

## **Tower Motor Company – Payroll Deductions**

**Location: 505 S Broadway, Coos Bay, OR 97420**

### **Pay Periods & Paydays**

- Pay Periods:
  - 1st–14th of each month
  - 15th–end of each month
- Regular Paydays:
  - 1st and 15th of each month

### **Employee Compensation**

Depending on position, employees may be compensated through:

- Hourly wages
- Salary
- Commission
- Flat rate
- Or a combination of these methods

### **Company-Contributed Benefits**

For eligible employees participating in company benefit programs, Tower Motor Company contributes:

- Health Insurance: The Company pays 70% of the employee premium.
- Life Insurance: Company-paid life insurance coverage is provided for eligible employees.
- Simple IRA Contributions: Employer contributions are made for employees who participate in the Company's Simple IRA plan.

### **Employee Deductions**

The following deductions may be taken from employee wages, as applicable:

- Employee share of health insurance premiums
- Employee Simple IRA contributions
- Garnishments
- Payments for charges made to an employee's company account

- Federal taxes
- Oregon state and local taxes
- Oregon Paid Leave Oregon contributions
- Oregon Worker's Benefit Fund (WBF) employee contribution

### **Federal Tax Withholding (IRS Requirements)**

Tower Motor Company withholds federal taxes in accordance with IRS regulations and the employee's Form W-4 elections.

#### **1. Federal Income Tax (FIT):**

- Withheld based on IRS withholding tables, considering filing status, dependents, and additional adjustments.

#### **2. Social Security Tax:**

- Employee rate: 6.2% of taxable wages, up to the annual IRS wage limit.

#### **3. Medicare Tax:**

- Employee rate: 1.45% of all taxable wages.
- Additional 0.9% surtax withheld on wages exceeding federal high-income thresholds.

### **Oregon State Tax Withholding**

#### **1. Oregon State Income Tax:**

- Withheld based on Oregon tax tables and OR-W-4 elections.

#### **2. Oregon Statewide Transit Tax:**

- Mandatory employee withholding of 0.2% (0.001) of taxable wages.

#### **3. Oregon Paid Leave Oregon (PLO) Contribution:**

- Employee contribution rate: Up to 0.60% of gross wages unless employer pays a portion.

#### **4. Oregon Worker's Benefit Fund (WBF):**

- Employees contribute one-half of the hourly WBF assessment for each hour worked, as set annually by the State of Oregon.

#### **5. Local/Regional Payroll-Related Taxes:**

- Some regions impose employer-paid transit taxes (TriMet, Lane Transit District).

Employee deductions apply only if required by local jurisdiction.