



Important 2014 payroll dates to remember

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| | Wage Limits | Wages paid and tips | |
|------------------------|-------------|---------------------|----------|
| | | Employee | Employer |
| Social Security | \$117,000 | 6.20% | 6.20% |
| Medicare | None | 1.45% | 1.45% |

Form W-2 Reporting of Employer-Sponsored Health Coverage. The Affordable Care Act required employers to report the cost of coverage under an employer-sponsored group health plan. Reporting the cost of health care coverage on the Form W-2 does not mean that the value is taxable. This reporting is for informational purposes only and will provide employees useful and comparable consumer information on the cost of their health care. The value of the health care coverage will be reported in Box 12 of the Form W-2, with the code DD to identify the amount. In general, the amount reported should include both the portion paid by the employer and the employee. This reporting is optional in 2013 for employers with less than 250 Form W-2's.

Undeliverable Forms W-2. Keep for four years any employee copies of Forms W-2 that you tried to but could not deliver. However, if the undelivered Form W-2 can be produced electronically through April 15th of the fourth year after the year of issue, you do not need to keep undeliverable employee copies. Do not send undeliverable Forms W-2 to the SSA.

401(k) Deferrals. The Maximum Deductible 401(k) contribution for 2014 is \$17,500. The 401(k) catch up contribution is \$5,500.

Per Diem or Other Fixed Allowance. You may reimburse your employees by travel days, miles, or some other fixed allowance under the applicable revenue procedure. In these cases, your employee is considered to have accounted to you if your reimbursement does not exceed rates established by the federal government. The 2014 mileage allowance is not yet set by the Internal Revenue Service.

Additional Annual Filing for Kentucky Companies. To assist the Secretary of State in providing the most accurate information to the public, corporations and companies conducting business in the Commonwealth of Kentucky are required by law to file annual reports with the Secretary of State.

All corporations (profit, non-profit & professional service), limited liability companies (profit, non-profit & professional service), limited partnerships, limited liability limited partnerships, and

business trusts that are registered with the state, are required to file an annual by June 30 of each year.

All business entities required to file an annual report receive a report postcard annually in January. Businesses have from January 1 through June 30 of that year to return the card to the Office of the Secretary of State, along with the \$15 payment. Failure to file an annual report by June 30 will result in a status of bad standing.

Additional Medicare Tax. Beginning January 1, 2013, an employer is required to withhold a 0.9% Additional Medicare Tax on compensation it pays to an employee in excess of \$200,000 in a calendar year. An employer is required to begin withholding additional Medicare Tax in the pay period in which it pays wages or compensation in excess of \$200,000 to an employee and continue to withhold it until the end of the calendar year. Additional Medicare Tax is only imposed on the employee.

Indiana General Assembly Passed Law. All businesses are required to file and remit sales tax and withholding taxes electronically beginning January 1, 2013.

The following is a list of important payroll and payroll related dates.

By January 31

Furnish Forms 1099 and W-2. Furnish each employee a completed Form W-2, Wage and Tax Statement. Furnish each other payee a completed Form 1099 (for example, Form 1099-MISC, Miscellaneous Income). Form 1099SF, Louisville Metro Revenue Commission, is prepared for any services performed in Louisville.

File Form 941 or Form 944. File Form 941, Employer's QUARTERLY Federal Tax Return, for the fourth quarter of the previous calendar year and deposit any undeposited income, Social Security, and Medicare taxes. You may pay these taxes with Form 941 if your total tax liability for the quarter is less than \$2,500. File Form 944, Employer's ANNUAL Federal Tax Return, for the previous calendar year instead of Form 941 if the IRS has notified you in writing to file Form 944 and pay any undeposited income, Social Security, and Medicare taxes. You may pay these taxes with Form 944 if your total tax liability for the year is less than \$2,500.

File Form 940. File Form 940, Employer's Annual Federal Unemployment (FUTA) Tax Return. FUTA tax deposits are required quarterly if the liability is \$500 or more.

File Form 945. File Form 945, Annual Return of Withheld Federal Income Tax, to report any nonpayroll income tax withheld in 2013.

By February 15

Request a new Form W-4 from exempt employees. Ask for a new Form W-4, Employee's Withholding Allowance Certificate, from each employee who claimed exemption from income tax withholding last year.

By February 28

File paper Forms 1099 and 1096. File Copy A of all paper Forms 1099 with Form 1096, Annual Summary and Transmittal of U.S. Information Returns, with the IRS.

File paper Forms W-2 and W-3. File Copy A of all paper Forms W-2 with Form W-3, Transmittal of Wage and Tax Statements, with the Social Security Administration (SSA). File electronically if you have 250 or more W-2's. You must furnish Form W-2 to your employees by January 31, 2014

File paper Form 8027. File paper Form 8027, Employer's Annual Information Return of Tip Income and Allocated Tips, with the IRS.

Before December 1

New Forms W-4. Remind employees to submit a new Form W-4 if their marital status or withholding allowances have changed or will change for the next year.