



SSA Informational Release

STATE AND LOCAL COVERAGE HANDBOOK

Issue 1 – March 2001

Subject: Election Workers

This informational release supplements SLCH 441 (Exclusion of Services Performed by Election Officials or Election Workers) with a reference chart that shows the coverage status of election workers in each State. A sample modification to exclude election workers on a statewide basis is also provided for States that have never exercised their option to exclude election workers from coverage under the State's Section 218 Agreement. (There must be authority under the State's enabling legislation.)

The Federal Insurance Contributions Act (FICA) tax exclusion for election workers is \$1,100 annually, beginning January 1, 2000, unless those wages are subject to FICA under the State's Section 218 Agreement. Many States have excluded election workers paid less than \$1,100 from FICA taxes under the State's agreement. Therefore, the FICA tax does not apply until the election worker is paid \$1,100 or more.

Some State agreements specify a lower threshold amount for election workers, e.g., \$50 a calendar quarter or \$100 a calendar year (see chart beginning on page 3). In these States, the FICA tax applies when the amount specified in the State's agreement is met. States may modify the State's agreement to increase the election worker exclusion amount to \$1,100. Such modifications are effective in and after the calendar year the modification is mailed or delivered to SSA. Therefore, modifications submitted to SSA this year are effective January 1, 2001.

If the State's agreement does not have an election worker exclusion or the entity has a Section 218 Agreement that does not exclude election workers, FICA taxes apply from the first dollar paid. If the entity is not covered under a Section 218 Agreement, the rules for mandatory FICA under Section 210(a)(7)(F) of the Social Security Act apply.

IRS Revenue Ruling 2000-6 (W-2 Reporting Requirements for Election Workers) provides that a Form W-2 is not required for election workers paid less than \$600 per year, unless the services are covered under a Section 218 Agreement. If the election worker is paid more than \$600 but less than \$1,100, no FICA is withheld but a Form W-2 is required. If the election worker is paid \$1,100 or more, the wages are subject to FICA and Form W-2 reporting.

(Sample Modification to Amend Agreement)
Modification to Exclude Election Workers on a Statewide Basis

MODIFICATION NO. _____

TO (Name of State) STATE SOCIAL SECURITY AGREEMENT

The Commissioner of Social Security and the State of (_____), acting through its representative designated to administer its responsibilities under the agreement of (date of State's original agreement), hereby accept the following amendment to said agreement.

Paragraph () of said agreement, related to services covered is amended by adding to the list of excluded services the following paragraph:

() Services performed by election officials or election workers for calendar year 2001 in which the remuneration paid for such services is less than \$1,100, and for each calendar year after 2001 in which the remuneration paid is less than the adjusted amount, as described below, beginning with services performed in the year that this modification was mailed or delivered by other means to the Commissioner.

The \$1,100 limit on the excludable amount of remuneration paid in a calendar year for the services specified in this modification will be subject to adjustment for calendar years after 2001 to reflect changes in wages in the economy without any further modification of the agreement, with respect to such services performed during such calendar years, in accordance with Section 218(c)(8)(B) of the Social Security Act.

This exclusion applies to all coverage groups of the State and its political subdivisions currently (as of the date this modification is executed) included under this agreement and to which the agreement is hereafter made applicable.

Effective date of exclusion: January 1, 2001

Approved for the State of _____ this _____ day of _____, 2001.

Name and Title of State Official
with Signature Authority _____

Approved this _____ day of _____, 2001.

Commissioner of Social Security

By: _____
Regional Commissioner
Social Security Administration

Section 218
Election Worker Coverage
March 2001

State	Statewide \$1,100 Exclusion ⁱ	Limited Exclusion ⁱⁱ	No Exclusion ⁱⁱⁱ
Alabama	Mod 712		
Alaska		Entity-by-entity	
Arizona	Mod 362		
Arkansas			X
California	Mod 1450		
Colorado	Mod 390		
Connecticut		\$50 per cal. qtr. Mod 321 statewide	
Delaware		Entity-by-entity	
Florida	Mod 439		
Georgia		Entity-by-entity	
Hawaii	Mod 12		
Idaho	Mod 236		
Illinois	Mod 706		
Indiana		\$100 per cal. yr. Mod 407 statewide	
Iowa			X
Kansas		Entity-by-entity	
Kentucky	Mod 738		
Louisiana	Mod 661		
Maine	Mod 311		
Maryland	Mod 252		
Massachusetts			X
Michigan		Entity-by-entity	
Minnesota			X
Mississippi	Mod 720		
Missouri	Mod 443		
Montana	Mod 356		
Nebraska	Mod 408		
Nevada			X
New Hampshire		Entity-by-entity	
New Jersey			X
New Mexico			X
New York	Mod 362		
North Carolina	Mod 1127		
North Dakota	Mod 677		
Ohio			X

Oklahoma	Mod 1132		
Oregon	Mod 596		
Pennsylvania	Mod 1744		
Puerto Rico			X
Rhode Island		\$50 per cal. qtr. Mod 72 statewide	
South Carolina			X
South Dakota	Mod 373		
Tennessee		Entity-by-entity	
Texas	Mod 1480		
Utah	Mod 129		
Vermont			X
Virgin Islands			X
Virginia			X
Washington	Mod 807		
West Virginia	Mod 417		
Wisconsin	Mod 734		
Wyoming	Mod 273		

ⁱ The rules for mandatory FICA under Section 210(a)(7)(F) of the Social Security Act apply. (For years prior to 2000, check effective date of statewide exclusion with the State Social Security Administrator. See note below.)

ⁱⁱ For "entity-by-entity" States, contact the State Social Security Administrator to determine whether the entity has an agreement. If the entity has an agreement, find out if it excludes election worker services and the amount specified in the agreement. If the entity's Agreement does not exclude election workers, FICA taxes apply from the first dollar paid.

ⁱⁱⁱ If the entity is not covered under a Section 218 Agreement, the rules for mandatory FICA under Section 210(a)(7)(F) apply. (Note: Massachusetts, Nevada and Ohio have virtually no Section 218 coverage.) If the entity has a Section 218 Agreement and it does not exclude election workers, FICA taxes apply from the first dollar paid.

Note: The election worker coverage threshold amount is \$1,100 for calendar years 2000 and 2001. The threshold amount was \$1,000 for years 1995-1999. For years 1978 through 1994, the threshold was \$100 a calendar year. For years 1968 through 1977, the threshold was \$50 a calendar quarter.

Social Security Administration
Office of Program Benefits
Division of Coverage and Support
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