

7.06 – 1045 Withholding: Annual Reporting by Employer

1. An employer required to withhold or who is withholding for employees who have opted in must include the following information on the W-2:
 - a. Total District wages reported as Local wages;
 - b. District tax withheld during the calendar year reported as Local income tax;
 - c. The Locality name as “Metro”; and
2. The employer must use a federal W-2, or whichever form the employer uses for Oregon personal income tax purposes.
3. The due date for filing the W-2 form for District purposes is the same as the federal due date.
4. The information in the W-2 must be filed electronically with the Administrator for all employees in which Metro tax was withheld and for all employees with \$200,000 or more in District wages. If an employer cannot file electronically, the employer may request permission of the Administrator to use an alternate filing method.
5. Employer Annual Reconciliation Return.
 - a. An employer required to withhold or withholding for employees who have opted in must file a summary of total compensation paid and District personal income tax withheld for each employee. Each reconciliation return must include a reconciliation of income tax remitted to the Administrator by the employer for the calendar year to the total of income tax withheld from employees’ pay for the calendar year.
 - b. An employer is required to file Correct and accurate W-2s by the same due date as the Annual Reconciliation Return. If an employer files an amended Annual Reconciliation Return, the employer must at the same time file corrected W-2s resulting in that amended Annual Reconciliation Return . The amended Annual Reconciliation must explain all changes resulting in the amended return.
 - c. An employer must electronically file the reconciliation returns for income tax withholding with the Administrator. If an employer cannot file electronically, it may request permission of the Administrator to use an alternate filing method.
 - d. If there is a difference between the amount paid to the Administrator by the employer and the amount withheld by the employer from the employees' pay, the employer must explain the difference on the return.
 - e. The due date for each reconciliation return is January 31. If the due date falls on a weekend or a holiday, the return is due the next business day. If the employer ceases doing business, each reconciliation return is due within 30 days of termination of business.