

## PAYROLL OKLAHOMA, UNIQUE ASPECTS OF OKLAHOMA PAYROLL LAW AND PRACTICE

**The Oklahoma State Agency that oversees the collection and reporting of State income taxes deducted from payroll checks is:** Oklahoma Tax Commission Withholding Tax Division 2501 Lincoln Blvd. Oklahoma City, OK 73194 (405) 521-3155 [www.oktax.state.ok.us/oktax/](http://www.oktax.state.ok.us/oktax/) Oklahoma allows you to use the Federal W-4 form to calculate state income tax withholding. Not all states allow salary reductions made under Section 125 cafeteria plans or 401(k) to be treated in the same manner as the IRS code allows. In Oklahoma cafeteria plans are not taxable for income tax calculation; not taxable for unemployment insurance purposes. 401(k) plan deferrals are not taxable for income taxes; taxable for unemployment purposes. In Oklahoma supplemental wages are taxed at a 6.65% flat rate. W-2s are not required in Oklahoma. **The Oklahoma State Unemployment Insurance Agency is:** Employment Security Commission Unemployment Insurance Division P.O. Box 52003 Oklahoma City, OK 73152 (405) 667-7138 <http://www.state.ok.us/~okdol/workcomp/index.htm> The State of Oklahoma taxable wage base for unemployment purposes is wages up to \$14,300.00. Oklahoma has optional reporting of quarterly wages on magnetic media. Unemployment records must be retained in Oklahoma for a minimum period of four years. This information generally includes: name; social security number; dates of hire, rehire and termination; wages by period; payroll pay periods and pay dates; date and circumstances of termination. **The Oklahoma State Agency charged with enforcing the state wage and hour laws is:** Department of Labor Wage and Hour Division 4001 North Lincoln Blvd. Oklahoma City, OK 73105-5212 (888) 269-5353 [www.state.ok.us/~okdol/](http://www.state.ok.us/~okdol/) The minimum wage in Oklahoma is \$5.15 per hour. There is also no general provision in Oklahoma State Law covering paying overtime in a non-FLSA covered employer. Oklahoma State new hire reporting requirements are that every employer must report every new hire and rehire. The employer must report the federally required elements of:

- Employee's name
- date of hire
- state of hire
- Employee's address
- Employee's social security number
- Employer's name
- Employers address
- Employer's Federal Employer Identification Number (EIN)

This information must be reported within 20 days of the hiring or rehiring. The information can be sent as a W4 or equivalent by mail, fax or electronically. There is no penalty for a late report in Oklahoma. The Oklahoma new hire-reporting agency can be reached at 800-317-3785 or on the web at <http://www.ok.gov/oesc/> Oklahoma does not allow compulsory direct deposit Oklahoma requires the following information on an employee's pay stub:

- itemized deductions

Oklahoma requires that employee be paid no less often than semimonthly; monthly for public sector, qualified nonprofit, and FLSA-exempt employees. Oklahoma requires that the lag time between the end of the pay period and the payment of wages to the employee not exceed eleven days. Oklahoma payroll law requires that involuntarily terminated employees must be paid their final pay by next regular payday (by certified mail if employee requests) and that voluntarily terminated employees must be paid their final pay by the next regular payday or by mail if employee requests it. Deceased employee's wages of \$3,000 to the designated beneficiary, surviving spouse, children or guardians (in that order). Escheat laws in Oklahoma require that unclaimed wages be paid over to the state after one year. The employer is further required in Oklahoma to keep a record of the wages abandoned and turned over to the state for a period of 10 years. Oklahoma payroll law mandates no more than 50% of minimum wage may be used as a tip credit. In Oklahoma the payroll laws covering mandatory rest or meal breaks are only that minors under 16 must have 1-hour rest period during 8-hour shift; 30-minute rest period after 5 hours work. There is no provision in Oklahoma law concerning record retention of wage and hour records therefore it is probably wise to follow FLSA guidelines. **The Oklahoma agency charged with enforcing Child Support Orders and laws is:** Child Support Enforcement Division Department of Human Services Capitol Station, Box 53552 Oklahoma City, OK 73152 (405) 522-5871 [www.okdhs.org/childsupport/](http://www.okdhs.org/childsupport/) Oklahoma has the following provisions for child support deductions:

- When to start Withholding? **Immediately after receipt of order.**
- When to send Payment? **Within 7 days of Payday.**
- When to send Termination Notice? **Within 10 days of termination.**
- Maximum Administrative Fee? **\$5 per payment; up to \$10 per month.**
- Withholding Limits? **Federal Rules under CCPA.**

Please note that this article is not updated for changes that can and will happen from time to time.