



Preparing for Year-End and 2022

As this year comes to a close, we want to thank you for choosing Future Systems, Inc. as a member of your business team. Please use this as reminder of items that often are overlooked during the hectic year-end season. Should you have any questions – don't hesitate to call us!

Holiday Closures

Thanksgiving – November 25 2021
Our offices are also closed on Friday, November 26th.
Christmas Eve – December 24, 2021
New Year's Eve – December 31, 2021

Please contact us immediately for any scheduling changes at 319-294-9426.

2021 Year End Adjustments

Items to consider:

Fringe benefits	Group Term Life
3 rd Party Sick Pay	Dependent Care
Manual or Voided Checks	S-Corp – Company paid Owners Health Insurance
Personal Use of Company Vehicle	Qualified Pension Plan

Be sure that each employee has enough earnings to cover the taxes due. Should you need assistance, please call one of our knowledgeable Client Service Representatives.

Year-End Bonus Payroll

Here are some things to keep in mind:

- Will this be a separate run?
- Will this be a separate check?
- What is the check date?
- Will the bonuses be direct deposit or live checks?
- Are the bonus amounts gross or net?
- Will 401(k), 403(b), etc. be deducted?
- Besides pension, are there any other deductions that should be withheld?
- How should the bonus be taxed?
- When would you like the checks delivered/picked up?
- Other special handling?



Plan Ahead!

Delivery services cannot guarantee next day ground delivery during the holidays.

You may wish to process one to two days earlier than normal to ensure timely delivery of employees' paychecks. Next Day Air is available in some delivery areas for an additional charge.

Call us if you need to make changes to your normal delivery method during this time.

W-2 Information

Please review your copy of the W-2 SSN/1099 Verification Report provided with the last scheduled payroll of November. It includes names, Social Security Numbers and mailing addresses of your employees.

Make updates to the system prior to year-end or provide any changes to your Client Service Rep!

All W-2 forms will be sent to you by January 29, 2022 unless you placed a HOLD (found on the Resources page on our website) on year-end processing. Should you require W-2 forms prior to January 10, 2022, there will be an additional charge.

If you are subject to ACA reporting, W-2s and ACA Forms will arrive separately. With respect to privacy, these employee forms will arrive as a tamper proof, pressure sealed, secured document. Future Systems will submit data to the Social Security Administration on your behalf. For your records, **Employer Copy of W-2s are included in the 4th quarter returns.** Employee Self-Serve will have 2021 W-2s available the week of January 24th.

1099's

Future Systems is happy to produce your 1099's even if they were not paid through payroll! Data must be submitted prior to January 13, 2022. Call Amanda with questions or for an Excel template to record the information.

Record Retention

Federal and state laws require that employers keep copies of all payroll records and returns. We will archive your 2021 records; an Annual Record Retention fee of \$50.00 will appear on your final invoice of 2021.

W-2's must be kept a minimum of four years after the filing due date (January 31). It may be necessary for these records to be retained even longer for certain benefit calculations. Check with your plan administrator for their specific retention requirements.

Employer Benefit Contribution

Employers required to file 250 or more W-2 forms will be responsible for reporting the total cost of their group health benefit plan coverage on W-2 forms under the Patient Protection and Affordable Care Act. This is informational only and does not mean that employer-provided coverage will be subject to income tax.

Tax Authority Notifications

Preparing for 2022 – between now and the end of January, Federal, State and Local agencies may send change notices for the following:

- State Notice of Employers Unemployment Tax Rate Change
- IRS 2022 Federal Tax Deposit Requirements
- State Notice of withholding deposit frequency change

Notify us if you have ceased business in any State or Locality so we may finalize reporting and cease billing for the additional tax authority. **Please submit any notice to Future Systems as soon as you receive it.**

Time is of the essence!



W-2s, 1099s and ACA forms **must be distributed by January 31st.** Adjustments received after January 14th will result in amended returns.

Delayed processing of 4th quarter returns and W-2 forms may result in additional charges and/or tax penalties. Please complete the HOLD request found on the Resources page of our website by December 21, 2021 if you need to delay processing.