

## Payroll Information Worksheet

As an employer or home care worker in self-direction, payroll wages and tax withholdings are subject to special tax and overtime rules, and residency may impact benefits under labor laws. Completing this form accurately will ensure that taxes and benefits are calculated properly. For more information, visit IRS Publication 15, as well as relevant State tax and labor agency websites. To claim exemptions on either Federal or State (if applicable) Income Tax Withholdings, please mark EXEMPT on your W-4 or State Withholding Certificate, if applicable.

REQUIRED INFORMATION	
Employee Name	ID
Employer Name	Participant Name (If different from Employer)

### Select the following box that applies:

- This form is part of your **first-time enrollment** with Palco.
- You are already enrolled with Palco and need to **change** your information

### Part A: FICA (Social Security and Medicare) Taxes

The IRS exempts some employers and workers from paying FICA (Social Security and Medicare) taxes.

### Select the appropriate response:

- Non-Exempt.** None of the selections apply.
- Exempt.** I am under 18 and a fulltime student.
- Exempt.** I am a non-resident alien holding a visa for household services.
- Exempt.** I am the spouse of my employer.
- Exempt.** I am the child of my employer and under 21.
- Exempt.** I am the parent of my employer. This includes adoptive and stepparents.

### **Exception: If you are the parent of the employer and select any of the following you are non-exempt**

- I am the parent of the employer and I also provide care for my grandchild or step-grandchild in my child's home.
- I am the parent of the employer, and my grandchild or step-grandchild is under 18 or has a physical or mental condition that requires personal care of an adult for at least four weeks in a row during the calendar quarter in which services are performed.
- I am the parent of the employer, and my child (son or daughter) is widowed, divorced, not remarried or living with a spouse who has a mental or physical condition so the spouse cannot care for my grandchild for at least four weeks in a row during the calendar quarter in which services are performed. By choosing this.

### **Part B: Unemployment Tax Exemption**

The IRS and State tax agencies exempt some wages from FUTA (Federal Unemployment) or SUTA (State Unemployment) taxes.

#### **Select the appropriate response:**

- Exempt.** I am the child of my employer and under 21.
- Exempt.** I am the parent of my employer who is an adult. This includes adoptive and stepparents.
- Exempt.** I am the spouse of my employer.
- Exempt.** I am a non-resident alien holding a visa for household services.
- Non-Exempt.** None of the selections apply.

### **Part C: Overtime Payments**

There are several factors that may qualify you as being exempt from overtime payments or ineligible for overtime based on program specific rules. Please check the box that applies below:

- Exempt from overtime pay** for any reason, including program rules or that I meet the DOL Home Care Rule Exclusion qualifications, which means that I am a live-in caregiver, or I reside at the participant's residence at least 5 days per week. (See 29 CFR §552.102 and DOL Fact Sheet #79B). *By checking this box, I understand that, if my employer or the program allows me to work more than 40 hours per week, any hours that I do work over 40 in a work week, will NOT be paid at overtime rates.*
- Non-Exempt.** I do not qualify for any exemptions and understand that I will be paid overtime rates for time worked beyond 40 in a work week.

### **Part D: Income Tax Withholding Difficulty of Care (DOC) Exclusion Information.**

Per [IRS Notice 2014-7](#), when **a worker lives full time with a Medicaid self-direction program participant, for whom the worker provides care**, the wages may be exempt from federal income tax withholding, which means the W-2 will show \$0.00 wages paid. This is known as the Difficulty of Care exemption. Claiming this exemption may impact your Social Security benefits, so complete this section under penalties of perjury as an individual care provider receiving payments under a state Medicaid Home and Community-Based Services program for care provided by you to the participant(s), named in this document, who live(s) in your home under the care recipients' plan of care.

If you would like to be excluded from Federal Income Tax withholding, due to Difficulty of Care, mark EXCLUDED below.

- Not Excluded**
- Excluded**

If you would like you wages to be excluded from State Income Tax withholding, due to Difficulty of Care, mark EXCLUDED below.

- Not Excluded**
- Excluded**

If any of the information in this document changes at any time, please complete a new document and submit it to Palco immediately. Failure to notify Palco may result in a tax bill to you or other employment-related matters from your employer. Palco is not responsible for incorrectly calculating or withholding pay due to your failure to complete and submit a new Payroll Information Worksheet. By signing below, you certify that the information in this document is correct and understand that you have the burden to notify Palco immediately of any changes in this information, and you hold Palco harmless for any incorrect information supplied herein.

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**Employee Printed Name**

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**Employee Signature**

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**Date**

**Please return this form to Palco via email to [enrollment@palcofirst.com](mailto:enrollment@palcofirst.com) or via fax to 501-821-0045.**