**Employment
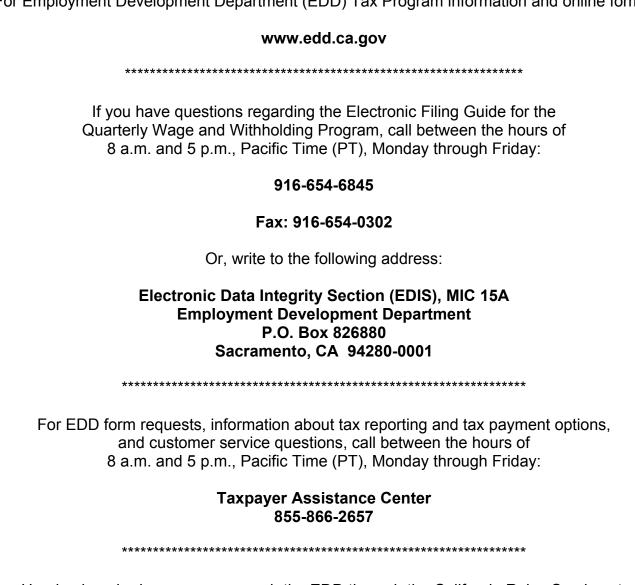Development
Department**

EDD

State of California

ELECTRONIC FILING GUIDE FOR THE QUARTERLY WAGE AND WITHHOLDING PROGRAM

For Assistance

For Employment Development Department (EDD) Tax Program information and online forms:

www.edd.ca.gov

****

If you have questions regarding the Electronic Filing Guide for the
Quarterly Wage and Withholding Program, call between the hours of
8 a.m. and 5 p.m., Pacific Time (PT), Monday through Friday:

916-654-6845

Fax: 916-654-0302

Or, write to the following address:

**Electronic Data Integrity Section (EDIS), MIC 15A
Employment Development Department
P.O. Box 826880
Sacramento, CA 94280-0001**

****

For EDD form requests, information about tax reporting and tax payment options,
and customer service questions, call between the hours of
8 a.m. and 5 p.m., Pacific Time (PT), Monday through Friday:

**Taxpayer Assistance Center
855-866-2657**

****

Hearing impaired persons can reach the EDD through the California Relay Service at:

800-735-2929

The EDD is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Requests for services, aids, and/or alternate formats need to be made by calling 888-745-3886 (voice), or TTY 800-547-9565.

TABLE OF CONTENTS

I. INTRODUCTION

California law requires employers to report their employees' wage and withholding information on the *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C). Additionally, some employers are mandated to file the DE 9C electronically.

This guide contains definitions, requirements, instructions, technical specifications, and general information for submitting the DE 9C to the Employment Development Department (EDD) electronically and should be used in combination with the current tax year's *California Employer's Guide* (DE 44). The DE 44 provides detailed information on the wage and withholding reporting requirements.

II. ELECTRONIC REPORTING REQUIREMENT

Mandatory Electronic Reporting Requirement

Employers who are required by the federal government under Section 6011 of the Internal Revenue Code to report electronically are also required by California law to file wage and withholding data electronically. Within 90 days of becoming subject to the federal electronic reporting requirements, an employer with California employees must start to submit, and continue submitting for subsequent quarters, the *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C) electronically. (Reference: Section 1088[f] of the California Unemployment Insurance Code [CUIC].)

Example: If an employer files 250 (or more) Form W-2 returns with the federal government at the end of a calendar year, the following California electronic reporting requirements must be met by that employer by submitting to the EDD:

- A DE 9C using an approved electronic method by March 31 of the following year; or
- A waiver request by March 31 of the following year.

Non-Compliance Penalty

Any mandatory electronic employer who, without good cause, fails to file their report of wages electronically, will be assessed a penalty of $20 ($10 for periods prior to 3rd quarter 2014) for each wage item reported on a paper DE 9C.

Waiver Request

Employers may request a waiver from California's mandatory electronic reporting requirement for the following reasons:

- Lack of automation available to the business.
- Severe economic hardship.
- Employer has current exemption from the federal government.
- Other good cause.

To request a waiver, employers must file one of the following within 90 days of becoming subject to the electronic reporting requirement:

- *Waiver Request From Filing Quarterly Wage Report(s) Electronically* (DE 3086M); or
- A copy of their federal exemption approval letter.

Waivers approved by the EDD will be valid for six months or longer at the EDD's discretion.

III. ELECTRONIC REPORTING OPTIONS

The EDD has three electronic options for filing the DE 9C:

- File a Return.
- Attach a Return File.
- Application-to-application Bulk Transmissions using XML and Web services.

To use these electronic reporting options, you must be enrolled to use the EDD's e-Services for Business.

e-Services for Business Enrollment

To file returns/reports electronically, you must establish a username and password. Tax preparers (payroll agents, payroll services, certified public accountants [CPA], or other employer representatives) can establish their own username and password to report on behalf of their clients.

To enroll to use e-Services for Business, follow the steps below:

1. Start at the EDD website at **www.edd.ca.gov**.
2. Select **e-Services for Business Information** link under the **Payroll Taxes** tab.
3. Select **e-Services for Business Login** link under **Getting Started** section.
4. Select **Enroll for a username and password** link and follow the prompts.

After you have established a username and password, you will need to complete a one-time authorization process to use e-Services for Business. To register as an Employer or an Agent, follow the steps below:

1. After logging into **e-Services for Business**, select **Registration Type** link.
2. From a drop-down menu, select the **Type of Enrollment** (Employer or Agent/Employer Representative) and follow the prompts.
3. Complete **Account Information** and select the **Submit** button.

In order to add access to an account(s), follow the steps below:

1. After logging into **e-Services for Business**, select **Add Access to Another Account** link under **I Want To** menu on left hand side.
2. From a drop-down menu, select **Account Type** and select the **Search** button.
3. Complete **Authorization Questions** and select the **Search** button.
4. Select the **Submit** button to add access to account.
5. **Print** or select the **OK** button.

If you have any difficulty with any portion of the enrollment process, you may contact the Taxpayer Assistance Center at 855-866-2657. Once the username and password have been established, you can use the e-Services for Business applications to manage your account, file reports/returns, and pay taxes.

III. ELECTRONIC REPORTING OPTIONS (Continued)

File a Return (Web Entry or Import a CSV File)

The **File a Return** option allows employers to complete the DE 9C information online and submit it to the EDD electronically using a secure website. You can either import information from a Comma Separated Value (CSV) file to populate the required employee tax and wage information or manually key in the information. The record layout for a CSV file is located in **Appendix A**.

To use the **File a Return** option:

1. Start at the e-Services for Business Web page.

2. Select the **e-Services for Business Login** link.

3. Enter your username and password and select the **Login** button.

4. Under **My Accounts** or **Other Accounts**, select the **Account ID** link that you are reporting for.

5. Select the **File a Return** option under "I Want To…" menu on the left hand side.

6. Select **Period**.

7. Select **Wage Report** for your return type.

   - Step 1: Select **I Have Payroll to Report** or **No Payroll to Report**. If you selected **I Have Payroll to Report** continue with **Step 2**. If you selected **No Payroll to Report** continue to **Step 9**.

   - Step 2: Select **Enter Wages** link to manually enter the individual wage information or select **Import File** link to import information from a CSV to populate the fields.

8. Enter **Number of Employees** for each month.

9. Select the **Submit** button to file the completed DE 9C.

10. Select **OK** on the dialogue box.

11. Print or make a note of confirmation number.

III. ELECTRONIC REPORTING OPTIONS (Continued)

Attach a Return File (XML Format)

The **Attach a Return File** option allows employers to submit their DE 9C information as a file attachment over the Internet. The file attachment size limit is 10 MB. The file will be accepted in the following file format:

> eXtensible Markup Language (XML)—To format your DE 9C XML file please refer to Appendix B of this guide for the Data Element Rules and a sample XML DE 9C. The sample DE 9C shows all required tags needed for a well formed XML document. The placeholders shown in the sample file need to be replaced with actual valid values.

Note: The Interstate Conference of Employment Security Agencies (ICESA) and the federal Magnetic Media Reporting and Electronic Filing (MMREF) formats are phasing out. If you have any questions regarding these formats, contact the e-Wage Processing Unit at 916-654-6845.

To use the **Attach a Return File** option:

1. Start at the e-Services for Business Web page.

2. Select the **e-Services for Business Login** link.

3. Enter your username and password and select the **Login** button.

4. Select the **Attach a Return File** under "I Want To…" menu on left hand side.

   a) Select the **Attach File** link.

      o Under **Type**, select "DE 9C XML, ZIP" to be attached from the drop-down menu.

      o Fill in **Description** (Example: 12/3 Qtr DE9C).

      o Select the **Browse** button to locate and open the file to be attached.

      o Select **Save** to attach the file. If the pop-up window with the red X circle appears, this means there are errors in the file. The system will show one error message at a time. **All errors need to be corrected before the file will be accepted.**

   b) Select the **File Information** link. Select the **OK** button once the **Submitting Firm Information** is complete.

   c) Select **Declaration**. Select the **OK** button when the **Declaration** page is complete.

5. Select the **Submit** button to file the completed DE 9C.

6. Select **OK** on the dialogue box.

7. Print or make a note of confirmation number.

Note: There is no test environment for the XML file; however, you can still conduct the test in the production environment by following the above steps up to 4a. Select **Cancel** after the file successfully attached to complete the test.

III. ELECTRONIC REPORTING OPTIONS (Continued)

Bulk Transmissions (XML and Web Services)

Several states, the Internal Revenue Service (IRS), and some software vendors developed the Federal/State Employment Taxes (FSET) program to provide a standardized method for reporting federal and state employment tax and wage reports in eXtensible Markup Language (XML). The FSET allows you to transmit reports/returns and make *Payroll Tax Deposit* (DE 88) payments application-to-application using Web services. The FSET is open to:

- Employers who want to either develop their own software or use the services of a participating payroll service provider or transmitter.

- Software developers, transmitters, and payroll service providers that act as reporting agents.

You can download the *Federal/State Employment Taxes Information Guide* (DE 545), the FSET *Report of Independent Contractor(s)* (DE 542) schema, and the forms needed to enroll in the FSET program from the Bulk Transmissions (XML and Web Services) website. If you would like to use the services of a payroll service provider or transmitter to file your reports, a link to the list of EDD-approved FSET vendors is also located on this website.

IV. GENERAL INFORMATION

Filing Deadline

The last timely date to file the DE 9C is the last day of the month following the close of the calendar quarter. The last timely date is extended to the next business date if it falls on a Saturday, Sunday, or legal holiday.

Note: See the current issue of the *California Employer's Guide* (DE 44) for a list of filing deadlines or call the Taxpayer Assistance Center at 888-745-3886.

Late Filing Penalty

Any employer who, without good reason, fails to file their report of wages within 15 calendar days, after a specific written demand, will be assessed a penalty of $20 ($10 for periods prior to 3rd quarter 2014) for each wage item. If the EDD is unable to process a file submitted electronically, the employer or agent is notified and allowed 15 calendar days to correct the file and resubmit it to the EDD.

Adjustments to Wage and Withholding Data

Adjustments to wages previously reported electronically, including negative wage adjustments, can be adjusted by completing and submitting a *Quarterly Contribution and Wage Adjustment Form* (DE 9ADJ) online.

Electronic Filing Benefits

The EDD encourages employers, who do not meet the mandatory requirement, to voluntarily report electronically to streamline preparation and processing times, eliminate lengthy paper reports, and reduce the possibility of errors. The following are some of the advantages to electronic filing:

- Fast, easy, and secure way to file.

- Simple one-time online enrollment to e-Services for Business applications.

- Ability to view and edit reports prior to submission.

- Ability to view and print reports previously submitted online.

- Immediate confirmation that the report was received by the EDD.

- No mailing costs.

APPENDIX A – CSV FORMAT INSTRUCTIONS

CSV Record Layout

Open a Microsoft (MS) Excel, Word, or Notepad document and enter the data according to the field position layout in the table below:

Field Name	Length	Format	Position (Column)
Social Security Number (SSN)	9	Social Security Number*	1
First Name	Up to 12	Text (alpha only)	2
Middle Initial	1 or leave blank	Text (alpha only)	3
Last Name	Up to 20	Text (alpha only)	4
Total Subject Wages	Up to 12	Numeric (2 decimal places)	5
Personal Income Tax Wages	Up to 12	Numeric (2 decimal places)	6
Personal Income Tax Withheld	Up to 12	Numeric (2 decimal places)	7
Wage Plan Code	1	Text (alpha only)- Must be A, J, L, P, R, S, or U.	8

*Under **Format Cells**, select **Special**, then select **Social Security Number** under **Type**.

Sample records in MS Excel format:

001234567	Jane		Martinez	0.00	22321.00	5684.00	S
021365478	JANICE		JAN-PAL	1254.00	0.00	0.00	U
123456789	Joe	M	Doe	2556.58	0.00	0.00	J
987654321	Bobby Joe		Prescott	69374.21		0.00	L
154562541	Jr	J	Williams	3465.00	3257.00	251.12	A
232123321	JR		O BRIEN	487759.00	0.00		R
254698745	alex	j	smith	9000.00	9000.00	1500.00	P

Sample records in MS Word or Notepad format:

001234567,Jane,,Martinez,0.00,22321.00,5684.00,S

021365478,JANICE,,JAN-PAL,1254.00,0.00,0.00,U

123456789,Joe-M,Doe,2556.58,0.00,0.00,J

987654321,Bobby Joe,,Prescott,69374.21,,0.00,L

154562541,Jr,J,Williams,3465.00,3257.00,251.12,A

232123321,JR,,O BRIEN,487759.00,0.00,,R

254698745,alex,j,smith,9000.00,9000.00,1500.00,P

APPENDIX A – CSV FORMAT INSTRUCTIONS (Continued)

CSV Record Layout (Continued)

Important: Enter the comma delimiter (",") for each data element even if the element is blank.

If the wage detail file is created in MS Excel, save the file in a CSV type format, .csv (comma delimited)(*.csv).

If the wage detail file is created in MS Word or Notepad, save the file in plain text format (*.txt), then rename the file type to *.csv.

APPENDIX A – CSV FORMAT INSTRUCTIONS (Continued)

CSV Frequently Asked Questions

What electronic filing methods are available for filing the *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C)?

The EDD offers the following options for filing the DE 9C electronically:

- Direct Entry—Allows you to complete the DE 9C information online and submit it to the EDD's secure website. You can either import information from a CSV file to populate the required employee tax and wage information or manually key in the information. There is no programing required to use this method. This option is recommended for employers with 5,000 employees or less.

- File Attachment—Allows you to submit the DE 9C online using eXtensible Markup Language (XML) through the EDD's secure website. This option is recommended if you file a DE 9C for a large employer or multiple employers.

- Federal/State Employment Taxes (FSET)—Allows you to utilize the standardized method for reporting in XML and transmitting application-to-application using Web services. This option is recommended if you file a DE 9C for a large employer or multiple employers.

Note: The EDD is currently phasing out the file formats Interstate Conference of Employment Security Agencies (ICESA) and federal Magnetic Media Reporting and Electronic Filing (MMREF). If you have questions regarding these file formats, contact the e-Wage Processing Unit at 916-654-6845.

How do I create a CSV file?

The layout and instructions to create a CSV file is in **Appendix A**.

How many employees can I report on one CSV file?

It is recommended 5,000 employees or less.

How many State Employer Account Numbers can be reported on one CSV file?

Only one State Employer Account Number (SEAN) must be on one CSV file. The multiple SEANs are not allowed on one CSV file.

Does the CSV require to have a SEAN and quarter in the file itself?

No, the CSV file does not require a SEAN and quarter in the file. When you import the file, you will select the relevant SEAN and quarter.

Can I have duplicate employees on a CSV file?

The employee record with duplicate Social Security Number is not allowed.

CSV Frequently Asked Questions (Continued)

Do I have to submit a CSV file in zip format?

> No.

Can I leave a column or field blank on a CSV file?

> Yes.

How long does it take to process a CSV file?

> Normally, one business day.

What is my Wage Plan Code?

> The Wage Plan Code indicates the types of benefit coverage employees have for their Unemployment Insurance and State Disability Insurance, and is correlated with your employer payroll tax account number. This is a required element for each employee on the DE 9C.

> For more information, see **Appendix C** for the Wage Plan Code Table.

Can I have multiple Wage Plan Codes on one CSV file?

> Yes, you may have multiple Wage Plan Codes on one CSV file but only one Wage Plan Code per record.

How do I test my CSV file?

> There is no test environment for the CSV file; however, you can still conduct the test in the production environment by following the steps below to test your CSV file:

> 1. Start at the e-Services for Business Web page.
> 2. Select the **e-Services for Business Login** link.
> 3. Enter your username and password and select **Login**.
> 4. Under **My Accounts** or **Other Accounts**, select the **Account ID** link that you are reporting for.
> 5. Select the **File a Return** option under "I Want To…" menu on left-hand side.
> 6. Select **Period**.
> 7. Select **Wage Report** for your return type.
>   - Step 1: Select **I Have Payroll to Report**.
>   - Step 2: Select the **Enter Wages** link to manually enter the individual wage information or select **Import File** to import information from a CSV to populate the fields.
>
>   If you see a red cross next to Step 2, your file has an error(s) which need to be fixed before continuing on to the next step. If you see a green tick mark next to Step 2, the file has no errors.
> 8. Select **Cancel** to complete the test.

CSV Frequently Asked Questions (Continued)

Who do I contact for help regarding CSV file?

> Contact the e-Wage Processing Unit at 916-654-6845.

How do I make adjustments to a previously submitted CSV file?

1. Log into the e-Services for Business website.
2. Select your eight-digit State Employer Account Number (SEAN).
3. Select the **Return List** for the period you want to amend the Wage Report.
4. Select **View Return** for Wage Report.
5. Select **Change** under "I Want To..." menu. This will take you to the "Adjustment" screen.
6. Select **I Have Payroll to Report** or **No Payroll to Report**.
7. Select **Edit Wages** or **Import File** and follow the prompts.
8. Enter **Number of Employees** for each month.
9. Under **Amended Grand Totals**, enter corrected figures for Total Subject Wages, Total PIT Wages, Total PIT withheld, and Wage Item Count.
10. Provide a wage report amendment reason in the "Amended" box.
11. Select the **Submit** button.
12. Select **OK** on the dialogue box.

Common error messages?

> Incorrect file format: This error message occurs when the file format is incorrect. Open the file in MS Excel or Notepad and look for formatting errors. Please see **CSV Record Layout** section in **Appendix A**.

> Example: "Line number 1: 5th element must be numeric value." This error message occurs if there is any alpha character other than the numerical value in the Total Subject Wages, Total Personal Income Tax Wages, and Total Personal Income Tax Withheld. If no wage is reported, leave the field blank.

When I import the file and select **Edit Wages**, some boxes are red.

> You need to hover over the red box(s) for error explanation. The following are some common errors:

- First Name, Middle Initial, and Last Name with period.
- First Name, Middle Initial, and Last Name with space in front.
- Space in between commas in case of no Middle Initial.
- Space in between commas in case of a blank field.
- Apostrophe in name.
- Columns with headings.

APPENDIX B – XML Format Instructions

DE 9C Data Element Rules

XML Data Element	Description	Field Type	Field Size	Required	Comments
ReturnData.ContentLocation	Unique identifier for transmitter to identify file.	AN	1-30	Mandatory	Identifier can be any combination of letters and numbers. No spaces or special characters.
ReturnData.ReturnHeaderState. ReturnQuarter	DE 6/DE 9C return quarter	N	1	Mandatory	Required for DE 6/DE 9C filing
ReturnData.ReturnHeaderState. Taxyear	DE 6/DE 9C return year	N	4	Mandatory	
ReturnData.ReturnHeaderState. ReturnType	Type of return being submitted	A		Mandatory	Must be "StateCombined" for DE 6/DE 9C filing
ReturnData.ReturnHeaderState. Form	Tax form ID	AN		Optional	Must be DE 6 or DE 9C. The EDD does use this tag to determine the form type.
ReturnData.ReturnHeaderState. FilingAction.Action	Original or Supplemental return designator	A		Mandatory	Must be Original or Supplemental
ReturnData.ReturnHeaderState. StateEIN.TypeStateEIN	Enumeration for State EIN Type	A		Mandatory	Must be "WithholdingAccountNo"
ReturnData.ReturnHeaderState. StateEIN.StateEIN Value	State Employer Account Number	N	8	Mandatory	
ReturnData.ReturnHeaderState. StateCode	Enumeration for state receiving return	A	2	Mandatory	Must be CA
ReturnData.ReturnHeaderState. BusinessAddress. BusinessName	Business name	AN	1-50	Mandatory	
ReturnData.ReturnHeaderState. BusinessAddress. AddressLine	Business address line	AN	1-40	Mandatory	
ReturnData.ReturnHeaderState. BusinessAddress. City	Business address (City)	AN	1-25	Mandatory	
ReturnData.ReturnHeaderState. BusinessAddress. StateOrProvince	Business address (State)	A	2	Mandatory	
ReturnData.ReturnHeaderState. BusinessAddress. ZipCode	Business address (ZIP Code)	N	5, 9, or 12	Mandatory	
ReturnData.StateReturn. StateCombined. NumberOfEmployees	Number of wage items being reported	N	0-7	Mandatory	Employer reported wage item count
ReturnData.StateReturn.StateCombined.NoPayrollElect	No Payroll indicator	Check box	1	Optional	Include this tag if employer has no payroll to report.
ReturnData.StateReturn. StateCombined.WHTotalWages	Grand total subject wages	N	4-12	Mandatory	Employer reported total subject wages
ReturnData.StateReturn. StateCombined.TotalIncomeTaxWithheld	Grand total PIT withheld	N	4-12	Mandatory	Employer reported total PIT withheld

APPENDIX B – XML Format Instructions (Continued)

DE 9C Data Element Rules (Continued)

XML Data Element	Description	Field Type	Size Type	Required	Comments
ReturnData.StateReturn. StateCombined.WHTaxableWages	Grand total PIT wages	N	4-12	Mandatory	Employer reported total PIT wages
ReturnData.StateReturn.StateCombined.Payroll.Employee	Wage item record	N/A	N/A	Optional	Up to 399,999 wage items per return
ReturnData.StateReturn. StateCombined.Payroll. Employee.SSN	Employee SSN	N	9	Mandatory	
ReturnData.StateReturn. StateCombined.Payroll. Employee.FirstName	Employee first name	String	1-16	Mandatory	Special characters allowed are ,.'&"/- and blank
ReturnData.StateReturn. StateCombined.Payroll.Employee.MiddleName	Employee middle initial	A	1	Optional	If no middle initial, do not include tag
ReturnData.StateReturn. StateCombined.Payroll. Employee.LastName	Employee last name	String	1-30	Mandatory	Special characters allowed are ,.'&"/- and blank
StateReturn.StateCombined.PayRoll.Employee. TotalWages	Subject wages	N	4-11	Mandatory	
StateReturn.StateCombined.PayRoll.Employee.TaxableWages	PIT wages	N	4-11	Mandatory	
StateReturn.StateCombined.PayRoll.Employee.TaxWithheld	PIT withheld	N	4-11	Mandatory	
StateReturn.StateCombined.Payroll.Employee. WagePlan	Wage plan code (S, U, J, L, R, A, or P).	A	1	Mandatory	See Appendix C for explanation of codes
StateReturn.StateCombined.Month1Employees	Month 1 employees	N	1-7	Mandatory	
StateReturn.StateCombined.Month2Employees	Month 2 employees	N	1-7	Mandatory	
StateReturn.StateCombined.Month3Employees	Month 3 employees	N	1-7	Mandatory	

APPENDIX B – XML Format Instructions (Continued)

Sample DE 9C

```xml
<?xml version="1.0" encoding="UTF-8" ?>
<ReturnData documentCount="2" xsi:schemaLocation="http://www.irs.gov/efile
  ReturnDataState.xsd" xmlns="http://www.irs.gov/efile"
  xmlns:xsi="http://www.w3.org/2001/XMLSchema-instance">
<ContentLocation>-</ContentLocation>
<ReturnHeaderState documentId="-">
<ReturnQuarter>1</ReturnQuarter>
<Taxyear>2013</Taxyear>
<ReturnType>StateCombined</ReturnType>
<Form>DE9C</Form>
<FilingAction>
<Action>Original</Action>
</FilingAction>
<StateEIN>
<TypeStateEIN>WithholdingAccountNo</TypeStateEIN>
<StateEINValue>12345678</StateEINValue>
</StateEIN>
<StateCode>CA</StateCode>
<BusinessAddress>
<BusinessName>COMPANY NAME</BusinessName>
<BusinessName>2ND LINE OF COMPANY NAME</BusinessName>
<AddressLine>COMPANY STREET ADDRESS</AddressLine>
<City>ANYTOWN</City>
<StateOrProvince>CA</StateOrProvince>
<ZipCode>99999</ZipCode>
</BusinessAddress>
</ReturnHeaderState>
<StateReturn>
<StateCombined documentType="Form" documentName="FSET StateCombined"
  documentId="A">
<NumberOfEmployees>1</NumberOfEmployees>
<WHTotalWages>5000.00</WHTotalWages>
<TotalIncomeTaxWithheld>4000.00</TotalIncomeTaxWithheld>
<WHTaxableWages>1000.00</WHTaxableWages>
<PayRoll>
<Employee>
<SSN>012345678</SSN>
```

Sample DE 9C (Continued)

```
- <Employee>
  <FirstName>FIRST NAME</FirstName>
  <MiddleName>M</MiddleName>
  <LastName>LAST NAME</LastName>
    </Employee>
  <TotalWages>5000.00</TotalWages>
  <TaxableWages>4000.00</TaxableWages>
  <TaxWithheld>1000.00</TaxWithheld>
  <WagePlan>S</WagePlan>
    </Employee>
    </PayRoll>
  <Month1Employees>1</Month1Employees>
  <Month2Employees>1</Month2Employees>
  <Month3Employees>1</Month3Employees>
    </StateCombined>
    </StateReturn>
    </ReturnData>
```

APPENDIX C – WAGE PLAN CODE TABLE

Use the table below to determine the appropriate Wage Plan Code that pertains to your employees.

Do not leave the Wage Plan Code field blank.

Wage Plan Code	Description of Employee Coverage
S	Employee is covered under the State Disability Insurance (SDI) plan and a State Tax-Rated or Reimbursable Unemployment Insurance (UI) plan. Note: **S** can also be used for employees who are only subject to Personal Income Tax (PIT) and are being reported under an account that is subject to UI and SDI.
U	Employee is covered under an EDD-approved Voluntary Plan for Disability Insurance (VPDI) and a State Tax-Rated or Reimbursable UI plan.
J	Employee is covered under the SDI plan **only** (Employer's account is not covered by a State Tax-Rated or Reimbursable UI plan).
L	Employee is covered under a Department approved VPDI plan **only** (Employer's account is not covered by a State Tax-Rated or Reimbursable UI plan).
R	Employee is covered under a State Tax-Rated or Reimbursable UI plan, but is exempt from Disability Insurance. This applies to: • Sole Stockholders who claim an exemption under Section 637.1 of the California Unemployment Insurance Code (CUIC). • Third Party Sick Pay recipients who claim an exemption under Section 931.5 of the CUIC. • Employees claiming a religious exemption under Section 2902 of the CUIC. **Note:** The employee must file an exemption certificate for the Sole Stockholder and religious exemptions.
A	Employee is only covered under a State Tax-Rated or Reimbursable UI plan. (Employer's account is not covered by SDI or VPDI.) This applies only to public entity employees.
P	Employee's wages are subject to PIT withholding purposes only.

APPENDIX C – WAGE PLAN CODE TABLE (Continued)

Employer's Disability Insurance Plan	Employer's Unemployment Insurance Plan	Valid Wage Plan Codes
VPDI	Tax-Rated	S or U or R
VPDI	Reimbursable	S or U or R
VPDI	Reimbursable SEF	S or U or R
VPDI	Not Subject	L
SDI	Tax-Rated	S or R
SDI	Reimbursable	S or R
SDI	Reimbursable SEF	S or R
SDI	Not Subject	J
DIEC	Tax-Rated	S or R
DIEC	Reimbursable	S or R
DIEC	Reimbursable SEF	S or R
DIEC	Not Subject	J
Not Subject	Tax-Rated	A
Not Subject	Reimbursable	A
Not Subject	Reimbursable SEF	A
Not Subject (Employer account is for PIT purposes only)		P

VPDI – Voluntary Plan for Disability Insurance
SDI – State Disability Insurance
DIEC – Disability Insurance Elective Coverage
SEF – School Employee's Fund