



TASC PayPath 2018 Year-End Instructions

2019 Company Schedule – Review your payroll schedule for year-end and 2019 and notify us of any necessary changes. The payroll schedule is available at Online Employer under Web Reports and the report is called *Company Sched.*

2019 Unemployment Rate & File/Deposit Frequency Notices – Forward all 2019 state unemployment tax rates, state file frequency, and federal deposit frequency notices via fax or email.

Verify Name and SSN – In Online Employer, go to Web Reports and run the *Emp W2 and SSN* report. Check for missing Social Security numbers, name changes, addresses and incorrect data. Changes must be entered prior to your final check date of 2018 in order for the changes to be effective on the W-2s. Clients should verify employee information against HR/employment files.

Report Fringe Benefits – Fringe benefits must be reported before or along with your final check date of the year for appropriate taxation to occur. Additional fees for W-2 corrections and amended returns will be assessed if reported after your final check date of 2018, unless you have notified us prior to December 28 to delay your W-2 processing.

Income taxes will be applied to the fringe benefit items where applicable unless you instruct us in writing to stop income tax withholding. FICA and/or Medicare taxes will always be withheld where applicable. A couple of things to keep in mind:

1. Employees may notice a significant decrease in their expected payroll amount if these additional taxes are withheld.
2. If FICA/Med taxes are required to be withheld, report fringe benefit inclusions along with a regularly scheduled payroll check so these taxes are collected from your employees. If not, the employer assumes the cost of these taxes in addition to the employer portions.

Third Party Sick Pay – Notify us no later than December 28 if you expect to report Third Party Sick Pay after December 31 so we can delay your W-2 processing and avoid additional fees being assessed.

Bonus Payments – Submit bonus payment details as early as possible. Bonus details must be received no later than **12 p.m. CT on Wednesday, December 26** to be dated in 2018 and included on the 2018 W-2. Bonus details received after this time will be considered late where tax payments and all associated penalties and interest will become the employer's liability.

Holiday Office Hours

- Monday, December 24 – office is closed (*may have limited staffing if there are critical processes to run*)
- Tuesday, December 25 – office is closed (federal holiday); NO direct deposit or mail
- Tuesday, January 1 – office is closed (federal holiday); NO direct deposit or mail

W-2 Delivery – All W-2 forms will be mailed directly to employees' home addresses this year. We are offering this service to save you time on handling W-2s and to ensure that forms are mailed according to the IRS timeline. Standard postage rates will apply. If you elect not to use this service, there will be a handling fee of \$25 applied to your account. Please notify us no later than December 31 if you require special mailing.

Direct Deposit – Great time to go paperless!

- Eco-friendly
- Eases the burden of delivering paychecks to remote employees
- Reduce associated delivery payroll plan cost
- No chance of lost/stolen checks or possibility of check fraud
- Reduce stop payment and re-issue hassles when they arise
- Reduce/eliminate outstanding check tracking and escheatment compliance
- Protect your employees financially during natural disasters and other events as experienced in the wake of Hurricane Michael

FUTA Credit Reduction – Some states are in a Credit Reduction status as a result of needing to repay the Federal Government for funds borrowed to supplement State Unemployment Insurance benefits. This Credit Reduction status is made retroactive to January 1 of the current tax year which will result in an increase in your fourth quarter FUTA liability.

ACA Reporting Compliance – As you know, employers with 50 or more employees need to comply with the reporting mandates for the Affordable Care Act. It is time to make certain that you are in compliance and to contact your ACA reporting partner to make a determination. TASC is currently offering a compliance service offering at an additional charge. Please contact us immediately if you are interested.

Employer Reporting of Healthcare Costs – The Affordable Care Act requires employers with 250 or more W-2s to report the cost of coverage under an employer-sponsored group health plan. In general, the amount reported should include both the employer and the employee paid portions. If applicable, please contact us for instruction on how to complete this reporting prior to your final scheduled check date of 2018. Additional information regarding W-2 Reporting of Employer-Sponsored Health Coverage can be found here: <https://www.irs.gov/affordable-care-act/form-w-2-reporting-of-employer-sponsored-health-coverage>

Exempt W-4s – These expire every year. Employers should contact employees and collect a new W-4 form for anyone who claimed exempt by February 15, 2019.

2019 Payroll – It is strongly encouraged to review your first payroll in 2019 for accuracy including employee data, rates of pay, tax filing, rates, tax IDs and deposit frequency. Contact support if you would like an overview of the Tax Liability Report or Online Employer System. It is important clients also take an active role in validating plan information for accurate and timely processing.