating employees request early W-2s
- No W-2s are required (e.g., retirees receive health benefits but no other reportable compensation or taxes)
- The plan is self-insured and not subject to COBRA
- The plan is a multiemployer plan.

**What’s reportable.** The aggregate value (i.e., the employer and employee shares) of any group health insurance that’s excludable from employees’ income under tax code Section 106 must be reported.

*Heads up:* The aggregate value includes the portion of health benefits that’s taxable to employees because coverage is provided to their domestic partners or others who don’t qualify as tax dependents. The aggregate value includes the value of on-site medical clinics, but the guidance does not provide a method for valuing this coverage.

↳ **WHO REPORTS:** For businesses that use the common paymaster method, the common paymaster reports the combined amount. Likewise, successor employers that assume their predecessors’ reporting responsibilities report the combined amount.

#### **Special reporting rules for health FSAs.**

Employees’ pretax contributions into cafeteria plan health flexible spending accounts (FSAs) aren’t reportable. Employers’ contributions may or may not be reportable, depending on the value of employees’ health FSAs.

• **Employers’ contributions are reportable if ...** the value of employees’ health FSAs exceeds their pretax contributions. So, for example, if Barbara makes a \$700 pretax contribution into her health FSA, which is matched dollar-for-dollar for a total of \$1,400, her employer reports the \$700 match on her W-2.

• **Employers’ contributions aren’t reportable if ...** employees’ pretax contributions for all qualified cafeteria plan benefits equal or exceed the amount of their health FSAs. If, say, Jack makes a \$2,000 pretax contribution into the cafeteria plan, \$1,500 of which is designated for his health FSA, and he receives a \$1,000 employer match, W-2 reporting isn’t necessary because his total pretax cafeteria plan contribution equals or exceeds the value of his health FSA. ❖

#### **PAYROLL PAPERWORK**

### ***New SSN Numbering System May Cause Unintended Ripples***

As a result of demographic shifts and the rise of identity theft, the Social Security Administration (SSA) abandoned its tidy Social Security number (SSN) assignment methodology.

Instead, it has begun assigning SSNs randomly, said Chuck Liptz, the SSA's director of Electronic Services Support. Randomization will also allow the SSA to issue SSNs that begin with a 7 or an 8.

Randomization, however, may also cause trouble for some payroll systems.

**Decoding SSNs.** The familiar appearance of an SSN—123-45-6789—has a method behind it. The first three digits are the area number, the middle two digits are the group number, and the last four digits are the serial number.

Area numbers vary depending on when SSNs were issued. Before 1972, they reflected the state where the application for the SSN was made. Beginning in 1972, they reflected the ZIP code of the application's mailing address. Randomization will remove the geographic significance of the area numbers.

**How payroll should respond.** The SSA's change won't affect current employees, since their SSNs were assigned under the old methodology. It will affect new citizens and resident aliens who apply for Social Security cards. Nevertheless, there are a few steps you can take now:

- Randomization can throw a monkey wrench into software programs that perform edits and checks of SSNs. This is especially true if programs reject SSNs that begin with a 7 or an 8, and if programs run edits and checks against the SSA's high-group list, which will be frozen once randomization begins. **To do:** Alert your IT department and third-party providers (e.g., outside 401(k) plan administrators) to the change.

- State tax and unemployment agencies run their own SSN checks. **To do:** To avoid unwelcome scrutiny from them, register with the SSA to use its Social Security Number Verification Service (SSNVS) for each new hire. SSNVS provides real-time confirmation that an employee's name and SSN match. Go to [www.ssa.gov/employer/ssnv.htm](http://www.ssa.gov/employer/ssnv.htm). ❖

## LESSONS FROM THE COURT

### *Know Which Payroll Mistakes Can Lead to Prison Time*

Deposit your taxes or work out a payment plan. Those are your only two choices.

### *When Does the Workday Begin ... and End?*

Technology now allows employees to do small amounts of work at remote locations. When is this considered compensable time? These two questions to our Payroll Mailbag dive into that question:

#### **Computer log-in time: Paid or not?**

**Question:** We ditched our time clock, so now nonexempt employees clock in on their computers. What about the few minutes it takes for them to boot up their computers each morning? Is that compensable?

**Answer:** Technically, yes. The Fair Labor Standards Act (FLSA) considers this time compensable, since employees are engaged to wait. However, regulations (29 CFR 785.47) allow employers to disregard insubstantial or insignificant periods of time beyond employees' regular work day if, as a practical matter, this time can't be precisely recorded for payroll purposes.

**Warning:** This rule applies only when there are uncertain and indefinite periods of time of a few seconds or minutes, and where the failure to count the time is justified by business realities. The Department of Labor makes these determinations on a case-by-case basis, so check with the company's attorney before deciding not to pay employees for this time.

#### **How to handle pay disparity for after-hours meetings?**

**Question:** Our company often holds meetings after office hours. Full-time nonexempts are paid at their overtime rates, but part-time nonexempts are paid straight-time wages, since they never work longer than 40 hours in a workweek. Hard feelings have arisen among the part-timers about this disparity. Can we pay everyone at the same rate so that everyone is paid equally?

**Answer:** Not really. An expensive option would allow you to pay part-timers at their overtime rates, but you couldn't pay full-timers at their straight-time rates unless you knew that they wouldn't be working overtime during that week. A less expensive option would be to convert after-hours mandatory meetings into voluntary meetings. Under the FLSA, meetings are voluntary if they're conducted after work, attendance is voluntary, meetings aren't directly related to employees' work and employees don't perform any productive work during that time.

If you opt for what's behind door number three, you may find yourself doing time in a federal prison.

**Case in Point:** A federal appeals court has ruled that the owner of a company that couldn't deposit its taxes due to financial reasons was criminally liable for that failure. The U.S. Supreme Court affirmed the lower court's decision by turning down the owner's appeal. (*U.S. v. Easterday*, No. 07-10347, 9th Cir.; U.S. Sup. Ct., No. 09B28)

#### What counts as "willful" failure to pay?

Between the fourth quarter of 1998 and the fourth quarter of 2005, the company piled up \$44,864,162 in undeposited payroll taxes. It eventually paid \$25,018,869. During this time, the company continued to pay other creditors, including paying employees' salaries.

The IRS levied against corporate assets and filed liens against corporate accounts to secure payment. At each turn, the owner was cooperative and took full responsibility, but the taxes were never paid. Eventually, the IRS filed a 109-count indictment against the owner for willfully failing to pay taxes.

The owner was convicted of 107 counts and sentenced to 30 months in prison. On appeal, he argued that he didn't willfully fail to pay, because he didn't have the money. The appeals court disagreed.

*Court:* In a "willful failure to pay" case, the government doesn't need to prove that the taxpayer had the money to pay the taxes when due. And the taxpayer cannot defend on the ground that he spent the money on other expenses.

Instead, willfulness is a voluntary, intentional violation of a known legal duty, and doesn't require proof of any other motive. ❖

## WAGES & HOURS

### Tick, Tock: Keep an Eye Out For Time Clock Errors

Automated time-keeping systems are a lot less burdensome than their predecessors. For example, nonexempt employees no longer need to queue up to physically punch in and out at the beginning and end of a day, or when they take their meal breaks.

Less burdensome, however, doesn't mean that these systems always work on autopilot. Just ask

one Midwestern hospital company, which was tagged with having to pay \$1.7 million in back overtime pay to 4,000 nurses because its automated time-keeping system deducted for meal periods during which they worked.

**Breaking the link.** Automated time-keeping systems that are linked to the company's main computer system prevent employees from logging onto the system and beginning work before they clock in. These systems capture employees' first key strokes as work, thus eliminating claims that employees worked before their official workdays begin.

But they assume that the first thing employees do is computer-related, which may not always be the case. Only human intervention, aka employees' managers, will be able to determine when employees' workdays really begin. Other pitfalls with automated time-keeping systems include:

\* **Override options.** Some integrated time-keeping systems give employees options for clocking in. *What to avoid:* employees overriding the system by getting their manager's approval to clock in early.

\* **Faulty linkage.** Once employees clock in, a computer prompt reminds them not to begin working until their official clock-in time. Once clocked in, however, the main computer system allows them to begin work, even if their shifts haven't yet started.

\* **Rounding errors.** To correct for payroll systems that couldn't track all of employees' work times, you could round employees' work hours to, for example, the nearest five minutes, one-tenth of an hour or quarter of an hour, provided employees are paid for all the hours they worked. The point of new time-keeping systems is that they're more accurate, so rounding may not be as necessary.

\* **Real-world interactions.** Not paying nurses who work through their meal periods is a blatant violation of the Fair Labor Standards Act (FLSA). Auto-deductions can also get you in trouble in the following areas:

- Employees' rest breaks, since rest breaks are considered working time under the FLSA
- Employees' changing time, which is compensable if employees must wear unique protective gear
- Setup/clean-up time, which is compensable if those activities are integral to employees' main activities. ❖

### July 2014: Employer's business tax calendar

☞ **NOTE:** Saturdays, Sundays and legal holidays as observed in the District of Columbia are taken into account to determine due dates. Under the federal deposit rules, you're allowed a deposit shortfall of the greater of \$100 or 2% of your tax liability.

Semiweekly and monthly deposits are for the deposits of FICA and withheld income taxes due on wages paid during the time periods indicated.

- July 2**      **Semiweekly deposit** for wages paid on June 25, 26 and 27.
- July 7**      **Semiweekly deposit** for wages paid on June 28, 29, 30 and July 1.
- July 9**      **Semiweekly deposit** for wages paid on July 2, 3 and 4.
- July 10**     **Employees who work for tips.** If employees received \$20 or more in tips during June, they should report them to you on Form 4070.
- July 11**     **Semiweekly deposit** for wages paid on July 5, 6, 7 and 8.
- July 15**     **Monthly deposit** for wages paid in June, if the semiweekly deposit rule didn't apply.
- July 16**     **Semiweekly deposit** for wages paid on July 9, 10 and 11.
- July 18**     **Semiweekly deposit** for wages paid on July 12, 13, 14 and 15.
- July 23**     **Semiweekly deposit** for wages paid on July 16, 17 and 18.
- July 25**     **Semiweekly deposit** for wages paid on July 19, 20, 21 and 22.
- July 30**     **Semiweekly deposit** for wages paid on July 23, 24 and 25.
- July 31**     **All employers. Quarterly filers** file Form 941 for the second quarter of 2014. Deposit any undeposited tax. If the total is less than \$2,500 and not a shortfall, you can pay it with the return. If you deposited the tax for the quarter in full and on time, you have until Aug. 11 to file the return. **Annual filers** deposit any undeposited tax, if the total liability is \$2,500 or more for 2014, but less than \$2,500 for the second quarter. **All employers** deposit FUTA taxes owed through June, if more than \$500. If you maintain an employee benefits plan, such as a pension, profit-sharing or stock bonus plan, file Form 5500 or 5500-EZ for calendar year 2013. If you use a fiscal year as your plan year, file the form by the last day of the seventh month after the plan year ends.

## Employees' SSNs Off Limits In FLSA Litigation

The time to confirm employees' Social Security numbers (SSNs) is when they're hired, not when you're slapped with a lawsuit for unpaid overtime and minimum wage violations. A federal trial court has ruled that an employer was out of bounds in requesting this information. (*Uto et al. v. Job Site Services, Inc. et al.*, No. CV-10-0529 (SJF) (ETB), D.C., E.N.Y., 2010)

**No snooping allowed.** Former employees sued their company and the company's owner personally, alleging that they weren't paid overtime or the

minimum wage. As part of the lawsuit, the company asked the court to have employees disclose their SSNs and their tax returns. The employees wanted this request thrown out, arguing that it was an indirect way of discovering their immigration status.

The trial court agreed with the employees. *Court:* All employees, regardless of their immigration status, are protected by the Fair Labor Standards Act (FLSA), so requiring employees to disclose their SSNs isn't relevant and presents a danger of intimidation that would inhibit them from pursuing their rights. Being forced to disclose their tax returns also wasn't relevant to the FLSA litigation, the court said. ❖

**State-by-State Chart on Final-Pay Laws**

State	Worker who quits	Worker who is fired or laid off	State	Worker who quits	Worker who is fired or laid off
<b>AK</b>	Next payday that's at least 3 days after employer receives notice	Within 3 working days	<b>NE</b>	Earlier of next payday or 2 weeks	Earlier of next payday or 2 weeks
<b>AR</b>	None	Within 7 days	<b>NH</b>	Next payday or within 72 hours, if worker gave pay period's notice and is prohibited from working during notice period	Within 72 hours for employee who is fired; next payday for employee who is laid off
<b>AZ</b>	Next payday	Earlier of next payday or within 7 working days			
<b>CA</b>	Within 72 hours, or at once if worker gave 72 hours' notice	At once	<b>NM</b>	Next payday	Within 5 days; within 10 days for employees paid by commission or by the piece; next payday for employees suspended due to labor dispute
<b>CO</b>	Next payday	At once, or within six hours of the start of the next work-day if Payroll department isn't operational; within 24 hours if Payroll department is located off the worksite			
<b>CT</b>	Next payday	Next business day for employee who is fired; next payday for employee who is laid off	<b>OR</b>	Last day, if employee gave at least 48 hours' notice; earlier of next payday or within 5 days if employee didn't give notice; within 5 days if employee didn't give notice and was required to turn in time sheets	First business day; next payday for employees on strike
			<b>RI</b>	Next payday; within 24 hours if business liquidates, merges or moves to another state	Next payday; within 24 hours if business liquidates merges or moves to another state; next regular payday for employee suspended due to labor dispute
<b>DC</b>	Earlier of next payday or within 7 days; within 4 days if employee handles money	Next working day for employee who is fired; within 4 days if employee handles money; next payday for employee suspended due to labor dispute	<b>SC</b>	Within 48 hours or next payday, not to exceed 30 days	Within 48 hours or next payday, not to exceed 30 days
<b>HI</b>	Next payday, or last day if worker gave pay period's notice	At once, or next day if payment is impossible for employee who is fired; next payday for employee who is laid off	<b>SD</b>	Next payday, or as soon as employee returns employer's property	Next payday, or as soon as employee returns employer's property; next payday for employee suspended due to labor dispute
<b>ID</b>	Earliest of next payday, 10 days or within 48 hours of employee's written request	Earliest of next payday, 10 days or within 48 hours of employee's written request	<b>TN</b>	Later of next payday or 21 days	Later of next payday or 21 days
<b>IL</b>	At once if possible, but not later than next payday	At once if possible, but not later than next payday	<b>TX</b>	Next payday	Within 6 days
<b>KY</b>	Later of next payday or 14 days	Later of next payday or 14 days	<b>UT</b>	Next payday; after audit or verification of sales, accounts, funds or stock for employee paid by commission who has custody of money, accounts or goods	Within 24 hours; next payday for employee involved in industrial dispute
<b>LA</b>	Earlier of next payday or 15 days	Earlier of next payday or 15 days			
<b>MA</b>	Next payday or following Saturday if no regular payday	At once; Boston: as soon as payrolls are certified	<b>VT</b>	Next payday	Within 72 hours
<b>ME</b>	Earlier of next payday or 2 weeks after demand	Earlier of next payday or 2 weeks after demand	<b>WI</b>	Next payday; within 24 hours if business liquidates, merges or moves to another state	Next payday; within 24 hours if business liquidates, merges or moves to another state
<b>MI</b>	As soon as amount due is determined	As soon as amount due is determined	<b>WV</b>	Next payday, or last day if employee gave one pay period's notice	Earlier of next payday or 4 business days; next payday for employee suspended due to labor dispute
<b>MN</b>	Next payday or second payday if first payday is fewer than 5 calendar days after employee's last day; payment in full by the 20th day of termination	On demand			
<b>MO</b>	None	At once	<b>WY</b>	Within 5 days	Within 5 days for employee who is fired; next payday for employee suspended due to labor dispute
<b>MT</b>	Earlier of next payday or 15 days	At once, unless employer policy extends time of payment to earlier of next payday or 15 days			

PAY-SIS-014