



Out-of-State Employment

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Agenda

- Why It Matters
 - Risks to UTSA
 - Risks Relating to State Tax Law Compliance
- The Process
- Summary
- Questions?



Question: In how many states does UTSA have employees?

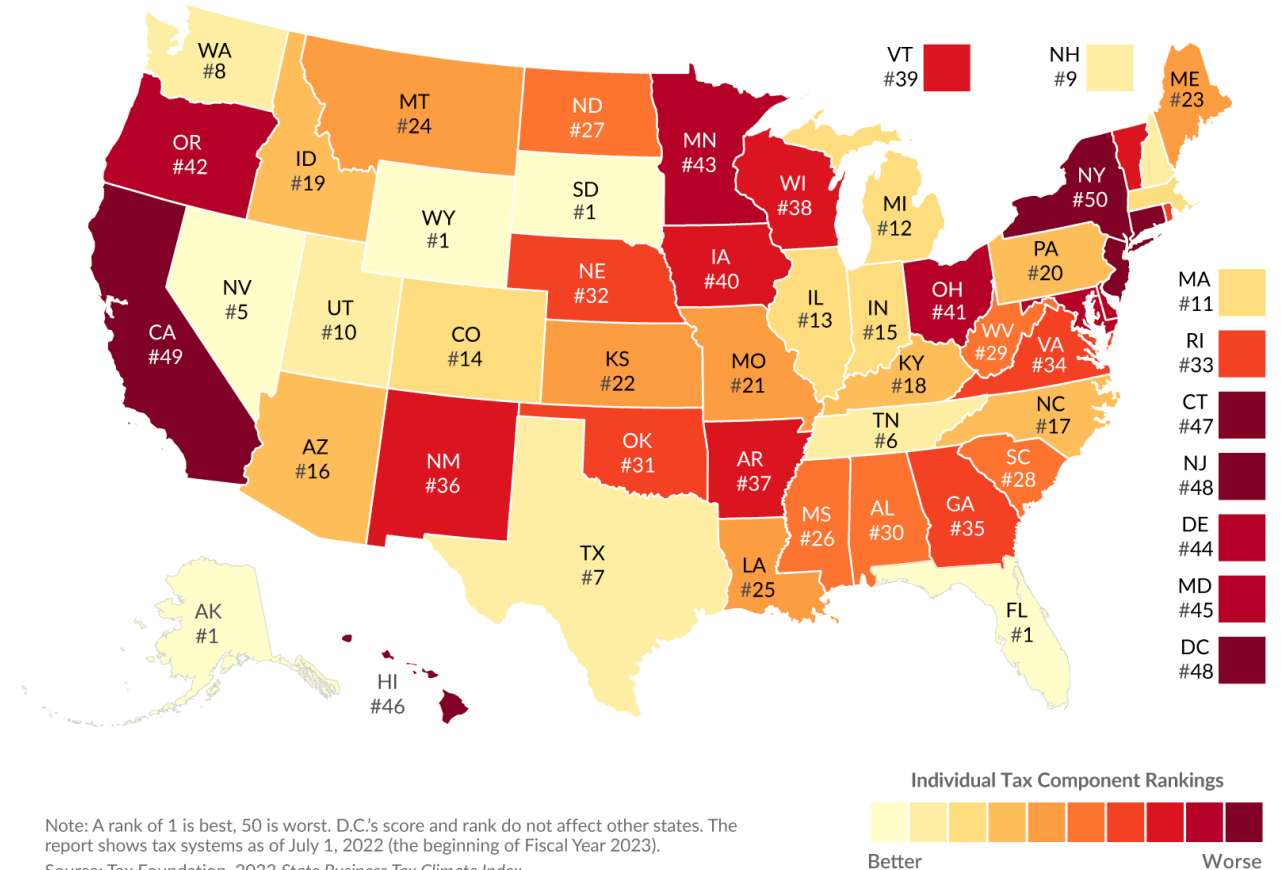


Why Does It Matter?

- Risks to UTSA
- Risks relating to state tax laws

How Does Your State Rank on Individual Income Taxes?

Individual Tax Component Rankings, 2023 State Business Tax Climate Index



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Risks to UTSA

- Income tax withholding for employees
UTSA is required to remit these taxes to the state
- Documentation requirements
W-4s and W-2s
- Payroll processes
 - Changes made in PeopleSoft
 - State setup



Risks Relating to State Tax Law Compliance

- Required state reporting
Need accurate information
- Requirements for benefits and state laws
 - Many states have additional benefits
 - Colorado FAMLI and Oregon Paid Leave
- Additional state taxes
 - Transportation
 - Specific county taxes
- Penalties



The Process (1)



Out-of-State Work Exception Request Form Instructions

Application: An Employee or position (if vacant) may be considered for an exception to work outside of Texas if their work can be performed remotely AND at least one of the following criteria applies:

- They are a nationally or internationally recognized individual
- Have a unique skill set, area of expertise, or knowledge base
- Are in a critical position that, if vacant, will have a significant impact on UTSA's ability to conduct normal business
- Are in a position whose primary duties and responsibilities must be physically performed in another state or jurisdiction
- Other factors that present a compelling business or strategic case, as determined by the vice president for the employing unit

When completing the form, ensure that the justification is articulated from a business perspective.

The Process (2)

- Employee initiates the process with their manager
- Manager will request Out-of-State Work Exception Request form
 - Email HRBP@utsa.edu
 - Contact [HR Business Partner](#)
- Form submission and review
- Committee review
- Final steps: Notify Payroll, People Excellence and the [Tax Analyst/Tax Reporting Manager](#)
- If approved, there is an annual fee of \$5,000 per employee, charged to the department.

Summary

Risks to UTSA

- Income Tax Withholding
- Documentation

Risks to State Tax Law Compliance

- State Required Reporting
- Additional State Benefits

Process: Includes notifying Payroll, People Excellence and the Tax Analyst

Reach out with any questions

- HRBP@utsa.edu
- MaryKathryn.Babin@utsa.edu (the [Tax Analyst/Tax Reporting Manager](#))





Questions?

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