

The most current information on how Payroll professionals can avoid legal and procedural pitfalls, in a fast-read format, twice a month.

January 3, 2022

## IRS FORMS & REGS ALERT

The IRS is taking another look at many of the documents you use regularly, including tax forms. We'll keep you posted on any changes, such as new ways to report.

### ■ EMPLOYMENT TAX RETURN FOR SMALL EMPLOYERS

**Forms:** 944, *Employer's Annual Employment Tax Return*, 944(SP), 944-X and 944-X(SP).

**Background:** These forms are submitted by small employers. IRS uses info on line 13 to determine if employers made required deposits of Social Security, Medicare and income taxes.

**Comments due:** 1/25/22.

**Cite:** *Federal Register*, 11/26/21.

### ■ WITHHOLDING EXEMPTION DUE TO FOREIGN STATUS

**Item:** Form W-8BEN, *Certificate of Foreign Status of Beneficial Owner for U.S. Tax Withholding and Reporting (Individual)*.

**Background:** The form is used to establish that someone is a foreign person whose income may be exempt from withholding.

**Comments due:** 12/22/21.

**Cite:** *Federal Register*, 11/22/21.

Go to [www.gpo.gov/fdsys](http://www.gpo.gov/fdsys) for copies of the forms.

## Late-in-the-game updates from IRS for Form W-2, Box 10

### ■ Law enacted during 2021 led to revisions

With the deadline approaching for filing TY 2021 Forms W-2, the IRS released revisions to the form and its instructions on Nov. 23, 2021.

Shortly thereafter, during its December Payroll Industry Call, the IRS shed more light on the changes which pertain to Box 10.

Here's what you need to know:

#### From \$5,000 to \$10,500

A law enacted during 2021 prompted the year-end revisions to Form W-2 and its instructions, the IRS explained.

That law, the American Rescue Plan Act (ARPA), increased the exclusion for employer-provided dependent care benefits from \$5,000 to \$10,500 (or

from \$2,500 to \$5,250 if married filing separately) for 2021.

Problem was, the TY 2021 form and instructions – released prior to ARPA – referred to a limit of \$5,000.

Even the stack of Forms W-2 the IRS had already printed for TY 2021 contained the lower dollar amount.

The IRS doesn't plan to reprint until the current supply runs out. Instead, when it fulfills orders for the form, it'll also send Notice 1454, *Errata Sheet for the Form W-2 and the General Instructions for Forms W-2 and W-3 (Rev. November 2021)*.

Sharing the errata sheet with employees can be done as a hard copy

*(Please see Form W-2 ... on Page 2)*

### Tax deposits: IRS guidance on retroactive law changes

In November, when the employee retention credit (ERC) ended suddenly and retroactively, employers that'd already reduced their employment tax deposits or received advance payments of the credit faced uncertainty.

IRS has now provided guidance in Notice 2021-65 – and it's good news.

#### Steps to take

First, an employer that reduced its fourth quarter tax deposits in anticipation of receiving the ERC can avoid failure-to-deposit penalties, if:

- The employer reduced deposits in accordance with Notice 2021-24.

- The amount initially retained is deposited on or before the due date (based on deposit schedule) for wages paid on Dec. 31, 2021. Note: It's not relevant whether you actually pay wages on that date.
- Fourth quarter returns include the tax liability resulting from the termination of the ERC.

Second, an employer that received advance payments of the ERC for fourth quarter wages can avoid failure-to-pay penalties. How? Repay the amounts by the time the applicable tax return is due.

**More info:** [bit.ly/taxes636](http://bit.ly/taxes636)

## Employee's last day: How much pay should be included in final check?

■ LAWSUIT BASED ON \$12.19 PAYCHECK RECEIVED AFTER TERMINATION

Termination pay is riddled with potential problems, as a recent federal district court case shows.

In *Garcia v. Wal-Mart*, an employee clocked in for work and a few minutes later was called into a meeting with his supervisor, where he learned of his termination. He then left the premises, and his co-worker clocked him out an hour after he had arrived.

All told, the employee worked between 20 minutes and one hour on his last day.

To complicate matters, the company had a policy of issuing reporting time, typically four hours, on an employee's termination date.

The company told the court it'd paid the former employee's termination pay on time: four hours of reporting time, along with the regular and OT hours

he'd put in during that pay period.

However, the former employee's lawsuit hinged on the fact that he received a check two weeks after his last day. That check amounted to \$12.19 – one hour of regular earnings and 0.1 hour of accrued paid time off.

The court didn't dismiss the case. Reason: The company couldn't prove the former employee's termination pay was based on the reporting time, as opposed to the clocked-in time.

### Following the procedures

In your workplace, how well do supervisors understand your termination pay procedures?

You may need to clarify if and when reporting time should be utilized on someone's last day.

More info: [bit.ly/finalcheck636](https://bit.ly/finalcheck636)

### Form W-2 ...

(continued from Page 1)

or electronically, the IRS stated during its December Payroll Industry Call.

Here are some excerpts from the errata sheet:

- Regarding the section of Form W-2 called "Instructions for Employee," Notice 1454 says: *This section has been updated to remove the \$5,000 limit. It's been revised to state that any amount above your employer's plan limit is also included in box 1.*
- As for the form's instructions in the section that provides specific info about Box 10, Notice 1454 contains similar language: *This section has been updated to remove the \$5,000 limit. It's been revised to advise of the increase to \$10,500 or \$5,250 for married filing separately if the employer timely amends the plan.*

Note: Under ARPA, employers can amend their plans retroactively and have until the end of the plan year to do so.

More info: [www.irs.gov/formW2](https://www.irs.gov/formW2)

## SHARPEN YOUR JUDGMENT

*This feature provides a framework for decision making that helps keep you and your company out of trouble. It describes a recent legal conflict and lets you judge the outcome.*

### ■ WAS SHE FIRED DUE TO LACK OF WORK OR PREGNANCY?

"You're saying Sofia wouldn't sign the notice about the revised work schedule?" Payroll Manager Pat Gray asked Supervisor Ken Jones. "And that was on Wednesday?"

"Right," said Ken. "She didn't like that we were eliminating her Thursday afternoon shift. Then – I couldn't believe it – she showed up on Thursday anyway."

"I sent her home," Ken went on. "She got pretty rude fighting with me about that, but then she left."

### Absent, again

"So now, here we are on Friday morning, and when did she tell you she wouldn't be in?" asked Pat.

"I got a text message from her less than two hours before her shift was supposed to start today, which of course is an unexcused absence," Ken noted.

"I guess I'm not surprised," said Pat, "because recently she's been accruing a lot of points for unexcused absences. I'm not sure how long she's been having attendance problems, but maybe a year before her pregnancy."

A couple days later, Ken fired Sofia, explaining that the company didn't have enough work for her.

She sued, claiming her pregnancy was the real reason she was fired.

The company fought back, pointing to its lack of work for her as well as her unexcused absences and disrespectful behavior.

Was the company able to get the case dismissed?

■ Make your decision, then please turn to Page 6 for the court's ruling.

From:  **KEEP UP TO DATE** ON **PAYROLL**

EDITOR: JENNIFER WEISS  
jweiss@HRMorning.com

EDITOR: JESS WHITE  
MANAGING EDITOR: CURT BROWN  
PRODUCTION EDITOR: P.J. FRONZEO  
EDITORIAL DIRECTOR: CURT BROWN

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## New regs extend deadline for distributing 1095-C and more

Proposed regs would permanently extend the deadline for sending Forms 1095-C to employees – and the IRS says it’s safe to rely on the regs before they’re finalized.

The deadline for both filing the forms with IRS and sending copies to employees has been Jan. 31 since the Affordable Care Act took effect.

However, the IRS has given employers extra time each year to get the forms into employees’ hands.

Now, these proposed regs call for a permanent 30-day extension of the deadline, without any action required on the part of employers.

During its December Payroll Industry Call, the IRS confirmed the TY 2021 deadlines will be:

- Jan. 31, 2022 – Forms 1095-B and Forms 1095-C due to IRS, and
- March 2, 2022 – copies of the forms due to employees.

### What else is changing

The proposed regs contain other changes which the IRS discussed during its December Call.

The regs would provide an alternative method for providing Forms 1095-B to individuals when

there’s a shared responsibility payment amount of zero.

But certain requirements must be met, the IRS explained.

For example, you must post a clear and conspicuous notice on your website stating that responsible individuals may receive a copy of their statement from you upon request.

Among the other requirements, the notice must include an email address, a physical address and a telephone number in case questions arise.

Plus, the website should explain how someone can get a copy of Form 1095-B.

Finally, the proposed regs deal with the issue of transitional good faith relief.

Namely, it’s being eliminated.

After all, the provision – which provided relief from penalties for reporting of incomplete or incorrect information – was always intended to be transitional, the IRS said during its Payroll Industry Call.

If necessary, taxpayers can request penalty relief under other sections of the Internal Revenue Code.

More info: [bit.ly/deadlinemoved636](https://bit.ly/deadlinemoved636)

## Higher penalties for I-9 mistakes, other INA violations

Penalties have increased for violations of the Immigration and Nationality Act (INA).

According to a final rule published in the *Federal Register* on Oct. 18, 2021, here’s the latest info.

### The ranges in effect now

Violations for knowingly hiring, recruiting, referring or retaining unauthorized aliens could cost:

- \$590 – \$4,722 (first offense)
- \$4,722 – \$11,803 (second offense)
- \$7,082 – \$23,607 (third offense, etc.)

Violations related to Form I-9 paperwork requirements could cost:

- \$237 – \$2,360
- Document fraud violations under INA Sec. 274C(a)(1)–(a)(4) could cost:
  - \$487 – \$3,901 (first offense)
  - \$3,901 – \$9,753 (second offense, etc.)

Document fraud violations under INA Sec. 274C(a)(5)–(a)(6) could cost:

- \$412 – \$3,289 (first offense)
- \$3,289 – \$8,224 (second offense, etc.)

More info: [www.govinfo.gov/content/pkg/FR-2021-10-18/pdf/2021-22564.pdf](https://www.govinfo.gov/content/pkg/FR-2021-10-18/pdf/2021-22564.pdf)

## NEWS YOU CAN USE

### ■ FORM 941 INFORMATION FOR Q4 OF 2021 AND Q1 OF 2022

Form 941 won’t be revised for the fourth quarter of 2021, the IRS stated during its December Payroll Industry Call.

It’s likely the 941 instructions will be updated, and if so, that could occur as late as January 2022.

Looking ahead to the first quarter of 2022, the lines for the COBRA premium assistance credit are expected to remain on Form 941, the IRS said.

More info: [www.irs.gov/form941](https://www.irs.gov/form941)

### ■ WILL YOUR BANK BE OPEN ON THESE DECEMBER DATES?

The soon-approaching Christmas and New Year’s Day holidays will fall on Saturdays.

The Federal Reserve Bank plans to be closed on the actual holidays but open on:

- Friday, Dec. 24, 2021 and
- Friday, Dec. 31, 2021.

If you have pay dates scheduled for Christmas Eve or New Year’s Eve, it’s worth double-checking whether your bank will be open and, if so, whether it’ll close early.

For example, some banks have announced they’re planning to close at noon.

More info: [www.frbervices.org/about/holiday-schedules](https://www.frbervices.org/about/holiday-schedules)

### ■ SURVEY: 68% OF EMPLOYERS ALLOWING HYBRID WORK

The results are in from an autumn 2021 *Keep Up to Date on Payroll* poll, with 68% of those surveyed saying they offer the option of hybrid work to employees.

Of employers utilizing hybrid work arrangements:

- 54% say employees typically spend most days in the workplace, while only
- 46% allow employees to work most days at a remote location.

## TEST YOUR KNOWLEDGE

### ■ Latest on Same Day ACH: Updated limits & guidelines

Same Day ACH continues to grow in popularity. And in response, it's expanding its capabilities in 2022 to allow for additional payments.

Expanded Same Day ACH can help you quickly send time-sensitive payments, like termination pay.

Are you aware of the latest developments and changes with Same Day ACH that affect you? Test yourself by answering *True* or *False* to the following:

1. The per-day payment maximum for Same Day ACH will increase to \$500,000 on March 18, 2022.
2. Currently, the \$100,000 Same Day ACH limit only applies to a single item within a batch.
3. The federal government won't be participating in Same Day ACH until January 2023.
4. If payments that exceed the Same Day ACH limit are submitted, they'll be automatically canceled and you'll have to resubmit them.

## ANSWERS

More info: [bit.ly/samedayach636](https://bit.ly/samedayach636)

1. *False.* The current Same Day ACH limit of \$100,000 per payment will increase to \$1 million on March 18, 2022.
2. *True.* No one item over \$100,000 can be settled on the same day until March 2022. Note: There's also currently a \$2,500 limit on any items that have an SEC code of RCK or XCK.
3. *False.* The Treasury published a final rule saying it's operating per Nacha's changes, so the federal government can both initiate and receive Same Day ACH payments up to \$100,000 in any of the current processing windows.
4. *False.* Any items in a batch that are over the current limit will be automatically settled on the next business day.

Answers to the quiz:

## COMPLIANCE CHECK

### See where other companies went wrong – and avoid their mistakes

*This feature highlights violations of federal and state laws. You can find out how other employers got off track – and help keep your company in compliance.*

Wage and Hour Division,  
New York District Office.

#### **Misclassified employees cost company \$1.4M**

**Employer:** Wellfleet Communications, Las Vegas.

**Business:** Telemarketing.

**Law broken:** Fair Labor Standards Act.

**Type of violation:** The company misclassified its employees as independent contractors and paid them commission on completed sales instead of the minimum wage. Workers also signed agreements essentially waiving their rights to be paid correctly. As a result, several employees worked long hours for little to no pay.

**Penalty:** Wellfleet must pay over \$1.4 million in back wages and damages to 1,328 workers.

**Government office:** Dept. of Labor, Wage and Hour Division, San Francisco District Office.

#### **Contractor didn't pay federal workers correctly**

**Employer:** Dellew Corp., Waipahu, HI.

**Business:** Building services contractor.

**Law broken:** McNamara-O'Hara Service Contract Act.

**Type of violation:** The contractor handled multiple services at a federal office building in New York City, and it failed to pay workers the correct prevailing wage or fringe benefits.

**Penalty:** Fourteen contract workers will receive \$783,616 in back wages. Dellew must also follow an enhanced compliance agreement from the Dept. of Labor for five years.

**Government office:** Dept. of Labor,

#### **Pest-control workers weren't exempt, feds said**

**Employer:** Beebe's Pest & Termite Control, Birmingham, AL.

**Business:** Pest control.

**Law broken:** Minimum wage and overtime provisions of the Fair Labor Standards Act.

**Type of violation:** Workers were paid flat salaries when they should've been classified as nonexempt and paid for working overtime hours. In addition, some employees never received their last paychecks after termination.

**Penalty:** Beebe's Pest Control paid \$52,604 in back wages to 28 workers.

**Government office:** Dept. of Labor, Wage and Hour Division, Atlanta District Office.

#### **Employer exploits married couple, owes them \$281K**

**Employer:** Om Shiva Enterprise Inc., dba Monaca Sunoco, Monaca, PA.

**Business:** Convenience store and gas station.

**Law broken:** Minimum wage and overtime provisions of the Fair Labor Standards Act.

**Type of violation:** A married couple who worked at the Sunoco were intentionally underpaid and not given overtime pay. In fact, the wife typically worked 70 hours a week and wasn't paid at all.

**Penalty:** The couple will receive \$281,029 in back wages and damages. And the employer will pay an additional \$1,762 penalty.

**Government office:** Dept. of Labor, Wage and Hour Division, Philadelphia District Office.

## Tracking local laws and regs

### ■ \$500 per week severance pay due to hotel employees in NYC

In New York City, certain hotels must pay laid-off service employees \$500 per week in severance pay for up to 30 weeks. That's according to law 104.

That ordinance states a hotel must pay severance if it:

- was closed to the public on or after March 1, 2020, and hadn't recalled at least 25% of its employees (as of Oct. 11, 2021) and reopened to the public (as of Nov. 1, 2021), or
- went through a mass layoff of at least 75% of employees on or after March 1, 2020.

More info: [bit.ly/nyc636](http://bit.ly/nyc636)

### ■ West Hollywood, CA, creates citywide minimum wage

The West Hollywood City Council passed an ordinance Nov. 15, 2021, establishing a minimum wage.

Hotel employers will lead the way in West Hollywood, CA, with a \$17.64 minimum wage kicking in for them Jan. 1, 2022.

For other industries, the rate will be phased in according to size

(large businesses/small businesses) as follows:

- Jan. 1, 2022 – \$15.50/\$15
- July 1, 2022 – \$16.50/\$16
- Jan. 1, 2023 – \$17.50/\$17

Starting July 1, 2023, the minimum wage rate will be adjusted based on the cost of living.

More info: [www.weho.org/business](http://www.weho.org/business)

### ■ Employers in Flagstaff, AZ, must keep pace with minimum wage

The minimum wage rate continues to increase in Flagstaff, AZ, as it's been doing since Proposition 414 established the city's minimum wage in 2017.

The rate is scheduled to go from \$15 in 2021 to \$15.50 in 2022.

More info: [www.flagstaff.az.gov/3520/Minimum-Wage](http://www.flagstaff.az.gov/3520/Minimum-Wage)

### ■ Denver's 2022 minimum wage climbs higher than \$15 per hour

Businesses in Denver will need to pay employees \$15.87 per hour starting Jan. 1, 2022.

That rate applies to work done in the city by employees who put in more

## PRODUCTIVITY BOOSTERS

### ■ Better time management: Get started with estimating

If you're looking for improvement with time management, try tracking your time.

After estimating how long it'll take you to do a task, monitor the time it actually takes you.

Then compare. Monitoring your time will make you more conscious of your workflow.

You may even decide to keep a history of time spent on each project for future planning purposes.

Cite: Intuit Quickbooks, [quickbooks.intuit.com/rl/employee-management/time-management-tips](http://quickbooks.intuit.com/rl/employee-management/time-management-tips)

than four hours per week. For 2021, the city's rate was set at \$14.77.

More info: [bit.ly/denver636](http://bit.ly/denver636)

### ■ OT violations: Travis County, TX, and federal DOL teaming up

Now that Travis County, TX, has signed a Memorandum of Understanding with the federal Dept. of Labor (DOL), the agencies can conduct joint investigations and coordinate enforcement efforts.

More info: [www.traviscountytx.gov/district-attorney](http://www.traviscountytx.gov/district-attorney)

## REAL PROBLEMS, REAL SOLUTIONS

### A year with 27 pay periods? Our plan is already in place

Employers who run payroll on a biweekly basis know the importance of checking the calendar to find out in what years a 27th pay period will occur.

Of course, the extra biweekly pay period rolls around only every 10 years or so.

But without a clear plan, increasing from 26 to 27 paydays can be a headache for Payroll.

In our situation, we don't have to worry about keeping employees' salaries to what they'd total in a normal year.

Employees simply get paid more

during years containing that 27th payday.

#### How we handle deductions

Nonetheless, we'd need to face the matter of deductions from employees' wages, such as for health insurance premiums.

Having to break the routine – and divide annual premiums by 27 one year – only to go back to normal – and divide by 26 the next year – didn't sound ideal.

Could we avoid a disruptive scenario like that?

Yes, and that's just what we did.

We set up our biweekly payroll so that deductions are made 24 times per year.

As a result, there's no variation in benefits deductions.

That's the case whether it's a 26-paycheck year or the occasional 27-paycheck year.

The consistency is good for us in Payroll.

And needless to say, it's beneficial for employees, too.

(Nancy Hartleben, payroll administrator, City of Thornton, Thornton, CO)

## DOL enforcement efforts in 2021: Top offenders & worker complaints

### ■ AGENCY AGAIN COLLECTS MILLIONS IN BACK WAGES FROM EMPLOYERS

Even though the Dept. of Labor (DOL) went through a significant transition period after the election, it still managed to keep up with its enforcement efforts in 2021.

The Wage and Hour Division concluded 24,727 cases in FY 2021, with an average of just over 71 days to resolve each one. And in all, the DOL collected more than \$234.2 million in back wages for 193,349 workers.

### Recurring FLSA, FMLA issues

When looking at the types of Fair Labor Standards Act (FLSA) wage and hour violations the DOL handled this year, most of them were minimum wage and overtime issues.

In FY 2021, the DOL dealt with 7,287 cases with minimum wage violations where employers paid almost \$26 million in back wages and 7,159 cases with overtime violations where employers paid almost \$139 million in back wages.

This past year, FLSA violations

were common in what the DOL's dubbed "low wage, high violation industries." The top offenders were:

- food services, which had 4,237 cases where 29,209 employees received over \$34.7 million in back wages
- construction, which had 3,034 cases where 21,341 employees received over \$36 million in back wages
- retail, which had 2,705 cases where 14,734 workers received over \$13.4 million in back wages, and
- health care, which had 1,194 cases where 17,079 employees received almost \$14 million in back wages.

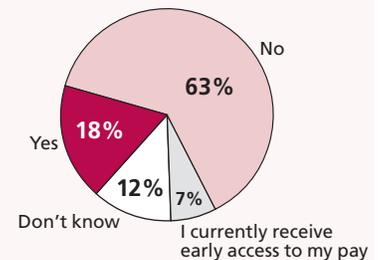
The DOL received 20,279 new complaints in 2021 and logged over 850,151 enforcement hours total. The agency also conducted 4,793 outreach events (excluding mailings).

Along with FLSA violations, the agency also investigated a decent number of complaints involving the Family and Medical Leave Act (FMLA): 928 complaints were lodged in FY 2021, with the top reasons

## WHAT PAYROLL PROS TOLD US

### Latest attitudes on early wage access

Would you be interested in having access to your wages on demand as you earn them rather than receiving them all at once on payday?



Source: 2021 Getting Paid in America survey, American Payroll Association

As workers start reviewing their holiday spending, demand may rise for early wage access in 2022. The IRS may also release guidance on the practice – we'll keep you posted.

Each issue of KUDP contains an exclusive survey to give Payroll pros insight into what their peers nationwide are thinking and doing.

being discrimination (281 complaints), termination (272 complaints) and refusal to grant FMLA leave (252 complaints).

Out of all FMLA complaints from workers, the DOL found 397 cases with valid violations that affected 429 employees, and they received over \$1.4 million in back wages.

More info: [bit.ly/dolstats636](https://bit.ly/dolstats636)

## SHARPEN YOUR JUDGMENT – THE DECISION

(see case on Page 2)

Yes, a federal district court dismissed the pregnancy discrimination claim and, after that, a federal appeals court affirmed the lower court's decision.

The employee argued that the reason stated for her termination – lack of work – was a pretext and that the company really wanted her gone due to her pregnancy.

First, she said the timing of her termination was suspicious, given that it occurred soon after she became pregnant.

The court wasn't convinced, though, because of the events leading up to her firing. When she was informed that the Thursday afternoon shift was being eliminated, she refused to sign the document acknowledging the change, then she showed up for that shift anyway. Following that, she called in to say she'd be absent, giving her employer less than two hours' notice.

Second, the employee attempted to prove pretext

by accusing the company of inconsistency regarding the reasons for her termination.

Her supervisor had told her they had to let her go because they didn't have enough work. Later, after the company learned about the lawsuit, it added two more reasons to the list: absenteeism and disrespectful behavior toward her supervisor.

None of those reasons contradicted each other or seemed implausible, the court concluded.

### Analysis: A point system for unexcused absences

There are many nondiscriminatory reasons your company may decide to part ways with an employee. Attendance problems may be one.

Some companies have a point system for unexcused absences. That can be a way to safely quantify when it's time for a supervisor to follow up with an employee.

**Cite:** *Key v. Central Georgia Kidney Specialists PC*, No. 20-14351, CA11, 11/16/21. Note: Dramatized for effect.

## Industry news you can use

### ■ Federal contractors will see minimum wage jump next year

The minimum wage for employees who work on **federal contracts** will increase, beginning Jan. 30, 2022.

According to a Dept. of Labor rule implementing Executive Order 14026, the rate will increase to \$15 per hour (from the current \$10.95). That's for work done on or in connection with federal contracts.

More info: [bit.ly/contractors636](http://bit.ly/contractors636)

### ■ Paying students or scholars with F-1, J-1, M-1 or Q-1 visas?

Nonresident alien (NRA) **students and scholars** holding F-1, J-1, M-1 or Q-1 visas may be exempt from Social Security and Medicare taxes. Employers can't provide the exemption without the proper documentation, though. That and other situations can lead to problems with Form 941 and Form 941-X.

So, the Internal Revenue Service Advisory Council (IRSAC) made some

recommendations regarding these visa holders. For example, IRSAC said IRS should get rid of the requirement that employers must refund and adjust information returns that would be impacted by NRA student employee exemption requests for a given tax year once the employer has issued Form W-2.

More info: [bit.ly/students636](http://bit.ly/students636)

### ■ 2022 withholding rates under the Railroad Retirement Act

The IRS has released the 2022 Tier 2 Tax Rates for **railroads**.

No change in how much you'll withhold from compensation for these taxes that are used to fund benefits under the Railroad Retirement Act.

The rates are:

- 4.9% – employees
- 13.1% – employers, and
- 13.1% – employee representatives.

More info: *Federal Register*, 11/19/21.

## Answers to readers' most pressing Payroll questions

*Whether you're a longtime Payroll person or new to the profession, no doubt you occasionally face situations that leave you scratching your head. Here, we answer common dilemmas:*

### Can I make the same change to multiple Excel spreadsheets?

**Q:** I often have to make the same changes and apply the same formulas to more than one spreadsheet in Excel. Is there any way to make this easier?

**A:** If the spreadsheets are similar, you can group them together. Grouping spreadsheets in Excel allows you to make changes in one spreadsheet and have them automatically apply to the other spreadsheets in the group. To group spreadsheets, press and hold the Ctrl button,

then click on each sheet you want in the group. You'll know the spreadsheets are grouped because the word "Group" will appear in the Excel title bar next to the file name. You can now select any sheet and make changes, and they'll apply to the corresponding rows/columns in all grouped sheets. If you want to group all spreadsheets at once, you can right-click on any open sheet tab and choose the Select All Sheets option. However, with this option, if you select a different sheet, it automatically ungroups all the sheets.

More info: [bit.ly/group636](http://bit.ly/group636)

Send questions to [jweiss@HRMorning.com](mailto:jweiss@HRMorning.com). Because of the volume of mail we receive, we regret we can't answer all submissions.

## WHERE TO GET HELP

### RECENT CHANGES TO FEDERAL FORMS AND PUBLICATIONS

This list of forms and instructions, and other publications contains Payroll-related updates.

- Publication 1239, *Specifications for Electronic Filing of Form 8027, Employer's Annual Information Return of Tip Income and Allocated Tips*. Revised October 2021.
- Publication 1167, *General Rules and Specifications for Substitute Forms and Schedules*. Revised October 2021. Posted 11/1/21.
- Publication 1220, *Specifications for Electronic Filing of Forms 1097, 1098, 1099, 3921, 3922, 5498, and W-2G*. Revised October 2021. Posted 11/2/21.
- Form 943, *Employer's Annual Federal Tax Return for Agricultural Employees*. Revised 2021. Posted 11/3/21.
- Schedule O (Form 990), *Supplemental Information to Form 990 or 990-EZ*. Revised 2021. Posted 11/8/21.
- Form 5498-SA, *HSA, Archer MSA, or Medicare Advantage MSA Information*. Revised 2022. Posted 11/8/21.
- Form 5498-SA, *HSA, Archer MSA, or Medicare Advantage MSA Information*. Revised 2021. Posted 11/9/21.

More info: Find links by going to [www.keeptodateonpayroll.com/forms-and-publications-636](http://www.keeptodateonpayroll.com/forms-and-publications-636)

### The Purpose of *Keep Up to Date on Payroll*

*Keep Up to Date on Payroll* helps Payroll practitioners stay current with all the changing laws and regs.

The quick-read, easy-to-understand format gets right to the point, so you don't have to waste any time.

*Keep Up to Date on Payroll* provides timely information about new laws and regs, and gives you a heads up about coming changes – so you have plenty of time to prepare.

# State law and reg changes Payroll needs to know

*Don't see your state here? You can find additional state and local items online – it's included with your subscription. Check out our interactive map, too. Log on today!*

**COLORADO**

- **MINIMUM WAGE:** You'll need to pay employees at least \$12.56 per hour next year, an increase from the 2021 minimum wage rate of \$12.32. **More info:** [bit.ly/calc636](http://bit.ly/calc636)
- **OVERTIME:** Colorado has raised its salary levels for who's exempt from overtime in 2022. Executive/supervisor, administrative or professional employees must earn at least \$865.38 per week (\$45,000 rounded annual equivalent). As for highly technical computer employees, the same salary applies, or instead they can be paid at least \$28.92 per hour. The new classification for exemption, the highly compensated employee, has salary requirements of at least \$865.38 per week and \$101,250 annually. All the updated info is included in the 2022 *Publication And Yearly Calculation of Adjusted Labor Compensation Order*. **More info:** [bit.ly/calc636](http://bit.ly/calc636)
- **WITHHOLDING:** The state now has a form similar to the federal Form W-4. It's Form DR 0004, *Colorado Employee Withholding Certificate*. Although employees aren't required to complete the state form, they should use it to adjust their state withholding if they'll earn most of their income from one job, claim federal itemized deductions or the state child tax credit, earn significant income from sources without withholding, etc. **More info:** [bit.ly/colorado636](http://bit.ly/colorado636)

**FLORIDA**

- **NEW-HIRE REPORTING:** The Florida Dept. of Revenue has given employers several options for reporting new hires.

You can submit the info online, electronically, by mail or fax. You may want to reconsider your options now that the state has required employers to report newly hired independent contractors as well as employees. **More info:** [bit.ly/florida636](http://bit.ly/florida636)

**IOWA**

- **WITHHOLDING:** The Iowa Dept. of Revenue has updated the tables businesses need for withholding in 2022 – that's for weekly, biweekly, monthly, semimonthly and annual pay periods. You may also want to check out the updated withholding formula for wages. **More info:** [tax.iowa.gov/withholding-tax-information](http://tax.iowa.gov/withholding-tax-information)

**LOUISIANA**

- **INDEPENDENT CONTRACTORS:** Thanks to SB 244, businesses can apply to the Fresh Start Proper Worker Classification Initiative from Jan. 1, 2022, to Dec. 31, 2022. This voluntary program allows employers to voluntarily reclassify independent contractors as employees for a future tax period. Among the qualifications to be eligible, an employer must have treated the workers as a nonemployee for the previous three years and must have filed any required Forms 1099-NEC. **More info:** [bit.ly/Louisiana636](http://bit.ly/Louisiana636)

**MASSACHUSETTS**

- **FRINGE BENEFITS:** The state's monthly exclusion amounts are \$285 for employer-provided parking (as opposed to \$280 on the federal level) and \$150 for combined transit pass and commuter highway vehicle transportation benefits (much lower than the \$280 monthly exclusion set by IRS). That's according to Technical Information Release 21-12, issued by the Massachusetts Dept. of Revenue. **More info:**

[bit.ly/massachusetts636](http://bit.ly/massachusetts636)

**NORTH CAROLINA**

- **INCOME TAX:** The personal income tax rate, currently 5.25%, will decrease starting in 2022 due to a provision in the state's budget. Here's what you can expect: 4.99% in 2022; 4.75% in 2023; 4.6% in 2024; 4.5% in 2025; 4.25% in 2026; and 3.99% after that. **More info:** [www.ncleg.gov/BillLookUp/2021/s105](http://www.ncleg.gov/BillLookUp/2021/s105)

**VIRGINIA**

- **WAGES:** The Virginia Dept. of Labor and Industry's Division of Labor and Employment Law revised its *Field Operations Manual* as of August 2021. Many Payroll topics are covered: pay periods, overtime, direct deposit, deceased wage claims, etc. **More info:** [bit.ly/va-636](http://bit.ly/va-636)

THE LIGHTER SIDE

When bad weather such as a snowstorm hits, you might be thankful for the snowplows clearing the roads so you can get people paid.

But did you know those snowplows have names?

At least they do in Vermont, one of the snowiest states in the country. School kids there came up with names for the plows in their local maintenance districts.

Their creative names range from Snowbegone Kenobi, Baby Snowda and Darth Blader to Snow Wolf, Mighty Moose and Plow-Cow.

You can't argue with Mr. Pushy or Get Out of My Way!

Or then there's this one, clearly indicating what's on students' minds as soon as the flakes start falling from the sky: Snowday Buster.

**Cite:** [vtrans.vermont.gov/name-a-plow](http://vtrans.vermont.gov/name-a-plow)