



Year-End Checklist

Please review upcoming holidays to ensure all processing times & dates are taken into consideration for direct deposits, checks & reports.

Fourth Quarter of the Current Calendar Year

Provide instructions to employees for how they can consent to receive W-2s and 1095s online

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

IRS guidelines state employers should do this by December 1st

Collect new Form W-4s from employees claiming exemption from income tax withholding in order for them to keep their exempt status

IRS guidelines state that employees must provide their new Form W-4s to their employer before February 15th in order to remain exempt

Review PTO policy/policies; remind employees to use up their balances and send rollover policy reminder

Add holidays for the next year

Complete W-2 and ACA employee information audits

If you use a payroll provider, employees can audit their information using Employee Self-Service (ESS) to save on time and ensure accuracy.

Complete ACA 1095 and 1094 forms

Schedule bonus/special payroll and verify processing cut-off times

Any special payrolls, such as bonus or adjustments, for the calendar year must be entered and processed with a check date no later than December 31 of the same calendar year.

Set compensation for the new year

Look at your budget and decide what your company is comfortable with. This is also a good time to check for minimum wage increases.

Update labor law posters accordingly

Visit the [Department of Labor's website](#) to check for updates in your state.

Determine if you will make changes to your payroll policy in the new year

Year-end is a great time to evaluate your current process and prepare to make any necessary changes for the new calendar year.

Before Processing the Last Payroll of the Calendar Year

Enter all adjustments into payroll

Some examples of this would be special tax items, such as third-party sick pay, group-term life insurance adjustments, and verifying employer state unemployment insurance tax rate and taxable wage limit for your state.



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Before Processing the First Payroll of the New Year

Review employee information to ensure any new or changed earnings and/or deductions are properly applied.

Confirm PTO changes have been implemented, if any

Review the IRS rates and limits for the new year

Prior to Releasing W-2s to Employees

Complete a final audit of employee W-2 information

Reconcile forms 941 and/or 944 with forms W-2 and W-3 totals report

IRS Publication 15 can be referenced for questions on how to reconcile these forms

Review, approve, and release W-2's electronically to those that consented to receive W-2's online; mail W-2s to employees that elected to receive a paper copy.

January 16th

Change tax status and exemptions for employees who claimed exempt on form W-4 for previous year, and did not complete a new form W-4 for the new year

IRS Publication 15 can be referenced for questions

**If you found this helpful but still struggle with payroll and HR tasks,
we've got a video that shows how Fuse can help you!**