

## State Corner

### Illinois Monthly Wage Reporting

The governor of Illinois signed Senate Bill 2840 that will go into effect in January 2013. In addition to other cost saving measures, this Medicaid Reform Bill will require that employers who currently report wages electronically to the Illinois Department of Employment Security (IDES) on a quarterly basis must now report them monthly.

Another significant change the bill could bring is a change in employee threshold for electronic reporting from 250 to 25. Employers with 25 or more employees may be required to report wages electronically each month. The IDES has begun to send out letters to large employers (more than 250 employees) informing them of the Monthly Wage Reporting Requirement that will be in effect January 1, 2013.

### Indiana Department of Revenue—Electronic Filing Mandate

Effective January 1, 2013, the Indiana Department of Revenue is requiring all withholding taxes to be reported and remitted electronically. Paychex is currently filing electronically for all Taxpay® (and Advantage Taxpay) clients, with the paper WH-1 programmed for exceptions.

With the electronic mandate, the Indiana Department of Revenue (DOR) will not certify or provide preprinted WH-1 payment coupons to employers, nor will payroll providers be allowed the paper coupon for exceptions.

### Mississippi State Online Filing and Identification Number Change (August 1, 2012)

On October 1, 2012, withholding taxpayers began using a new system for online filing. September 17 was the final date to file a withholding tax return or schedule a withholding tax payment using FileMS (also called Click2file.)

The Mississippi Department of Revenue sent a letter to each withholding account's mailing address the week of October 1. This letter provides information concerning registration for the new system and the account's new identifying number. For additional information please refer to [Mississippi's Department of Revenue website](#).

### California—Disclosure of Personal Usernames and Passwords

California Governor Brown has finally signed Assembly Bill 1844. This legislation prevents an employer from requesting that an employee or prospective employee provide to the employer or prospective employer the username or password for a social media account that is used exclusively by the employee or prospective employee. AB1844 also prohibits an employer from accessing an employee's or prospective employee's private social media account and would also prevent an employer from discharging or retaliating against an employee for exercising his/her rights under the bill. **This law is effective January 1, 2013.**

### State Tax Amnesty Programs

**Kentucky** has launched a Tax Amnesty program allowing people or businesses who owe back taxes to the Commonwealth of Kentucky to pay with no fees or penalties. The threat of prosecution will be waived, and only half the interest owed will be due. The 61-day program kicked off October 1, 2012.

Delinquent taxpayers have or soon will receive mailed notifications stating the known amount of back taxes. They have until the end of November 2012 to apply for amnesty and pay their overdue taxes. However, if taxpayers fail to take advantage of the amnesty program, penalties get more severe and the interest escalates. An additional 2% interest will be charged on unpaid amnesty-eligible taxes. Taxpayers taking advantage of amnesty must remain current over the next three years or face reinstated penalties, fees and interest.

Publication date: November 15, 2012. The material contained above is current only as of the date of publication. These materials are for informational purposes only. They are not legal advice and should not be relied on as such. You should contact your attorney to obtain advice with respect to any particular issue or problem.

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**Rhode Island** announced that information on the state's tax amnesty program is now available online. The amnesty, which includes employer withholding, unemployment and temporary disability tax, runs from September 2 to November 15, 2012. The tax amnesty program applies to taxes that were due on or before December 31, 2011, will allow certain taxpayers to pay the full amount of overdue taxes plus 75% of any interest due, with the rest of the interest and any penalty amounts due waived.