

# Checklist for Iowa Agricultural Employers

This checklist is intended to be an overview of considerations as you prepare to hire one or more employees for your farm operation. For each area, you are provided with reference and/or contact information. Please do not consider this checklist to be exhaustive, as it is impossible to list everything that you should know to comply with state and federal laws. This checklist will become outdated over time as laws and requirements change. This tool is meant to provide you with guidelines in a variety of areas, and **you should not consider this checklist to be legal advice**. Consult with your own qualified tax, accounting, insurance and legal advisers as they will be familiar with your farm business, and can provide expert advice on your specific needs. You should also consult with state and federal officials who will be familiar with changes in laws and requirements.

**Review farm needs and hiring practices**

- Purdue University Extension – Developing and Implementing Sound Hiring Practices: [www.ces.purdue.edu/extmedia/EC/EC-670.html](http://www.ces.purdue.edu/extmedia/EC/EC-670.html)
- University of Vermont – Agricultural Labor Management: [www.uvm.edu/~farmlabr/](http://www.uvm.edu/~farmlabr/)
- Ag Help Wanted: Guidelines for Managing Agricultural Labor – a guidebook published by the Western Farm Management Extension Committee: <http://aghelppwanted.uwagec.org/>

**Prepare job/position descriptions**

- Job Description Generator: <http://dasweb.psu.edu/jobdescription/>
- Comprehensive List of Ag Job Descriptions <http://are.berkeley.edu/APMP/zmgtools/jobdescs/fel.top.html>
- Determine whether position requires CDL license: Iowa CDL In A Nutshell Booklet: [www.iowadot.gov/mvd/ods/cdl/cdlnut.pdf](http://www.iowadot.gov/mvd/ods/cdl/cdlnut.pdf) -or- call Iowa DOT: 1-800-532-1121

**Employee policy document or handbook**

- Consider establishing written employee policies in document/handbook for employees – reviewed by your legal professional. Do not negate the employment-at-will doctrine.
- **Ohio State University Extension** – Short Guide to Farm Employee Handbooks: <http://aede.ag.ohio-state.edu/people/erven.1/HRM/Employee%20Handbooks.pdf>

- **University of Missouri Extension** – Template for farm employee handbook: <http://agebb.missouri.edu/commag/swine/hdbook.pdf>
- **University of Vermont** – Guidelines and links to additional information on farm employee handbooks [www.uvm.edu/~farmlabr/?Page=personnel/handbooks.html&SM=personnel/submenu\\_personnel.html](http://www.uvm.edu/~farmlabr/?Page=personnel/handbooks.html&SM=personnel/submenu_personnel.html)
- **University of California** – Labor Management in Agriculture – guide to farm employee handbooks [www.cnr.berkeley.edu/ucce50/ag-labor/7labor/17.pdf](http://www.cnr.berkeley.edu/ucce50/ag-labor/7labor/17.pdf)
- **Wisconsin Farm Bureau Federation** – Templates for: Employee handbook [www.wfbf.com/Employee%20Handbook.doc](http://www.wfbf.com/Employee%20Handbook.doc) Safety handbook [www.wfbf.com/Farm%20Safety%20Handbook.doc](http://www.wfbf.com/Farm%20Safety%20Handbook.doc)

**Recruit candidates for the position**

- Contact area schools – high schools, colleges
- Contact Iowa Workforce Development [www.iowaworkforce.org](http://www.iowaworkforce.org) -or- (800) 562-4692 Local Office Listing: [www.iowaworkforce.org/centers/files/offices.htm](http://www.iowaworkforce.org/centers/files/offices.htm)
- Write Help Wanted Advertisements [www.uvm.edu/~farmlabr/?Page=recruitment/write.html&SM=recruitment/submenu\\_recruitment.html](http://www.uvm.edu/~farmlabr/?Page=recruitment/write.html&SM=recruitment/submenu_recruitment.html)

**Prepare for & conduct interviews**

- Possible Interview Questions – 7-page List: [www.utsa.edu/hr/docs/interviewquestions.pdf](http://www.utsa.edu/hr/docs/interviewquestions.pdf) Includes a list of questions to not ask!
- Interview guidance from Iowa State Extension: [www.extension.iastate.edu/valueaddedag/info/Hiringrightandretaininggoodemployees.htm](http://www.extension.iastate.edu/valueaddedag/info/Hiringrightandretaininggoodemployees.htm)

**Evaluate candidates, check references, make selection and offer**

- Recruiting & Hiring Farm Employees: <http://agmarketing.extension.psu.edu/Business/PDFs/hiringemployees.pdf>
- Consider incentives for good employees: [www.extension.iastate.edu/valueaddedag/info/Incentivesforkeyemployees.htm](http://www.extension.iastate.edu/valueaddedag/info/Incentivesforkeyemployees.htm)
- Confirm employment offer in writing (pay, benefits, hours, etc.) See Wages and Benefits for Farm Employees – Results of an Iowa Survey – ISU Extension: [www.extension.iastate.edu/Publications/FM1862.pdf](http://www.extension.iastate.edu/Publications/FM1862.pdf)

- Federal & state tax, withholding forms**
- Obtain FEIN (Federal Employer ID Number)**  
Apply Online: [www.irs.gov/businesses/small/](http://www.irs.gov/businesses/small/) or  
SS-4 Form: [www.irs.gov/pub/irs-pdf/fss4.pdf](http://www.irs.gov/pub/irs-pdf/fss4.pdf)  
IRS Phone: 1-800-829-4933
- Register with Iowa Department of Revenue for business tax registration:**  
[www.idr.iowa.gov/CBA/start.asp](http://www.idr.iowa.gov/CBA/start.asp)  
Iowa Dep't of Revenue phone: 1-800-572-3943
- New employees complete both federal and state W-4 forms for withholding (w/in 15 days):**
  - Federal: [www.irs.ustreas.gov/pub/irs-pdf/fw4.pdf](http://www.irs.ustreas.gov/pub/irs-pdf/fw4.pdf)
  - State: [www.iowa.gov/tax/forms/44019.pdf](http://www.iowa.gov/tax/forms/44019.pdf)
  - Withhold 6.2% (Social Security, OASDI) and 1.45% (Medicare) from employee's gross pay (Total 7.65%) and deposit employee's share withheld plus matching employer's contribution (total 15.3%) to local depository bank with coupon book from IRS. Consult with your tax professional.
  - Booklet about Iowa Withholding Tax: [www.iowa.gov/tax/educate/78552.html](http://www.iowa.gov/tax/educate/78552.html)
  - Iowa Withholding Tax Tables: [www.iowa.gov/tax/forms/44001.pdf](http://www.iowa.gov/tax/forms/44001.pdf)
- Report new employees on Iowa Centralized Employee Registry (CER) form** (top part of Iowa W-4)—submit w/in 15 days.  
By Mail: CER, PO Box 10322, Des Moines, IA 50306-0322. By Fax: 1-800-759-5881  
By Website: [www.iowachildsupport.gov](http://www.iowachildsupport.gov)
- Iowa unemployment insurance**—determine whether you are a “liable employer.” Call: 1-800-972-2024 or [www.iowaworkforce.org/ui/uiemployers.htm](http://www.iowaworkforce.org/ui/uiemployers.htm)
  - Agricultural employers that paid cash wages of \$20,000 or more to agricultural laborers in any quarter of the current or previous calendar year, or employed 10 or more workers in some portion of a day in 20 separate weeks in the current calendar year or the preceding calendar year is a “liable employer” who is obligated to report wages and pay unemployment insurance taxes to the Iowa Unemployment Insurance Division.
  - Obtain an Unemployment Insurance Handbook for Iowa Employers [www.iowaworkforce.org/ui/stawrs/70-5007.pdf](http://www.iowaworkforce.org/ui/stawrs/70-5007.pdf)
- Complete Form I-9 (Employer Eligibility and Identity Verification) and keep on file:**
  - Obtain form with basic instructions: [www.uscis.gov/files/form/i-9.pdf](http://www.uscis.gov/files/form/i-9.pdf)
  - Handbook for Employers on I-9 Forms: [www.uscis.gov/files/form/m-274.pdf](http://www.uscis.gov/files/form/m-274.pdf)
- Advice for maintaining I-9 files and records – Western Dairy News (Nov 2009): [www.cvmb.colostate.edu/ilm/proinfo/wdn/2009/Nov.%20WDN.pdf](http://www.cvmb.colostate.edu/ilm/proinfo/wdn/2009/Nov.%20WDN.pdf)
- Posters** – Obtain/Post required posters:
  - [www.iowaworks.org/reqposters.htm](http://www.iowaworks.org/reqposters.htm) or
  - Contact Local Iowa Workforce Office – [www.iowaworks.org/contacts.htm](http://www.iowaworks.org/contacts.htm)
- Comply with wage and overtime laws**
  - Minimum Wage = \$7.25/hour (state or federal)
  - Federal law requires overtime (1½ times regular rate) be paid for all hours worked over 40 in a workweek. Farm workers may not be subject to federal minimum wage/ overtime rules if worker is employed on a “small farm” – i.e., a farm that used less than 500 “man days” of farm labor in any calendar quarter of the preceding calendar year.
  - Wage & Hour guidance for ag employees: [www.dol.gov/whd/regs/compliance/whdfs12.pdf](http://www.dol.gov/whd/regs/compliance/whdfs12.pdf)
  - Frequently Asked Questions (FAQs) on Iowa wage and hour law: [www.iowaworkforce.org/labor/wage-faqs.pdf](http://www.iowaworkforce.org/labor/wage-faqs.pdf)
- Provide to employee:**
  - With each paycheck: Statement of earnings with the hours worked, wages earned, and deductions made from the paycheck
  - W-2 form/copies by Jan 31 of the following year.
- Worker's compensation compliance**
  - In Iowa, workers compensation is not required for –Agricultural employees whose employer has a cash payroll of less than \$2,500 in the calendar year preceding the injury; or
  - The president, vice president, secretary, and treasurer of a family farm corporation and their spouses, and the parents, brothers, sisters, children, stepchildren and their spouses of either the officers or their spouses.
  - Otherwise, Iowa law requires agricultural employers to have a reliable method of providing workers' compensation benefits to eligible employees. *Consult with your insurance professional.*
- Annually file the following forms**
  - IRS Form W-3 – a summary of all W-2 forms with all “Copy A” of W-2 forms to Social Security Administration (SSA) by Feb 28
  - IRS Form 943 – summary of all agricultural wages and federal/SSA deposits by Jan 31
  - Forms available at: [www.irs.gov](http://www.irs.gov)