

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

July 15, 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.

■ FORMS USED TO INFORM IRS OF IDENTITY THEFT

Item: Form 14039, *Identity Theft Affidavit*, and Form 14039-B, *Business Identity Theft Affidavit*.

Background: The forms provide a means of reporting identity theft to the IRS so the agency can document the info. Plus, the forms can be used to determine proper tax liability and relieve the tax burden on businesses. These forms are also available in Spanish.

Comments due: 8/1/22.

Cite: *Federal Register*, 6/1/22.

■ CHANGING YOUR BUSINESS ADDRESS OR LOCATION

Item: Form 8822, *Change of Address*, and Form 8822-B, *Change of Address or Responsible Party – Business*.

Background: Businesses use the forms to notify the IRS that they've changed their address, location or the identity of a responsible party.

Comments due: 8/1/22.

Cite: *Federal Register*, 6/1/22.

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

New regs on FLSA exemptions: When they're expected now

■ DOL has other changes in the works, too

Be on the lookout for proposed regs that'll bring changes to the white collar exemptions from the Fair Labor Standards Act (FLSA).

The Dept. of Labor (DOL) said its new timetable for releasing a notice of proposed rulemaking is October 2022, pushed back from April of this year.

That's according to the DOL's spring regulatory agenda released in June 2022.

The DOL is expected to raise the salary requirements for the executive, administrative and professional exemptions from overtime and minimum wage.

The question is – by how much?

As Payroll pros know, since 2020

the salary threshold has been \$684 per week – i.e., \$35,568 annually.

To get a ballpark estimate of what the new floor for exempt employees' salaries might be, consider a few states' levels for 2022:

- \$735.59 per week (\$38,251 annually) in Maine
- \$865.38 per week (\$45,000 annually) in Colorado, and
- \$1,014.30 per week (\$52,744 annually) in Washington.

More plans to note

In addition to the new regs on the FLSA exemptions, the DOL's Wage and Hour Division included other

(Please see New regs ... on Page 2)

IRS: Use updated Form 941 for last 3 quarters of 2022

This summer, the IRS is posting a batch of revised forms, so you'll want to be certain your company is using the most up-to-date versions.

Updates to Form 941, along with its schedules and instructions, have become the norm since 2020. Why? The pandemic brought with it plenty of new laws.

These latest form changes have resulted from expiring provisions under some COVID-19 laws.

Latest revision date: June 2022

The following forms that have a new revision date of June 2022 are

to be used in the remaining quarters of 2022 (replacing the March 2022 revision date intended for use in the first quarter only):

- **Form 941.**
- **Instructions for Form 941.** Only two worksheets remain now that Worksheet 3 has been removed.
- **Instructions for Schedule B (Form 941).** IRS hasn't revised the actual schedule since 2017.
- **Schedule R.**
- **Instructions for Schedule R (Form 941).**

More info: www.irs.gov/forms-pubs/about-form-941

Were they independent contractors? Making wrong decision cost \$430K

■ INVESTIGATION REVEALS PHILLY
HEALTHCARE AGENCY PROBLEMS

Workers at a home healthcare staffing agency had been classified as employees, but the employer had their status wrong, the Dept. of Labor (DOL) said during an investigation.

And with 43 workers affected, the cost of that decision was high for Lady of Fatima Health Services Inc.

According to a federal district court consent judgment, the Philadelphia employer must pay:

- \$204,110 in back wages
- \$204,110 in liquidated damages, and
- \$22,295 in civil money penalties for repeat and willful violations.

Due to the wrong classification, the workers received straight time for all hours worked.

The DOL also found other

problems that resulted in the workers not being paid overtime properly.

Specifically, with employees who filled two roles – i.e., full-time office workers also performed home health service – Fatima Health Services didn't combine the hours worked in both functions. Another problem? The employer didn't include on-call earnings when calculating overtime pay.

Using the '8 and 80 exception'

While most employers must pay overtime after a nonexempt employee works 40 hours in a workweek, the FLSA allows exceptions for certain healthcare facilities.

Employees must agree in writing before you use the "8 and 80 exception" and pay overtime after eight hours in a day and 80 hours in a 14-day period.

More info: bit.ly/healthcare649

New regs ...

(continued from Page 1)

action items in the Spring regulatory agenda. For example:

1. *Updating the regs under the Davis-Bacon and Related Acts.* This law requires federal contractors to pay prevailing wages and fringe benefits to laborers and mechanics.

After proposing a rule earlier this year and accepting comments for 60 days, the DOL is aiming for a final rule in December 2022.

It'd revive a previously used method for determining prevailing wages – in the absence of a wage rate paid to a majority of workers in a classification, a wage rate would be prevailing if paid to at least 30% of those workers.

2. *Addressing nondisplacement of qualified workers under service contracts.* This reg, to be proposed in the summer of 2022, is required under Executive Order 14055. The changes affect contractors and subcontractors covered by the Service Contract Act.

More info: www.reginfo.gov/public/doleAgendaMain

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.

■ FIRED FOR COMPLAINING ABOUT PAYCHECK ERROR?

"I bet you've never had someone go from new hire to terminated so quickly," Payroll Manager Pat Gray said to her friend Sheila Ross as they caught up at a payroll conference.

Sheila nodded. "It all began when a clerk entered Kim's start date as January 16 instead of January 4."

"So, Kim started working with no employee ID number?" asked Pat.

"Yes," said Sheila, "which meant she couldn't clock in or out of our digital timekeeping system."

"For how long?" asked Pat.

"Her first week of work," Sheila said. "That happened to be the first week of a biweekly pay period."

"Meanwhile," Sheila added, "during that same pay period, the situation occurred that led to her firing after one month with us."

She violated company policies

"You told me she broke company policies by stealing," said Pat.

"According to Kim, she was just borrowing the item – she returned it an hour later," said Sheila. "While HR was investigating that, another problem surfaced on payday: Kim's check didn't include pay for her first week with us. She really complained."

"No one had manually entered those hours," Kim continued. "We took care of that and overnighted a paycheck to her. What a mess."

Later, Kim sued Sheila's company saying it'd fired her for complaining about her paycheck, not for stealing.

The company fought. Did it win?

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

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New reason you should be prepared to meet payroll terms set by unions

■ MORE LIKELY TO SEE COLLECTIVE BARGAINING AGREEMENTS

Payroll practitioners who must follow the employment terms included in collective bargaining agreements (CBAs) understand firsthand how much careful attention that requires.

After all, CBAs can dictate employees' rates of pay, working hours, overtime, bonuses, paid time off accruals, benefits contributions and more.

If you're not used to dealing with union contracts, now's the time to put the topic on your radar.

For one thing, employees at some high-profile companies – Amazon, Apple, Starbucks, Trader Joe's – have been pushing to unionize.

Authorization cards

But perhaps more significantly, the National Labor Relations Board (NLRB) has a new attorney general, who's bringing change.

She's making it easier than it's been in 50 years for employees to unionize, noted Dr. Jim Castagnera, who presented a recent webinar called *Overlooked Posting Requirements*

that Could Put Your Company at Risk.

Attorney General Jennifer Abruzzo, a President Biden appointee who stepped into her role in 2021, has dusted off an NLRB ruling from 1949 known as *Joy Silk Mills*, explained Castagnera during the Resourceful Compliance webinar.

The point of the *Joy Silk* Doctrine was that employers have to recognize and bargain with a union simply if enough employees sign authorization cards, Castagnera told attendees.

In 1969, another case – *NLRB v. Gissel Packing Co.* – reached the Supreme Court and since then has set the standard regarding unions.

In that case, the employer refused to bargain with the union, calling the authorization cards which the union had obtained from a majority of employees “inherently unreliable.”

Now, if the NLRB decides to return to the *Joy Silk* Doctrine, as the attorney general has requested, employers would no longer have the advantage of secret ballot elections, noted Castagnera. That'd leave the door wide open for unions to form.

More info: www.nlrb.gov/case/28-CA-230115

Unpaid intern sued to seek overtime, minimum wage

Determining whether an intern should be paid or unpaid isn't always clear-cut. But a new ruling from the Eleventh Circuit Court of Appeals provides insight.

In *McKay v. Miami-Dade County*, an intern who signed up for a six-month training program dropped out after five months and then claimed she should have been paid overtime and minimum wage.

She'd participated in Miami-Dade County's program to learn about forensic photography rather than obtaining a four-year college degree

in that field. About two months into the internship, the amount of supervision she received decreased significantly.

6 months in training

The county used her to “save labor costs” and she was really an employee, she insisted. The court disagreed.

Of note, the court said that while the internship was perhaps longer than necessary, it wasn't excessive compared to the period of beneficial learning for the unpaid intern.

More info: media.ca11.uscourts.gov/opinions/pub/files/202014044.pdf

NEWS YOU CAN USE

■ INCORRECT AUTO EXTENSION INFO ON SOME FORMS I-797

If you have any new hires filling out Forms I-9, they may give you certain Forms I-797, *Notices of Action*, that refer to an automatic extension of 180 days – but that may be due to an error on the part of U.S. Citizenship and Immigration Services (USCIS).

The agency said that between May 4 and June 2, 2022, it issued forms that should have referred to a 540-day automatic extension. The longer time period was provided by a temporary final rule issued May 4, 2022.

USCIS printed corrected notices for applications, and individuals should have received them in June 2022.

More info: bit.ly/autoextension649

■ EMPLOYER-DRIVEN DEBT UNDER INCREASED SCRUTINY

On June 9, 2022, the Consumer Financial Protection Bureau (CFPB) said it had launched an inquiry into practices that may leave employees indebted to employers.

Employer-driven debt, as the CFPB calls it, can take many forms. It might include required up-front purchase of equipment and supplies. Another form? When training is provided to a new hire, and if that person leaves or is fired with a set period, they must pay back the cost.

More info: bit.ly/debt649

■ \$1M SAME DAY ACH LIMIT IS POPULAR PAYMENT OPTION

After the Same Day ACH limit hit \$1 million in March 2022, the payment option gained popularity fast – perhaps your company has taken advantage of this feature.

In March, \$115 billion flowed through Same Day ACH, an increase of 42% compared with February, according to Nacha.

More info: bit.ly/payments649

TEST YOUR KNOWLEDGE

■ Ready to comply with the WARN Act if layoffs occur?

While so many employers continue to struggle with hiring, others are facing the possibility of letting people go.

Test your knowledge of the Worker Adjustment and Retraining Notification (WARN) Act by answering *True* or *False*:

1. The WARN Act requires written notice of certain plant closings and mass layoffs.
2. The number of part-time employees at your company is irrelevant when deciding if you're subject to the WARN Act.
3. If you closed a plant with 53 workers and offered five of them early retirement, which they took, you weren't required to notify employees of the plant closing ahead of time.
4. The mass layoffs provision won't apply to you if you have fewer than 500 full-time employees.

ANSWERS

More info: bit.ly/warn649

1. *True*. Employers must provide at least 60 calendar days' advance notice to employees.
2. *False*. Employers are subject to the WARN Act if they employ 100 or more full-time workers or 100 or more full- or part-time employees who all together work at least 4,000 hours per week.
3. *True*. However, you'll be taking a risk if you're unsure whether enough employees will take early retirement. Advance warning is required if 50 or more full-time employees at a single site will lose their jobs for 30 or more days.
4. *False*. Laying off 50-499 full-time employees can trigger the WARN Act if that constitutes 33% of your total active workforce, excluding part-timers.

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, Raleigh, NC, district office.

Federal court orders landscaper to pay OT

Employer: Fullerton Landscapes LLC, operating as Fullerton Landscape Architects, Succasunna, NJ.

Business: Landscaping company.

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

Type of violation: Failed to pay employees time-and-a-half when they worked more than 40 hours in a workweek.

Penalty: \$200,000 in back wages and an equal amount in liquidated damages to 32 workers, as ordered by a federal district court.

Government office: Dept. of Labor, Wage and Hour Division, Northern New Jersey district office.

Minor worked too many hours on school nights

Employer: Riverstone Logistics LLC, Charlotte, NC.

Business: Logistics.

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

Type of violation: Misapplied exemptions and paid employees flat salaries even when they worked more than 40 hours in a workweek. Also, the employer allowed a 16-year-old employee to work more than three hours per day when school was in session and more than eight hours per day when school wasn't in session.

Penalty: \$34,665 in back wages for 47 workers, plus \$734 to address the child labor violation.

Government office: Dept. of Labor,

Fired worker who asked about compensation

Employer: M. Davis Insurance Agency Inc., d.b.a. Mark Davis State Farm, Stone Mountain, GA.

Business: Insurance agency.

Law broken: Fair Labor Standards Act's retaliation provision.

Type of violation: Fired a worker after he asked about compensation, which was retaliation.

Penalty: \$50,000 in back wages and liquidated damages.

Government office: Dept. of Labor, Wage and Hour Division, Atlanta district office.

Certified payrolls didn't include real pay frequency

Employer: WDR Technology Corp., Miami.

Business: Electrical subcontractor.

Law broken: Davis-Bacon and Related Acts.

Type of violation: Paid most of its employees as ironworkers, even though they did electrical work. That meant the workers didn't receive the proper rate of pay or health and welfare benefits. Plus, the company's certified payrolls stated wages were issued weekly, but in reality workers were paid biweekly. Lunacon Engineering Group Corp. subcontracted WDR Technology Corp. to work on a federally funded project at the Everglades National Park's Flamingo Visitor Center in Homestead, FL.

Penalty: \$37,411 in back pay and benefits owed to eight workers.

Government office: Dept. of Labor, Wage and Hour Division, Raleigh, NC, district office.

Tracking local laws and regs

■ Another California city passes minimum wage ordinance

Foster City, CA, has passed an ordinance establishing a minimum wage rate in the city.

Starting July 1, 2022, the rate is \$15.75 per hour. On Jan. 1, 2023, the rate will increase to \$16.50 per hour.

The Minimum Wage Ordinance calls for an annual increase not to exceed 3%, based on the Regional Consumer Price Index.

Furthermore, employers need to give written notification to current and new employees, and an official notice must be posted in a prominent area.

More info: bit.ly/fostercity649

■ On July 1, 2022, Fair Workweek Ordinance brought changes

New requirements under Chicago's Fair Workweek Ordinance kicked in July 1, 2022.

Employers in certain industries need to post work schedules at least 14 days in advance. That's an increase from 10 days. Those industries are:

- building services
- health care

- hotel
- manufacturing
- restaurant
- retail, and
- warehouse services.

Another change that took effect on that date? For employees to gain protections under the Fair Workweek Ordinance, they need to earn less than \$29.35 per hour or \$56,381.85 per year.

More info: bit.ly/chicago649

■ State appeals court says Seattle's payroll expense tax is permitted

In 2020, Seattle adopted an ordinance imposing a payroll expense tax on businesses – and the Greater Seattle Chamber of Commerce began fighting the measure in state court.

The Greater Seattle Chamber of Commerce argued several points, including that the tax shouldn't be measured based on a business's payroll expenses – that is, compensation paid in the city to employees.

A state appeals court recently affirmed a lower court's ruling that the payroll expense tax isn't a tax on employee income or the right to work

PRODUCTIVITY BOOSTERS

■ Use Communication Center for messages on child support

To securely send messages and documents to state child support agencies and the federal Office of Child Support Enforcement, you can enroll to use Communication Center, which is an application of the Child Support Portal.

You can discuss lump sum payments, employment verification, termination, etc.

To enroll, log in to the portal and click Add/Update Communication Preferences on the Employer Services homepage.

More info: bit.ly/portal649

for wages. Rather, it's an excise tax and therefore allowable.

More info: bit.ly/seattle649

■ Louisville Metro Revenue Commission offers nexus form

Unsure whether you need to pay the annual occupational license tax to the city of Louisville, KY?

The Louisville Metro Revenue Commission has a *Nexus Questionnaire* you can fill out to determine that.

More info: louisvilleky.gov/revenue-commission/document/nexus-2021-0

REAL PROBLEMS, REAL SOLUTIONS

Worked with payroll software vendor to correct year-end reporting glitch

When you're in the process of considering what payroll software to purchase, you'll hear how wonderful the product is from the Sales reps.

But then, of course, reality sets in when Sales hands you off to other individuals for support regarding the product's functionality.

Recently, we ran into a glitch with the payroll software we used – the problem was related to year-end reporting.

Our first priority was to put out the fire and get the forms sent out. Beyond that, the people we'd been dealing with hadn't yet provided a resolution

to the problem. So, when I received a customer service catch-up call from the vendor, I saw that as an opportunity for improved communication.

Completing Form 1095-C

They asked about our long-term growth plans and needs from a payroll standpoint. I shared that high-level info with them.

Then I also expressed our concern about the year-end tax filing task that had fallen through the cracks due to the way the software was set up.

From there, we were able to get the right people involved. During a video

call, we gave them the details: While the software required us to check a box next to an employee's name to have Form 1095-C sent to them, we had expected to check a box if we *didn't* want to have the form sent to them.

The vendor understood and agreed to take responsibility for any possible compliance repercussions. We found a way to reach out beyond Sales, and the vendor's willingness to listen and resolve the problem has strengthened our relationship.

(Patricia Weible, CFO, The Group Inc., Fort Collins, CO)

Survey shows higher burnout levels: 5 steps toward stress reduction

■ FACING CONSTANT DEADLINES, CAREFUL ATTENTION TO DETAIL

Are you feeling more burned out than you did a year ago? With 41% of respondents to a recent Robert Half survey describing themselves that way, you're not alone.

As you know well, Payroll pros encounter their share of stress each workday. The nonstop pressure to meet deadlines while trying to avoid any and all errors can wear you down.

So, take a moment to consider how you can relax a little bit, even in the midst of the busyness.

Heading in the right direction

Here's how you can make that happen, based on a recent Robert Half article, *5 Ways to Beat Stress in the Payroll Department*.

First step: Build in structure. Breaking up your day into distinct time segments helps define your day. Coming up with the optimal structure might not happen immediately – keep working at it.

Second step: Get up and get

moving. In Payroll, you can't avoid sitting down. Ultimately, though, that can leave you feeling sluggish.

If you normally read a book after you eat lunch, you could take a walk or simply stand and stretch.

Third step: Don't take on too much at once. Although you may think you can get more done by juggling multiple tasks, that's not usually the case.

So try not to worry about what you're *not* doing.

Let's say you're talking on the phone and you get notification of a message – resist the temptation to check it. Better yet, consider whether you can reduce the number of notifications you receive.

Fourth step: Take time to do some re-thinking. Obviously, the high-stress aspects of Payroll, such as year-end, aren't going away.

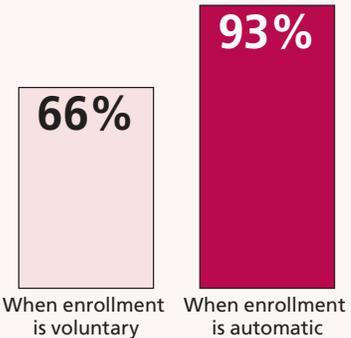
If you're too stressed year-round, though, that's a problem. Look for job changes, big or small, you can make.

Fifth step: Use that PTO. The regular responsibility of processing payroll might make you think you can't leave the workplace for long.

WHAT PAYROLL PROS TOLD US

Voluntary and automatic enrollment

What is the participation rate in your retirement plan?



Source: Vanguard's How America Saves 2022

Participation rates jump up when employees are automatically enrolled in retirement plans. The current default rate is 4% or higher for many plans.

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

But Payroll practitioners of all people know how paid time off (PTO) can quickly accrue if you don't use it.

To avoid overloading one person with all your tasks while you're out, you could divvy up the work.

Cite: Robert Half, www.roberthalf.com/blogsalaries-and-skills/5-ways-to-beat-stress-in-the-payroll-department

SHARPEN YOUR JUDGMENT – THE DECISION

(see case on Page 2)

Yes, the company won. The former employee sued under the Fair Labor Standards Act (FLSA), saying she'd been fired in retaliation for complaining that she hadn't been paid.

The company insisted the reason was that she'd stolen something, which was against company policies.

As the result of a clerical error – entering the wrong start date – the worker didn't have an employee identification number when she began the job. So, she couldn't clock in and out of the company's digital timekeeping system.

Those missing hours should have been entered manually after the fact, but they weren't. So, when the biweekly pay period ended and the employee received her paycheck, she discovered that she hadn't been paid for the hours she put in that first week. In response to the employee's complaints, the company input the correct hours and overnighted an accurate paycheck to her.

The payroll-related problems – and the employee's

complaints about them – overlapped with another situation. Namely, the employee removed something off the company's premises. She claimed she borrowed the item, pointing to the fact that she returned it an hour later. Nonetheless, her actions violated company policies on the unauthorized removal of property, the company said after investigating the matter.

The company was upholding its anti-theft policy, which was a legitimate reason to terminate the employee. There was no proof of retaliation, the court concluded.

Responding to paycheck-related complaints

The FLSA prohibits retaliating against employees for asking about their pay, hours of work and so on.

Let's say someone complains about a clerical error. Fixing the problem is essential. But also watch out that no one takes an adverse action against the employee.

Cite: *Ware v. Autozoners, LLC*, Civil Action No. H-21-0067, U.S. D.C., S.D. Texas, Houston Div., 6/17/22. Note: Dramatized for effect.

Industry news you can use

■ IL law amending child labor law impacts entertainment industry

The child labor law in Illinois has been amended due to SB 3161.

The law, which is set to take effect Jan. 1, 2023, will give the Illinois Dept. of Labor more direction regarding child performers in the **entertainment** industry.

Employers will need to provide additional justification when asking to have child performers work between 12:30 a.m. and 5 a.m. Plus, a request for a waiver will need to be made at least 72 hours prior to the work.

Another change the amendment will bring: Child performers will be able to work until 10 p.m. without a permit.

More info: bit.ly/entertainment649

■ Warehouse production quotas not to interfere with breaks here

In New York, the Warehouse Worker Protection Act has been sent to the governor.

If signed into law, employers would have to inform **warehouse workers** of production quotas that affect them.

Plus, employers would have to ensure that the quotas won't interfere with employees' meal or rest breaks, or use of bathroom facilities.

More info: www.nysenate.gov/legislation/bills/2021/S8922

■ Survey: Banking employees want mobile app for scheduling

A 2022 Zebra Technologies survey revealed that 95% of **branch banking** employees would prefer a mobile app to manage their schedules, shift changes and scheduling preferences.

But in fact, only 20% of banks offer a software solution for employee scheduling, according to the International Branch Banking Employee Survey.

What's more, 20% of respondents have considered quitting due to scheduling issues.

More info: bit.ly/banking649

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:

How many Forms 941-X does the IRS require us to fill out?

Q: We found errors we need to correct on more than one Form 941. Should we fill out a separate Form 941-X for each of them?

A: Yes, you'll need to complete one Form 941-X for every Form 941 you're correcting. That's according to a session that Rosemarie Fraumeni and Daniel Dycus presented at the 2022 American Payroll Association Congress. In the session,

Correcting the W-2: Form W-2c to Form 941-X and More, the speakers added that if you need to correct both under-reported and over-reported amounts for the same tax period, you should use a single Form 941-X to report both. For under-reported tax, the 941-X must be filed by the 941 due date for the period in which you found the error. For over-reported tax, the 941-X is due before the period of limitations expires. The speakers also noted that Form 941-X is a standalone form – don't attach it to Form 941 or Form 843.

More info: americanpayroll.org

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 contains updates to forms, instructions and other publications.

- Publication 5648, *Security Summit Membership Criteria*. Revised May 2022. Posted 6/7/22.
- Form 2290, *Heavy Highway Vehicle Use Tax Return*. Revised July 2022. Posted 6/15/22.
- *Instructions for Form 2290, Heavy Highway Vehicle Use Tax Return*. Revised July 2022. Posted 6/15/22.
- Notice 746, *Information About Your Notice, Penalty and Interest*. Revised July 2022. Posted 6/16/22.
- Publication 5084, *Congressional Update*. Revised June 2022. Posted 6/16/22.
- Publication 5338, *Partnership Returns, 2019*. Revised June 2022. Posted 6/15/22.
- Publication 5360, *Paycheck Checkup using the IRS Tax Withholding Estimator*. Revised June 2022. Posted 6/21/22.
- Form 941-X, *Adjusted Employer's QUARTERLY Federal Tax Return or Claim for Refund*. Revised April 2022. Posted 6/22/22.
- *Instructions for Form 941-X, Adjusted Employer's QUARTERLY Federal Tax Return or Claim for Refund*. Revised April 2022. Posted 6/22/22.
- Publication 55-B, *Internal Revenue Service Data Book*. Revised May 2022. Posted 6/24/22.

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!

ALABAMA

- **UNPAID LEAVE:** SB 31 requires employers to offer family leave to employees for the birth and care of a child as well as for the adoption of a child. Specifically, employers will need to provide 12 weeks of unpaid family leave to run concurrently with time off under the federal Family and Medical Leave Act. The law takes effect July 1, 2022. **More info:** legiscan.com/AL/text/SB31/id/2566567

CALIFORNIA

- **EXCLUSION PAY:** The California Division of Occupational Safety and Health's Emergency Temporary Standard on COVID-19 Prevention requires employers to exclude employees from the workplace if they've been exposed to COVID-19 and, when the exposure occurs in the workplace, maintain their pay and benefits. In a new FAQ on Exclusion Pay and Benefits, so-called Cal/OSHA clarified that exclusion pay must be provided if the employee isn't assigned to telework and the individual isn't receiving Disability Payments or Workers' Compensation Temporary Disability Payments *at the time of exclusion*. **More info:** bit.ly/california649
- **RETIREMENT PLANS:** As of June 30, 2022, even smaller employers – those with five or more employees – are subject to the requirements of the CalSavers Retirement Savings Program. Employers that don't sponsor retirement plans must make salary deferrals to individual retirement accounts. At any time, employees can opt out of the program or

decrease or increase the amount of their payroll contributions. **More info:** www.calsavers.com

COLORADO

- **FORM W-4:** If you have an employee who asks you about adjusting their withholding, you must provide that person with a new form: DR 0004. However, if you don't have this withholding certificate on file for any employees – given that it's optional for employees to fill it out – you should continue to use the federal Form W-4 as the basis for their state withholding. Note: The Colorado Dept. of Revenue offers how-to videos on DR 0004. **More info:** tax.colorado.gov/dr-0004-employer-resources
- **TERMINATION:** Now you must provide more info to employees for unemployment compensation purposes at the time of employment termination. SB 234 says you must include: employee's name and address; employee's identification number or the last four digits of his or her Social Security number; start date, date of the last day worked, year-to-date earnings and wages for the last week worked; and reason employee separated from the employer. **More info:** legiscan.com/CO/bill/SB234/2022

OREGON

- **BONUSES:** SB 1514, which took effect March 7, 2022, temporarily amended the state's Equal Pay Act to say that compensation *doesn't* include a hiring bonus or retention bonus. The temporary change in definition will remain in place until 180 days after the termination of the COVID-19 state of emergency (the termination date was April 1, 2022). **More info:** bit.ly/oregon649

WASHINGTON

- **PAID LEAVE:** More changes to the Paid Family and Medical Leave

Act took effect June 9, 2022. The waiting period no longer reduces the maximum duration of an employee's available paid family or medical leave. In addition, the waiting period doesn't apply to medical leave taken after the birth of a child – or to leave taken for certain other reasons. Remember, the waiting period is the first seven consecutive calendar days starting with the first Sunday of the first week an employee begins taking paid family or medical leave.

More info: bit.ly/paidleave649

- **PAYCARDS:** A payroll card will be presumed to be abandoned if unclaimed by the owner one year after the amount becomes payable. That's due to SB 5331, which takes effect Jan. 1, 2023. The same time frame applies to wages, commissions, bonuses or reimbursements. **More info:** bit.ly/washington649

THE LIGHTER SIDE

How quickly could you put a few dozen numbers in sequential order?

For Jacob Chandler, it was letters he was trying to arrange, all 26 letters in the alphabet.

And he'd scooped them from a can of alphabet soup.

He put the edible pasta letters in order from A-Z in just 2 minutes and 8.6 seconds – which earned him a Guinness World Record.

One of the keys to his success? He carefully studied the letters ahead of time. For example, he wanted to quickly be able to distinguish between M and W, and O and Q.

He also researched the best bowl, spoon and soup to use. Just goes to show that prep work pays off.

Cite: Guinness World Records, "Man Alphabetized Letters from Alphabet Soup in Record-breaking Time," 6/23/22.