**INFORMATIONAL CIRCULAR NO.:** 23-P-003

**DATE:** September 16, 2022

**SUBJECT:** SHARP Employee Official Work Station (Location)

**EFFECTIVE DATE:** Immediately

**OAR CONTACTS:** doa\_payroll@ks.gov

Heather DeBusk heather.debusk@ks.gov

**APPROVAL:** Nancy Ruoff (Original Signature on File)

**SUMMARY:** SHARP Employee Official Station: Payroll tax and SMART travel reimbursement implications for employees working in locations other than agency office locations under a telework agreement

The State of Kansas Department of Administration Telework Policy allows employees who meet specific criteria to enter into a telework agreement with their agency to achieve administrative efficiencies and increase work/life balance for qualifying employees. The Telework Policy specifies that telework is not an employee right or benefit but is a management option utilized at the discretion of the agency.

**Official Station in SHARP Position Data:**

To ensure accuracy and consistency in the recording of the official work station in SHARP, the following guidelines shall be used to determine an employee’s official station – such official station shall be entered as the Location for the Position.

* Employees working one or more days per week at their agency office location should have a work location that reflects the building for that agency office.
* Employees working 100% remote, in Kansas and **not** working at their agency office location at least one day per week should have a work location of KSHOME.
* Employees working 100% remote in a state other than Kansas and **not** working at their agency office location at least one day per week should have a work location of the state where they work.

As defined in the State of Kansas Employee Travel Expense Reimbursement Handbook located at [Travel Handbook](https://admin.ks.gov/offices/accounts-reports/state-employees/state-employees-travel-center): Official Station – Field Employee: The official station of a field employee is the city or town designated as the employee’s official station by the administrative head of the agency (Reference: K.A.R. 1-16-2) and remains unchanged for individuals who are currently designated as field employees. For employee travel, the SMART Employee Profile in the Expenses module used for travel reimbursement has an Official Station location which comes directly from the Location entered for the Position in SHARP. The guidelines for official station noted above shall also be used by Audit Services to determine consistent and appropriate travel reimbursement.

**Work Location for Tax Withholding Compliance:**

In addition to the Official Station (Location) in Position Data, accurate reporting of the physical location of the employee when work is performed is required to determine the tax withholding obligations for the employee under Federal and State tax laws. The general rule for state and local income tax withholding is that taxes should be withheld for the jurisdiction where the employee performs their work. This could be at the agency office location or at a remote location. Tax withholding rules vary greatly from state to state. Non-compliance with state and local taxation laws can result in financial penalties to both the employer and the employee. The State of Kansas as an employer has a responsibility to abide by the tax withholding laws of all states in which work is performed by an employee.

The rules surrounding the initiation of a withholding tax obligation vary by state. In some states, the withholding tax obligation may apply as soon as the first day of work in that location. To ensure compliance with state and local tax withholding laws, agencies are required to document their employee’s remote work arrangement, including location. It is crucial that employees are set up correctly in SHARP.

Payroll instructions and forms for remote workers can be found on the Department of Administration, Office of Accounts & Reports website, Payroll Procedures/Job Aids, Telework folder.

Link: <https://admin.ks.gov/offices/accounts-reports/state-agencies/payroll/payroll-procedures-job-aids>

Regent institutions are responsible for completing any necessary updates to properly calculate and report state and local tax withholding for employees working both in Kansas, and in a location other than Kansas.

**Questions:**

For questions or assistance with SHARP Position Management and Job Data, contact Michelle Huntsman michelle.huntsman@ks.gov

For questions or assistance with SHARP Tax Distribution and Tax Data, contact Carmen Pearson Carmen.Pearson@ks.gov

For questions or assistance with SMART travel reimbursements, contact ARPreaudit@ks.gov

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