

ANNUAL RECONCILIATION STATEMENT



PLEASE TYPE THIS FORM - DO NOT ALTER PREPRINTED INFORMATION

00070104

YEAR ENDED _____ DUE _____ DELINQUENT IF NOT POSTMARKED OR RECEIVED BY _____ YEAR _____

EMPLOYER ACCOUNT NO. _____

DO NOT ALTER THIS AREA						
P1	P2	C	P	U	S	A
T						
EFFECTIVE DATE			Mo.	Day	Yr.	

FEIN _____

ADDITIONAL FEINS _____

CHECK BOX IF:
A. NO WAGES PAID THIS YEAR
B. OUT OF BUSINESS _____
Date

C. TOTAL SUBJECT WAGES PAID THIS CALENDAR YEAR _____

INSTRUCTIONS AND INFORMATION FOR COMPLETING ANNUAL RECONCILIATION STATEMENT
 FOR ASSISTANCE IN COMPLETING THIS FORM, obtaining additional forms or any information, contact
 o Emplo men Ta C ome Se ,ice Rep e en a i,e a 1-888-745-3886. Fo TTY (non ,e bal) acce , call 1-800-547-9565
PLEASE TYPE ALL INFORMATION.

INSTRUCTIONS

Yo m file hi e ne,en ho gh o had no pa oll. If o had no pa oll, check he bo fo l em A and comple e l em K.

Ve if /en e o Fede al Emplo e lden ifica ion N mbe (FEIN): The number should be the same as your federal account number. If the number is not correct, line it out and enter correct number. If you have more than one FEIN relating to the state number, enter the additional FEINs in spaces indicated.

LINE A. No Wage Paid Thi Yea - Check this box if you did not pay subject wages during the calendar year.

LINE B. O of B ine (Da e) - Check this box if you quit business and this is your final statement. Show the out of business date.

NOTE: IF YOU QUIT BUSINESS, YOU MUST FILE THIS FINAL STATEMENT AND THE QUARTERLY WAGE AND WITHHOLDING REPORT AND PAY ANY AMOUNTS DUE WITHIN 10 DAYS OF QUITTING BUSINESS TO AVOID PENALTY AND INTEREST.

LINE C. To al S bjec Wage - Enter the total subject wages paid to each employee during the year. Generally, most wages are considered "subject" wages.

LINE D. Unemplo men In ance (UI)

D1. UI Rate - Note: *If you had a rate change which was not effective for the entire year, you will need to file a separate Annual Reconciliation Statement for the period of time covered by each rate.* (916) 653-7795.

D2. UI Taxable Wages - Enter total UI taxable wages for the year. **DO NOT INCLUDE EXEMPT WAGES.**

D3. Employer's UI taxes - Multiply D1 by the amount entered in D2 and enter this calculated amount in D3.

LINE E. Emplo men T aining Ta (ETT)

E1. ETT rate E2. Employment Training Tax - Multiply E1 by the amount entered in D2 and enter this calculated amount in E2.

LINE F. Sa e Di abili In ance (SDI)

F1. SDI Rate (Includes Paid Family Leave amount)

F2. SDI Taxable Wages - Enter the total SDI taxable wages for the year. **DO NOT INCLUDE EXEMPT WAGES.**

F3. Multiply F1 by the amount entered in F2 and enter this calculated amount in F3.

LINE G. Califo nia Pe onal Income Ta (PIT) Wi hheld

Enter total California Personal Income Tax withheld, as reported on Forms W-2, and/or 1099-R. **NOTE: DO NOT SEND W-2 TO EDD.**

CAUTION: TO AVOID A POTENTIAL ASSESSMENT, DO NOT ENTER TOTAL WAGES, FEDERAL WITHHOLDING, OR TOTAL PAYMENTS MADE FOR THE YEAR.

All magne ic media of 1099-R m be bmi ed o:

Franchise Tax Board ATTN: Magnetic Media Coordination, #599
 P.O. Box 942840 Sacramento, CA 94240-6090

LINE H. S b o al - Add Items D3, E2, F3, and G, enter in the SUBTOTAL box.

LINE I. Ta e and Wi hholding paid fo he ea - Total of all payments of UI, ETT, SDI and PIT paid for this calendar year.

NOTE: Do not include any payments made during the year for any prior years, or payments for penalty and interest.

LINE J. To al Ta e D e o O,e paid - Item H minus Item I (this should be zero if all payments have been properly paid). If amount is due, prepare a Payroll Tax Deposit coupon (DE 88). The payroll date, payment type, and payment quarter must be completed in order to process your payment coupon correctly. Failure to complete these items may result in your payment being posted to the wrong quarter/year and interest and penalty may be assessed. If taxes are overpaid, a refund will be generated.

LINE K. Signa e of p epa e o e pon ible indi ,id al, incl ding i le, phone n mbe , and da e.

THIRD PARTY SICK PAY

Thi d Pa Pa e of Sick Pa : Include withholdings for Third Party Sick Pay in Item G. Attach a copy of the third party sick pay statement provided to the employer.

Emplo e : Include third party sick pay in lines C, D, and E. **DO NOT** include third party sick pay withholdings in lines G or H. Attach a copy of third party sick pay statement provided by the payer.

INFORMATION

FILING THIS STATEMENT - This statement must report all UI/SDI subject California wages paid and California Personal Income Tax withheld during the calendar year as shown on the Forms W-2 and/or 1099-R.

NOTE: DO NOT SEND W-2 TO EDD.

PENALTY of \$1,000.00 o fi,e pe cen (5%) of the taxes required to be reconciled will be imposed for failure to file this statement within 30 days of notice to the employer because of his/her failure to file. Interest accrues from the delinq en da e of Jan a 31 of he follo ing ea .

QUARTERLY PAYMENTS: UI, ETT, and SDI and PIT withholdings are required to be paid at least quarterly throughout the year (SDI and PIT may be paid more often—see below). If you desire to remit these taxes more often you may do so by sending your payment with a Payroll Tax Deposit coupon (DE 88).

NEXT BANKING DAY/SEMI-WEEKLY/MONTHLY DEPOSITS:

Deposits of withheld employee SDI taxes and PIT may be required throughout the year, depending upon the amount of PIT withheld and federal deposit requirements. Penalty and interest will be charged on late deposits.

If business was discontinued or if a change in ownership occurred during the period covered by this Annual Reconciliation Statement, each ownership must file a separate statement covering only that part of the year during which the particular ownership operated.

TAXABLE WAGE LIMITS AND EXEMPT WAGES—Individual employee wages are taxable to specific limits per calendar year (UI/ETT is \$7,000 and SDI see box). Wages for each employee in excess of \$7,000 are exempt from the UI tax and ETT.

SDI Maximum Wage Limit	
2003	\$56,916.00
2004	\$68,829.00
2005	\$79,418.00

If an active business was taken over and continued, wages paid by the former ownership shall be counted toward the UI, ETT, and SDI taxable limits by the new ownership. Otherwise, wages paid by other employers are not to be counted toward the taxable limits.

If an employer paid wages to the same employee for work in another state and reported the wages to the other state for UI purposes, the out-of-state wages shall also be counted toward the UI taxable limits. These wages are NOT used in computing the taxable limit for SDI.

Employers who would like to participate in Electronic Funds Transfer (EFT) filing, contact EDD's EFT Unit at (916) 654-9130.

FOR MORE INFORMATION ABOUT COMPLETING THIS FORM, PLEASE REFER TO THE CALIFORNIA EMPLOYER'S GUIDE (DE 44) OR CONTACT AN EMPLOYMENT TAX CUSTOMER SERVICE REPRESENTATIVE AT THE NUMBER ABOVE.