

OPTICAL CHARACTER RECOGNITION ON PAPER RETURNS, PAYMENTS, AND WAGE REPORTS

The Employment Development Department (EDD) uses an Optical Character Recognition (OCR) system to record information reported by employers on their paper tax returns, wage reports, and payments. This system allows the EDD to capture the data reported on paper forms more accurately and effectively than if it was keyed manually.

The *Payroll Tax Deposit* (DE 88), *Quarterly Contribution Return and Report of Wages* (DE 9), and *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C) are some of the forms specifically designed for use with the OCR system. These forms are printed with target marks and barcodes which are used to identify and align the forms correctly. Other forms or formats, such as computer printouts from your payroll or accounting programs, photocopies, or forms marked "employer's copy," should not be submitted in lieu of the correct forms. These formats cannot be read by the OCR system and are not acceptable alternatives for the DE 88, DE 9, or DE 9C.

Preprinted DE 88, DE 9, and DE 9C forms are provided without charge. These and other forms and instructions are available on the EDD website at www.edd.ca.gov/Payroll_Taxes/Forms_and_Publications.htm or can be requested by calling the Taxpayer Assistance Center at 888-745-3886. The website also includes the *Checklist for Completing the DE 9C* (DE 9CCL) and the *California Employer's Guide* (DE 44), which provide additional guidance for completing your EDD forms.

ALTERNATE FORMS

Forms other than those provided by the EDD must be tested and approved by the EDD prior to their use. You can find print specifications, which will assist you in creating an alternate form that can be imaged by our equipment, at the EDD website at www.edd.ca.gov/Payroll_Taxes/Forms_and_Publications.htm.

For further information on print specifications and approvals of alternate forms, contact:

Employment Development Department
Alternate Forms, MIC 96
P.O. Box 826880
Sacramento, CA 94280-0001
916-255-0649

OTHER FILING OPTIONS

The EDD's e-Services for Business website is an easy and convenient alternative to completing and mailing paper forms. The website offers employers, agents, and representatives the ability to file or amend reports/returns, make deposits, view account information, and make updates 24 hours a day, 7 days a week. It eliminates the cost of postage, the potential for data being captured or keyed incorrectly, and minimizes the time to process your return. For more information about e-Services for Business, visit <https://eddservices.edd.ca.gov> or e-mail us at ecom@edd.ca.gov, or contact the Taxpayer Assistance Center toll-free at 855-866-2657.

Large employers and payroll agents can read more about other electronic payment and filing options by reviewing the following publications available on our website at www.edd.ca.gov or by calling the Taxpayer Assistance Center toll-free at 855-866-2657: *Federal/State Employment Taxes (FSET) Guide* (DE 545), *Electronic Filing Guide for the Quarterly Wage and Withholding Program* (DE 8300), *Electronic Funds Transfer Program Information Guide* (DE 27).

ADDITIONAL INFORMATION

If you need additional information or need assistance with EDD forms, please visit the EDD website at www.edd.ca.gov or call the Taxpayer Assistance Center at 888-745-3886.

The following California Unemployment Insurance Code (CUIC) excerpts establish the content requirements for the DE 88, DE 9, and DE 9C. The full text of the CUIC can be accessed at <http://www.leginfo.ca.gov/cgi-bin/calawquery?codesection=uic&codebody=&hits=20>.

SECTION 1088(a) and (b) of the CUIC

1088(a)(1) Each employer shall file with the director within the time required by subdivision (a) or (d) of Section 1110 for payment of employer contributions, a report of contributions, a quarterly return, and a report of wages paid to his or her workers in the form and containing any information as the director prescribes. An electronic funds transfer of contributions pursuant to subdivision (f) of Section 1110 shall satisfy the requirement for a report of contributions. The quarterly return shall include the total amount of wages, employer contributions required under Sections 976 and 976.6,

worker contributions required under Section 984, the amounts required to be withheld under Section 13020, or withheld under Section 13028, and any other information as the director shall prescribe. The report of wages shall include individual amounts required to be withheld under Section 13020 or withheld under Section 13028.

(2) (A) In order to enhance efforts to reduce tax fraud and to reduce the personal income tax reporting burden, effective January 1, 1997, the report of wages shall also include the full first name of the employee and total wages, as defined in Section 13009, paid to each employee. This paragraph shall apply to reports of wages for all periods ending on or before December 31, 1999.

(B) For all periods beginning on or after January 1, 2000, the report of wages shall also include total wages subject to personal income tax, as defined in Section 13009.5, paid to each employee.

b) Each employer shall file with the director within the time required by subdivision (b) or (d) of Section 1110 for payment of worker contributions, a report of contributions containing the employer's business name, address, and

account number, the total amount of worker contributions due, and any other information as the director shall prescribe. The director shall prescribe the form for the report of contributions. An electronic funds transfer of contributions pursuant to subdivision (f) of Section 1110 shall satisfy the requirement for a report of contributions.

SECTION 1114(a) of the CUIC

Any employer who, without good cause, fails to file within 15 days after service by the director of notice pursuant to Section 1206 of specific written demand therefore, a report of wages of each of his or her workers required by this division, shall pay in addition to other amounts required, for each unreported wage item a penalty of \$20 (\$10 for periods prior to 3rd quarter 2014).

The EDD is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Requests for services, aids, and/or alternate formats need to be made by calling 888-745-3886 (voice) or TTY 800-547-9565.

This information sheet is provided as a public service, and is intended to provide non-technical assistance. Every attempt has been made to provide information that is consistent with the appropriate statutes, rules and administrative and court decisions. Any information that is inconsistent with the law, regulations, and administrative and court decisions is not binding on either the Employment Development Department or the taxpayer. Any information provided is not intended to be legal, accounting, tax, investment or other professional advice.