



UNIVERSITY OF CALIFORNIA, SAN FRANCISCO  
 Controller's Office - Payroll Services  
 1855 Folsom St, Ste 425  
 Mission Center Bldg., Box 0812  
 San Francisco, CA 94143-0812

### **Hiring Incentives to Restore Employment (HIRE) Act Department Guidance**

The HIRE Act, P.L. 111-147, ("Hiring Incentives to Restore Employment") was enacted into federal law on March 18, 2010. This law creates a payroll tax exemption of the employer share of OASDI taxes (6.2%) only for wages *paid to* qualified employees between March 19, 2010 and December 31, 2010. The employee's 6.2 percent share of Social Security tax as well as both the employee- and employer-paid Medicare tax still apply to all wages.

After completing this checklist and returning the required documents to UCSF Payroll Services, the University will be able to claim the payroll tax exemption on the *Form 941—Employer's Quarterly Federal Tax Return* beginning with its 2010 Q2 filing. Once the US Treasury has issued payment to UCSF for the claim, the appropriate fund source(s) will receive a credit via a financial journal for only the UCSF-paid portion of the Social Security tax corresponding to the qualified worker's eligible earnings.

#### **A qualified employee:**

- Began employment after February 3, 2010 and before January 1, 2011.
- Was unemployed or employed for fewer than 40 hours during the continuous 60-day period immediately preceding the date that employment began with UCSF.
  - Note: Rehired employees and recent graduates who have been in school during all or part of the preceding 60-day period qualify as long as they have met all stated requirements.
- Has signed [IRS form W-11](#), under penalties of perjury, certifying they meet the qualifications.
- Must have an appointment that is subject to Social Security tax.

#### **A qualified position:**

- A new position
- An existing position that was vacated voluntarily or where the termination was for just cause.
  - Note: It is not appropriate to dismiss an incumbent for the sole purpose of hiring a replacement in order to qualify for this exemption.

#### **Department Representative Checklist:**

**Qualified Employee Name:** \_\_\_\_\_ **Employee ID:** \_\_\_\_\_

- I have reviewed the employee's resume/application and to the best of my knowledge the above employee meets the qualifications for claiming the HIRE Act payroll tax exemption.
- I have obtained and attached the signed affidavit ([IRS form W-11](#)).
- I have confirmed that the position being filled is a new position OR an existing position that was vacated voluntarily or is vacant as a result of a release for just cause.
- I have updated ELIC to indicate employee is qualified for HIRE Act payroll tax exemption (not yet available).

**Hiring Manager Printed Name and Signature**

**Tel. Extension**

**Date**

Return signed W-11 and this checklist to UCSF Payroll Services either by e-fax: 415-920-2513 or by scanning the forms and sending to payrollprocessing@ucsf.edu. For questions contact: Karen Dhirapong ([Karen.Dhirapong@ucsf.edu](mailto:Karen.Dhirapong@ucsf.edu) / 415-476-1850).