

Are election workers exempt from tax withholdings?

Yes and no. Election workers only work a few days a year for local government and, therefore, have different tax withholding guidelines to follow.

The money an election worker earns is federal income tax-free because it is considered a fee paid to a public official, which is not subject to federal income tax withholding.

Furthermore, election workers receiving less than \$1,500 for the 2010 calendar year are not subject to social security and Medicare taxes. Anything more, however, is subject to those taxes and must be reported on Form W-2.

If an election worker receives less than \$600 in a year and is not subject to social security coverage under a Section 218 Agreement, no reporting is required on Form W-2. Otherwise, the earnings must be reported. (Please note: We advise you to contact the Vermont Social Security Office at 802-951-6753 to confirm whether or not your town has a Section 218 Agreement.)

Keep in mind that these specific dollar amounts are a combined total of all earnings from a single government employer. For example, if an individual earns \$200 as an election worker and is also employed in another position with the same municipality in which he or she earns \$500, the \$200 and \$500 payments, and the amount of income tax withheld, must be reported on the W-2.

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