

2021

End of The Year Check List

The Basics

Review employee records, information, and I-9 forms.

Verify employee and contractor names, Social Security numbers (SSN), and addresses are correct.

If employees need to submit a new W-4, allow them to do so.

Properly dispose of outdated files or applications.

Ensure your employees' files and protected information are correctly and safely stored or maintained.

Review employee handbook and policies. Update information to match new employment laws, regulations, or company policies.

Update job descriptions so they include the correct duties, responsibilities, and scope of work.

Remind employees to use their FSA funds before the end of the year as they do not roll over from year to year.

Payroll & Taxes

Ensure employees are classified correctly.

If you had an independent contractor on your payroll during the year and fill out forms by paper, you need to use Form 1096, Annual summary and transmittal of US information returns to transmit form 1097,1098,1099,3921,3922,5498, and W2-G.

Distribute bonuses and prepare wage forms properly. If you are offering your employees a bonus, decide if you will distribute it in December or January.

Prepare payroll tax and employment forms. FICA and FUTA forms (Form 941 and Form 940 respectively) are due to the IRS on January 31, 2022, for Q4

Check minimum wage rates for your state and locality; they may increase at the start of the coming year.

If your business is subject to the Affordable Care Act (ACA) requirements, you must distribute Form 1095-C to full-time employees by January 31, 2022. Employers must also file Form 1094-C and copies of Form 1095-Cs to the IRS by March 31, 2022, if filing electronically (by February 28, 2022, if filing by paper).

Compliance

Audit your compliance procedures with various employment laws and ensure your policies and practices measure up.

Verify job applications do not include the question "Have you been convicted of a crime?" if your state, city, or county prohibits questions about Criminal records.

Confirm your full-time equivalent (FTE) employees for Family Medical Leave Act (FMLA) and ACA compliance. Employers with 50 or more FTEs must comply with these regulations.

This checklist is intended to remind you of some of the essential to-do items but is not exhaustive. Every business is different, so work with your HR team to ensure everything is taken care of. If you are a client of XcelHR we handle the 941's and the ACA for you. Clients that have further questions please get in touch with us at XcelHR.com/Contact or call us at (800) 776-0076.