Oregon Employment Tax

Purpose
The Oregon Employment Division collects taxes from employers and places the monies collected in a trust fund. The taxes are used exclusively for the payment of benefits to unemployed workers.

Who must pay?
Agricultural employers must pay employment taxes if they employ agricultural workers, and:

1. pay $20,000 or more cash wages in a calendar quarter, or
2. have 10 or more employees in each of 20 weeks during a calendar year.

Employers are responsible for registering with the Employment Division by completing and filing a copy of the Combined Employers' Registration Report, Form 150-211-055.

Who are employees?
The Employment Division defines an employee as any person employed for pay under any contract for hire unless the services are specifically excluded from coverage under the law.

You should check with your local Employment Division tax office to determine whether the services you hire are excluded from coverage.

What about farm workers supplied by farm labor contractors?
Farm workers supplied by farm labor contractors are considered employees of the farm operator unless:

1. the contractor is registered under the Migrant and Seasonal Worker Protection Act, or
2. substantially all the workers supplied by the contractor operate or maintain tractors, harvesting or crop-dusting machines, or other machines provided by the contractor.

Tax rate
Employers pay a tax on the first $17,000 of each employee's wages for 1992. Tax rates start at 3.2% for new employers. This rate is paid for a prescribed period of time until the employer is assigned a rate under the state experience rating provision. Assigned rates currently range from 1.6% to 5.4%.

Employers may help keep their rate down by providing information about the cause for separation of former employees who file benefit claims and by appearing at hearings on disputed claims.

Paying and reporting tax
Employers must pay their unemployment taxes and file a combined tax report with the Department of Revenue on a quarterly basis. The forms which must be filed are mailed to employers by the Department of Revenue.

Quarter Ending
1st: Jan-Mar
2nd: Apr-Jun
3rd: Jul-Sep
4th: Oct-Dec

Report due date
Mar 31
Jun 30
Sep 30
Dec 31

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Once you are subject to Employment Division law, you must continue to

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report until your account is officially closed. An account can be closed if an employer no longer qualifies under the law.

Information required on reports includes: midmonth employment for each month of the quarter; gross and taxable payroll; taxes due; and each employee's Social Security number, name, number of weeks in the quarter in which service was performed, and wages paid in the quarter and whether health insurance is provided to each employee.

To register

Employers who must pay unemployment tax need to register with the Oregon Employment Division using Form 150-21-055, combined Employer's Registration Report. An agricultural employer should register with the Division when the employer realizes it is subject to paying unemployment tax.

For more information

Call or write for the materials below; single copies are available at no charge:

Oregon Department of Revenue
P.O. Box 14800
Salem, OR 97309-0920
(503) 378-3350

Information for Oregon Employers
Form 150-211-055
Combined Employer's Registration Report

For information about taxable payrolls and reporting, contact your nearest Employment Division tax office.