



Employment Tax Filing with ADP SmartCompliance[®]

ADP Health Compliance

Name	King County
Industry	County Government
Employees	14,300
Headquarters	Washington
Website	kingcounty.gov

King County is the largest county in the state of Washington and the 13th largest county in the United States. From public transportation, to law enforcement, to parks and recreation and to water treatment, this county is doing their part to make sure their constituents are happy, healthy and receiving the services they expect. Since the county's AAA bond rating allows them to plan and fund future projects, accurate and timely employment tax reporting is always top of mind. We talked to Mary Beth Short, payroll, benefits, retirement, and safety and claims operations division director, to find out why working with ADP[®] for employment tax filing was the best choice for King County and how they benefited from ADP's depth and breadth of employment tax knowledge:

On the difficulties of handling employment tax in-house:

Our tax accountant retired, and with his departure, we lost his tax expertise and his understanding of the messages that we were receiving from the IRS. Additionally, we had a new HRIS system that we were just learning. We found that without that historic experience, we were struggling to work with the IRS in the capacity we would have liked.

Our outside accounting consultant got involved and recommended that we not rely on ourselves to be the tax experts. They stressed that it was important for us to ensure our tax payments and returns are getting to the IRS and other taxing agencies, and also that we have a tax expert who understands the process and can respond to the various tax agencies on our behalf.

On outsourcing with ADP:

Ultimately, the risk was just not a risk we wanted to take by ourselves. Since we are already using ADP for other services, we knew it would be pretty easy for us to take the next step and have them do our employment tax deposits and returns. Once our staff was reassured that their jobs were still needed and that ADP was adding a layer of expertise, they really saw the value in having ADP complete the filings for us.



We know we have a service provider who can keep us abreast of the changes that are occurring with employment tax laws and regulations and that we trust to deliver the money in the manner required by the taxing agencies, and with innovation and ideas to improve, like adjusting the W-2 deployment.

Mary Beth Short

Payroll, Benefits, Retirement and Safety and Claims Operations Division Director, King County



ADP is one of the single largest depositors to the IRS. They have a bench strength and depth we can't ever obtain. It became abundantly clear to us that having a large organization with the experience and the knowledge of employment tax laws, and the requirements of the taxing agencies, that we didn't have was extremely significant.

On the importance of accurate reporting:

Mistakes can make the front page of the newspaper, and we don't want a headline that reads "King County loses 3.5 million dollars to the IRS for improper payment." It can affect our bond rating. We have an outstanding bond rating that allows us to borrow for different projects at a far lower rate than other governments. We don't want to risk our AAA rating because it impacts what we are able to do and what we are able to provide to our constituents.

On the benefits of working with ADP:

From our perspective, the largest benefit is knowing that ADP can help ensure that we have the accurate reporting required by the taxing agencies. Since we have to do it, it needs to be accurate. ADP's system of milestones, project planning and the all-around process provides us with the understanding we need to do that reporting. Our ADP service contacts are also really great toolsets for us. We trust their depth of knowledge that we know we just can't replicate ourselves, and we don't think that other vendors necessarily have.

We know we have a service provider who can keep us abreast of the changes that are occurring with employment tax laws and regulations that we trust to deliver the money in the manner required by the taxing agencies, and with innovation and ideas to improve, like adjusting the W-2 deployment. Those are the things that we see as benefiting King County. We would be hard-pressed to find a better organization to work with—knowing those deposits are landing where they need to just gives us such peace of mind.

