

REPORTING WAGE PLAN CODES ON ELECTRONIC QUARTERLY WAGE REPORTS

Wage plan codes are letter indicators used by the Employment Development Department (EDD) automated data systems to determine whether the total subject wages reported for an employee can be used for Unemployment Insurance (UI) and/or Disability Insurance (DI)* benefit claims.

Employers are required to include a wage plan code along with the Social Security number (SSN), last name, first name, middle initial, total subject wages, Personal Income Tax (PIT) wages, and PIT withholdings for each employee when submitting one of the following EDD forms electronically:

- *Quarterly Contribution Return and Report of Wages (Continuation)*, [DE 9C](#).
- *Employer of Household Worker(s) Quarterly Report of Wages and Withholdings*, [DE 3BHW](#).
- *Quarterly Wage and Withholding Report*, [DE 6](#) (2010 4th quarter and prior).

HOW TO DETERMINE THE WAGE PLAN CODES FOR YOUR ACCOUNT

The valid wage plan codes for each employment payroll tax account are correlated to the UI, DI, and/or PIT reporting on the account. Employers can use the **Employer Account and Wage Plan Code Correlation Table** on page 2 to determine which wage plan codes are valid for their account/employees. The **Plan Code Descriptions Table** on page 3 includes a description of each of the individual plan codes.

WAGE PLAN CODES ON WAGE REPORTS SUBMITTED THROUGH E-SERVICES FOR BUSINESS

The valid wage plan code(s) for each employment payroll tax account are available when you complete a wage report directly on your account through e-Services for Business. If multiple wage plan codes are valid for the account, the wage plan code field will include a drop-down box to allow you to select the appropriate wage plan code for the employee.

PAPER WAGE REPORTS

Employers do not report wage plan codes when filing a paper DE 9C, DE 3BHW, or DE 6. The EDD determines the correct wage plan code for the employees based on:

- The subject funds for the account.
- Whether the wage report is marked as "Sole Shareholder/Religious/Third-Party Sick Pay."
- Whether Box B of the wage report is marked (for Voluntary Plan for Disability Insurance employers).

CORRECTING WAGE PLAN CODES

Reporting the incorrect wage plan code could cause employee benefits to be delayed or denied. However, it may not be necessary to submit a *Quarterly Contribution and Wage Adjustment Form*, [DE 9ADJ](#), or a *Quarterly Contribution Form for Voluntary Plan Disability Employers*, [DE 938](#), if a wage plan code was reported incorrectly on a previously filed wage report.

*Includes Paid Family Leave (PFL)

Please refer to the **Employer Account and Wage Plan Code Correlation Table** on page 2 for scenarios that require a wage plan code correction.

In general, the following rules apply regarding wage plan codes:

- **If there is only one valid wage plan code for the account**, the EDD will change any invalid wage plan code to the correct plan code for the account. You do not need to submit an adjustment form to correct wage plan codes on previously filed wage reports. However, please ensure that the wage plan code is reported correctly on future wage reports.
- **If there are multiple valid wage plan codes for the account** (refer to the scenarios on the **Employer Account and Wage Plan Code Correlation Table** on page 2), complete an adjustment form as follows:

On a Paper DE 9ADJ or DE 938:

- Section I: Complete all fields in this section. Include a detailed reason in the "Reason for Adjustment" field that includes the original and corrected wage plan codes and the number of wage lines that need to be corrected. If all wage plan codes need to be corrected, indicate that you are correcting wage plan codes for all employees from [*the original wage plan code*] to [*the corrected wage plan code*]. You do not need to complete Section III if all employees need to be corrected.
- Section II: Complete fields only if a correction is needed to the tax return.
- Section III: If not all wage plan codes need to be corrected, enter the wage lines for employees who need a wage plan code correction separately from other adjustments. Write or type "Adjust Plan Codes from [*the original wage plan code*] to [*the corrected wage plan code*]" at the top of the page(s). If additional adjustments are needed, report them on separate page(s).

Through the e-Services for Business Website:

- Access the wage report online.
- Select the "**Adjust**" hyperlink to access the adjustment form.
- Select the "**Edit Wages**" hyperlink and enter the employee wage lines that need to be corrected. Be sure to select the correct wage plan code. **Do not report any adjustments other than wage plan code corrections on the request (remove wage lines that do not need a wage plan code correction).**
- Enter the Amended Grand Totals for the quarter.
- Enter a detailed note indicating the reason for the adjustment and that the wage plan code on the reported wage line needs to be corrected from [*the original wage plan code*] to [*the corrected wage plan code*].

EMPLOYER ACCOUNT AND WAGE PLAN CODE CORRELATION TABLE

Use the table below to determine which wage plan codes are valid for the account. The **Plan Code Descriptions Table** on page 3 includes a description of each of the individual plan codes.

Type	Employment Account Is Subject to the Following:			Valid Wage Plan Code(s) for Account	When Plan Code Corrections Are Needed (Scenarios)
	Unemployment Insurance (UI)	Disability Insurance (DI)	Personal Income Tax (PIT)		
Most Employers	Tax-Rated or Reimbursable	State Disability Insurance (SDI)	Subject, Not Subject, or PIT Optional	Use: • R for employee(s) with a valid SDI exclusion. • S for employee(s) subject to UI and SDI. • S for employee(s) only subject to PIT.	Submit a DE 9ADJ to correct the wage plan code(s) only if: • You reported R and it should be S . • You reported S and it should be R . • You reported A, J, L, P, or U and it should be R .
Other Employer Types	Accounts Covered Under a Voluntary Plan for Disability Insurance (VPDI) <i>(VPDI employers can have employees covered under VPDI and some covered under SDI)</i>	VPDI and SDI	Subject, Not Subject, or PIT Optional	Use: • R for employee(s) with a valid DI exclusion. • S for employee(s) covered under UI and SDI. • S for employee(s) only subject to PIT. • U for employees covered by UI and VPDI.	Submit a DE 938 to correct the wage plan code(s) only if: • You reported U or R and it should be S . • You reported R or S and it should be U . • You reported A, J, L, or P and it should be R .
	Accounts Not Subject to UI <i>(Applies to domestic employers who have reported \$750 to \$999 and some public entities)</i>	Not Subject	Subject or Not Subject	Use L for all employees	Do not file corrections to wage plan codes for prior quarters. Be sure to report correct wage plan codes on future quarters.
	Accounts Not Subject to DI <i>(Applies to some public entities)</i>	Not Subject	Subject, Not Subject, or PIT Optional	Use J for all employees	Do not file corrections to wage plan codes for prior quarters. Be sure to report correct wage plan codes on future quarters.
Accounts Only Subject to PIT	Tax-Rated or Reimbursable	Not Subject	Subject, Not Subject, or PIT Optional	Use A for all employees	Do not file corrections to wage plan codes for prior quarters. Be sure to report correct wage plan codes on future quarters.
Accounts Only Subject to PIT	Not Subject	Not Subject	Subject or PIT Optional	Use P for all wage lines	Do not file corrections to wage plan codes for prior quarters. Be sure to report correct wage plan codes on future quarters.

PLAN CODE DESCRIPTIONS TABLE

The table below includes the description of the individual wage plan codes. Keep in mind that the wage plan code is correlated to the subject funds on the employer's EDD account. Refer to the **Employer Account and Wage Plan Code Correlation Table** on page 2 to determine if the wage plan code is valid for the account.

Wage Plan Code	Description of Employee Benefit Coverage and Use of Wage Plan Code
A	The employee's total subject wages can only be used for UI benefit purposes. Used on accounts not covered by SDI or VPDI.
J	The employee's total subject wages can only be used for SDI benefit purposes. Used on accounts not covered by a state Tax-Rated or Reimbursable UI plan.
L	The employee's total subject wages can only be used for VPDI benefit purposes. Used on VPDI accounts not covered by a state Tax-Rated or Reimbursable UI plan.
P	The employee wages and/or withholdings are reported under an account that is only subject for PIT withholding purposes.
R	The employee's total subject wages can only be used for UI benefit purposes. This wage plan code is only valid for employees with one of the following DI exclusions when reported on an account subject to UI and SDI or VPDI: <ul style="list-style-type: none"> • Sole Shareholders who have filed a <i>Sole Shareholder/Corporate Officer Exclusion Statement</i>, DE 459, and have been approved for a DI exclusion under Section 637.1 of the California Unemployment Insurance Code (CUIC). • Third-Party Sick Pay recipients who claim an exclusion under Section 931.5 of the CUIC. • Religious employees who have filed a <i>Religious Exemption Certificate</i>, DE 5067, and have been approved for a Religious DI exclusion under Section 2902 of the CUIC.
S	The employee's total subject wages can be used for SDI and UI benefit purposes. Note: S can also be used for employees who are only subject to PIT and are being reported under an account that is subject to UI and SDI.
U	The employee's total subject wages can be used for VPDI and UI benefit purposes. Used on VPDI accounts covered by a state Tax-Rated or Reimbursable UI plan.

ADDITIONAL INFORMATION

Please refer to the *Electronic Filing Guide for the Quarterly Wage and Withholding Program*, DE 8300, for additional information regarding the reporting of employee wage information on electronic wage reports.

If you need help determining the correct wage plan code for your employee(s), please contact the Taxpayer Assistance Center at 888-745-3886 or call the Tax and Wage Correction Group at 916-654-9018.

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 nontechnical 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.