

Corporate Officer Wage Reporting

Reportable for the purpose of state unemployment tax.

Corporate officers, classified by law as employees in Idaho, are required to report all wages in any form if they perform services for the corporation.

Corporate officers who are ALSO SHAREHOLDERS are required to report all wages in any form if they:

- Have not yet reported a fair market wage.
- Have not opted out of the State Unemployment Tax Act (SUTA).
 - See required criteria in right column.

Wages means all payments for services, including salaries, hourly pay, piecework pay, commissions, bonuses and the cash value of any payment in any form other than cash as provided by Idaho Code §72-1328.

Examples of payments reportable as wages for the purpose of unemployment tax include:

Paid TO the corporate officer:

- Commissions.
- Bonuses.
- Draws.
- Distributions.
- Dividends.
- Other. *

Paid ON BEHALF of the corporate officer:

- Personal bills.
- Movie rentals.
- Family dinners.
- Groceries.
- Mortgage payments.
- Other. *

*Any compensation, monetary or otherwise, received by the corporate officer, including all nonbusiness expenses charged to the corporation.

Please refer to the following [online opt-out form](#) for both private and public corporations.

Corporate officer opt-out criteria

- Must be an officer AND a shareholder of the corporation.
- Must submit opt-out form (linked below) on or before March 31 to qualify for the current year.
- Will be opted-out for a term of no less than two years.
- May impact Federal Unemployment Tax Act (FUTA) liability. It is recommended to consult a tax professional.

Fair market wage

- Determined using the Idaho Occupational Employment and Wage information found on lmi.idaho.gov/oews. Find wage by region and occupation.
- Applicable rate is generally determined by how long the business has been in operation.
- As with other employees, wages are reportable when paid or made available.