



YEAR-END PAYROLL GUIDE

With year end fast approaching, ensure a smooth transition to 2022 by following from year-end to the new year.

Five Important Steps to Close Out 2021 Household Payroll

1. **By December 15** – Review employee W-2 information
2. **November 1 through December 29** – Plan for special or extra payroll runs
3. **By December 29** – Don't miss your last payroll of the year
4. **By December 31** – Review next year's payroll schedule and tax agency changes
5. **By January 31** – Print your employees' W-2 forms and your Schedule H and 1040-ES forms

Important Steps to Close Out Payroll This Year**STEP 1****Review Employee Information**

SurePayroll suggests you log in to your account, go to the “Employee Profile” in your “Payroll Account” to review your employees’ information and make any necessary corrections prior to running your last payroll of the year.

There are three key items to review:

1. Missing or inaccurate employer information

- Company name and address
- Federal identification number
- State identification numbers

2. Missing or inaccurate employee information

- Employee name and social security number as displayed on social security card
- Employee address

3. Employee wage and tax information

- Employee earnings, deductions, and taxes as displayed on checks in the Year-to-Date report, available under “Reports.”

STEP 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 best to plan these early and avoid last minute processing.

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 before **DECEMBER 31** to be included on an employee's 2021 W-2 form.

STEP 3

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

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

IMPORTANT: The IRS considers a payroll to be a part of a certain tax year based on the check date for that payroll, NOT the pay period.

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 2022 W-2s.

STEP 4

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

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 the "Company" and then click on "Payroll Schedule."

During year-end, always review what changes the tax agencies send 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 due to an underpayment, late depositing 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 your payroll is processed on schedule as you expect. Set up your 2021 Payroll Schedule and activate "Auto Payroll" after setting up "Default Payrolls" in your payroll account today.

STEP 5

Print & Distribute Your Employees' W-2 , Your Schedule H and 1040-ES Forms by January 31

You will receive a notification when your employees' W-2s are available for you to print through your payroll account. Any employee demographic changes (such as name, address, etc.) can be completed online. You can access employee W-2s forms by clicking on "Reports" then select "W-2s, 1099-NECs, W-3, 1096, Schedule H."

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

IMPORTANT: W-2s and W-3s will not be mailed. You or your employee 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 and W-3 forms.

To prepare for your own personal income tax filings, click on "Reports." Then select "W-2s, 1099-NECs, W-3, 1096, Schedule H" and download or print a copy of Schedule H. Also download or print any 1040-ES forms from the year. These can be found in "Reports" under "Quarterly and Annual Reports."

Year End FAQs

Where can I find all of the quarterly payroll reports I need for my personal income taxes?

You can find all of the completed State and Federal quarterly payroll reports under “Reports” in your SurePayroll account under “Quarterly & Annual Reports”. Then, click “1040-ES, Wage Detail” to find all quarterly Federal and State returns completed for you throughout the tax year.

What is the difference between 1040-ES forms and Schedule H?

This is an important distinction when working with your tax professional or personally preparing your tax returns for the year. Schedule H doesn't indicate that taxes were paid, it just adds them up. The 1040-ES forms shows the payment of those taxes, so that is the report you should reference when preparing your taxes.

Both Schedule H and the 1040-ES forms can be found in the “Reports.”

Do you mail W-2s and W-3s to my employee(s) and to me?

We do not mail these forms. All of these reports can be found in “Reports” section of your payroll account. Both you and your employees can login and print individual forms or you can even print them out for your employees personally. No special paper or printer setup is needed for hard copies of these forms. SurePayroll will **file** the employer copies and W-3 forms with the IRS on your behalf.

Important Dates

11/25/2021 - Thanksgiving:

Due to the Thanksgiving Holiday, no financial transactions will process on Thursday, November 25. To avoid any payroll issues, please process any scheduled payrolls at least one business day earlier than your standard processing day. Reference your standard payroll reminder for specific details for your payroll processing date.

Limited hours - Holiday hours of operation for the following dates:

- November 25 Closed
- November 26 from 7:00 am to 4:00 pm CST
- November 27 from 9:00 am to 1:00 pm CST (*normal Saturday hours*)

12/25/2021 – Christmas and 1/1/2022 New Year's Day:

In observation of the upcoming holidays, no financial transactions will process on Saturday, December 25 or January 1. To avoid any payroll disruptions, please process any scheduled payrolls one business day earlier than your standard processing day. Reference your standard payroll reminder for specific details for your payroll processing date.

For example: If you would ordinarily have an expected check date of December 25th, and your standard approval date is December 23, you would need to process payroll on December 22 for a December 24 check date.

Limited hours - Holiday hours of operation for the following dates:

- December 24 from 7:00am CST to 4:00pm CST
- December 25, 26 Closed
- December 31 from 7:00am CST to 5:00pm CST
- January 1, 2 Closed

12/29/2021 – Last Day to Process Payroll for 2021

Important! Be sure to approve any final payrolls of the year by 4:00 pm CST on December 29 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.

2021-2022 BANK HOLIDAYS



Start the year-end process by planning ahead for federal / banking holidays.

NOVEMBER 2021
Thanksgiving Day
THURSDAY
25

DECEMBER 2021
Christmas Day
SATURDAY
25

JANUARY 2022
New Year's Day
FRIDAY
1

JANUARY 2022
MLK Day
MONDAY
17

FEBRUARY 2022
President's Day
MONDAY
21

MAY 2022
Memorial Day
MONDAY
30

JULY 2022
4th of July
SUNDAY
4

SEPTEMBER 2022
Labor Day
MONDAY
5

OCTOBER 2022
Columbus Day
MONDAY
10

NOVEMBER 2022
Veteran's Day
FRIDAY
11

NOVEMBER 2022
Thanksgiving Day
THURSDAY
24

DECEMBER 2022
Christmas Day Off
MONDAY
26