

## Title:

Payroll Utah, Unique Aspects of Utah Payroll Law and Practice

## Word Count:

826

## Summary:

Utah payroll has some unique aspects and conditions. Some of the details and laws are set out in this article including information concerning: tax withholding and reporting; unemployment insurance taxes and reporting; wage and hour laws; and child support withholding.

## Keywords:

Payroll Utah, Utah payroll, payroll, Utah payroll taxes, Utah Income Tax, Utah payroll withholding, Utah payroll service, Utah Unemployment Insurance, Utah Child Support

## Article Body:

<b>The Utah State Agency that oversees the collection and reporting of State income taxes deducted from payroll checks is:</b>

State Tax Commission  
Withholding Tax Development  
210 North 1950 West  
Salt Lake City, UT 84134  
(801) 297-2200  
(800) 662-4335 (in state)  
<http://tax.utah.gov/>

Utah allows you to use the federal form W4 to calculate state income tax withholding.

Not all states allow salary reductions made under Section 125 cafeteria plans or 401(k) to be treated in the same manner as the IRS code allows. In Utah cafeteria plans are not taxable for income tax calculation; not taxable for unemployment insurance purposes. 401(k) plan deferrals are not taxable for income taxes; taxable for unemployment purposes.

In Utah supplemental wages are required to be aggregated for the state income

tax withholding calculation.

You must file your Utah State W-2s by magnetic media if you are required to file your federal W-2s by magnetic media.

<b>The Utah State Unemployment Insurance Agency is:</b>

Department of Workforce Services  
140 E. 300 South  
P.O. Box 45288  
Salt Lake City, UT 84145  
(801) 536-7400  
<http://jobs.utah.gov/employer/emservices.asp>

The State of Utah taxable wage base for unemployment purposes is wages up to \$22,700.00.

Utah requires Magnetic media reporting of quarterly wage reporting if the employer has at least 250 employees that they are reporting that quarter.

Unemployment records must be retained in Utah for a minimum period of three years. This information generally includes: name; social security number; dates of hire, rehire and termination; wages by period; payroll pay periods and pay dates; date and circumstances of termination.

<b>The Utah State Agency charged with enforcing the state wage and hour laws is:</b>

Labor Commission  
Anti-Discrimination and Labor Division  
P.O. Box 146630  
Salt Lake City, UT 84114-6630  
(801) 530-6801  
[www.labor.state.ut.us/](http://www.labor.state.ut.us/)

The minimum wage in Utah is \$5.15 per hour.

There is no general provision in Utah State Law covering paying overtime in a

non-FLSA covered employer.

Utah State new hire reporting requirements are that every employer must report every new hire and rehire. The employer must report the federally required elements of:

- <li>Employee's name</li>
- <li>Employee's address</li>
- <li>Employee's social security number</li>
- <li>Employer's name</li>
- <li>Employers address</li>
- <li>Employer's Federal Employer Identification Number (EIN) </li></ul>

This information must be reported within 20 days of the hiring or rehiring. The information can be sent as a W4 or equivalent by mail, fax or mag media. There is a \$25.00 penalty for a late report and \$500 for conspiracy in Utah.

The Utah new hire-reporting agency can be reached at 801-526-4361 or on the web at <http://jobs.utah.gov/newhire/>

Utah does not allow compulsory direct deposit except for large employers with 2/3 of employees already on direct deposit.

Utah requires the following information on an employee's pay stub:

- <li>itemized deductions</li></ul>

Utah requires that employee be paid no less often than semimonthly; monthly if employee hired for yearly salary.

Utah requires that the lag time between the end of the pay period and the payment of wages to the employee not exceed ten days; wages paid monthly-7th of next month.

Utah payroll law requires that involuntarily terminated employees must be paid their final pay with in 24 hours and that voluntarily terminated employees must be paid their final pay by the next regular payday.

Deceased employee's wages must be paid when normally due to successor after

affidavit stating estate does not exceed \$25,000 at least 30 days since death, no petition for executor is pending, and entitlement to payment.

Escheat laws in Utah require that unclaimed wages be paid over to the state after one year.

The employer is further required in Utah to keep a record of the wages abandoned and turned over to the state for a period of 5 years.

Utah payroll law mandates no more than \$3.02 may be used as a tip credit.

In Utah the payroll laws covering mandatory rest or meal breaks are only that all employees must have a 30-minute meal period after 5 hours; 10 minutes rest each 4 hours.

Utah statute requires that wage and hour records be kept for a period of not less than three years. These records will normally consist of at least the information required under FLSA.

**The Utah agency charged with enforcing Child Support Orders and laws is:**

Office of Recovery Services  
Department of Human Services  
515 E. 100 S.  
P.O. Box 45011  
Salt Lake City, UT 84145-0011  
(801) 536-8901  
<http://www.ors.state.ut.us/>

Utah has the following provisions for child support deductions:

- When to start Withholding? **First pay period after 5 working days from service.**
- When to send Payment? **Within 7 days of Payday.**
- When to send Termination Notice? **Within 5 days of termination.**
- Maximum Administrative Fee? **one-time \$25 fee**
- Withholding Limits? **Federal Rules under CCPA.**

Please note that this article is not updated for changes that can and will happen from time to time.