

Avoid penalties, be payroll compliant today by following our **CHECKLIST**



Are employees correctly labeled as employees and independent contractors as contractors?

Employees work under the instructions of a business or company and must have payroll taxes withheld from each paycheck. Independent contractors set the rules of their employment with a client, and do not have payroll taxes withheld

Are exempt and non-exempt employees correctly classified under FLSA standards?

Exempt employees are generally management and cannot earn overtime. Non-exempt employees must be given overtime should they work past 40 hours in a week

Do all employees have a W-4 and I-9 on file?

W-4s highlight an employee's personal information and withholding and determine his or her paycheck. An I-9 verifies eligibility to work in the US

Do all contractors have a W-9 on file?

A W-9 is a contractor's version of a W-4

Are all workers' personal information, including social security numbers, up to date?

Correct employee information helps everyone to be paid on time, to the right place, and person, and with the correct amount

Is the employee handbook up to date and readily available?

Information about the company is invaluable to an employee and must be available – it can also help answer their questions about certain topics, like payday, without needing to speak to the correct department

Are labor law and sexual harassment posters up in your office?

According to federal law, all employers must post this information within the business

Is employee accrued sick and vacation time updated and posted?

If you provide paid sick leave and paid time off, it must be posted for employees to view after every pay period

Are you depositing federal income tax withheld and both the employer and employee social security and Medicare taxes each month?

A monthly payroll tax deposit states that an employer must file these deposits on the 15th of every month. Under the semiweekly deposit schedule, deposit employment taxes for payments made on Wednesday, Thursday, and/or Friday by the following Wednesday. Deposit taxes for payments made on Saturday, Sunday, Monday, and/or Tuesday by the following Friday

Have you researched any void checks and checks that haven't been deposited?

This is lost money to an employee and business and deserves a conversation should it happen

Are federal, state, and local tax rates up to date?

Your method of tracking tax rates across the country must be reflect the consistently changing rates to ensure your employee's taxes are being withheld properly

Is your payroll software working properly?

Using payroll software can ease the process, but double-checking it every month to ensure there are no bugs in the system is a proactive idea



CHECK EVERY PAYDAY

- Employee PTO and sick leave is updated
- Properly working payroll software
- Any updated tax rates



CHECK MONTHLY

- Voided or undeposited checks
- Deposit federal income and FICA taxes



CHECK YEARLY

- Labor laws and sexual harassment posted in office
- All employee information is up to date
- If he or she needs a new W-4