

N E W S R E L E A S E

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**EDD reminds many California employers to begin filing
and paying taxes online on January 1**

SACRAMENTO – The California Employment Development Department (EDD) today reminds many employers that beginning January 1, 2017, a new state law takes effect that requires the electronic submission of employment tax returns, wage reports, and payroll tax deposits.

Assembly Bill (AB) 1245, signed into law by Governor Brown in 2015, requires employers with 10 or more employees to electronically file and pay taxes beginning January 1, 2017. Beginning January 1, 2018, all remaining employers must electronically file and pay taxes. Employers can use the EDD's "[e-Services for Business](#)" to fulfill the requirements of this new law.

"Our 'e-Services for Business' online system makes it simple for employers to file electronically and manage their accounts at any time and from anywhere using a computer, tablet or even a smart phone – no specialized software needed," said EDD Director Patrick W. Henning, Jr. "Employers will save time and money while operating in a secure, encrypted environment."

To ease the transition from paper forms and coupon booklets to electronic reporting, the EDD is offering employers online tutorials and technical assistance. EDD's tutorials and additional information are available at its [e-Services for Business webpage](#), or through the EDD Taxpayer Assistance Center at 1-888-745-3886, available Monday through Friday, 8 a.m. to 5 p.m. (Pacific Time).

The online file and pay system offers a wide range of benefits for employers, including:

- Reducing errors that are common with paper forms;
- Protecting data through electronic encryption, which is safer and more secure than paper forms;
- Providing an automated receipt so employers immediately know their return, report, or payment was received by EDD;
- Saving time by keeping employers' basic account information available for future transactions;
- Providing an easy way to update employer account information; and
- Reducing employers' paper and mailing costs.

(more)

More than 42 percent of California employers already voluntarily use “e-Services for Business” to electronically submit their employment tax returns, wage reports and payroll tax deposits to the EDD.

Employers can find more information about the new e-file and e-pay rules at www.edd.ca.gov/eFileMandate.

The EDD is an integral part of California’s tax system and is one of the largest tax collection agencies in the nation, working with approximately 1.4 million employers and maintaining employment records for over 18 million California workers. The EDD collects the Personal Income Tax, Unemployment Insurance, Disability Insurance, and Employment Training payroll taxes for the State of California. In State Fiscal Year 2015-16, the EDD’s Tax Branch collected more than \$66.3 billion in payroll taxes, including more than \$52.2 billion in Personal Income Taxes.

These payroll tax collections play a vital role in California’s economy. The funds provide financial help to the unemployed and those with disabilities, as well as those bonding with new children or caring for loved ones. They also provide customized training to workers at California businesses. In addition, payroll taxes benefit the people of California by helping fund the State’s programs, such as K-12 education, State Colleges and Universities, Natural Resources, Health and Human Services, and Public Safety.

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