

[Company Letterhead/Logo]

[Date]

[Employee Name]

[Employee ID]

[Home Address]

[City, State, Zip Code]

Subject: Notice of Multi-State Payroll Tax Withholding Compliance

Dear [Employee Name],

According to our records, you are currently performing work for [Company Name] while residing in or working from the state of **[State Name]**. Because our company operates across state lines, we are required to comply with specific state tax laws and payroll withholding regulations.

Please review the following information regarding your payroll profile:

- **Primary Work Location:** [Work City/State]
- **Resident State for Tax Purposes:** [Resident State]
- **Effective Date of Withholding:** [Date]

To ensure we are withholding the correct amount of state income tax and complying with local unemployment insurance requirements, please complete the following actions by [Deadline Date]:

1. Complete and return the attached State Withholding Certificate (Form [State Form Number, e.g., DE-4 or IT-2104]).
2. Verify your current residential address in the [Payroll/HR Portal Name].
3. Notify Human Resources immediately if your work location or residency changes in the future.

Failure to provide updated tax documentation may result in the company withholding taxes at the maximum default rate required by [State Name] law.

Please note that [Company Name] cannot provide personal tax advice. We recommend consulting with a qualified tax professional regarding how multi-state work affects your individual tax liability.

If you have any questions regarding this notice, please contact the Payroll Department at [Phone Number] or [Email Address].

Sincerely,

[Name]

[Title]

[Company Name]