



YEAR-END PAYROLL GUIDE

With year-end fast approaching, we have outlined important activities and deadlines to help you experience a smooth transition into the new year.

Year-End Checklist

NOVEMBER

- Review employees' information** and verify year-to-date wages, name, address and social security number are correct
- Review company information and verify tax IDs, address and email are correct
- Veteran's Day** is **November 11** - run payroll a day early since banks are closed
- Thanksgiving** is **November 26** - run payroll a day early since banks are closed
- By **November 30**, **preview your employees' W-2 and 1099 forms**
- Plan for **extra payroll runs** – including bonus and holiday checks

DECEMBER

- Review and report any S-corp earnings, fringe benefits or third-party sick pay to SurePayroll
- Estimate your FUTA credit reduction, if applicable
- Add additional funds to retirement plan for the current year, if applicable
- Christmas** is **December 25** - run payroll a day early since banks are closed
- New Year's Day** is **January 1** - run payroll a day early since banks are closed
- By **December 29**, finish verifying employees' and contractors' personal and year-to-date wage information
- By **December 29**, **process last payroll of the year** with check date no later than 12/31/20
- By **December 31**, review next year's **payroll schedule**
- Review and report SUI rate and other tax agency notice changes for 2021 to SurePayroll

JANUARY

- Update any employee earnings or deductions before processing first 2021 payroll
- Remove termed employees and add new employees in payroll system
- Review workers' compensation changes, if applicable
- Make necessary changes to employee benefits
- Martin Luther King, Jr. Day** is **January 18** - run payroll a day early since banks are closed
- Account debited for FUTA, if applicable
- Begin printing or providing access to W-2s and 1099s for employees and contractors
- By **January 31**, **distribute W-2s and 1099s** to employees and contractors
- Review and report SUI rate and other tax agency notice changes
- Review time off benefits year to date and rollover amounts
- Review payroll changes, including: federal and state wage limits, tax agency rates via federal and state agencies, and earnings and deductions limits

Important Deadlines to Close Out Payroll This Year

DEADLINE 1

Review your employees' W-2 and 1099 forms by November 29

- Related Content: [Year-End Top Mistakes to Avoid](#)

You can access your W-2 Preview in the “Reports” section of your payroll account under “Other Reports”. This feature provides a snapshot of your employees’ data as of **September 30, 2020**, and will display as it would appear on their W-2/1099 forms prior to being submitted to the IRS. Please review this information and make any necessary corrections by **November 30**.

After reviewing each W-2/1099, if the information displayed on the preview is correct, simply click “Approve” to confirm. If the information displayed is incorrect, click “Reject” and use the comment box to enter the correct information.

There are three key items to review:

1. Missing or inaccurate employer information

- ✓ Company name and address (Note: No need to reject, corrections can be done on the W-2/1099 Preview page or on the company profile.)
- ✓ Federal identification number
- ✓ State identification numbers

2. Missing or inaccurate employee information (Note: No need to reject, corrections can be done on the W2/1099 Preview page or on the employee profile.)

- ✓ Employee name and social security number as displayed on social security card
- ✓ Employee address
- ✓ 1099 employees that you want to file along with the 1096 form
- ✓ Select Special W-2 Box 13 for applicable employees

3. Employee wage and tax information

- ✓ Employee earnings, deductions, and taxes as displayed on checks in the Year to Date report dated on or before September 30, available in “Reports”

DEADLINE 2

Plan for Special Extra Payroll Runs – November 1 through December 29

'Tis the season for holiday and/or annual bonuses or other additional checks. It's easy to run payrolls outside of your set schedule. Once logged into your payroll account, under "Off-Cycle Activities", click "Extra Payroll". Online payroll will guide you through the easy steps to process an extra payroll.

IMPORTANT: Your extra payroll must be approved at least two days BEFORE the check date. Any extra payrolls must have a CHECK DATE on or before **December 31** to be included on an employee's 2020 W-2/1099 form.

To review the "Approve By" dates for each of your scheduled check dates, click on "Company" and then click on "Payroll Schedule".

DEADLINE 3

Don't Miss Your Last Payroll of the Year – Approve by December 29

Life can definitely get hectic in December. To ensure you don't miss your last payroll of the year, please take a moment now to check your payroll schedule and make note of your final payroll's "Approve By" deadline and check date.

Your last payroll must be approved by **December 29** and must have a check date on or before **December 31**. Payrolls with a check date after **December 31** will be included in 2021 W-2's/1099's.

DEADLINE 4

Review Next Year's Payroll Schedule & Changes by December 31

- Related Content: [Top Tax Mistakes to Avoid in 2021](#)

Please verify the accuracy of your payroll schedule for the next calendar year and make note of upcoming bank holidays and weekends. If you would like to pay your employees prior to a holiday, your payroll schedule will need to be set to "Process payroll on the prior business day". To view your payroll schedule, click on "Company" and then click on "Payroll Schedule".

For Full Service Customer Only: During year-end, always review what changes the tax agencies may be sending to you for the next calendar year. At any time, you may receive a Notice of Unemployment Rate Change, Notice of Filing Frequency Change or a Deposit Requirements Notice. Please submit any notices through "Contact Us" found in the help menu of your payroll account. By proactively sending us your new information, you can avoid any penalties or interest which may come as a result of an underpayment or late deposit or filing.

AVOID LAST MINUTE HASSLES AND FEES WITH AUTO PAYROLL

Auto Payroll is a complimentary SurePayroll feature that allows you to schedule your payroll to process automatically. This feature – which is great for payrolls that stay the same pay period to pay period – gives you peace-of-mind that payroll will process on schedule as you expect. Set-up your 2020 Payroll Schedule and activate Auto Payroll after setting up Default Payrolls in your payroll account today.

DEADLINE 5

Print & Distribute Your Employees' W-2 / 1099 Forms by January 31

You will receive a notification when your employees' W-2/1099 forms are available for you to review and print through your payroll account. Any employee demographic changes (such as name, address, etc.) can be completed online. You can access their W-2s/1099s by clicking on "Reports" then select "W-2s, 1099s, W3, 1096".

Your employee may access their W-2/1099 through the online payroll employee portal. You must provide your employee(s) a W-2/1099 by **January 31**. Even if your employees are able to print them from the online payroll employee portal, it is your responsibility to let them know they are available.

IMPORTANT: W-2s, 1099s, and your W-3 will not be mailed. You or your employees must print them out. You can use a standard printer and white plain paper – no special paper or envelopes are required. Employee and Employer Instructions are provided with the W-2/1099 forms.

Important Dates

11/26 - Thanksgiving:

With banks closed for the Thanksgiving Holiday, no financial transactions will process on this day. As a reminder, please make sure you process any payrolls **one day earlier** than usual for any check dates of November 26, 27, 30.

Limited hours of operation for the following dates:

- ✓ November 26 - Closed
- ✓ November 27 from 7:00am-4:00pm CST

11/30 - Last Day for W-2 Preview:

This is your last chance to review your W-2/1099 Preview online if you have not done so already. We will remove the W-2/1099 Preview from your payroll account on November 30.

12/25 - Christmas:

Due to Christmas holiday, the Federal Reserve will be closed on December 25, so no financial transactions will process during that day. As a reminder, please make sure you process any payrolls **one day earlier** than usual for any check dates of December 25, 26 or 27.

Limited hours of operation for the following dates:

- ✓ December 24 from 7:00am CST to 4:00pm CST
- ✓ December 25, 26 - Closed

12/29 - Last Day to Process Payroll for 2020:

Important! Be sure to approve any **final payrolls of the year by 4:00 pm CST on December 27** to ensure processing by year-end. As a reminder, you do not have to wait until the processing deadline, we recommend processing the last payroll as early as possible.

1/1 - New Year's Day:

With banks closed for the New Year Holiday, no financial transactions will process on this day. As a reminder, please make sure you process any payrolls one day earlier than usual for any check dates of January 1, 2 or 3.

Limited hours of operation for the following dates:

- ✓ December 31 from 7:00am CST to 5:00pm CST
- ✓ January 1, 2 - Closed

2021 BANK HOLIDAYS



Start the New Year right by planning ahead for federal / banking holidays:

