

# AN EMPLOYER’S GUIDE TO HIRING EMPLOYEES\*

1. Apply online for your Federal ID# at [www.irs.gov/pub/irs-pdf/fss4.pdf](http://www.irs.gov/pub/irs-pdf/fss4.pdf).
2. Apply online for your Minnesota State ID# at [taxes.state.mn.us/business\\_taxpayers/pages/business\\_registration\\_index.aspx](http://taxes.state.mn.us/business_taxpayers/pages/business_registration_index.aspx).
3. Determine what position(s) you are hiring for and develop a list of job duties and requirements.
4. Read Publication 15, Employer’s Tax Guide at [www.irs.gov/pub/irs-pdf/p15.pdf](http://www.irs.gov/pub/irs-pdf/p15.pdf).
5. Read the Minnesota Income Tax Withholding information at [taxes.state.mn.us/Forms\\_and\\_Instructions/wh\\_inst\\_12.pdf](http://taxes.state.mn.us/Forms_and_Instructions/wh_inst_12.pdf).
6. Go to [www.deed.state.mn.us/publications/index.htm](http://www.deed.state.mn.us/publications/index.htm) and either order or download a copy of “An Employer’s Guide to Employment Law Issues in Minnesota.”
7. Determine your responsibility for paying Unemployment Insurance at [www.uimn.org](http://www.uimn.org).
8. Determine with your insurance agent the appropriate Worker’s Compensation Insurance necessary.
9. Study the Department of Labor website at [www.doli.state.mn.us](http://www.doli.state.mn.us) to ensure you understand your responsibilities related to labor standards, workers compensation, safety, and other employment issues.
10. Develop your payroll process. Who will conduct your payroll? What system will be used? Contact a payroll service provider (e.g., CPA, bank, ADP) and/or evaluate do-it-yourself systems like QuickBooks.

**Remember, it is imperative you are familiar with the requirements for:**

- Withholding Taxes
- Federal Tax Withholding
- Social Security taxes
- Medicare taxes
- State Tax Withholding
- Unemployment Insurance
- Workers Compensation Insurance
- Labor Standards

**Severe and strict penalties apply to not fulfilling all employer requirements. Familiarity and adherence to these requirements is crucial to the success of your business.**

*\*This list is not meant to replace the advice given by an accounting or finance professional. Consult an accountant to ensure you are accurately completing all employer*



## Other Employer Resources for Hiring

### Hiring Employees

- <http://payroll.intuit.com/hire-your-first-employee-free-book.jsp>
- <http://frugalentrepreneur.com/2011/09/frugal-small-business-start-up-tips-step-9-hiring-your-first-employee/>
- <http://www.sba.gov/content/10-steps-hiring-your-first-employee>
- [www.intuithire.com/tools/index.html](http://www.intuithire.com/tools/index.html)
- <http://www.sba.gov/content/hire-contractor-or-employee>
- <http://frugalentrepreneur.com/2011/05/whats-the-real-cost-to-hire-a-new-employee-considerations-before-hiring/>
- <http://www.sba.gov/content/performing-pre-employment-background-checks>
- <http://www.sba.gov/content/optional-employee-benefits>
- [http://podcasts.quickbooksgroup.com/2007/PodcastFiles/AudioFiles/QBCP2\\_Episode6\\_FirstEmployee1.mp3](http://podcasts.quickbooksgroup.com/2007/PodcastFiles/AudioFiles/QBCP2_Episode6_FirstEmployee1.mp3)

### Employee Handbooks

- [http://www.positivelyminnesota.com/Data\\_Publications/Publications/All\\_Other\\_DEED\\_Publications/Small\\_Business\\_Assistance\\_Office\\_Publications/An\\_Employers\\_Guide\\_to\\_Employee\\_Hbooks\\_in\\_Minnesota.pdf](http://www.positivelyminnesota.com/Data_Publications/Publications/All_Other_DEED_Publications/Small_Business_Assistance_Office_Publications/An_Employers_Guide_to_Employee_Hbooks_in_Minnesota.pdf)
- <http://www.sba.gov/content/employee-handbooks>
- [http://humanresources.about.com/od/handbookspolicies/a/sample\\_handbook.htm](http://humanresources.about.com/od/handbookspolicies/a/sample_handbook.htm)
- <http://www.bizfilings.com/toolkit/sbg/office-hr/managing-the-workplace/employee-handbooks-benefits-drawbacks.aspx>
- <http://www.sba.gov/content/writing-employee-handbooks>

### Writing Job Descriptions

- <http://www.sba.gov/content/writing-effective-job-descriptions>
- <http://www.smallbusinessnotes.com/managing-your-business/job-descriptions.html>
- <http://www.inc.com/guides/2010/04/writing-job-description.html>
- <http://www.extension.purdue.edu/extmedia/EC/EC-728.pdf>

### Employee Benefits

- <http://www.sba.gov/content/optional-employee-benefits>
- <http://www.sba.gov/content/required-employee-benefits>
- <http://www.forbes.com/2010/08/17/best-benefits-package-for-small-business-entrepreneurs-human-resources-growth-lessons-10-benefits.html>
- <http://sbinformation.about.com/cs/benefits/a/8uncommon.htm>

U.S. Small Business Administration



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