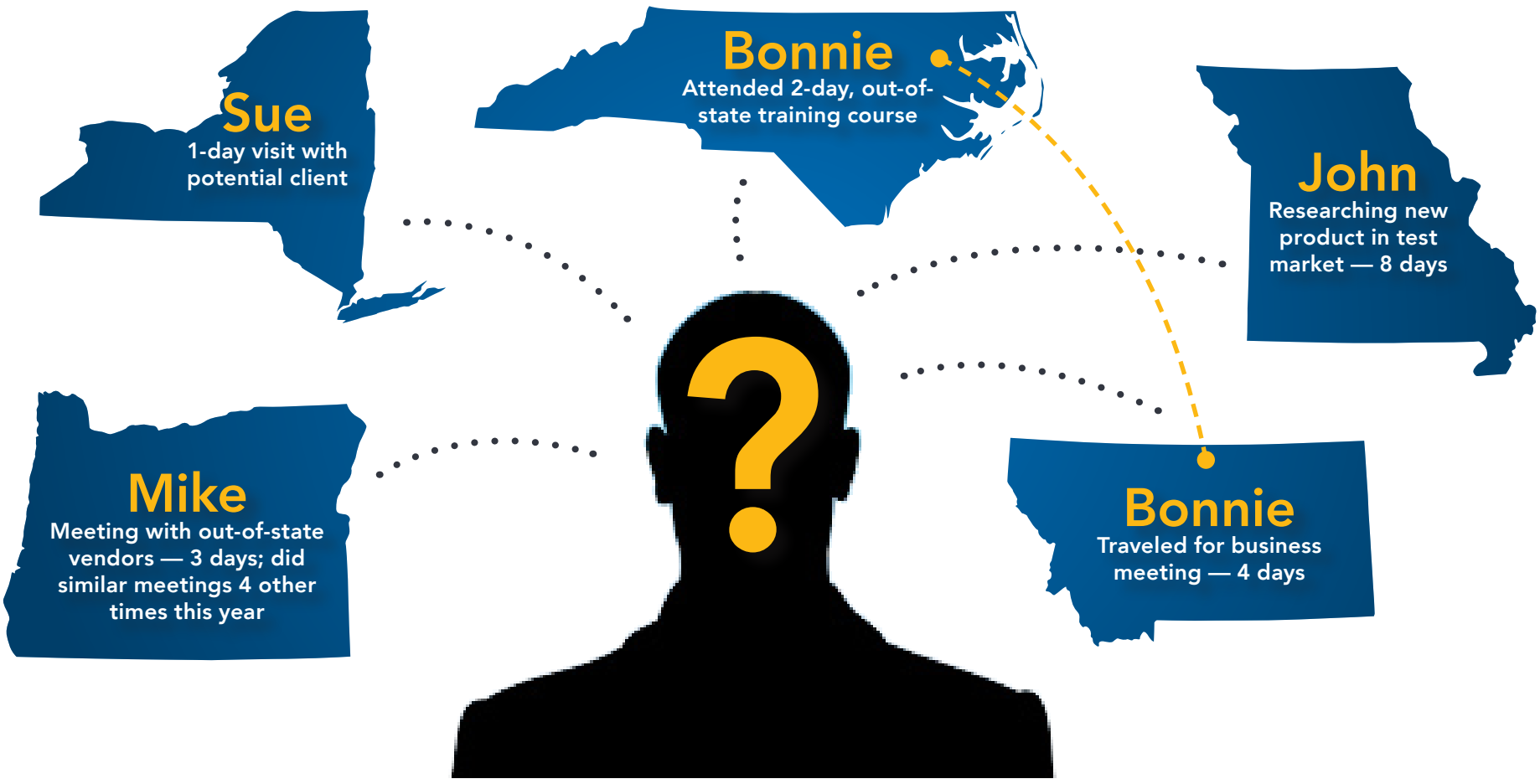
WHY WE NEED TO STANDARDIZE

Tax Laws for

NON-RESIDENT WORKERS

The Numbers Speak for Themselves



FOURTEEN STATES

withhold tax from non-resident workers after a certain amount of wages are earned — a $ amount in some states, but a % in others.

TAXPAYERS & EMPLOYERS CONTEND WITH

ALMOST 20 RULES

(across 41 states) for withholding tax on temporary out-of-state workers.

24

STATES (WITH AN INCOME TAX) HAVE NO RECIPROCITY AGREEMENTS

A NON-RESIDENT IS SUBJECT TO TAX AFTER WORKING:

Days In **AZ**

Days In **NM**

Days In **CT**

OR

AFTER EARNING:

Per Year In **ID**

Per Quarter In **OK**

Per Year In **SC**

Employers and employees working out of state often face complicated state tax withholding, liability and reporting rules. Multiple, complex state tax compliance burdens can result when an employee works for just a few hours in another state — including possibly neighboring states without reciprocity agreements.

Under the Mobile Workforce State Income Tax Simplification Act (HR 1129), employees working out of state for 30 or fewer days would be relieved of this compliance burden and would remain fully taxable in their resident state. HR 1129 provides much needed uniformity to this confusing patchwork.

The time to standardize is NOW!

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