

The Pennsylvania Unemployment Compensation law, or the law, provides that each employer, including any person for whom services are performed by an individual for remuneration, whether or not liable for the payment of contributions under the law, shall keep accurate employment records containing such information as may be prescribed by the regulations adopted by the department.

Unemployment Compensation Regulation, Section 63.64 of Title 34 (Records to be kept by employer) provides, in part, as follows:

(a) Content of records. Each employer, whether or not liable for the payment of contributions, shall keep clear, accurate, and complete employment and payroll records. The records must contain the following information on each worker, including workers whom the employer considers to be independent contractors, workers whom the employer considers not "employees" under the law, and workers covered by an arrangement described in section 4(j)(2.1) of the law (43 P.S. § 753(j)(2.1)) [such as professional employer arrangements and employee leasing arrangements]:

- (1) Social Security number;
- (2) full name;
- (3) wage rate (hourly, daily or piece rate, weekly, monthly or annual salary);
- (4) total remuneration paid for each pay period by type of payment (cash and fair market value of non-cash remuneration);
- (5) traveling or other business expenses actually incurred and accounted for, and the dates such expenses were incurred and were paid by the employer;
- (6) place of employment;
- (7) all scheduled hours and hours worked;
- (8) daily attendance record, showing the dates on which the worker actually worked, and time lost due to reasons other than lack of work;
- (9) if separated, the date and the reasons for separation;
- (10) number of credit weeks;
- (11) documentation of payments made to worker, including bank statements, cancelled checks, check stubs, and electronic funds transfer records;
- (12) if the worker is covered by an arrangement described in section 4(j)(2.1) of the law, the contract between the employer and the other party to the arrangement;
- (13) any contract between the employer and the worker;
- (14) if the employer considers the worker to be an independent contractor or otherwise not an "employee" under the law, all records, documentation and evidence supporting that position;
- (15) federal and state tax returns for the periods when the worker was employed;

(b) Location, retention and inspection of records.

- (1) The employment and payroll records under subsection (a) shall be retained either at the place of employment or at an established central recordkeeping office for at least four years after contributions relating to the records have been paid.
- (2) Daily attendance records need not be retained for more than two years.
- (3) The Department's authorized representatives may inspect, transcribe or photocopy all employment and payroll records required under subsection (a) and all other business records, including, without limitation, cash books, journals, ledgers and corporate minutes at any reasonable time and as often as may be deemed necessary. The employer or entity in possession of the records shall keep the records in a condition that the information required may readily be obtained by representatives of the department.