



2023 Year-End Client Reference Guide



Dear valued Payroll Partners client,

We understand that the year-end process can be overwhelming and stressful. That's why we have designed this guide to help you navigate through it smoothly and meet critical deadlines. Our ultimate goal is to guarantee an accurate and timely delivery of your payrolls and your quarterly and annual returns.

This **2023 Year-End Client Reference Guide** is packed with useful information that will assist you in preparing for year-end 2023. Enclosed, you'll find a comprehensive list of deadlines for 2023 Year-End reporting, as well as important 2023 and 2024 information. We hope this guide will help you stay organized and on track.

Thank you for entrusting us with your year-end reporting. We look forward to continuing to work with you in the future. Should you have further questions, or need additional information, please contact us at (817) 226-8111 or info@payrollpartners.com.

We wish you a wonderful holiday season and prosperous New Year! We appreciate your business as always!

Your Payroll Partners Team

2023 Year-End Client Reference Guide

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1) Dates to Remember & Holiday Closings

The holiday season is a busy time for everyone. To ensure that everything runs smoothly and efficiently, we request that all payrolls be submitted as early as possible. This will help us to better manage the increased volume of work and ensure that your employees receive their pay on time.

Please note that due to the holiday time limitations, there may be occasions when we are not able to send a preprocess report to you for review. Rest assured, however, that we will do everything in our power to ensure that your payroll is accurate and processed as quickly as possible.

Thanksgiving Week: It is important to keep in mind the impact of holidays on your payroll processing. The week of Thanksgiving will be a short week at Payroll Partners as we will be closed on **Thursday (Thanksgiving Day)** and **Friday**. Additionally, Thanksgiving Day is a Federal Reserve Banking holiday which will affect direct deposit dates and deadlines for payroll approvals.

If your pay date is normally on **Thursday**, your pay date will be moved to **Wednesday, November 22nd**. If you receive a preprocess, your payroll hours/data will be due by noon on **Friday, November 17th**. If you do not receive a preprocess, your payroll hours/data will be due on **Monday, November 20th**.

If your pay date is normally on **Friday**, you will have the option to leave your pay date as Friday or move your pay date to **Wednesday, November 22nd**. If you receive a preprocess, your payroll hours/data will be due by noon on **Friday, November 17th**. If you do not receive a preprocess, your payroll hours/data will be due on **Monday, November 20th**. Please contact your Payroll Specialist no later than **Friday, November 10th** if you wish to move your pay date up to **Wednesday, November 22nd**.

Refer to Section 6 below for very important information about bonus payrolls on Thanksgiving Week.

Christmas Weeks: Payroll Partners will close at noon on **Friday, December 22nd** and will also be closed on **Monday, December 25th**. Monday, December 25th is also a Federal Reserve Banking holiday which will affect direct deposit dates and deadlines for payroll approvals.

If your pay date is normally on Monday, Tuesday, Wednesday or Thursday, it is crucial that you contact your Payroll Specialist to determine your deadlines for sending payroll data and for approvals. **Friday, December 29th** pay dates will not be affected by the Christmas Day Federal Reserve Banking holiday.

New Year's Weeks: Payroll Partners will close at noon on **Friday, December 29th** and will also be closed on **Monday, January 1st**. Monday, January 1st is also a Federal Reserve Banking holiday which will affect direct deposit dates and deadlines for payroll approvals.

If your pay date is normally on Monday, Tuesday, Wednesday or Thursday, it is crucial that you contact your Payroll Specialist to determine your deadlines for sending payroll data and for approvals. **Friday, January 5th** pay dates will not be affected by the New Year's Day Federal Reserve Banking holiday.

It is important to review your check dates and adjust your payroll submittal as necessary to ensure that your employees receive their payments on time. By being proactive and making these adjustments, you can avoid any potential delays or issues with payroll processing during holiday periods.

2) November 2023 – February 2024 Calendars

2023 NOVEMBER



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
29	30	31	01	02	03	04
05	06	07	08	09	10	11 Veteran's Holiday Banks Closed
12	13	14	15	16	17	18
Look for your W2/1099 edits to be included with your last November payroll!!!						
19	20 Noon (CST) deadline for processing paychecks dated 11/22/23	21 Noon (CST) deadline for processing paychecks dated 11/24/23	22	23 Thanksgiving Holiday Banks Closed Payroll Closed	24 Day after Thanksgiving Banks Open Payroll Closed	25
26	27	28	29	30 2023 Year End Authorization Due	01	02
03	04	05	06	07	08	09

2023 DECEMBER



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	
26	27	28	29	30	01 Payroll Partners have raffle for YE Authorization!	02	
03	04	05	06	07	08	09	
10	Look for your W2/1099 previews to be included with your mid-December payroll!						16
17	18	19	20	21	22 <u>Christmas Eve Observed</u> Banks Open Payroll Closes at noon	23	
24	25 <u>Christmas Holiday</u> Banks Closed Payroll Closed	26	27 Last Day to process 2023 payroll timely with no additional fees!	28	29 <u>New Year's Eve Observed</u> Banks Open Payroll Closes at noon	30	
31	01	02	03	04	05	06	

2024 JANUARY



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	
31	01 <u>New Year's Holiday Observed</u> Banks Closed Payroll Closed	02	03	04	05	06	
07	08	09	10	11	12	13	
14	15 <u>Martin Luther King Jr Day</u> Banks Closed Payroll Open	Look for your W2/1099/1095-c forms to be delivered between 12th - 19th				19	20
21	22	23	24	25	26	27	
28	29	30	31 Deadline for all W-2's, 1099s and 1095-C's* to be postmarked!	01	02	03	
04	05	06	07	08	09	10	

*Deadline for 1095-C is automatically extended to 3/1/2024 per page 6 of the IRS 1094/1095 instructions

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
28	29	30	31	01	02	03
04	05	06	07	08	09	10
11	12	13	14 Deadline to continue 'Exempt' from Federal taxes without an updated W4 from employee (non- clerk).	15	16	17
18	19 <u>President's Day</u> Banks Closed Payroll Open	20	21	22	23	24
25	26	27	28	29	01	02

3) 2023 Year End Authorization Form

We will once again be using **Survey Monkey** online to obtain the Year End Authorization data required from all clients. This information is vital to ensure timely year-end processing.

To complete the authorization, simply visit this [link](#). The survey is brief and should take no more than three minutes of your time. Rest assured that the information you provide will only be used for year-end planning purposes.

As an added incentive, completing the survey by **November 30th** will enter you into our drawing for a **\$100 gift card**. We appreciate your timely response and look forward to continuing our excellent service to you.

4) W-2/1099 Information Review

The end of the year is a great time to check for inaccurate or outdated employee information. Inaccurate information can be costly and can also result in IRS-imposed penalties.

The **W-2 Preview** and **W-2/1099 Edit** reports are available for you to review in **Evolution Payroll** in **Defined Reports**. You can find instructions on how to access these reports at this [link](#). Additionally, the W-2/1099 Edit report will be included with your Published Reports after the last payroll processed in November. The W-2 Preview is a snapshot of individual W-2 forms including name, address, SSN, wages and withholding. The W-2/1099 Edit reports name, address, and SSN only. Both reports are a great tool to use to review your employees' information.

All revisions and changes (i.e., name, address, SSN) for W-2 employees and 1099 contractors must be submitted to your Payroll Specialist by **December 15, 2023**. Any wage updates or changes for W-2 employees or 1099 contractors must be submitted to your Payroll Specialist **before we run your final payroll for 2023**.

In the event that there are incorrect names and SSNs filed on W-2's, you may receive a **Mismatch Letter to Employers** from the Social Security Administration Office in 2024.

5) 1099 Processing

If you pay 1099 contractors through payroll, your 1099 pay information is due no later than **December 15, 2023**. No additional 1099 payrolls will be processed after December 15th or your last payroll of the year, whichever is later.

6) Year-End Employee Bonuses

If you offer year-end bonuses to your employees, it is very important that you let us know prior to your planned bonus payout. To initiate the bonus process, [click here](#) to complete the required Bonus Payroll Worksheet, and send the completed worksheet to your Payroll Specialist or to lisa@payrollpartners.com by November 15th.

If bonuses are not grossed up and they are added to a regular payroll, the deadline to submit your bonus information to us is 5 business days before the check date. If your bonuses will be grossed up, the deadline to submit your bonus information to us is 10 business days before the check date.

Our processing fees are as follows:

- Grossed up using the flat 22% supplemental tax rate – \$10.00 base fee plus .30¢ per grossed up check.
- Grossed up using no Federal W/H, (we don't recommend this) – \$10.00 base fee plus .30¢ per grossed up check.
- Grossed up using Employee's W4 elections – \$10.00 base fee plus **\$1.50** per grossed up check.
- Expedited bonuses will incur a minimum fee of \$50.00 per bonus run.

Once you have submitted your Bonus Payroll Worksheet to your Payroll Specialist, your specialist will send a bonus e-sheet to you. This is a spreadsheet we will create for you to drop in bonus amounts based on your elections on the Bonus Payroll Worksheet. We must have the completed e-sheet return to us to process the bonuses accurately.

Thanksgiving Week Bonuses: No bonus payrolls will be processed the week of Thanksgiving due to limited processing times. If you would like to have a bonus payout the week of Thanksgiving, the payroll will need to be processed by noon on Friday, November 17th with your bonus information including the worksheet referred to above and amounts of bonuses submitted to us no later than Friday, November 10th for non-grossed up bonus payrolls. Grossed up bonus payrolls must be submitted to us no later than Friday, November 3rd for Thanksgiving week payout.

7) Employee Fringe Benefits

Fringe benefits are additions to compensation that companies give their employees. Some fringe benefits are given to all employees of a company while others may be offered only to certain levels. Did you provide your employees fringe benefits during 2023? If so, the value of these fringe benefits are subject to income tax withholding and employment taxes.

If you did provide your employees with fringe benefits, we must have this information to include with your final payroll of 2023. (If preferred, these benefits can be added to a sooner payroll or can be included in a supplemental payroll.) All fringe benefits information needs to be submitted to your Payroll Specialist no later than noon on **Friday, December 22nd**.

Following are some examples and information on common fringe benefits:

Group Term Life (GTL): When the employer-provided GTL exceeds \$50,000, all premium amounts over \$50,000 are subject to all withholding taxes.

S-Corporation/2% Shareholders Health Insurance: The cost of the health premiums provided by an S-Corporation to its > 2% shareholders must be reported as income on the W2 and is not subject to Social Security or Medicare.

Dependent Care: Up to \$5,000 paid for childcare expenses is excluded from taxable income, provided that both spouses are working. This is reported in box 10 of the W-2.

Personal Use of a Company Car: If you provide any of your employees with a company vehicle, the personal use of that vehicle is fully taxable.

Total Value of Health Insurance: All employers that have paid 250 employees or more need to report the entire cost of the health premiums for each employee to be included on the W2 in box 12 code DD. This amount should be for medical insurance only. Supplemental health, dental and vision should not be included.

Miscellaneous Fringe: Employers will often give employees gifts in the form of tangible items and services such as real estate rentals, gift cards, televisions, iPads, etc.

8) Affordable Care Act (ACA)

Under the Affordable Care Act (ACA), certain employers are required to prepare and file information returns with the IRS and distribute copies to employees. These returns are prepared using Form 1095-C and 1094-C and must be filed by ** January 31, 2024. Applicable large employers (ALEs) are required to file these forms if they have 50 or more full-time employee equivalents or are part of a larger control group. Additionally, ALEs that provide self-insured health insurance to employees must also file these forms.

If you have previously used Payroll Partners to prepare your ACA reporting, we will communicate with you regarding the preparation and filing of these forms. However, if you believe that you may be subject to the ACA reporting requirement due to one of the reasons listed below and have not been contacted, it is important that you contact Payroll Partners immediately. The deadline to have all 1095-C information for processing is **December 15, 2023**.

- Your company is part of a larger control group.
- Your company has 50 or more full-time employee equivalents.
- The existing health insurance provided to employees is Self-Insured.

** The 30-day deadline for the 1095-C is automatically extended to March 1, 2024.

9) W-2/1099 Delivery Dates and Charges

We will be sending the W-2 files to print on or before the morning of January 3, 2024. Therefore, please ensure that all of your information for 2023 is sent to us **before your last payroll of 2023 is processed**.

Employee W-2 and Subcontractor 1099 forms are scheduled to be delivered to you no later than **mid-January 2024**. Due to timing this year, your W-2s and 1099s may be sent separately from your payroll on or after January 15. Your Employee online W-2s will be available by **Tuesday, January 30, 2024**.

It is important to note that W-2s must be handed out or postmarked by **January 31, 2024**. All filings with IRS, SSA and most State Agencies are also required by January 31st.

Any changes to W-2s or corrections to payrolls made **after** your last payroll of 2023 is processed will be done as amendments and W-2Cs. Please note that all reprints of W-2s or corrections to W-2s will be done **after February 1, 2024**.

Lastly, charges for W-2s and 1099s will be billed on the last payroll of January. Please let us know if you have any questions or concerns regarding this information.

2024 INFORMATION

10) 2024 Federal Tax Limits

OASDI Wage Base	\$168,600.00
OASDI Tax Rate	6.20%
Maximum OASDI Tax	\$10,453.20
Medicare Tax Rate	1.45%
Medicare Surtax Rate for earnings >\$200K	0.90%
Federal Unemployment wage base (0.6%)	\$7,000.00
401k and 403B Retirement Plans.....	\$23,000
401k and 403B over 50 Catch up	\$7,500

Simple IRA Deferral	\$15,500.00
Simple IRA over 50 Catch up	\$3,500.00

NOTE: Catch-Up Contributions for employees age 50 or over need to be set up as a separate deduction code. The annual limit will be automatically applied to both regular and catch-up contributions separately.

11) State Unemployment Insurance (SUI) Tax Rate

It is important to keep track of your State Unemployment Insurance (SUI) tax rate, which can change from year to year. To calculate your 2024 SUI tax and expenses correctly, you will receive notification of your new SUI tax rate from your State Unemployment Insurance Agency. Typically, you should receive this notification during the month of December.

When you receive this notification, send a copy of the document to tax@payrollpartners.com including your client number in the email.

12) Benefit Rate Changes

The beginning of a new year may also bring on new premiums for employee benefits. If you currently have benefit tables setup for employee/employer deductions, we ask that you send us your 2024 rates as soon as they are finalized with your benefit provider. Whenever possible, we would like to receive these updates a minimum of one week prior to the payroll on which the new rates will be effective. We encourage all clients to set up benefit tables for the ease and convenience of future updates to your benefit deductions codes.

For clients who typically send us individual employee deduction amounts, this year we will make some changes via EvoExchange, an import procedure that will assist with accuracy and efficiency. If you typically send us a list of deduction amount changes for your employees, we ask that you use a specific template for these changes. Please contact us as soon as possible to let us know if you will have deduction amount changes at the beginning of 2024 so we can begin the template and import set up process. We must have your completed import template a minimum of one week prior to the first payroll on which the new rates will be effective.

13) Pay Rate Changes, Department Changes, etc.

The beginning of a new year may also bring about pay changes, department changes, etc. For 2024, we will make some changes via EvoExchange, an import procedure that will assist with accuracy and efficiency. Please contact us as soon as possible to let us know if you will have major pay changes and other employee maintenance that will need to be completed before your first payroll of 2024 so we can begin the template and import set up process. We must have your completed import template a minimum of one week prior to the first payroll on which the new rates will be effective.

14) New/Changed Ordained Employees or 1099 Contractors

Keeping your taxation reporting accurate is essential to avoid any issues with the IRS. Therefore, it's important to let Payroll Partners know if you have set up or changed an Ordained Employee or 1099 Contractor. This is because the taxation for these two types of employees is different and it's essential that the correct taxation is applied.

Feel free to email us at tax@payrollpartners.com, or send your payroll in on **Service Bureau (S/B) Review**. We will verify the correct taxation prior to running your next payroll.

15) New 2024 W-4 Forms

The IRS releases a new W-4 form every year, making the prior year's form null for the upcoming year. Once the 2024 W-4 Form is available from the IRS, you can [access the form on our website](#). The new 2024 version should be the only version presented to applicable employees in the new year. This includes new hires, rehires, current employees requesting changes, etc.

Major changes were made in 2020 to the W-4 forms. These changes include:

- Filing status changes
- No longer claiming Exemptions/Dependents
- Multiple jobs and deduction worksheet

More information can be found on the IRS website at [this link](#).

Exempt W-4 Forms: All non-ordained employees who claimed “Exempt” from Federal income taxes on the W-4 Form in 2023, must complete a new W-4 Form every year indicating they are “exempt” to remain exempt. These employees should complete a 2024 W-4 Form no later than **February 15, 2024**. If employees do not give you a new W-4 form indicating they are “exempt” by February 15th, you should change their federal income tax status to “Standard Single or Married Filing Separately” and remove their exempt status or notify your Payroll Specialist to change their Federal income tax status. If you do not notify your Payroll Specialist, no changes will be made.

16) 2024 Observed Bank Closures

Holiday	Closures (Observed)
New Year's Day	January 1
Martin Luther King, Jr Day	January 15
Presidents' Day	February 19
Memorial Day	May 27
Juneteenth National Independence Day	June 19
Independence Day	July 4
Labor Day	September 2
Indigenous Peoples' Day	October 14
Veterans Day	November 11
Thanksgiving Day	November 28
Christmas Day	December 25

* For holidays falling on Saturday, Federal Reserve Banks and Branches will be open the preceding Friday. For Holidays falling on Sunday, all Federal Reserve offices will be closed the following Monday.

17) 2024 Payroll Calendars

We are excited to announce that our printed 2024 Payroll Calendars are now available! As a valued client of ours, we would like to extend our appreciation by sending you a complimentary calendar in November.

However, if you require additional calendars, we are more than happy to send them your way. Simply complete your Year End Authorization form, which can be accessed through [this link](#), and let us know how many more calendars you need. Our calendars are a great tool for keeping track of important payroll dates and deadlines. We hope that they will be a helpful addition to your workplace. Thank you for choosing our services, and we look forward to continuing to work with you.

Within Evolution, your scheduled payrolls for 2024 have been rolled forward and are now available for your review! It's important to review 2024 scheduled payroll dates to plan ahead and ensure that the timing will coincide with your expectations and the specific needs of your organization. To access instructions for how to review scheduled payrolls within Evolution Payroll (online users) [click here](#) or for the same instructions for Evolution Classic (desktop users) [click here](#).

18) Year-End Product and Service Pricing

Product/Service	Cost
1099 Forms, 1-50 Forms	\$50 Base + \$7.00 Per Item
ACA 1094-C Form	\$50 Per Filing
ACA 1095-C Forms	\$50 Base + \$7.00 Per Item
ACA 1095-C Reprints	\$10 Each Form
Additional Payroll	\$52.50
After Deadline Processing	\$60
Annual Corrections*	\$250
Annual Data Retention Fee	\$60
Archive Files - USB Flash Drive	\$100
Payroll Delivery Fee - Metroplex	\$12.50 Per Delivery
Payroll Delivery Fee - Outside Metroplex	Varies depending on destination
Quarterly Corrections**	\$175
W-2 Forms	\$50 Base + \$7.00 Per Item
W-2 Reprints	\$10 Each Form

*Annual corrections based on approximate payroll processing fee of \$50. Varies based on number of employees.

**Quarterly corrections based on approximate payroll processing fee of \$50. Varies based on number of employees.

19) How Can We Help You in 2024?

At Payroll Partners, we pride ourselves on delivering top-notch, reliable, and compliant services to our clients. In 2024, we aim to continue providing our clients with the highest level of service in a variety of areas. Our team of experts is dedicated to helping you grow your business and streamline your operations.

We offer a range of services that can assist you in managing your payroll, benefits administration, and HR compliance. Our goal is to help you stay compliant with all regulations, while freeing up your time to focus on growing your business. We can also help you with timekeeping, workers' compensation, and employee onboarding and offboarding.

With Payroll Partners, you can rest assured that you are getting timely, accurate, and reliable services. Our team is committed to providing you with the best possible experience and helping you achieve your business goals. We look forward to serving you in 2024 and beyond.

Payroll Partners offers you professional, timely and compliant services in a variety of areas. We look forward to continuing to serve you as a client and helping you in any of the following areas in 2024:

- ACA Compliance and Reporting
- Compliance COVID-19 Posters
- Compliance Labor Law Posters
- Custom Payroll & HR Reports
- Employee Benefits Enrollment
- Employee Leave Accrual
- Employee Loan Program
- Employee Scheduling
- Employee Self-Onboarding
- Employee Self-Service
- Employee/Volunteer Background Screening
- General Ledger Integration
- Human Capital Management
- Human Resource Compliance Tools
- Job Applicant Tracking
- Learning Management Systems (LMS)
- Pay-As-You-Go Workers' Compensation
- Payroll & Tax Administration
- Payroll Debit Cards
- Short-Term Payroll Funding
- Time & Labor Management

And much more, call us at (817) 226-8111 today!

Payroll Partners 2023 Year-End Client Reference Guide is for informational purposes only. This guide does not constitute professional human resources, payroll, or tax advice. Always consult with a certified accountant, financial advisor or other professional about the specific needs of your business.

2023 Year-End Checklist

- Thanksgiving Week Payroll Dates and Info Reviewed with Payroll Specialist
- Christmas Week Payroll Dates and Info Reviewed with Payroll Specialist
- New Year Week Payroll Dates and Info Reviewed with Payroll Specialist
- 2023 Year End Authorization Form Completed by November 30, 2023
- W2/1099 Info Reviewed and Updates Submitted to Payroll Specialist by December 15, 2023
- 1099 Pay Information for 2023 Submitted to Payroll Specialist by December 15, 2023
- Year-End Bonus Info Reviewed in Guide
- If you are providing a Year-End Bonus, complete the [Bonus Payroll Worksheet](#) and submit to your Payroll Specialist?
- Fringe Benefit Information Submitted to Payroll Specialist by December 22, 2023
- If applicable, 1095-C information updated for ACA Reporting by December 15, 2023
- State Unemployment Insurance (SUI) Tax Rate Notification emailed to tax@payrollpartners.com
- Upcoming Benefit Rate Changes relayed to Payroll Specialist
- Pay Changes and other annual changes relayed to Payroll Specialist