

Publications

Employer Payroll Changes for HIRE Act Relief

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On March 18, 2010, the President signed the Hiring Incentives to Restore Employment Act (HIRE Act), and once again payroll becomes center stage for tax relief. The HIRE Act provides two new tax benefits for certain 2010 new hires. First, employers may qualify for exemption from the employer's share of Social Security tax for most 2010 wages for certain new employees hired after February 3, 2010 (a similar exemption applies to Railroad Retirement Taxes). Second, an employer may claim an additional general business tax credit of up to \$1,000 per qualified worker. As the IRS works out the details on the applicable wages and how to take advantage of the relief, a summary of the relief is set forth in the attached memo.

If you have any questions to be covered by an upcoming *IRS Reporting Corner* newsletter or wish to stay connected with various reporting and withholding updates related to employee benefits, [click here](#).

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