

- an employing unit that pays \$1,000 in wages in a calendar quarter for domestic services

If an employing unit is not an employer by reason of any other provision of the Oklahoma Employment Security Act, they would be a subject employer and required to report and pay tax on all Oklahoma wages if they were subject to the Federal Unemployment Tax Act (FUTA).

The term “employer” shall include any Indian tribe for which service in employment is performed.

Employment

“Employment” means work done for an employer by individuals whom the employer pays, whether permanently or temporarily employed, unless the work is specifically exempt from coverage by the provisions of the Oklahoma Employment Security Act. Employment includes services performed by officers of corporations, including S corporations.

Interstate employment

Wages are reported to the Oklahoma Employment Security Commission if:

- the service is localized in Oklahoma. Service is considered to be Oklahoma employment if it is performed entirely within Oklahoma. The service is also considered Oklahoma employment if performed both inside and outside of Oklahoma, but the service outside of Oklahoma is incidental to the service in Oklahoma.
- the service is not localized in any state. If the service is not localized in any state but some of the service is performed in Oklahoma, and
 - the individual’s “base of operations” is in Oklahoma, or if there is no base of operations, then the place from which the individual’s employment is directed or controlled is in Oklahoma, or
 - the individual’s base of operations or place from which the service is directed or controlled is not in any state where service is performed, but the individual’s residence is in Oklahoma.

Employment exempt from coverage

Payments made for services that are exempt should not be included on the quarterly wage report. The following services do not constitute employment and are exempt from UI taxes.

- Services of an ordained minister in the exercise of his/her ministry
- Services performed by the spouse of an individual owner (sole proprietor)