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Don't miss this month's insights— [Partial unemployment benefits and required employer reporting](#)

## Top stories

Our 2024 edition of US employment tax rates and limits includes, as of August 25, 2024, the following:

- Social Security wage base for 2024
- Qualified pension plan limits for 2023 and 2024
- Health Savings Account limits for 2023 and 2024
- Fringe-benefit inflation adjustments and Form W-2 penalties for 2024
- Federal mileage rates and luxury vehicle limits for 2024
- Per diem rates under high-low substantiation method for 2024
- 2022 and 2023 FUTA credit reduction
- State unemployment insurance wage bases and tax rates for 2024
- Disability and paid family leave insurance wage base and rates for 2024
- Federal income tax withholding for 2024
- State income tax withholding tables, supplemental withholding, and the highest withholding tax rates for 2024

—[Download the latest report](#)

## Federal and state Form W-4 compliance

Now that most employees have filed their 2023 personal income tax returns, employers can expect an increase in withholding tax questions and a rise in adjustments to federal and state withholding allowance certificates (e.g., federal Form W-4).

Our special report provides information employers need to know about federal and state Form W-4 compliance, with topics including:

- IRS Form W-4 regulations
- Compliance with IRS lock-in letters
- Federal Form W-4 top 10 tips
- Federal Form W-4 frequently asked questions

- Special instructions for US nonresident aliens
- State Form W-4 compliance in 2024
- 2024 State Form W-4 requirements survey
- 2024 state Form W-4 requirements heat map

—[Download the latest report](#)

## Report on state unemployment insurance requirements for employee notices and workplace posters updated through June 2024

Most states require that employers tell employees about their potential eligibility for unemployment insurance benefits. There are two forms of communications that most states require: (1) a notice to the employee at the time of separation and/or (2) a poster placed in a conspicuous location in the workplace.

Our special report includes the results of our May 2024 survey of state workforce agency websites and includes links, if applicable, to the states' requirements for unemployment insurance employee separation notices and workplace posters.

—[Download the latest report](#)

### Federal developments

#### IRS extends due dates for filing tax returns and making tax payments for victims of Hurricane Beryl

The IRS has extended ([IR-2024-191](#)) the due dates for filing individual and business tax returns and making tax payments to February 3, 2025, for taxpayers affected by Hurricane Beryl.

—[Read more about it in Tax Alert 2024-1504](#)

#### IRS extends due dates for filing tax returns and making tax payments for victims of Hurricane Debby

The IRS has extended ([IR 2024-205](#), [IR-2024-209](#)) the due dates for filing individual and business tax returns and making tax payments to February 3, 2025, for taxpayers in five states affected by Hurricane Debby.

—[Read more about it in Tax Alert 2024-1580](#)

#### IRS gives update on processing of employee retention credit claims

On August 8, 2024, the IRS announced ([IR-2024-203](#)) that it is continuing its enforcement work on high-risk employee retention credit (ERC) claims while also beginning payment of valid ERC claims. Businesses may receive payments for some periods while the IRS continues to review other periods for eligibility.

—[Read more about it in Tax Alert 2024-1539](#)

## State unemployment insurance

Idaho law reduces state unemployment insurance tax rate increases for 2024 and beyond

Idaho Governor Brad Little signed into law [H.B. 428](#) which, retroactive to January 1, 2024, staves off a large increase in state unemployment insurance (SUI) rates by lowering the multiplier from 1.3 to 1.2 in determining the size of the unemployment insurance (UI) trust fund.

—[Read more about it in Tax Alert 2024-1541](#)

Kansas law changes future employer SUI tax costs, gives more time for voluntary contributions and makes other changes

Kansas Governor Laura Kelly signed into law [H.B. 2570](#), which makes numerous changes to the state unemployment insurance (SUI) law that directly impacts employers.

—[Read more about it in Tax Alert 2024-1587](#)

Maryland takes steps to lower state unemployment insurance rates for some employers

The Maryland Department of Labor [announced](#) that it recomputed the state unemployment insurance (SUI) tax rates for 2024, resulting in a lower rate for some employers. Updated SUI rate notices were issued to all contributory employers in April 2024. The original 2024 SUI rate notices were issued on January 16, 2024.

—[Read more about it in Tax Alert 2024-1548](#)

## State and local payroll developments

Vermont law requires salary information on job advertisements starting July 1, 2025

*For information purposes only. Employers should consider seeking the assistance of experienced employment law attorneys before implementing policy changes.*

Vermont Governor Phil Scott signed into law [H.B. 704](#), which effective July 1, 2025, requires that most written job advertisements include information concerning the type and range of monetary compensation the employer expects to offer the job applicant. The requirement applies to both internal and external job applicants and to positions into which employees can be promoted or transferred.

—[Read more about it in Tax Alert 2024-1579](#)

Bill watch (tracking the status of legislation proposed in 2024)

Georgia

<a href="#">HB 1015</a>	Status: <b>Signed into law 4-18-2024</b>	Topic: Personal income tax rates
Retroactive to January 1, 2024, lowers the personal income tax rate from 5.49% to 5.39%. Effective January 1, 2025, reduces the tax rate by 0.10% annually if certain revenue benchmarks are met until the rate reaches 4.99%. Although the tax rate applies for the entire 2024 tax year, it did not go into effect until July 1, 2024.		

Illinois

<a href="#">SB 2981</a>	Status: <b>Failed to pass before legislature adjourned on 5-29-2024</b>	Topic: Personal income tax on overtime pay
Would, effective immediately, create a deduction of the amount of any overtime wages paid to the taxpayer during the tax year.		

Iowa

<a href="#">HF 2638</a>	Status: <b>Failed to pass before legislature adjourned on 4-20-2024</b>	Topic: Taxation of nonqualified deferred comp
Would exclude nonqualified deferred compensation income from individual income tax retroactive to January 1, 2023.		

Iowa

<a href="#">SF 2442</a>	Status: <b>Signed into law 5-1-2024</b>	Topic: Personal income tax rate
Accelerates the personal income tax rate reduction from 3.9% to 3.8% starting in 2025, rather than in 2026.		

Kansas

<a href="#">SB 1</a>	Status: <b>Signed into law 6-20-2024</b>	Topic: Personal income tax rate
Retroactive to January 1, 2024, establishes a two-bracket income tax with tax rates of 5.2% and 5.58%. The previous three-bracket income tax rates were 3.1%, 5.2% and 5.7%.		

Kansas

<a href="#">HB 2284</a>	Status: <b>Governor vetoed (1-29-2024) Veto sustained (2-20-2024)</b>	Topic: Income tax rate
Would have, among other things, implemented a flat tax of 5.25%, exempted Social Security benefits from state income tax and increased the standard deduction by a cost-of-living adjustment.		

Kansas

<a href="#">HB 2420</a>	Status: <b>Died in House committee (4-30-2024)</b>	Topic: Nonresident income tax, de minimis exception
Would exempt nonresident employees performing work in Kansas from income tax for the first 30 days.		

Kentucky

<a href="#">HB 537</a>	Status: <b>Failed to pass before legislature adjourned on 4-14-2024</b>	Topic: Bereavement leave
Effective 90 days after the legislature adjourns, would require that employers provide up to 10 days of bereavement leave (with a minimum of three days paid) following the death, miscarriage or stillbirth of the employee's child or the death of a dependent or other immediate family member of the employee.		

Maine

<a href="#">LD 1231</a>	Status: <b>Maine legislature unable to overcome Governor's veto</b>	Topic: Personal income tax
Effective January 1, 2025, would have created three additional tax brackets to increase taxes paid by high-income earners.		

Mississippi

<a href="#">HB 224</a>	Status: <b>Died in Ways and Means Committee (3-27-2024)</b>	Topic: Personal income tax on overtime pay
Would exclude overtime compensation from gross income effective January 1, 2024.		

Missouri

<a href="#">HB 2315</a>	Status: <b>Failed to pass before legislature adjourned 5-30-2024</b>	Topic: Personal income tax on overtime pay
Would authorize an income tax subtraction for work in excess of 40 hours in the workweek.		

New Jersey

<a href="#">AB 2621</a>	Status: Referred to Assembly Labor Committee (1-9-2024)	Topic: Personal income tax on overtime pay
Would exclude the overtime pay of certain employees from gross income tax.		

New Jersey

<a href="#">AB 3816</a>	Status: Introduced, referred to Assembly Labor Committee (2-22-2024)	Topic: Bereavement leave
Effective immediately, would expand the current family and medical leave law to include leave due to death of a child or the miscarriage or stillbirth of a child.		

Ohio, Cincinnati

<a href="#">A Vision for the Future of Cincinnati</a> p. 67	Status: The Cincinnati Futures Commission recommended modest hike in city's earnings (April 2024)	Topic: City earnings tax
Recommends a 0.15% increase to the City's earnings tax, bringing the adjusted rate to 1.95%. The Cincinnati City Council will need to vote to put the increase on the November 2024 ballot.		

Pennsylvania

<a href="#">H.B. 2388</a>	Status: Referred to Finance (6-5-2024)	Topic: State Personal income tax
Effective July 1, 2024, would reduce the personal income tax rate from 3.07% to 2.8%.		

## Pennsylvania

<a href="#">H.B. 181</a>	Status: Laid on the table for later consideration (4-17-2024)	Topic: State paid family and medical leave insurance
Effective 180 days after enactment, would establish a state paid family and medical leave insurance program with contributions, yet to be determined, to be paid 50% by employers and 50% by employees (employers with fewer than 15 employees are not subject to the 50% contribution amount).		

## Rhode Island

<a href="#">S. 2355</a>	Status: Failed to pass before legislature adjourned (6-14-2024)	Topic: Personal income tax
Effective January 1, 2026, would impose a personal income tax surtax of 3% on taxable income over \$1 million.		

## South Carolina

<a href="#">HB 4811</a>	Status: Failed to pass before legislature adjourned (5-9-2024)	Topic: Personal income tax on overtime pay
Would exclude overtime income from personal income tax.		

## Wisconsin

<a href="#">AB 938</a>	Status: Failed to pass in Senate (4-15-2024)	Topic: Personal income tax on overtime pay
Would exclude overtime income and certain bonuses from personal income tax.		

## West Virginia

<a href="#">HB 5296</a>	Status: Failed to pass before legislature adjourned 3-9-2024	Topic: Personal income tax on overtime pay
Would exclude overtime income from personal income tax for three years.		

## This month's insights

### Partial unemployment benefits and required employer reporting

Federal law requires that all states maintain an unemployment insurance program that meets certain minimum requirements. For instance, all states must provide persons with a weekly monetary benefit during periods of total unemployment if discharged without cause.

According to the U.S. Department of Labor, 27 states provide weekly unemployment benefits for partial unemployment. ([Comparison of state Unemployment Laws 2023](#), p. 3-20.) Partial unemployment occurs when an individual's hours and wages are reduced but they continue to perform part-time work.

In general, the partial unemployment benefit is the regular weekly unemployment benefit reduced by the part-time compensation as reported by the claimant. In addition to wage reporting by the partial unemployment insurance recipient, some states require that employers certify this wage information by submitting weekly low-earnings reports to the state.

Examples:

Hawaii: An employer with an active employee receiving partial unemployment benefits is required to file with the Hawaii Department of Labor and Industrial Relations, [Form UC-348, Verification of Partial Unemployment Status](#), within five working days of the employee's claim for unemployment benefits and for each subsequent week the employee certifies for partial unemployment benefits. ([Hawaii Unemployment Insurance Handbook for Employers](#).)

West Virginia: In any week that an employee is partially unemployed, the employer must provide the employee with a low earnings report (Form WVUC-B-6-11) before the payday of the low earnings. Form WVUC-B-11 is also required with 48 hours of a request from Workforce West Virginia. The low-earnings report is not required in any week that the employee earns more than the weekly unemployment benefit plus \$25. (*W.Va. Code R. Section 83-1-11.*)

Employers should review with their employment tax advisors state requirements for low earnings reports and develop a process for ensuring compliance.

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Contact Employment Tax Advisory Services for more information

Kristie Lowery  
[kristie.lowery@ey.com](mailto:kristie.lowery@ey.com)

Ken Hausser  
[kenneth.hausser@ey.com](mailto:kenneth.hausser@ey.com)

Debera Salam  
[debera.salam@ey.com](mailto:debera.salam@ey.com)

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