

Payroll tax compliance for your new employee does not need to be terrifying, time consuming or expensive. HELP is available.

HomeWork Solutions is a nationally recognized “nanny tax” service company, providing household employers nationwide with trusted and time saving payroll and payroll tax solutions. HWS offers new employers, in partnership with select household staffing agencies, valuable, complimentary assistance. HWS will help you budget your household payroll, register with the government, and provide you valuable tips and advice. The complimentary tax account set up has a \$100 value and no further obligation on your part. HWS will save you hours of trying to collect the correct information on your own.

We encourage you to review the [10 Tips: Conquering Nanny Taxes](#) flyer. Then, pick up the phone and call the experts at **800.626.4829** or visit [4nannytaxes.com](#) to get started.

### Here’ s what the program includes:

- **COMPLIMENTARY** telephone payroll and tax consultation to answer your questions. Ask the experts at HWS, they understand household payroll.
- **COMPLIMENTARY** and confidential payroll analysis, including calculation of your employee’s deductions and your employer tax obligation. This budget helps you proceed with important peace of mind.
- **COMPLIMENTARY** employment agreement compensation language to define your household employee’s payroll to protect you from costly errors and to ensure you and your employee understand the compensation agreement.
- **COMPLIMENTARY** registration of your Federal Employer Identification Number (required for all household employers), as well as state tax account numbers, as required.
- **COMPLIMENTARY** New Hire Reporting – a legal requirement of all US employers.

### THE VALUE OF THE COMPLIMENTARY SERVICES TO YOU IS **\$100!**

HomeWork Solutions specializes in helping busy families like yours with nanny tax compliance. We are delighted that HWS makes the services above available to you with no further obligation on your part – HWS appreciates the opportunity to introduce its services and staff to you!

Interested in outsourcing your “nanny tax” compliance, or subscribing to a complete payroll service? HWS can provide you with as much or as little ongoing support as you need – at a fraction of the cost of an accountant. In fact, many accountants outsource their client’s “nanny tax” compliance to HWS. Why? Your situation, household employment, is subject to specialized tax reporting and treatment under labor laws – and most CPAs prefer not to become involved.

**Go Ahead! Simplify!**

**Important Peace of Mind for New Employers**

**CALL 800.626.4829**

*Did you know a household employee is generally eligible for unemployment benefits upon discharge – even if you both agreed to deal in cash under the table? This is the most common way household employers get ‘caught’ when they skip their employment tax obligations – and your unemployment agency WILL share information with the IRS.*

Misunderstandings between the household employer and their staff on compensation and the financial terms and conditions of employment can torpedo the relationship.

*Kathleen Webb*

*President*

*HomeWork Solutions Inc.*



## Frequently Asked Questions

### 1. I just hired a nanny (housekeeper or other domestic). What taxes do I have to pay?

Congratulations, you are now a **household employer!** A household employer who pays a nanny or other domestic \$1800 (2012) or more in a calendar year has payroll tax obligations that include Social Security and Medicare taxes, as well as state and Federal unemployment taxes.

### 2. Can't I just call my household staff an independent contractor and let him/her pay the taxes?

**The simple answer is no.** The IRS defines household employees as "nannies, housekeepers, maids, cooks, elder care givers, household managers, and others, employed in domestic service in a private residence". The IRS is very clear that these workers are your employees, NOT independent contractors, and that YOU, the household employer, are ultimately responsible for the reporting and remittance of any household employment taxes that may be due.

### 3. This sounds expensive! I hate paying taxes!

We have good news for you – your "nanny tax" compliance may qualify you for tax savings! Many families utilize a flexible spending plan (cafeteria plan) offered by their employer for qualified child and dependent care expenses. You can pay your nanny with pre-tax dollars, possibly saving thousands on your own Federal, state and local income taxes! Another popular strategy is the Child Care Credit, available to many parents.

You can only claim these tax benefits when you pay your nanny on the books!

### 4. Ok, I am a household employer. What do I have to do?

Household employers are responsible to collect the so-called "employment taxes" (Social Security and Medicare tax) from their employee, and remit these taxes along with employer tax contributions to the Internal Revenue Service. You may also be responsible for state and Federal unemployment taxes (most household employers are), as well as preparation of various tax returns on a quarterly and annual basis. Good news! The complimentary services offered by HomeWork Solutions include complete tax account set up, and provide you a complimentary analysis and budget of your household payroll tax obligations.

### 5. Are there other rules and regulations I need to know about?

Yes, unfortunately as a household employer you have legal as well as tax obligations – and you want to be aware of them up front to avoid costly errors and omissions. Other considerations include the Fair Labor Standards Act (your employee is an hourly employee under the law and may be entitled to overtime), workers' compensation insurance regulations (set by your state), and verification of employment eligibility (Department of Homeland Security), as well as recordkeeping responsibilities. Talk to HomeWork Solutions – our trained staff is available to help busy families, just like yours!

Expanded FAQ Available Online

<http://www.4nannytaxes.com/FAQ>

CALL 800.626.4829

## What HWS Clients are Saying...

"I would like to take a moment to express my thanks to HomeWork Solutions for many years of prompt, professional and courteous service. You are a pleasure to work with!"

"Your staff is outstanding and your web services are so user friendly."

"I can go about my business confident that my nanny's payroll is in good hands."

"HomeWork Solutions is so easy to work with. Dealing with seniors every day, I know the assurance that required paperwork is completed accurately, reliably and on time for elder care and other domestic employees is invaluable."



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