



American Payroll Association

San Antonio • New York • Las Vegas • Washington

Reminders for a Successful Year-End

Year-end is upon us! Here are some tried-and-true tips to help ease your year-end processing. Many of the below are from our most popular seminar, *Preparing for Year-End and 2009*, which is available to be viewed as a webinar. See how you can receive year-end processing and compliance information without leaving your office at <http://www.americanpayroll.org/product/50/125>.

December

- Remind any workers who have had life changes such as marriage, divorce, or a change in number of dependents to make the appropriate changes to their withholding via Form W-4.
- Remind employees that those who wish to continue claiming exemption from withholding must submit a new W-4 by February 15, 2009, and those who wish to continue receiving Advance Earned Income Credit payments must submit a new W-5 by December 31, 2008.
- Collect benefit and payroll adjustment information and post to employees' payroll, including relocation, educational assistance, group-term life insurance, third-party sick pay, company cars, manual checks, and void checks.
- Order enough Forms W-2 for all the employees who have worked for you this year, as well as some excess to allow for any mistakes. Better yet, consider preparing, printing, and filing your W-2s online at www.socialsecurity.gov/bsa.
- Verify your employees' names and Social Security Numbers (SSNs) at <http://www.ssa.gov/employer/ssnv.htm>.

December-January

- Obtain new forms, withholding tables, and publications. Review the new Social Security wage base (\$106,800), deferred compensation limits, mileage rates, and state unemployment wage bases.
- Notify employees of applicable changes and any steps they must take.

January 1

- Reset all year-to-date balances to zero.
- Reset all wage bases, rates, and limits according to your research.
- Discontinue payments of Advance Earned Income Credit to any employee who has not given you a 2009 Form W-5.

January

- Reconcile W-2 totals against the four Forms 941 for 2008.
- Run a report to verify W-2 information before printing the forms. Make sure you have a SSN for each employee. Review employees with wages higher than the Social Security wage base (\$102,000 for 2008), benefits that must be reported in box 10 or 12, or statuses that must be checked in box 13.
- Buy postage for mailing Forms W-2.
- If your company offers any pre-tax deductions, prepare a notice for employees that explains the calculations of the numbers in boxes 1, 3, and 5.

By February 2 (since January 31 is a Saturday)

- Deliver or mail Forms W-2, *Wage and Tax Statement*, to all 2008 employees.
- File Form 941 (943 for agricultural employers), *Employer's Quarterly Federal Tax Return*.
- File Form 940, *Employer's Annual Federal Unemployment (FUTA) Tax Return*.
- For each of Forms 941, 943, and 940, if all taxes have been deposited when due, the deadline is extended until February 10.

February 16

- For any employee who claimed exemption from withholding last year, but has not submitted a 2009 W-4, begin withholding based on a marital status of "single" and zero withholding allowances.

By March 2 (since February 28 is a Saturday)

- File Forms W-2 (Copy A) with the Social Security Administration. If you file electronically, you have an extra month (until March 31) to file.

The APA is proud to be an integral partner with the Internal Revenue Service and the Social Security Administration. This allows APA to include the most accurate and up-to-date information in its seminars, publications, and webinars. See all of APA's live and on-demand webinars at <http://www.americanpayroll.org/course-conf/webinars/>.