



DOLINKA, VANNOORD & COMPANY'S

## TAX TIDBITS



### YEAR-END PAYROLL TO-DOs AND WHAT'S NEW FOR 2021

#### Year-End Payroll To-Dos:

- **W-2 Preparation.** Review your employee listing now and verify that the names, addresses and social security numbers are correct. For those of you that send us your QuickBooks backup, please be sure to verify that all addresses and social security numbers are correct before sending the final one for your December payroll.

Please include a corrected employee listing with your December payroll information so we have all of the information to begin the year-end payroll reconciliations needed to prepare your W-2s and final 2020 payroll forms.

**Reminder: Employers are required to file their copies of W-2s/W-3 to the employees, the Social Security administration and the State of Michigan by February 1, 2021.**

- **State unemployment (UIA) changes.** At the end of each year, the state's LARA department issues a Tax Rate Determination For Calendar Year 2021 letter. It is very important to get your computed rate set up in your payroll software correctly before your first payroll of 2021 is run. Additionally, please forward us a copy of your letter for our records, and forward a copy to your payroll processor.
- **Run payroll updates** in your software before you process your first payroll in 2021.
- **Other Reminders:**
  - You must have new hires fill out Form I-9 Employment Eligibility Verification and provide identification as requested on the form.
  - The State of Michigan requires that a "New Hire Form" be filed within 20 days of the hire date.
  - Each new hire should fill out a W-4 Withholding Form for Federal, State and City (if applicable). For Federal, be sure to use the current year's form – do not use any form dated 2019 or prior.

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*Phone 616.459.2233 Fax 616.459.5469*