

What is the definition of an "employer" under the "New Hire" Program?

The legislation provides that an "employer" for "new hire" reporting purposes is the same for Federal Income Tax purposes (as defined by Section 3401(d) of the Internal Revenue Code of 1986), including any governmental entity, labor organization, limited liability company, or employing unit as defined in RSA 282 A:7.

My contract with the independent contractor totals more than \$2500, but part of it is for materials, is it reportable?

Maybe, but only if the contract clearly delineates the portion for labor or services apart from any other aspect such as parts or materials, and the portion for labor or services exceeds \$2500. If, for example you have a contract with an independent contractor for a total of \$3000 and the contract is broken down as \$1000 for labor and \$2000 for parts and materials, it isn't reportable. If however, \$2600 was for labor and \$400 was for parts and materials, it would be reportable.

If the independent contractor uses subcontractors, am I responsible for reporting them too?

No. Actually, the independent contractor, as the employer of the subcontractors, would be responsible for reporting his or her "subs" once they exceed \$2500.

What do I do if I am an employer who conducts business in more than one state?

If you have employees performing work in more than one state, or you conduct business in more than one state, you are a "multi state" employer. If you are a multi state employer, you have the option to report the "new hire" activity relative to each particular state, or you may choose one state to report all of your "new hire" activity. If one state is chosen, your "new hire" reports must be submitted by mag-

netic medium or electronically (if the state is equipped to receive transmissions this way). New Hampshire will make an exception and allow a multi state employer to file reports on paper if, for the reporting period, you are reporting data on fifteen (15) individuals or less. If you are a multi state employer who has opted to report to one state, you must provide notification of the state you have chosen to: Secretary, Department of Health & Human Services, Multi state Employer Registration, Box 509, Randallstown, Maryland 21133.

If you are a multi state employer who chooses to report to each respective state, make sure you know the specific filing requirements of each state as they are not all the same. Many states do not have a requirement to report independent contractors like New Hampshire does. If you choose to report all of your "new hire" activity to New Hampshire, you must include all independent contractors who fall within the New Hampshire guidelines whether or not the work is performed in New Hampshire.

*For More Information
Tel: (603) 229-4371
or 1-800-803-4485 or
Visit our website:
[www.nhes.nh.gov/
forms/employers.htm](http://www.nhes.nh.gov/forms/employers.htm)*

*NH Employment Security is an Equal Opportunity Employer and complies with the Americans With Disabilities Act.
Auxiliary aids and services are available upon request of individuals with disabilities.
TDD/TTY ACCESS: RELAY NH 1-800-735-2964.*

REPORTING INDEPENDENT CONTRACTORS Under the "New Hire" Program

The image shows a portion of Form 1099-MISC. It includes fields for PAYER'S name, address, and phone number; PAYER'S and RECIPIENT'S Federal identification numbers; RECIPIENT'S name and address; and various income categories such as Rents, Royalties, Other income, Federal income tax withheld, and State income tax withheld. The form is dated 2000 and is labeled as Form 1099-MISC. It also includes checkboxes for VOID and CORRECTED, and a note that it is a Copy 1 for State Tax Department.

This brochure highlights an employer's requirement to report independent contractors. For information regarding the reporting of employees under the "New Hire Reporting Program," please call (603) 229-4371 or 1-800-803-4485, and ask for the "New Hire" Brochure (NHES 0082).



NHES 0083
R-10/13

What is "New Hire Reporting"?

Welfare reform legislation requires all employers to report certain information on "new hires" to a designated state agency. In New Hampshire that agency is NH Employment Security (NHES). When "new hire" data is matched against the names of child support debtors on the state and national levels, the Office of Child Support Enforcement is able to locate and collect child support from non-custodial parents living here and in other states. This is child support which might have otherwise come from public assistance dollars supported through our taxes.

Which independent contractors are reportable under the "New Hire" Program?

An independent contractor is reportable under the New Hire Program if:

1. The individual operates his or her business as a sole proprietorship, and
2. You expect to reimburse the individual more than \$2500 for services for one or more contracts in a calendar year's time. ("Contract for services" include oral, written, formal and informal agreements.)

What information do I report?

- Independent Contractor's Complete Name
- Independent Contractor's Home or Business Address: Street Address, (not PO Box)
- Social Security Number (not his or her FEIN #)
- The Name of Your Company
- The Address of Your Company
- Your Federal Employer Identification Number (FEIN)
- Your NHES Tax Identification Number

When must I report the independent contractor as a "New Hire"?

The independent contractor is reportable as a "new hire" within 20 days of any of the following events:

- You enter into a contract with the individual and the contract amount for labor or services exceeds \$2500 (regardless of the amount of time the contract covers). For example, you enter into a two-year contract with an individual on December 1 and the contract amount for labor or services is \$3000. You have until December 21 to report the individual as a "new hire".
- You enter into two or more contracts with the same individual, within a calendar year, and the cumulative amount for labor or services exceeds \$2500. For example, you enter into a contract with an individual on March, 1 and the contract amount is for \$1500. At this point, the individual is not reportable. You enter into another contract with the same individual on December 1 of that same year and the contract amount is \$1200. Since the cumulative amount in a calendar year's time now exceeds \$2500, you have until December 21 to report the individual as a "new hire".
- You enter into one or more contracts with an individual not expecting the total payments for labor or services to exceed \$2500 in a calendar year's time. For example, the contract was based upon "as needed" services. You find, however, that with a payment you are making to the individual on September 1, that this payment takes you over the \$2500 threshold. You have until September 21 to report the individual as a "new hire".

Can I report the individual as a "New Hire" even if the total amount for contracts is \$2500 or less, or the amount of the contract is unknown?

Yes. Some employers have chosen to report all independent contractors as "new hires" rather than monitor these contracts for amount anticipated or paid.

Filing New Hire Reports Online

The easiest and fastest way to report your new hires is online through our New Hire Reporting System. You must have an active state account number to use this online system. Access to the online New Hire Reporting can be found on our homepage at <http://www.nhes.nh.gov/>

Filing by Mail or Fax

You may file "New Hire" Reports by mailing or faxing a copy of each employees' W-4 form, or an equivalent form approved or provided by NH Employment Security. Call (603) 229-4371 or 1-800-803-4485 for a copy of the Department's form, or for approval of a form you've created. To report independent contractors, you may use, a "Request for Taxpayer Identification Number and Certification," also known as a W-9.

MAIL TO: NH Employment Security
PO Box 2092 Concord, NH 03302-2092
Attn: New Hire Program
Tel: (603) 229-4371 or 1-800-803-4485
Fax: (603) 224-0825
Toll Free Fax: 855-253-9072

You may also file "New Hire" Reports by magnetic media (CD or 3.5" diskette). If you decide and/or are required to file your "New Hire" Reports by magnetic media, you must make two monthly transmissions which are not less than 12 days nor more than 16 days apart. For more information about filing reports magnetically, contact the NHES Supervisor of "Data Preparation" at (603) 228-4011