

**04 NCAC 24D .0502 WAGE RECORDS**

(a) Wages paid for services excluded from the definition of "employment" as defined in G.S. 96-1(b)(12) shall be separately reflected in the employer's records to indicate the following:

- (1) the time of service; and
- (2) remuneration for services that is separate from taxable wages.

(b) Where there are pay periods in which an individual performs services excluded from the term "employment," and any service which is "employment," the employer's record shall reflect the hours spent in the excluded service and the hours spent in "employment."

(c) If any remuneration other than monetary wages is paid to or is received by an individual related to services performed by the individual, the records shall show the total amount of cash wages and the cash value of any other remuneration paid by the employer.

(d) If any part of an individual's wages is not paid in cash, the reasonable cash value of the remuneration other than cash shall be deemed for all relevant purposes as follows:

- (1) the amount that is agreed upon between the employer and the individual if:
  - (A) the terms of the agreement are reported to DES; and
  - (B) DES determines that the agreed value or amount is reasonable pursuant to IRS Publication 15-B; or
- (2) the amount DES determines if:
  - (A) the amount agreed upon is unreasonable; or
  - (B) the employer and the individual fail to agree upon an amount; or
  - (C) the employer fails to report the terms of an agreement to DES; and
  - (D) the employer fails to show the cash value of the noncash remuneration prior to the due date of contributions with respect to the wages.
- (3) DES shall determine an amount by reviewing documents, tax values, internet sites and other available information that reflects the market value.

(e) This Rule incorporates material found in the IRS Publication 15-B by reference and includes subsequent amendments and editions of the referenced material in accordance with G.S. 150B-21.6. Copies of the incorporated material found in IRS Publication 15-B are located at 700 Wade Avenue, in Raleigh, North Carolina and may be obtained at no cost to the public by request by contacting DES as specified under 04 NCAC 24A .0201.

*History Note: Authority G.S. 96-1(b)(28); 96-4; 26 U.S.C. 3306; IRS Pub. 15-B; Eff. July 1, 2015.*