

AAIM Course Description



Annual Payroll Tax and Fringe Benefit Updates

This annual course will keep you current on existing payroll laws and recent federal and Illinois legislation that affect your business operations. Joe Romolo, manager and owner of Romolo & Associates in Peoria, has been presenting annual courses on payroll tax and fringe benefit changes for over 20 years.

Topics that will be covered:

New Developments In:

- New rates and limits
- W-2, 941 forms
- Meal expense deductions
- 941C – correcting form 941
- Non-payroll withholding/deposit rules
- Earned income credit
- New tax legislation – fringe benefits
- Non-qualified deferred compensation
- Per diem rates
- Educational expenses
- Section 125 plans
- MSA, HSA, HRA

Review of Payroll Taxes and Forms

What's Subject to Withholding & What's Not

- FICA and FIT withholding
 - W-4 withholding exemption
 - FICA wages and rate limits
 - Alternative FIT withholding methods
 - Completing the 941 Form
 - W-5 and the EIC
 - Deposit rules
 - Common paymaster
 - Liability for unpaid taxes
- FUTA coverage, base, and rate
 - Deposit rules
 - 940EZ vs 940
- SUTA coverage, base, and rate
 - Multiple state employees
 - Completing for form
- W-2 forms
 - Filing requirements
 - Reissued statements
- W-2 forms continued
 - Magnetic media reporting
 - Multiple W-2s
 - Successor employers
 - Expense account effects on W-2s
 - W-2, W-3, 941 Reconciliation
- SIT (IL-941, IL-501, IL-W5)
 - Coverage
 - Reciprocal agreements
 - How to withhold
 - Deposit rules and filing requirements
- 1099, 1096 and 1098 forms
 - Types of 1099s
 - Filing requirements
 - Income requiring 1099 MISCL reporting
- I-9 Forms
 - Who completes
 - Documentation

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Employment-Related Topics

- Auto expenses
 - Employer/employee owned vehicles
 - Employee tax-related problems
- Meals and business travel expenses
 - Ordinary and necessary
 - Disallowance problems
 - Methods of reimbursement
 - Meals and entertainment
 - What does per diem cover?
 - Partial days of travel
 - Related parties and meals-only per diems
 - Transportation industry – employee tax issues
- Entertainment expenses
 - Deductibility
 - What is entertainment?
 - Lavish entertainment
 - Entertainment facilities
- Employee vs. Independent Contractor
 - General
 - Short form evaluation method
 - Reclassification consequences
 - Safe harbor Section 530
 - Common law factors
 - Illinois UC law
 - IRS 20 criteria – Pub 937
- Fringe benefits related to payroll function
 - Definition
 - Types of benefits available
 - General nondiscrimination requirements
- IRS Publication related to employment

Prerequisites: Staff accountants, bookkeepers, write-up personnel of CPA firms, and persons responsible for filing payroll tax returns or 1099 forms, payroll preparations, employee vs. subcontractor determination, or any other aspects of the employment process.

Advanced Preparation: There is no advanced preparation for this course.

Competencies: Functional Knowledge and Skills, Taxes, Personnel/HR

Delivery Method: Group-Live | **Course Level:** Update | **Duration:** Full-day

Continuing Education/Recertification Credits: CPE Credits, HRCI Recertification Credits and SHRM Professional Development Credits may be available for this course.