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Andy Tobin
Director

ARIZONA DEPARTMENT OF ADMINISTRATION

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TO: All State of Arizona Agency Directors
FROM: Andy Tobin, Director, ADOA
CC: Daniel Ruiz, Chief Operating Officer, State of Arizona
Ashley Ruiz, State Comptroller, ADOA
Emily Rajakovich, Human Resources Director, ADOA
DATE: September 4, 2020
RE: Presidential Memo on Deferring Payroll Tax Obligations

Dear Colleagues,


On August 8th, 2020, President Trump directed the Secretary of the Treasury to defer the withholding and payment of the employee portion of social security taxes from September 1st to December 31st of this year. The Internal Revenue Service (IRS) confirmed on September 3rd the tax deferral is optional; employers are not required to participate.

The directive does not eliminate the tax liability for employees. The IRS advised on August 28th that employers that choose to participate should withhold the deferred taxes from employee pay from January 1st to April 30th next year, in addition to normal withholdings.

The State of Arizona will not be participating and will continue standard tax withholding practices for our employees until such a time that conditions warrant reevaluation.

Supplemental information will be distributed to accounting and human resources staff at your agencies as needed. Please let us know if you have any questions.

Sincerely,


[Andrew Tobin \(Sep 4, 2020 15:43 PDT\)](#)

Andy Tobin
Director, ADOA