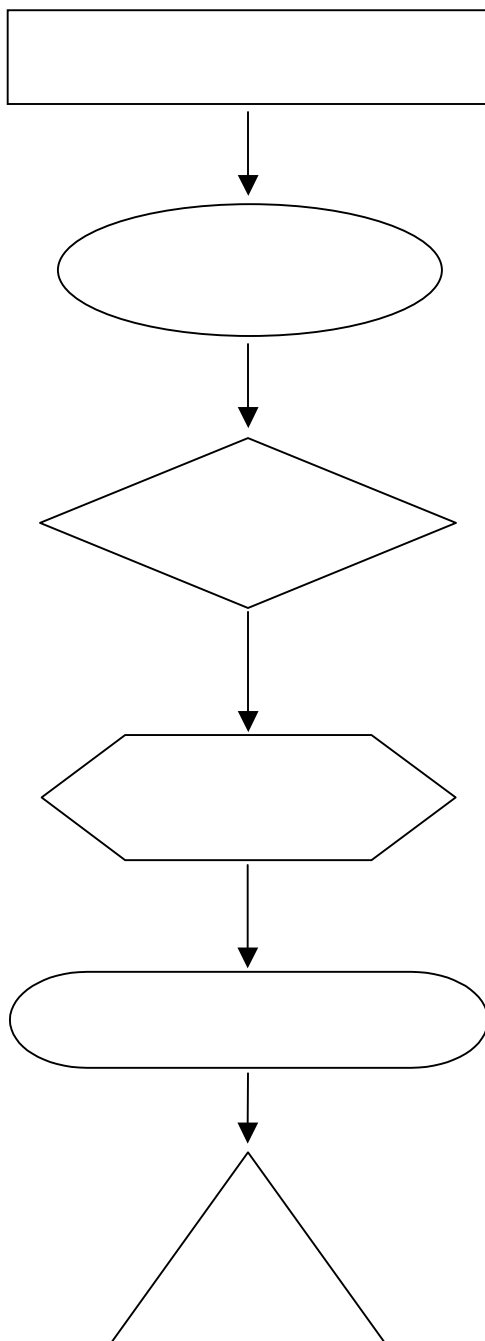


Farm Employment Tax Laws and Regulations

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Many Ohio farms have one or more employees at some time during the year. The employee may be seasonal, a family member, a child under 18 years of age, or a full-time continuing employee. It is the employer's responsibility to follow the current rules and regulations and not rely on outdated conventions or practices. The following flowchart is intended to highlight "business events" which require tax and regulation compliance. If the regulation applies to you, use the telephone number, website, or office address of responsible agency to get more information. Some OSU Extension offices have sample forms and materials available.



- 1) Obtain Employer Identification Number (EIN). Use IRS Form SS-4.
- 2) Secure Ohio Worker's Compensation coverage. It is required for all farm employees including family members and regardless of age of employee.

- 1) Secure Ohio withholding account number (Form IT-1) if withholding Ohio/School District taxes.
- 2) Verify work eligibility (complete I-9 form)
- 3) Have employee complete Form W-4 and IT-4 (Federal & State Withholding)
- 4) Have employee complete Form W-5 (Earned Income Credit form if applicable)
- 5) Employer complete and return Ohio New Hire Reporting Form (Form 7048) (required)

- 1) Determine amount to be withheld from employee's paycheck for Federal taxes, Social Security, and Medicare (I.R.S. Circular A)
- 2) Determine amount to be withheld for Ohio income taxes and School District income taxes (if requested by employee and agreed to by employer)
- 3) Verify Social Security numbers only for up to 5 employees (800/772-6270) not for worker eligibility verification.

- 1) Make required deposits of total Federal tax liability, usually monthly or annually depending on total amount due.
- 2) Make any required State Income tax and School District income tax deposits, usually monthly or quarterly.

- 1) Complete and mail W-2 forms, W-3 forms, and Form 943 by January 31st for previous year.

- 1) Keep all records related to employees for at least four years after due date or when taxes are paid, whichever is later.
- 2) Keep records required for other regulations (OSHA, EPA, Dept. of Labor)

Selected Responsible Agencies

Internal Revenue Service

P.O. Box 182388
Cincinnati, OH 45999-0002
(800) 829-3676
(800) 829-4059 TTY/TDO
www.irs.gov
www.biztax.gov

Ohio Department of Taxation

P.O. Box 182215
Columbus, OH 43218-2215
(419) 245-2891 Toledo
(419) 227-5665 Lima
www.state.oh.us.tax

Ohio New Hire Reporting Center

P.O. Box 15309
Columbus, OH 43215-0309
Information: (614) 221-5330
or toll free (888) 872-1490
Fax: (614) 221-7088
or toll free (888) 872-1611
E-mail: oh-newhire@policy-studies.com
Website: www.oh-newhire.com

Ohio Worker's Compensation

P.O. Box 15698
Columbus, OH 43215-0698
(800) 644-6292
www.ohiobwc.com

U.S. Department of Justice Immigration & Naturalization Service

AJC Federal Building
1240 East Ninth Street
Cleveland, OH 44199
(800) 870-3676
(800) 357-2099
www.ins.usdoj.gov

Social Security Administration

(800) 772-1213
(800) 325-0778 TDD
www.ssa.gov

There are penalties (fines, interest, late fees, legal actions, etc.) for failure to meet employer-employee regulations. Make sure your farm business meets its goals by staying in compliance.