17 NCAC 05C .0907 NUMERATOR OF PAYROLL FACTOR

Except for compensation paid to general executive officers and compensation paid in connection with nonapportionable income, for purposes of G.S. 105-130.4, the numerator of the payroll factor is the total amount paid in this State during the tax period by the taxpayer for compensation. In determining the payroll factor, information used to file federal forms 941 and the North Carolina Tax and Wage Reports may be used if the amounts can be reconciled to the amounts used for the payroll factor. If compensation paid to employees is included in the payroll factor by use of the cash method of accounting or if the taxpayer is required to report such compensation under such method for unemployment compensation purposes, it shall be presumed that the total wages reported by the taxpayer to this State for unemployment compensation purposes constitutes compensation paid in this State except for compensation excluded under G.S. 105-130.4(k). The presumption may be overcome by satisfactory evidence that an employee's compensation is not reportable to this State for unemployment compensation purposes.

History Note: *Authority G.S. 105-130.4; 105-262;*
Eff. February 1, 1976;
Amended Eff. January 1, 2005; January 1, 1994; October 31, 1981;
Readopted Eff. May 1, 2018.