

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

KEEP UP TO DATE **on** PAYROLL™

February 14, 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.

■ ARPA FUNDING RELIEF FOR PENSION PLANS

Item: Notice 2021-57, *Funding Relief for Multiemployer Defined Benefit Pension Plans under the American Rescue Plan Act of 2021*.

Background: Guidance for sponsors of certain pension plans. The American Rescue Plan Act (ARPA) provides elective funding relief related to COVID-19.

Comments due: 2/28/22.

Cite: *Federal Register*, 12/30/21.

■ REACHING AGREEMENT WITH IRS ON TIP RATES

Item: Revenue Procedure 2007-32, *Tip Rate Determination Agreement (Gaming Industry)*.

Background: Employers in the gaming industry can work with the IRS to reach an agreement for compliance with Internal Revenue Code Sec. 6053(a).

Comments due: 3/8/22.

Cite: *Federal Register*, 1/7/22.

Go to www.gpo.gov/fdsys for copies of the forms.

Must employees be paid while they wait for slow computers?

■ What the courts are saying now

Technological setbacks can try anyone's patience – whether it's waiting for your computer to boot up, software to load or upgrades to finish.

Recently, questions about whether nonexempt employees must be paid for this type of waiting time have reached the courts.

Here are the details from two cases:

2 cases on timekeeping systems

In *Peterson v. Nelnet Diversified Solutions, LLC*, the Tenth Circuit Court of Appeals said call center employees' computer-related, pre-shift activities were compensable under the Fair Labor Standards Act.

That's because use of the computer was integral and indispensable to their

jobs – unlike employees who, say, might use handheld devices to access daily work assignments.

Before employees at Nelnet could carry out their jobs, some steps they had to take were waking up their computers, inserting their security badges and waiting for their computers to load the company's intranet so they could link to the timekeeping system.

That added up to about two minutes. Although the lower court had said that was *de minimis*, the appeals court ruled it wasn't.

In another case, *Garcia v. Vertical Screen Inc.*, employees sought unpaid

(Please see *Computers ...* on Page 2)

Not so fast with updated OT regs, employer groups say

When the Dept. of Labor (DOL) announced plans to update the salary level requirements for who's exempt from overtime, that caused concern for some businesses.

In fact, 110 associations and other groups representing employers sent the DOL a letter with this simple request: Hold stakeholder meetings before issuing a Notice of Proposed Rulemaking in April of 2022.

Under presidents Bush, Obama and Trump, the DOL released regs on the so-called white-collar exemptions, but only after gathering input from stakeholders, the letter pointed out. A rule increasing the salary threshold

would be significant in terms of cost and difficulty of implementation, the letter added.

Increasing from \$684 per week?

Since 2020, the salary threshold has been sitting at \$684 per week, which is \$35,568 annually.

Employees must be paid at least that much to be exempt from the Fair Labor Standards Act's minimum wage and overtime requirements.

We'll let you know when DOL releases more details about the anticipated reg changes.

More info: bit.ly/overtime639

IRS sent employer lock-in letter after employee entered 'exempt' on W-4

■ REQUIRED TO WITHHOLD FEDERAL INCOME TAX AT HIGHER RATE

Feb. 15 is approaching. By then, any employees who've written "exempt" on their W-4s for the prior year need to give you updated forms.

But if the IRS doesn't agree with certain employees that they're exempt from withholding, that puts you in a difficult spot.

Take the case of one employee who claimed an exemption from income tax withholding when she gave her employer a W-4 in 2017. She later received a letter from the IRS, telling her she'd filled out the form wrong.

When she refused to budge regarding whether she owed taxes, the IRS sent her employer a lock-in letter. That stated the employer should withhold taxes from her wages at the single rate with zero allowances. The employee continued to argue with the IRS about her taxes, eventually

requesting a redetermination. As a result, the IRS notified her employer again, saying it should change her allowances from zero to two.

The situation escalated into a lawsuit between the employee and the federal government, which she lost.

Form W-4 before and after 2020

This case refers to the pre-2020 W-4 which contained withholding allowances. Although the form has been overhauled, IRS continues to send lock-in letters to employers.

If you receive a lock-in letter, start withholding federal income tax at the rate specified by the IRS.

More info: *Conner v. United States*, No. 2:19-cv-02241-RFB-VCF, U.S. D.C., D. Nevada, 12/27/21.

Computers ...

(continued from Page 1)

overtime, based on time they spent waiting to get onto their computers.

Their job was to research info about job applicants for corporations, etc. Before they could begin working, they said they were on hold – for five, 10, sometimes 30 minutes – while their computers started and their timekeeping software launched.

The company asserted the employees spent only one to three minutes per day in front of their computers before clocking in. To prove that, Vertical Screen wanted to compare swipe card reports (showing when employees entered the building) with timekeeping data (indicating when the timekeeping software clocked them in).

The federal district court wouldn't accept that proof, though. Reason? The swipe card reports weren't comprehensive enough.

So, a jury would need to sort through how much time employees actually spent doing pre-shift tasks.

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.

■ EMERGENCY PAID SICK LEAVE: DID EMPLOYEE REQUEST IT?

"After Angie's last day, we sent her two checks, for two semimonthly pay periods," Payroll Manager Pat Gray told Supervisor Dan Kern.

"Those two checks added up to \$5,324.88," said Pat. "And I see here that included two weeks of sick leave, if you count the weekends."

"Well, Angie says we still owe her \$54.29," said Dan. "Worse, she thinks we denied her emergency paid sick leave under the Families First Coronavirus Response Act when her daughter's summer camp closed."

"What do you mean?" asked Pat.

Mentioned school, not camp

"In March of 2020, Angie started sending me regular emails about taking personal days or working from home. Her daughter's school was closed due to COVID-19, so I gave her that flexibility," said Dan.

"No mention of emergency paid sick leave?" Pat quickly confirmed.

"She didn't need it," Dan said. "She was able to work from home."

"According to my records, you switched Angie to a new position in May of 2020," said Pat.

"That meant she could no longer work remotely," Dan said. "So she submitted a leave request. But she didn't mention any camp, just her daughter's school, and the school year had basically ended."

The worker sued, saying her right to take emergency paid sick leave was denied. The company fought back. Did the court dismiss the case?

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

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Verification of employment request? New form makes responding easier

■ PROVIDING INFO FOR STATE CHILD SUPPORT AGENCIES

When a child support agency wants you to verify someone's employment, the form you'll need to fill out varies from state to state.

But that may be changing, thanks to the creation of a standardized response form.

While each state child support agency will continue to send out its own verification of employment (VOE) form, states can now opt to accept your response on the standardized form.

As of late 2021, all states – except New York which was still reviewing it – had said they'd accept the standardized form. That's according to the Office of Child Support Enforcement's (OCSE's) *December 2021 Child Support Report*.

You, too, can choose whether to complete the standardized form or stick with your former method. Either way, the state uses the info to establish and enforce child support orders.

6 sections to complete

Here's a closer look at the form.
The Standard Response to

Verification of Employment/Income form contains six sections:

- Employee/Worker Information
- Employer/Payor Information
- Employee/Worker Earnings (info on regular earnings)
- Employee/Worker Earnings (info on other earnings and withholding)
- Employee/Worker Health and Medical Insurance Benefits, and
- Certification.

If a state needs further details – for example, to understand more about an employee's termination – the child support agency may contact you about that.

Created in 2021

The Employer Collaboration Workgroup created the *Standard Response to Verification of Employment/Income* form in 2021. The goal was greater efficiency for employers.

The Workgroup is comprised of OCSE, states, the American Payroll Association and representatives from some large U.S. employers.

More info: www.acf.hhs.gov/css/form/standard-response-verification-employment-form

Penalties up for 2022, says Wage and Hour Division

The cost of everything seems to be going up – and that includes fines for violations of the Fair Labor Standards Act (FLSA).

The Dept. of Labor announced its latest penalty amounts in the *Federal Register* on Jan. 14, 2022.

Costly missteps

Here's what's changed for 2022 as it pertains to the FLSA and some other laws administered by the Wage and Hour Division:

Repeated or willful violations of the FLSA's minimum wage or overtime

provisions will cost employers \$2,203, up from \$2,074.

As for the child labor provisions of the FLSA, penalties are steep. They've jumped to \$14,050, from \$13,227.

The penalty for willfully breaking the Family and Medical Leave Act poster rules has increased from \$178 to \$189.

Finally, infractions of the Migrant and Seasonal Agricultural Worker Protection Act have a higher price tag, with civil money penalties climbing from \$2,579 to \$2,739.

More info: bit.ly/penalties639

NEWS YOU CAN USE

■ FINALIZED BUT OPTIONAL FOR 2022: W-4P AND W-4R

At the beginning of January, IRS finalized two forms for 2022. They were:

- Form W-4P, *Withholding Certificate for Periodic Pension or Annuity Payments*, and
- Form W-4R, *Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions*.

For 2022, you can continue to use the 2021 Form W-4P – IRS has acknowledged that programming changes can take time.

But starting in 2023, the separated W-4P and W-4R will be required, IRS has said.

More info: www.irs.gov/FormW4P, www.irs.gov/pub/irs-pdf/fw4r.pdf

■ GETTING VACCINATED: IS THE TIME COMPENSABLE?

Payroll pros had solid guidance about COVID-19 vaccinations and the Fair Labor Standards Act, but then it suddenly disappeared.

In mid-January, the Dept. of Labor (DOL) posted Fact Sheet 84 with info on the compensability of time employees spend undergoing health screenings, testing and vaccinations related to COVID-19.

But within days, the fact sheet was gone. No explanation given.

Employers can still utilize DOL's earlier-released general guidance, but that doesn't mention time spent getting vaccinated.

More info: bit.ly/vaccination639

■ IRS GUIDANCE ON CHANGING ACCOUNTING METHODS

Small businesses wanting to change accounting methods and obtain automatic consent to do so should know the IRS recently issued guidance.

Revenue Procedure 2022-9 gives the details involved for changes.

More info: bit.ly/accounting639

TEST YOUR KNOWLEDGE

■ Retirement planning services: Important info for Payroll

Retirement planning services are becoming a popular benefit that companies offer their employees.

In certain situations, these services may impact a worker's taxable income. Test yourself on the rules by answering *True* or *False* to the following:

1. The value of any retirement planning advice or info your employer provides employees can be excluded from their wages.
2. Advice that can be provided to employees includes both specific details about your plan and general info about retirement.
3. The value of any tax preparation, accounting or legal services your company provides employees to help with retirement can be excluded from workers' income.
4. You're never allowed to exclude the value of any retirement planning services from the wages of highly compensated employees.

ANSWERS

Answers to the quiz:

1. *True*. As long as your company maintains a qualified retirement plan, the value of any retirement info provided to employees or their spouses can be excluded from the worker's income.
 2. *True*. Both types of advice are allowed by IRS.
 3. *False*. The value of these services must be included in employees' wages as they don't fall under the exclusion. This is also true for any brokerage services.
 4. *False*. If the same services are provided to all other employees who are also eligible to receive education and info about the company's plan, their value can be excluded from the wages of highly compensated employees.
- More info: irs.gov/pub/irs-pdf/t15b.pdf

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,
Raleigh, NC, office.

OT & classification issues cost employer over \$115K

Employer: Vladimir's Marble & Granite Inc., Honolulu.

Business: Flooring contractor.

Law broken: Overtime provisions of the Fair Labor Standards Act.

Type of violation: Some employees were misclassified as independent contractors, so they didn't receive any overtime pay. Other workers were paid for overtime hours at straight-time rates.

Penalty: The contractor paid \$115,000 in back wages and damages to nine employees. It also owed an additional \$5,229 in penalties.

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

Various violations for company on federal project

Employer: Apex Plumbing and Heating Inc., Apex, NC.

Business: Plumbing, heating and ductwork for large developments.

Law broken: Davis-Bacon and Related Acts, recordkeeping provisions of the Fair Labor Standards Act.

Type of violation: Employees were paid the wrong prevailing wage and benefits for the work they performed on a federal construction project, being paid as sheet metal workers instead of plumbers. They also weren't allowed to accrue or use sick leave, and their hours weren't recorded correctly.

Penalty: Five employees received \$33,230 in back wages.

Government office: Dept. of Labor,

Nursing home workers weren't paid for training

Employer: Heritage Village Retirement Center, Oklahoma City.

Business: Nursing home.

Law broken: Overtime provisions of the Fair Labor Standards Act.

Type of violation: When workers attended web-based training, onboarding activities, and on-site and off-site meetings, they weren't paid for their time.

Penalty: The nursing home paid \$27,135 in back wages to 129 workers.

Government office: Dept. of Labor, Wage and Hour Division, Oklahoma City District Office.

Employees had to share tips with managers at club

Employer: South Park Country Club Inc., Fairdale, KY.

Business: Country club.

Law broken: Minimum wage, overtime, tipped employee, child labor and recordkeeping provisions of the Fair Labor Standards Act.

Type of violation: South Park Country Club made employees share tips with managers and paid overtime based on their direct cash wage instead of the minimum wage. It also didn't include commission payments in the overtime rate, and it allowed minors to work hours and perform tasks they couldn't do by law.

Penalty: Forty-three workers received \$21,507 in back wages, and the employer paid a \$6,190 penalty for the child labor violations.

Government office: Dept. of Labor, Wage and Hour Division, Louisville, KY, office.

Tracking local laws and regs

■ After storms, IRS offers tax relief in these Tennessee counties

The IRS has offered tax relief to 12 counties in Tennessee impacted by the severe storms, straight-line winds and tornadoes that occurred in December of 2021.

They are: Cheatham, Davidson, Dickson, Gibson, Henderson, Henry, Lake, Obion, Stewart, Sumner, Weakley and Wilson counties.

Certain deadlines falling on or after Dec. 10, 2021, have been postponed until May 16, 2022. That includes quarterly payroll tax returns with a Jan. 31, 2022, deadline.

More info: bit.ly/tennessee639

■ New minimum wage law in Howard County, MD

In Howard County, MD, employers will need to follow a new minimum wage law.

Starting April 1, 2022, the minimum wage for employers with 15 or more employees will be \$14 per hour, with the rate increasing to \$15 per hour on Jan. 1, 2023.

Smaller employers must pay \$13.25 starting Jan. 1, 2023.

For government employers, the changes are more dramatic: \$15 per hour, effective July 1, 2022.

More info: bit.ly/howardcounty639

■ Minimum wage increasing to \$12.95 on March 1, 2022

To comply with the City of Santa Fe Living Wage Ordinance, employers will soon need to pay at least \$12.95 per hour.

The same minimum hourly rate has been set by Santa Fe County, due to cost-of-living increases.

Effective: March 1, 2022.

More info: bit.ly/santafecity639, bit.ly/santafecounty639

■ In St. Louis, what's taxable and what's not? This list can help

The St. Louis Collector of Revenue has provided a list of taxable and non-taxable items for the:

- 1% earnings tax, reported on Form W-10, and
- 0.5% payroll expense tax, reported on Form P-10.

You can double-check that you're withholding accurately.

PRODUCTIVITY BOOSTERS

■ 3 payroll resources you can reference throughout the year

Double-checking is essential in Payroll, and having access to clearly presented reference materials can save you time.

As a *Keep Up to Date on Payroll* subscriber, you can access our website (www.keeptodateonpayroll.com), where you'll find payroll resources, updated annually – all at no cost:

- *Tax Deadlines*
- *Dollar Limits*, and
- *Work Holidays*.

Access and print resources at: www.keeptodateonpayroll.com

More info: bit.ly/stlouis639

■ No estimated payments due in 2022 for Overpaid Executive Tax

Although the Overpaid Executive Tax took effect in San Francisco on Jan. 1, 2022, no estimated payments are due in 2022. However, in 2023, estimated business tax payments will be due April 30, July 31 and Oct. 31.

That's according to the City and County of San Francisco Treasurer & Tax Collector.

More info: bit.ly/sanfrancisco639

REAL PROBLEMS, REAL SOLUTIONS

Garnishments: How we work with IT to ensure accurate deductions

Ensuring that we're withholding the correct amount from employees' pay for garnishments is important – it can also be a challenge.

After all, we have to keep up with all the changing laws on the federal, state and local level.

But that's just the beginning of our responsibilities in Payroll.

Communicating with our IT team is a crucial next step.

They need to know what a law says. But they also need guidance on what a law means.

If we're not clear on meaning, problems may arise with how our

payroll system makes deductions from employees' pay.

Changes to disposable earnings

For example, one state where we do business, Colorado, recently passed a law changing the definition of disposable earnings.

According to the law, when calculating disposable earnings for a creditor garnishment, employers had to deduct health insurance premiums from employees' gross wages.

Sure, someone in Payroll would understand what such a law means by "health insurance." But what if

a programmer added pet insurance or accident insurance to the calculation? We'd risk withholding the wrong amount of the garnishment.

To guide programmers, we might itemize the types of health insurance we offer, indicating which ones to include in calculations. Or we might point IT to certain payroll codes.

Our efforts help get us all on the same page – and that's been key for staying in compliance.

(Beverly Wooten, payroll manager, Coca-Cola Bottlers' Sales & Service Co., Tampa, FL – based on an article in the October 2021 Child Support Report)

Paid leave benefits now available to most employees: Impact on Payroll

■ HOW YOUR PEERS HANDLE WORKERS' SICK TIME & OTHER PTO

With the coronavirus putting the need for paid sick leave in the spotlight, the majority of workers now have access to this benefit at their companies.

That's according to the latest Bureau of Labor Statistics (BLS) report on employee benefits in the country.

In March 2021, the most recent time period for which data was available, 77% of private industry workers had access to paid sick leave. When looking at state and local government workers, this figure climbs to 92%.

Out of all employees with access to paid sick leave, 89% either earned or accrued a fixed amount of sick-leave days per year.

Many private industry workers received their sick-leave benefits via a consolidated leave plan or a plan that provides a single paid time off bank that employees can use for vacation time, sick leave or personal leave.

Per the BLS report, 45% of private

industry workers had access to this type of leave. More nonunion (46%) than union (26%) workers participated in these leave plans through their employers.

Other types of time off

Besides sick leave, most workers also have other paid leave at their disposal. Paid family leave was available to 23% of private industry workers (11% of part-time workers, 27% of full-time workers).

Paid vacation was available to 79% of private industry workers, compared to 61% of state and local government workers.

And while 81% of private industry workers received paid holidays, 68% of state and local government workers received them.

Review employee requests

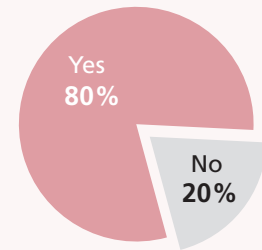
It's easier for Payroll to properly pay employees for their time away if it's all in the same leave bank under one consolidated leave plan.

Things do get more complicated when workers have multiple types of

WHAT PAYROLL PROS TOLD US

Younger workers & wage access

Would you prefer to have your pay automatically streamed into your bank account as you earn it?



Source: The Harris Poll/Ceridian survey of 18-44 year olds

As more young employees enter the workforce, demand may rise for early-wage access. We'll keep you updated on any reg changes related to on-demand pay this year.

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

leave at their disposal.

However, making sure supervisors confirm and double-check all leave requests before they're submitted to Payroll will prevent many hassles that can cause processing delays and payment issues.

More info: [bls.gov/news.release/ebs2.nr0.htm](https://www.bls.gov/news.release/ebs2.nr0.htm)

SHARPEN YOUR JUDGMENT – THE DECISION

(see case on Page 2)

No, the court didn't dismiss the case.

The employee claimed the employer had violated the Emergency Paid Sick Leave Act (EPSLA). That provision of the Families First Coronavirus Response Act (FFCRA) required employers to provide up to 80 hours of paid sick leave for certain reasons related to COVID-19.

One such reason? An employee needed to care for his or her child whose school or place of care was closed due to COVID-19.

The company said she wasn't entitled to EPSLA leave, because she was working from home during the school year. She requested leave when her position changed but, by that point, it was almost summer break and she didn't mention summer camp. The court said the company shouldn't have simply denied her leave based on that.

It was in the clear nonetheless, the company argued, because it'd paid her for two weeks of sick leave anyway.

But there was a problem: She said she hadn't received payment for a full two weeks of sick leave.

Employees were paid on a semimonthly basis, and the employee in question earned \$3,845.75 each pay period. The equivalent of that on a weekly basis was \$1,774.96 (\$3,845.75 x 24 ÷ 52). After her termination date, she'd received two checks, covering three weeks. Those two checks should have added up to \$5,324.88 (\$1,774.96 x 3). However, the checks totaled only \$5,270.59. The company's payments seemed to come up short, if only by \$54.29.

Analysis: Tracking hours, days or weeks

While the requirements to provide 80 hours of paid sick leave under FFCRA have expired, many states and localities still have provisions in effect, but the details may vary.

Remember to track time as required by each applicable law, whether that's hours, days or weeks.

Cite: *Atwood v. JCF Residences Mgt. Co., et al*, Case No. 1:20-cv-00056, U.S. D.C., M.D. Tennessee, Columbia Division, 1/19/22. Note: Dramatized for effect.

Industry news you can use

■ When can you start filing 2022 EEO-3 and EEO-5 reports?

The EEOC recently announced that **local unions** can begin filing the 2022 EEO-3 on Aug. 23, 2022.

As for **public elementary and secondary schools**, the EEOC says it'll start accepting the 2022 EEO-5 on Sept. 27, 2022.

More info: www.eeoc.gov/employees/eo-data-collections

■ 8 in 10 of these employers owed back wages, DOL said

Over 80% of **cotton gin** employers investigated by the federal Dept. of Labor (DOL) in the Southeast region had violated the Fair Labor Standards Act, Migrant and Seasonal Agricultural Worker Protection Act or provisions of the H-2A visa program.

The investigations, occurring between November 2019 and March 2021, yielded \$282,626 in back wages and \$10,785 in liquidated damages for 620 workers.

On top of that, the DOL assessed \$152,539 in civil money penalties to 37 employers.

Two common problems:

- improperly paying overtime and not maintaining accurate records, and
- failing to disclose actual terms and conditions and provide wage statements to workers.

More info: www.dol.gov/newsroom/releases/whd/whd20220110

■ Exempt organizations, check out these IRS revenue procedures

Early in 2022, the IRS released several revenue procedures that **exempt organizations** may want to review.

The revenue procedures include:

- 2022-1 on private letter rulings
- 2022-2 covering technical advice
- 2022-4 related to user fees, and
- 2022-5 on determination letters.

More info: www.irs.gov/pub/irs-irbs/irb22-01.pdf

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:

Excel file didn't save correctly – can I still recover my work?

Q: I was in the middle of updating an Excel spreadsheet with info from our latest payroll when my computer froze and stopped responding. Is there any way I can recover my work?

A: There are two ways to recover an Excel file, depending on whether you've previously saved to your computer or not. If you haven't saved your file at all, open Excel, click on File, and then click Open. Select Recent and scroll down until you see

Recover Unsaved Workbooks. Click it, and a window should appear with an automatically saved version of the file you can select to recover your work. If the file has been saved to your computer, but the file somehow froze or closed before you were able to save it with your most recent changes, reopen Excel. You should see a Document Recovery window immediately upon starting Excel with all unsaved files recovered from the most recent time you used it. Open the file with your most recent changes and save it.

More info: bit.ly/unsaved639

Send questions to 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, instructions and other publications contains Payroll-related updates.

- Form 1120, *U.S. Corporation Income Tax Return*. Revised 2021. Posted 12/21/21.
- Instructions for Form 8994, *Employer Credit for Paid Family and Medical Leave*. Revised December 2021. Posted 12/21/21.
- Form W-2, *Wage and Tax Statement*. Revised December 2021. Posted 12/21/21.
- Form W-3, *Transmittal of Wage and Tax Statements*. Revised 2021. Posted 12/21/21.
- Form W-4S, *Request for Federal Income Tax Withholding From Sick Pay*. Revised 2021. Posted 12/23/21.
- Instructions for Form 943, *Employer's Annual Federal Tax Return for Agricultural Employees*. Revised 2021. Posted 12/23/21.
- Instructions for Forms 1099-MISC and 1099-NEC, *Miscellaneous Information and Nonemployee Compensation*. Revised January 2022. Posted 12/29/21.
- Instructions for Form 8950, *Application for VCP Under the EPCRS*. Revised January 2022. Posted 12/29/21.

More info: Find links by going to www.keeptodateonpayroll.com/forms-and-publications-639

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

- **EMERGENCY PAID LEAVE:** The Colorado Dept. of Labor and Employment has reminded employers that the requirement to provide public health emergency leave remains in effect in 2022. Employees can take two weeks of paid leave for a wide range of COVID-related needs – that's 80 hours if they're full-time and less if they're part-time. **More info:** bit.ly/co-639
- **ACCRUED PAID LEAVE:** As of Jan. 1, 2022, small and large employers have the same accrued paid leave responsibilities. The state requires one hour of paid leave for every 30 hours of work, up to 48 hours per year. **More info:** bit.ly/co-639

HAWAII

- **FORMS W-2:** Employers have a new deadline for filing and distributing Forms HW-2 (or, as a substitute, federal Forms W-2 that contain all the required info). Forms must be filed with the Dept. of Taxation and sent to employees by the end of January each year. The deadline was bumped up from the end of February. The earlier deadline was in effect for TY 2021 – forms were due by Jan. 31, 2022. **More info:** files.hawaii.gov/tax/news/pubs/21BkltA.pdf

MASSACHUSETTS

- **MINIMUM WAGE:** As of Jan. 1, 2022, the minimum wage is \$14.25 per hour. Legislation from 2018 started an incremental increase in the rate, with the goal of reaching \$15 per hour in 2023. **More info:** bit.ly/ma-639

SOUTH CAROLINA

- **REMOTE WORK:** Tax relief will continue for employers that have employees temporarily working remotely due to COVID-19. The Dept. of Revenue has extended the relief several times, most recently to March 31, 2022. That's according to *SC Information Letter #21-31*. **More info:** bit.ly/southcarolina-639

VERMONT

- **WITHHOLDING:** To help ensure compliance, check out the 2022 *Income Tax Withholding Instructions, Tables, and Charts*. As noted in the publication, the Dept. of Taxes strongly recommends that employers require their employees to hand in Form W-4VT, *Employee's Withholding Allowance Certificate*. Otherwise, they may be underwithheld. **More info:** bit.ly/vermont-639

WASHINGTON

- **LONG-TERM CARE:** The Washington Cares Fund Premium Assessment has been delayed – the collection of funds was set to begin in January of 2022. The governor ordered the Employment Security Dept. not to collect premiums from employers before they come due in April. Reason: Legislators need more time to refine the 2019 long-term care bill, which required employees to contribute \$0.58 per \$100 of earnings. **More info:** bit.ly/wa-639
- **WORKERS' COMP:** The Dept. of Labor & Industries announced that workers' comp premiums have increased by 3.1% for 2022. **More info:** bit.ly/washington-639

WEST VIRGINIA

- **WITHHOLDING:** The state has split one form into two for employees claiming exemption from withholding. West Virginia employees who reside in Kentucky, Maryland, Ohio, Pennsylvania,

Virginia or employees who are military spouses exempt from income tax on wages should complete Form WV IT-104NR, *West Virginia Certificate of Nonresidence*. Employees claiming exemption for other reasons should continue to use Form WV IT-104, *West Virginia Employee's Withholding Exemption Certificate*. **More info:** bit.ly/wv-639

WISCONSIN

- **WITHHOLDING:** The Dept. of Revenue has released Publication W-166, *Withholding Tax Guide*, for 2022, noting that Method B has been discontinued and removed from the publication as an alternate method for withholding. **More info:** bit.ly/wisconsin-639

THE LIGHTER SIDE

Now that individuals who take the standard deduction may be able to deduct up to \$600 in charitable contributions, more people may opt to give to the charity of their choice.

But there are some contributions you can't put a price tag on.

For example, in Colorado, one family recently donated a recliner to a thrift store. When they got home, they realized they'd also accidentally given the nonprofit something else: their cat.

Turned out, the feline had hidden herself in the recliner.

The surprised thrift store employees contacted Denver Animal Protection, which extracted the kitty and kept her safe until she could be reunited with her family.

Let's hope next time, she simply curls up in her cat bed.

Cite: UPI, bit.ly/donation639