

November 8, 2021

Dear University Employees,

In 2020, Multnomah County voters approved two new personal income taxes that became effective on January 1, 2021. We are required to distribute this information to all employees in paper format, and we will also provide subsequent email communications.

- **Multnomah County Preschool for All (PFA) Personal Income Tax** which will give 3 and 4-year olds in Multnomah County access to free, high-quality, developmentally appropriate, culturally responsive preschool experiences.

The PFA program is funded by a personal income tax of 1.5% on taxable income over \$125,000 for individuals and \$200,000 for joint filers, and an additional 1.5% on taxable income over \$250,000 for individuals and \$400,000 for joint filers.

- **Metro's Supportive Housing Services (SHS) Income Tax Program** which will fund supportive housing services for people experiencing or at risk of experiencing homelessness.

The SHS program is funded by a personal income tax of 1% on taxable income over \$125,000 for individuals and \$200,000 for those filing jointly.

Payroll withholding is not required for calendar year 2021, and the income tax may be paid with the 2021 Oregon tax return without penalty. Beginning calendar year 2022, employers with a Multnomah County location are required to withhold the taxes from employees who earn \$200,000 or more during the calendar year. An employee may use the enclosed **Metro/MultCo OPT Form** to elect in or out of withholding, or designate a different withholding amount, based on their tax situation. The Metro/MultCo OPT form allows an employee:

1. Subject to mandatory withholding to opt out of withholding by certifying to the employer that the employee has no Multnomah Co. withholding requirement or that the employee will utilize another method to make payments; or
2. Not subject to mandatory withholding to elect withholding at an employee designated amount; or
3. Subject to mandatory withholding to elect a different amount of withholding as determined by the employee.

There are a minimal number of employees who meet the \$200,000 required withholding amount which means that no action is needed for most employees to opt out of either of the personal income taxes. Employees who earn less than \$200,000 may elect to opt into the program based upon your personal tax situation. There are links below to resources for each of the new personal income tax programs and calculators to help determine what, if any, your tax liability will be.

Completed forms need to be submitted to the Payroll Office at payroll@up.edu or dropped off in the office at 110 Waldschmidt Hall. Please contact Payroll at payroll@up.edu or leave a message at (503) 943-7334 if you have questions or need assistance.

Denise Carder
Payroll Supervisor

Metro/MULT Opt In/Out Form: <https://multco.us/opt-inout-form>
Estimated tax calculator <https://multco.us/pfa-personal-income-tax-calculator>
Preschool For All Program Information: <https://multco.us/dchs/preschool-all>
Supportive Housing Services Tax Information: www.oregonmetro.gov/supportivehousingtax

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