SPRINGFIELD PAYROLL TAX

PROGRAM OVERVIEW • EFFECTIVE JANUARY 1, 2027

The Springfield Payroll Tax applies to employers and employees associated with a taxable business location within Springfield city limits, as well as self-employed individuals and independent contractors with a physical business location within city limits.

The City Council adopted the tax on June 1, 2026. Revenue will support City services and be accounted for in a separate fund.

WHO PAYS?

EMPLOYERS	Businesses with a taxable Springfield location pay tax on applicable wages associated with that location.
EMPLOYEES	Employees whose wages are associated with a taxable Springfield business location pay tax through payroll withholding.
SELF-EMPLOYED	Self-employed individuals and independent contractors with a physical business location in Springfield pay tax on qualifying net earnings from self-employment.

TAX RATES

0.1%	0.1%	0.1%
EMPLOYER	**EMPLOYEE**	**SELF-EMPLOYED**

0.1% = $1 for every $1,000 of applicable wages or qualifying net earnings.

KEY DATES

JAN 1, 2027	Tax begins for pay periods starting on or after this date.
MAR 1, 2027	Employer registration opens.
APR 30, 2027	First employer quarterly return and payment due.
APR 15, 2028	First annual return and payment due for calendar-year self-employed filers.

WHAT YOU NEED TO KNOW

DOES WORK LOCATION MATTER?

The tax generally depends on the employer's taxable Springfield business location, not simply where an employee works. Employees who work from home, remotely, or at temporary job sites may be subject to the tax when their wages are associated with a taxable Springfield business location.

For work-location examples, see the City's payroll tax FAQs.

WHAT SHOULD EMPLOYERS DO NOW?

- Determine whether your business has a taxable location in Springfield.
- Identify employees and wages subject to the tax.
- Contact your payroll provider or tax professional to prepare for withholding beginning January 1, 2027.
- Plan to register with the City beginning March 1, 2027.
- Review the City's website for updated forms, filing instructions, and guidance.

WHAT WAGES ARE SUBJECT TO THE TAX?

The tax generally applies to employee wages and certain other forms of compensation. Some types of pay and benefits are excluded. Employers should review the Payroll Tax Code, administrative rules, and FAQs for details.

FILING AT A GLANCE

EMPLOYERS	File and pay quarterly. The first return and payment are due April 30, 2027.
SELF-EMPLOYED	File and pay annually. For calendar-year filers, the first return is due April 15, 2028.

LEARN MORE & CONTACT US

https://bit.ly/SpringfieldPayrollTax

Find the ordinance, administrative rules, FAQs, and current registration and filing information.

City of Springfield Finance Department

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SCAN FOR DETAILS

This overview provides general information. The Payroll Tax Code and administrative rules govern the tax requirements.