

CBIZ Flex-Pay Client Update

YEAR END 2018

2018 is almost over . . . Are you ready?



Fringe Benefit Form

For all CBIZ Flex-Pay clients, the attached **Fringe Benefit Form** must be completed and returned by Friday, Dec. 14, 2018 to inform us of any year-end benefits for W2 processing and scheduling.

If the form is not received by Dec. 14, your account will be treated as “No Year-End Benefits Expected,” and W2 processing will proceed. Additional fees may be applied if the form is received after the 14th.

All fringe benefit adjustments must be submitted to CBIZ Flex-Pay and keyed on or before your last payroll run of 2018.

Adjustments processed after the last payroll run in 2018 may also cause late tax deposits and penalties with the IRS and state agencies. A waiver of liability will need to be completed and signed prior to the processing of any late submissions.

Please remember that CBIZ Flex-Pay only guarantees timely filing and depositing of taxes resulting from scheduled payroll runs.

You can avoid additional processing charges, tax penalties and W2 delivery delays by having all fringe benefit information calculated and keyed before the last payroll run of the year. We recommend submitting your fringe benefit information 1 week prior to ensure timely processing.

If you return the Fringe Form indicating additional benefits to be reported and they were not included in your last payroll of 2018, the data must be received **no later than Jan. 2, 2019** to avoid additional fees for payroll processing, amended returns and W2-Cs. **CBIZ Flex-Pay is unable to hold any 2018 4th quarter tax processing for W2s and 1099s past this date.**



CBIZ Flex-Pay

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**Thursday, November 22 &
Friday, November 23**

**Monday, December 24 &
Tuesday, December 25**

Tuesday, January 1

Contact your Payroll Specialist in advance to schedule your payroll submission and delivery for the upcoming holidays!

THIRD-PARTY SICK PAY

information must be reported to CBIZ Flex-Pay by Jan. 2, 2019. You may need to contact your provider to obtain this information early!

PLEASE NOTE

Year-end billing for W2s will be on your invoice after Jan. 7, 2019.

REMINDER

Client copies of the Quarterly/Annual reports will be available by Jan. 31, 2019.

W2, 1099, 4th Quarter Reports & Annual Processing

Employee W2/1099 Forms

Your package that contains the pressure-sealed employee W2 copies will be shipped to your company office address.

New in 2018

You can elect to have your employee W2 copies mailed directly to your employees' home addresses on file via US mail. Please indicate on the bottom of the Year-End Fringe Form or contact your Payroll Specialist to request. (Postage rates apply.)

1099 forms will be mailed via US Mail to your contactors directly for any information submitted to CBIZ Flex-Pay for processing.

Employer Copies of W2/1099 Forms

The employer copies of W2/1099 forms will be sent to your company via the same delivery method used for your quarterly tax reports.

The package will also include a set of employee copies and your company W3 form. If emailed, each of the copies of these year-end forms will be



in a PDF file format and can be opened with Adobe Acrobat Reader.

Please note that W2s will be shipped first and separately from 1099s.

Your W3 Annual Form will be located online in SecureView under the file name W3-red.

Turbo Tax Users

Any employee who uses Turbo Tax will be able to have their W2 information electronically imported and available from within the Turbo Tax application. This is a service CBIZ Flex-Pay provides to make your employees' tax-filing experience more seamless and at no additional charge. When the employee enters their SSN in Turbo Tax, they have the option of loading their data on that screen with the click of a button.



— New in 2018 —

Moving Expense Taxability

The 2017 Tax Cuts and Jobs Act (TCJA) suspended the exclusion from income for moving expenses reimbursed or paid by an employer for most employees starting in 2018, making these amounts taxable, except for amounts for active-duty members of the U.S. Armed Forces whose moves relate to a military-ordered permanent change of station.

Under [Notice 2018-75](#), reimbursements an employer pays to an employee in 2018 for qualified moving expenses incurred in a prior year are not subject to federal income or employment taxes. The same is true if the employer pays a moving company in 2018 for qualified moving services provided to an employee prior to 2018.

To qualify, reimbursements or payments must be for work-related moving expenses that would have been deductible by the employee if the employee had directly paid them prior to Jan. 1, 2018. The employee must not have deducted them in 2017.



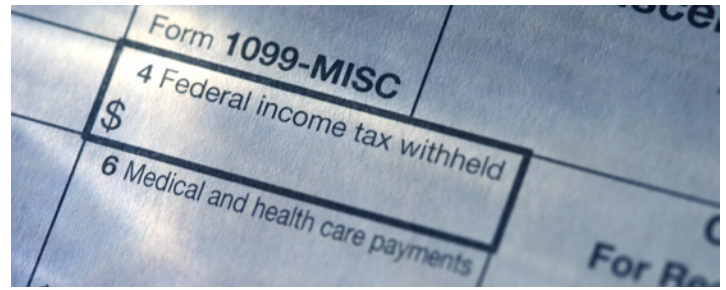
W2 & 1099 Edit Reports

Starting at the end of September 2018, W2 and 1099 Edit Reports are included in your standard end-of-month payroll reporting.

These reports and email notifications must be reviewed by you to verify the accuracy of the employee names, addresses and social security numbers.

For 1099 contractors, please verify the names, addresses and federal identification numbers.

Any W2 forms that are submitted with a name, social security number or tax ID number other than what is exactly listed on the employee's social security card may result in a notice from the Social Security Administration and penalties may be assessed. The penalties may be a minimum of \$50 for each incorrect W2 form.



New in 2018

CBIZ Flex-Pay implemented a free SSA Verification service for all clients to verify employee Social Security information with the SSA. An automatic email notification will be sent to your primary company contact to notify you of any employee information that does not match the SSA records where a correction may need to be addressed.

Software Access Clients:

If you have access to our payroll software on your company network or via the internet, key any corrections to employee information before you submit your final payroll of 2018.

If any employees are receiving pension plan benefits that are not set up as a deduction in the payroll software, the Retirement Plan check box on the employee's Miscellaneous screen must be checked for the W2 form to be correct.

Fax, Email or Call-In Clients:

The deadline for faxing or emailing any corrections to employee information is Friday, Dec. 14, 2018. The fax number for these corrections is 336.714.1200.

If any employees are receiving pension plan benefits that are not set up as a payroll **deduction** in the payroll system, write "YES" next to the employee's name on the W2 Edit Report.

Any changes to employee information after the W2 forms have been processed will result in additional fees.

Year-End Reporting for the Affordable Care Act

If you have signed an ACA Service Agreement with CBIZ Flex-Pay:

CBIZ Flex-Pay will file Forms 1094-C and 1095-C with the IRS on your behalf.

The Form 1095-C will be shipped to you to distribute to applicable employees or mailed directly to employees based on your direction to the ACA Specialist. Although every employee must be evaluated for the forms criteria, the forms will only generate for those employees who meet the IRS directives.

If you have not signed an ACA Service Agreement with CBIZ Flex-Pay:

CBIZ Flex-Pay **will not** be preparing or filing Forms 1094-C/1095-C.

During this time of year, many payroll companies stop taking on additional ACA clients. However, CBIZ Flex-Pay is offering a 2018 ACA **Forms-Only Reporting Service** for any client who

enrolls in a full 2019 ACA Service Package before Friday, Nov. 16, 2018.

This **Forms-Only Service** will enable your company to meet the bare essential requirements of the legislation.

Clients who receive our 2018 ACA Forms-Only Service will be upgraded to our full 2019 ACA Service Package during Q1 of 2019. Please contact your Payroll Specialist to begin the enrollment process.

If you have not signed an ACA Service Agreement with CBIZ Flex-Pay and have made no other arrangements to meet the requirements of the ACA Legislation, please contact your Payroll Specialist to learn how CBIZ Flex-Pay can help you.





2018 Reminders

Tax Frequency Change Notices, Tax Rate Notices & Coupon Books

You may be receiving coupon books, unemployment tax forms, state unemployment tax rate notices, state tax withholding deposit frequency notices, state tax coupon books and IRS tax frequency notices between October and January.

Please forward these items to TaxInfo@cbizflex-pay.com as soon as they are received. These pre-printed forms provide the information needed to ensure your payments and forms are accurately calculated and reported.

Important Note:

CBIZ Flex-Pay is not responsible for any penalties or interest assessed on incorrect unemployment rates, IRS tax frequencies or state tax withholding frequencies when the information has not been submitted to CBIZ Flex-Pay.

New W4 Forms for Employees Claiming Exempt Status

As the employer, the IRS requires that you obtain new and completed W4 forms from any employees who claimed an exempt status for federal withholding tax in 2018.

If employees filed Exempt for 2018 federal withholding tax, employers must have a new W4 on file by Feb. 15, 2019.



Software Access Clients: After employees complete new W4 forms, update the payroll software with any tax withholding changes.



Fax, Email or Call-In Clients: After employees complete new W4 forms, contact your Payroll Specialist to submit any tax withholding changes.

Year-End Deadlines

■ Friday, Dec. 14, 2018: W2 and 1099M Employee Information Edit Reports

All corrections and updates must be completed in payroll maintenance if you have software access or must be returned to your Payroll Specialist by Friday, December 14, 2018.

■ Friday, Dec. 14, 2018: Fringe Benefits Form

All clients must complete and return this form by December 14, 2018. If the form is not received, CBIZ Flex-Pay will treat your account as "No Year End Benefits Expected," and W2 processing will proceed. The employee benefit detail information must be received and keyed into the payroll system on or before your last payroll run of the year. Fax to 336.714.1200 or email to your Payroll Specialist.

■ Friday, Dec. 21, 2018: If you have written any 2018 manual checks or voided 2018 checks, the information must be sent directly to your Payroll Specialist by December 21, 2018, if you have not already, in order to avoid possible tax penalties.

■ Wednesday, Jan. 2, 2019: If you returned the Fringe

Benefits Form, this is the last day that any expected 2018 Year-End Adjustments can be submitted to CBIZ Flex-Pay. Any adjustments submitted after this date may result in tax payments being received late and a waiver of liability may be required to be signed prior to processing. Any changes to 2018 information received after this date will not be processed for 2018 tax forms. The changes will be processed after January 2019. At that time, additional fees for amended tax form filings and W2-C processing will be added to your account.

■ Tuesday, Jan. 8, 2019: If CBIZ Flex-Pay is preparing your 1099M forms, this is the last day that pay data can be submitted.

Any data received after 5:00pm on January 8 will result in corrected 1099 forms. At that time, additional fees will be assessed and added to your account. Any information received later than this date will not be processed until after January 31, 2019.

■ As needed: Client sends Bonus Check Payroll Request Form

to CBIZ Flex-Pay. Remember that our form must be filled out and sent to your Payroll Specialist before we can process bonuses to ensure accurate processing. Access this form [here](#).