

Faculty, Staff, and Students:

Rev 2/14/18

Effective January 1, 2018, the City of Murray requires a 1% occupational tax to be withheld from the gross earnings of any employee working in the city. This applies to all employees who are residents and non-residents of Murray working in the city limits. Murray State University employees are not required to complete an annual return with the City of Murray as the taxes are withheld from your check and remitted to the city and a return is filed on your behalf. Please take a moment to read the additional information regarding the Murray occupational tax below:

City of Murray Occupational Tax: What You Should Know

- For bi-weekly paid employees this will take effect on paycheck date January 5, 2018
- For monthly paid employees this will take effect on paycheck date January 31, 2018
- Includes all regular full-time, part-time, temporary, and student employees working in the city limits
- Gross earnings are defined as wages, salaries, commissions, and any other form of remuneration paid by an employer for services performed by the employee
- The occupational tax is applied to the total of all earnings each pay period before any required deductions
- Only wages earned inside the city limits are subject to the occupational tax
- Incidental travel time outside the city for attending seminars, training sessions, business meetings, conferences, and similar purposes is still subject to the occupational tax
- Taxes will be applied based on the primary work location of each employee's position
- There are no changes to the local occupational taxes for employees working at extended campus locations
- All employees will have the occupational tax deducted from their paycheck except those whose primary work location is outside the city limits (such as Miller Golf Course, Hancock Biological Station, Hutson Farm, Calloway County High School, etc.)
- It is the employee's responsibility to ensure they are paying the appropriate occupational tax for their work location(s)
- Employees will need to complete a Local Occupational Tax form, located on the Payroll website, if their primary work location is incorrect or changes
- The occupational tax is also referred to as a "payroll tax" or a "municipal tax"

For any questions regarding the occupational tax please contact the Payroll Office @ 4175.