

HERE WE EXPLAIN W-2 WORKERS FOR UK RECRUITERS

WHAT IS A W-2 WORKER?

In the US, a W-2 worker refers to an employee whose income and tax details are reported on a Form W-2, provided by the employer at the end of each tax year.

Unlike independent contractors (1099 workers), W-2 workers are considered traditional employees, receiving regular paychecks, and benefiting from employer-provided benefits such as health insurance, retirement plans, and paid time off. Navigating the employment of W-2 workers involves adherence to US labor laws, tax regulations, and the provision of comprehensive employment packages, reflecting the structured employment relationships commonly found in the UK.

HOW WE CAN HELP

GET IN TOUCH TODAY TO SPEAK WITH OUR EXPERTS

Are you a UK recruiter considering your plans for US expansion? We can help! WTT Legal's Dual US-UK qualified Director of Legal Services, Carla Roberts, holds extensive experience in both the UK and US recruitment market. Our legal team are well placed to advise on transacting business in the US and using your UK entity to engage with US clients.

Contact us at info@wttlegal.co.uk or call us on +44 (0)20 3468 0000 to arrange a free consultation.

FORM W-2 COMPLIANCE

W-2 workers are subject to tax withholdings, benefits from comprehensive benefits packages, and have their earnings and tax details reported on Form W-2.

To ensure compliance with US labor laws, UK recruiters must draft clear and thorough employment contracts and offer competitive benefits. It is also important for recruiters to seek legal advice to help navigate specific regulations and complex landscape of the US job market. Efficient payroll management, accurate tax reporting, and timely distribution of Form W-2 during tax season is essential. By embracing these practices, recruiters can successfully integrate W-2 workers into the US workforce.

KEY POINTS TO REMEMBER:

- 1 W-2 workers in the US represent traditional employees with a structured employment relationship
- 2 Employers withhold federal and state income taxes, Social Security and Medicare taxes from wages
- 3 Benefits are crucial for attracting and retaining top talent in a competitive job market
- 4 Contracts for W-2 workers should outline terms related to job responsibilities, compensation, benefits, and any other relevant employment conditions



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WTT provides award-winning experienced tax advisers, legal experts and wealth professionals working together as a cohesive team. The breadth and depth of our expertise allows us to provide an all-round tailored service for contractors, entrepreneurs and companies alike.

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