



# DAVID K. MCCOY

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**CERTIFIED PUBLIC ACCOUNTANT**

## **NEW FILING REQUIREMENTS FOR THE EDD BEGINNING IN 2017!!!**

### **E-file and E-pay Mandate for Employers (Assembly Bill 1245)**

Beginning January 1, 2017, employers with 10 or more employees will be required to electronically submit employment tax returns, wage reports, and payroll tax deposits to the Employment Development Department (EDD). All remaining employers will be subject to this requirement beginning January 1, 2018. Any employer required under existing law to electronically submit wage reports and/or electronic funds transfer to the EDD will remain subject to those requirements.

### **Benefits of Electronic Filing and Payments**

- Increases data accuracy
- Protects data through encryption, which is safer and more secure than paper forms
- Reduces paper and mailing costs
- Eliminates lost mail
- Faster processing of returns and payments

### **File and Pay Electronically with e-Services for Business**

Employers can use e-services for Business (e-Services for Business.htm) to comply with the e-file and e-pay mandate. E-Services for Business is a fast, easy, and secure way to manage your employer payroll tax accounts online. With e-Services for Business, you can:

- Register for an employer payroll tax account number.
- File returns and reports.
- Make payroll tax deposits and pay other liabilities.
- View and update account information.
- And more!

### **Penalties for not complying with the E-file and E-pay Mandate**

Tax Returns - \$50 per return  
Wage Reports - \$20 per wage item  
Payments – 15% of amount due