##### **Sample letter from employers to employees announcing Metro personal income tax withholding**

The letter below is a sample letter that communicates to employees when Metro Supportive Housing Services tax withholding is available.

Per Metro Code 7.06.120, withholding will be voluntary in 2021. However, an employer must offer to its employees in writing to withhold the Metro personal income tax from the employees’ wages as soon as the employer’s payroll system(s) can be configured to capture and remit the taxes withheld. Beginning 2022, withholding is mandatory for all employees who work in the Metro District and earn $200,000 or more during the calendar year.

The sample letter includes reference to Multnomah County Preschool for All personal income taxes. If you are not required to withhold this tax please remove the language in green.

Language in red indicates sections that need to be completed by the employer.

Issued April 2021

DATE

To EMPLOYEE,

Re: New local personal income taxes

In 2020, voters approved the Metro Supportive Housing Services measure and Multnomah County Preschool for All measure. New, local personal income taxes resulting from these measures/this measure became effective January 1, 2021.

* The Metro Supportive Housing Services personal income tax:   
  1% on taxable income above $125,000 for individuals and $200,000 for those filing jointly.
* The Multnomah County Preschool for All personal income tax:  
  1.5% on taxable income above $125,000 for individuals and $200,000 for those filing jointly, and an additional 1.5% on taxable income over $250,000 for individuals and $400,000 for those filing jointly.

Payroll withholding at ORGANIZATION NAME for these new taxes will be available starting DATE.

[In calendar year 2021, payroll withholding is not required; tax may be paid with the 2021 tax return without underpayment penalties. To elect payroll withholding, please use the Opt In/Out form. Beginning calendar year 2022, payroll withholding will be automatic for employees earning $200,000 or more annually.]

OR

[Payroll withholding will be automatic for employees earning $200,000 or more annually. To elect or adjust withholding or to opt out, please use the Opt In/Out form.]

For additional information visit:

* Metro Supportive Housing Services Tax Information: [www.oregonmetro.gov/supportivehousingtax](http://www.oregonmetro.gov/supportivehousingtax)
* Multnomah County Preschool For All Personal Income Tax Information: <https://multco.us/finance/preschool-all-personal-income-tax>

Attachments:

Metro/MULT Opt In/Out Form – available in English and Spanish at [oregonmetro.gov/supportivehousingtax](https://www.oregonmetro.gov/supportivehousingtax)