

NOTICE

2018 Year-End

There are certain issues that need to be addressed by employers to ensure that all employee information is correct. Please advise your Payroll Specialist if any of the following apply:

Patient Protection and Affordable Care Act

Certain large employers are required to report employer provided health insurance coverage information to employees and the IRS for the calendar year ending 2018. If you are an Applicable Large Employer (ALE), you have already been notified by our office of this requirement. Employers that do not provide a 1095-C to each employee may be subject to a penalty of \$250 per return. This penalty is in addition to the \$2,000 to \$3,000 penalty per employee for not providing affordable coverage.

Also, if you had more than 250 W-2 forms processed in 2017 you must disclose the value of health insurance benefits provided to employees on their 2018 W-2 forms. We will be in touch with each employer affected by this regulation.

Please report this information to us at least **TWO WEEKS PRIOR TO YOUR LAST SCHEDULED PAYROLL OF THE YEAR.**

Automobile Mileage

The value of personal use of company vehicles must be included on W-2 forms. Please complete the 2018 Personal Use of Vehicles Worksheet for each vehicle. The worksheet(s) must be completed, signed and returned to us at least **TWO WEEKS PRIOR TO YOUR LAST SCHEDULED PAYROLL OF THE YEAR** in order for you to receive your W-2 forms by January 31. You may estimate December's personal mileage.

S-Corporation Health Insurance

Accident and health insurance premiums paid for by an S-Corporation on behalf of a shareholder/employee who owns more than 2% of the company's stock are includable in the shareholder/employee's gross income. Please report this information to us at least **TWO WEEKS PRIOR TO YOUR LAST SCHEDULED PAYROLL OF THE YEAR.**

Employer Health Savings Account Contributions

Any employer-funded amounts contributed to employee Health Savings Accounts during the year must be reported in Box 12 of Form W-2. Please report this information to us at least **TWO WEEKS PRIOR TO YOUR LAST SCHEDULED PAYROLL OF THE YEAR.** Do **NOT** report any Health Savings Account information to us if your employees are contributing to their accounts through payroll deductions. We already have this information.

Group-Term Life Insurance

The value of employer-provided group-term life insurance up to \$50,000 is excluded from an employee's income. The fair market value of coverage in excess of \$50,000, minus any amount paid for the coverage by the employee after taxes, must be included in the employee's income. Please report this information to us at least **TWO WEEKS PRIOR TO YOUR LAST SCHEDULED PAYROLL OF THE YEAR.** Do **NOT** report Group-Term Life Insurance information to us if we are including it each payroll period. We already have this information.

Third Party Sick Pay (Disability Payments)

If any of your employees have received or will receive third party sick pay please let us know immediately. We will not produce W-2 forms for you until we receive this information. By law, insurance companies have until January 15th to report insurance benefits to employees.

Payroll Adjustments

If you write additional checks directly from your account (outside of payroll), please notify us so we may include these amounts on your W-2 forms and payroll reports. Also, any final adjustments such as **manual** checks or **voided** checks must be reported to us at least **TWO WEEKS PRIOR TO YOUR LAST SCHEDULED PAYROLL OF THE YEAR.**

Verifying Employee Information

If you are an Evolution Payroll or Remote Payroll user it is your responsibility to make sure all employee information (name, address, social security number) is correct and up-to-date. You will be able to make any changes on your own. If you would like a printed copy to verify employee information please contact your Payroll Specialist.

Information for 2019

By the end of November each employer should receive their employment tax rates and tax deposit frequencies for 2019. Please email or fax this information to us as soon as you receive it.