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Employer's Quarterly Report Instructions for Regular Taxed Employers (Form C-3 Instructions)

If you are a new employer filing for the first time, contact your nearest [Texas Workforce Commission \(TWC\) Tax Office](#) for assistance. If you are an employer reporting 250 or more employees per quarter, **you are required to file** your Employer's Quarterly Report (Form C-3) and Wage Continuation Sheet (Form C-4) electronically or on magnetic media. All employers are encouraged to file their quarterly wage report electronically. Reporting and paying online is quick and easy with free registration. Visit [TWC Tax Dept - Employer Tax Information Online](#) for more details.

Once registered, you can report quarterly wages, pay your taxes online and control the date that your tax payment is deducted from your bank account. Online filing allows you next day viewing and verification of information that you submitted to TWC.

If you did not pay wages in a calendar quarter, you must submit a signed report giving that information. To avoid late report penalty, a signed report must be filed on time even if payment of taxes is not required or submitted. If you are no longer in business or if there has been a change of address, phone number, ownership or other change, please complete the Status Change Form ([PDF Format](#) or [Word 97](#)) and return it to the Texas Workforce Commission with your quarterly report. For registered users, changes can be submitted online through the Employer Tax Information Online System.

For employers who have not registered for online services and are using traditional report forms, the Employer's Quarterly Report data is read and entered in the TWC database by optical scanning machines. Therefore, please type entries using a typewriter or printer with 10 to 12 characters per inch, using black ink. Type an "X" in the alignment box to line up your typewriter or printer correctly. **Do not use dollar signs, decimal points or leading zeros.** If you will be preparing the wages list by computer, contact the nearest [TWC Tax Office](#) for a Computer Specification Sheet.

Complete the following unless the information has been preprinted on your Employer's Quarterly Report by TWC:

1. Enter your Texas Workforce Commission account number. If none has been assigned, leave blank.
2. Enter [county code](#) from the list provided.
3. Leave this space blank.

4. Enter your tax rate. If you have not been assigned a tax rate, contact the nearest [TWC Tax Office](#).
5. Leave this space blank.
6. Enter your Federal Employer Identification Number. If none has been assigned, leave blank.
7. Enter the quarter and year (1st Quarter 2004 = 1-04).
8. Enter the name of your business and your mailing address. If your business is a sole proprietorship or partnership, include the name(s) of the owner or partners.
9. If your telephone number is not printed on the form or if the printed number is incorrect, please enter the correct number in the appropriate box on the Status Change Form ([PDF Format](#) or [Word 97](#)) .
 - A. Enter the ending date of the calendar quarter during which you paid the wages (1st Quarter 2004 = March 31, 2004).
 - B. Enter the last day of the month after the end of the quarter (1st Quarter 2004 = April 30, 2004).
10. For each month, report the average number of full-time and part-time employees who worked on the 12th day of the calendar month.
11. Enter the [county code](#) of the county in which you had the greatest number of employees.
12. If you had employees in more than one Texas county, enter the number of employees outside the county shown in block 11.
13. Enter the total amount of remuneration (including wages, commissions and bonuses) paid during the quarter. Include amounts paid in cash, plus the value of remuneration paid in any medium other than cash. All tip income, including charged tips, reported in writing by an employee to his or her employer, is wages. Payments made to corporate officers for services performed should be reported as wages.
Note: Wages are reported when they are paid rather than when they are earned.
14. Enter the amount of total taxable wages paid to employees during this quarter. Only the first \$9000 of wages paid to each employee during the calendar year are taxable. ([See example](#))
 - a. If you reported wages to another state during the year for any of your employees listed this quarter, please place an X in box 14a.
15. Enter the amount of tax due.
Current quarter tax due=Taxable Wages (Item 14) X Tax Rate (Item 4).

"If Texas UI taxes are paid after January 31 and you are preparing Federal Form 940, you must subtract the UI obligation assessment portion that you have paid to Texas."

16. Enter interest due if payment is late (postmarked after the due date in item 9B). Multiply tax due (Item 15) by 1.5% for each month past due to a maximum of 37.5%. (See [calculation worksheet](#) .)
17. Enter penalty due if the report is late (postmarked after the due date). Use the [calculation worksheet](#) to figure late reporting penalty or call your nearest [TWC Tax Office](#).
18. Any existing debit or credit balances are reflected as of the printing of the report packet. To correct an error on a previously reported quarter, please contact your nearest [TWC Tax Office](#) for instructions on how to make an adjustment.

DO NOT ATTEMPT TO MAKE THE ADJUSTMENT ON THIS FORM.

19. Add tax, interest, and penalty along with added or subtracted amounts previously due or credited.
Total Due = Tax + Interest + Penalty + Previous Amt. Due (or - Credit).
20. Enter individual employee's nine-digit social security numbers. To report more than 10 employees, use an Employer's Quarterly Report Continuation Sheet (Form C-4) and list all wage data on Form C-4 rather than listing part of the employees on Form C-3. Please contact the nearest TWC Tax Office to request copies of Form C-4.
21. Enter employee's first initial, second initial, and last name.
22. Wages are reported when they are paid rather than when they are earned. Enter the total amount of remuneration (including wages, commissions, bonuses, and reported tips) paid to each Texas employee. If you need additional continuation sheets to report employees, contact the nearest TWC Tax Office.
23. Total Item 22 for each page and enter the amount in Item 23. The sum of all page totals must equal Item 13.
24. Use the Status Change Form ([PDF Format](#) or [Word 97](#)) to make employer information corrections.
25. Sign and date the report with the title of the signer included. An owner, partner or officer of the employing unit must sign this report. Optionally, a person for whom a written authorization has been filed with the Texas Workforce Commission may sign on an employer's behalf.

Please visit TWC Tax Dept - Employer Tax Information Online for information about C-3 Internet Filing and other online services.
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Completed forms, inquiries, or corrections to the individual information contained in this

form shall be sent to the TWC Tax and Labor Law Department, 101 E 15th St, Room 504, Austin, TX 78778-0001, (512) 463-2699. An individual may receive and review information that TWC collects regarding that individual by sending an e-mail to open.records@twc.state.tx.us or writing to TWC Open Records Section, 101 East 15th Street, Room 266, Austin, TX 78778-0001.

Where do I [mail Tax Forms](#)?



Please e-mail questions or comments to tax@twc.state.tx.us

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