

CHECKLIST | HIRING OUT-OF-STATE EMPLOYEES

Presented by TROXELL

While hiring out-of-state employees gives your organization access to a wider pool of talent, it also requires complying with state and local requirements that may be unfamiliar. In general, the state and local laws that govern an employment relationship are based on where the employee is physically working and earning wages, not where the employer is based. In addition to wage and hour laws, other items that employers may need to consider include workers' compensation insurance, unemployment insurance and tax obligations.

This checklist outlines key items for employers to consider when hiring out-of-state employees.

Basic Information	
State	
Locality	

Business Registration and Tax Requirements	Complete	Not Applicable
Register your company to do business in the state.	<input type="checkbox"/>	<input type="checkbox"/>
Consult with tax advisors regarding the nexus between corporate income tax and sales/use taxes.	<input type="checkbox"/>	<input type="checkbox"/>
Designate a registered agent.	<input type="checkbox"/>	<input type="checkbox"/>
Obtain licenses or permits to operate in the state (depending on the type of business).	<input type="checkbox"/>	<input type="checkbox"/>
Register for state payroll taxes (obtain a state tax ID and register for unemployment insurance).	<input type="checkbox"/>	<input type="checkbox"/>
Comply with any local tax requirements.	<input type="checkbox"/>	<input type="checkbox"/>

Hiring Process	Complete	Not Applicable
<i>Review your hiring process for compliance with applicable state and local laws, including requirements regarding:</i>		
Discrimination protections	<input type="checkbox"/>	<input type="checkbox"/>
Background checks	<input type="checkbox"/>	<input type="checkbox"/>
Credit checks	<input type="checkbox"/>	<input type="checkbox"/>

This checklist is merely a guideline. It is neither meant to be exhaustive nor meant to be construed as legal advice. It does not address all potential compliance issues with federal, state or local standards. Consult your licensed representative at TROXELL or legal counsel to address possible compliance requirements. © 2022 Zywave, Inc. All rights reserved.