

DECEMBER 2018

# AccuPay Bulletin

## CALENDAR

**Dec 20** WinRX program & proforma download available

**Dec 25** Office closed

**Jan 1** Office closed

**Jan 2** Year-end processing begins

**Jan 31** Recipient 1099/W2 deadline

### AccuPay E-File Dates

- **W-2:** Jan 31, 2019 @ 2pm
- **DE9/9C:** Jan 31, 2019 @ 2pm
- **1099-MISC:** Jan 31, 2019 @ 2pm  
(Non-EE Comp)
- **Other 1099:** April 1, 2019

## STATE E-FILE REMINDER

**ALL California** employers must electronically file their employment tax returns, reports, and payments to the Employment Development Department. See EDD website for more information.

AccuPay will automatically e-file DE-9 and DE-9C unless you select "Suppress e-file" in WinRX, or mark "S" on Data Sheet A.

You can fax or mail an E-File and E-Pay Waiver Request to the state if you need to paper file. You can find the Waiver Request form DE 1245W on the EDD website. This waiver is good for one year.

Please note: we do not E-File forms DE 3BHW or DE 3HW for household employers. You must manually e-file these forms on the EDD website unless you have a waiver in place.

## \*\*IMPORTANT\*\*

- Due date for filing 2018 Form 1099-MISC is January 31, 2019 when reporting nonemployee compensation in box 7. Otherwise, e-file by April 1, 2019. ***Please refer to the IRS 2018 General Instructions for Certain Information Returns.***
- **Need more time?** File a 30-day extension using Form 8809:
  - Online: [fire.irs.gov](http://fire.irs.gov)
  - Mail-in: [irs.gov/form8809](http://irs.gov/form8809)
- Due date for filing 2018 Form W-2 is now January 31, 2019 whether you file using paper forms or electronically. Extensions are no longer automatic. ***Please refer to the IRS 2018 General Instructions for Form W-2 and W-3.***
- Please review changes to extensions and penalties. Refer to the above publications which can be found at [www.irs.gov](http://www.irs.gov).

## ACA E-file Reporting 1095-C / 1094-C

- You complete a spreadsheet provided by AccuPay
- AccuPay will mail employee copies and e-file to the IRS on Feb. 28
- \$35.00 base fee + \$3.00 per employee

## Full-Service Payroll

Our cloud-based solution provides direct deposit for paychecks, tax payments, and e-filing of all payroll forms. Call for more details.

## Pay Invoices Online

Visit [AccupaySystems.com](http://AccupaySystems.com)  
Click on Quick Links– Pay Invoice

## ORDER NOW! W-2 & 1099 ENVELOPES

All AccuPay 1099 and W-2 forms use the same #9 double-window envelope.

Cost: \$12.00 per 100 plus shipping.  
Call us or order online under Quick Links.

## PRINTBACK SCHEDULE

**Expedite** PrintBack Service hours are 9:00 AM—9:00 PM Monday thru Saturday for WinRX returns during the processing months. Returns will be available within 2 hours of transmission. The charge is \$2.10.

**Standard** PrintBack Service hours are 9:00 AM—5:00 PM Monday thru Friday. Standard PrintBack returns will be available by 8:00 AM the next business day. The charge is \$1.10. Call us if you want to try PrintBack.

## MAILING ADDRESS

PO Box 8457  
Huntington Beach, CA 92615

## CONTACT US

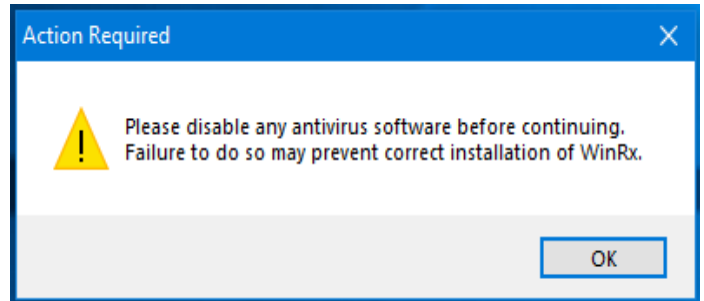
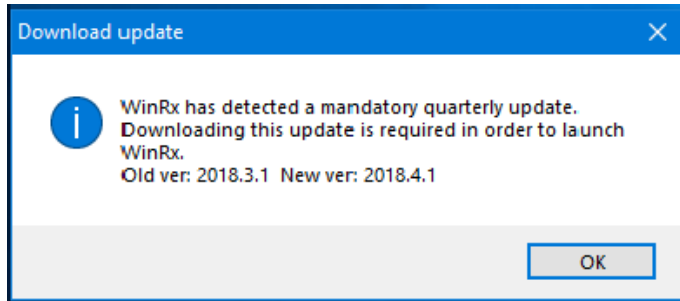
Phone: (925) 945-1660  
Fax: (925) 945-6544  
Email: [tech@accupaysystems.com](mailto:tech@accupaysystems.com)

## STREET ADDRESS

20422 Beach Blvd, Suite 345  
Huntington Beach, CA 92648

## WINRX NOTES

WinRX proformas will be available on December 20th. Simply open your existing program and follow the prompts. **DO NOT EXIT THE PROGRAM BEFORE COMPLETING THE DOWNLOAD.** If you need to install on a new computer, go to [AccuPaySystems.com/win-rx](http://AccuPaySystems.com/win-rx). Please disable anti-virus software and firewall before downloading WinRX.



If WinRX fails to update after following the prompts, you can download from our website: [AccuPaySystems.com/win-rx](http://AccuPaySystems.com/win-rx).

## FUTA CHANGES

California has repaid its outstanding Title XII advances, as a result there will be no additional FUTA credit reduction for employers in this state for 2018.

- For California employers the usual (0.6%) FUTA tax for each employee that makes \$7000 or more is calculated. Maximum is \$42 per employee.
- AccuPay will produce Form 940 and calculate the correct tax liability when Form 941/944 employees are present.

## FORM 940 OPTIONS

- **Exempt organizations**- Form 940 is not required. SUPPRESS the printing of Form 940. All employees should be coded as FUTA exempt on Data Sheet B or on the WinRX employee screen.
- **All wages are EXEMPT from SUI**- FUTA should be calculated at 0.6% rate. All employees should be coded as SUI exempt on Data Sheet B or on the WinRX employee screen.
- **Successor Employer**- ALL wages are included on successor employer's W-3/W-2. On Data Sheet A-1 or the WinRX 940 screen, check the Successor Employer box and enter taxable FUTA wages (up to \$7000 per employee) that were paid by the Predecessor Employer. The new employer will receive credit for these FUTA wages. Also enter the Predecessor's FEIN on Data Sheet A-1 or WinRX W-2 Options screen.

## W-3 CONTACT INFORMATION REQUIREMENT

If AccuPay is electronically filing your W-2/W-3, an **EMAIL address** is **REQUIRED** by the SSA. Contact information should be a principal/primary person in the company. This could be the owner, sole proprietor, sole shareholder, director, president, or managing partner. Complete contact information for a principal/primary person may be required for future filings.

- Name
- Phone and Extension
- Fax
- **Email address (REQUIRED)**

## YEAR END PAYROLL NOTES AND REMINDERS

### S-CORP MEDICAL INSURANCE

Health Insurance for a 2% S-Corp Shareholder should be included on W-2 Box 1 (Wages) but not subject to FICA tax. *Using the steps below AccuPay will automatically add the amount to box 1 for you. Do not add the amount to wages. Also report the amount in Box 14 as an informational item.*

Code (13) is available in Data Sheet D to print **S-Corp Medical Ins** in Box 14. The amount will still need to be entered as Other Compensation to flow to W-2, Box 1.

**Data Sheet user:** On **Data Sheet C**, use code **A** with the *amount* as Other Amount.  
On **Data Sheet D**, use code **13** with the *amount* in the Box 14 column.

**WinRX user:** On the **Employee Screen**, enter the *amount* as Other with code **A**.  
On the **Employee Year End/ W-2 Screen**, enter the *amount* and select code **13** from dropdown list for Box 14.

### W-2 BOX 14 CUSTOMIZED DESCRIPTION

Data Sheet D can be used to enter additional information for printing on an employee's W-2. It includes codes for W-2 boxes 8, 10, 11, 12, and 14. You can also create customized text for W-2 Box 14 as follows:

**Data Sheet user:** Enter your custom description on **Data Sheet A-1**. Then use codes 9 or 10 on **Data Sheet D** with *amount* for affected employees.

**WinRX user:** Click on the **W-2 & Year-End Options** to enter your custom description. On effected **Employee Screen**, click on **Employee Year End/ W-2**. Enter the *amount* and select your Box 14 description from the dropdown list. **Note:** The descriptive text and the money amount will print **ONLY** in Box 14. No amounts will be carried to any other box on the W-2.

### CODE DD- EMPLOYER SPONSORED HEALTH COVERAGE

As part of the Affordable Care Act, employers may be required to report the cost of health coverage under an employer-sponsored group health plan. The amount reported on the W-2 box 12 with code DD is the non-taxable value that was excluded from the employee's income.

**Data Sheet user:** On **Data Sheet C**, use code **M** with *amount* as Other Amount.

**WinRX user:** On the **Employee Screen**, enter the *amount* as Other with code **M**.

### FORM 1040, SCH. H HOUSEHOLD EMPLOYEES

AccuPay will produce a Schedule H (Form 1040) at year-end whenever Household Employees are present:

**Data Sheet user:** On **Data Sheet A** enter the Employer's SSN. On **Data Sheet B**, box 78, code each household employee with Federal Wage Exempt code 5 or 6.

**WinRX user:** On the **Employer Screen**, enter the Employer's SSN. On the **Employee Screens**, code each household employee with a Federal Wage Exempt code 5 or 6.

**Reminder:** Household employers **MUST** have a Federal Employer Identification Number in order to file W-2s. AccuPay produces W-2s for all employees with wages. *If a household worker has less than \$2,100 in FICA wages, the FICA information will NOT be reported in the social security and Medicare wage and tax boxes on the W-2.* See IRS Pub. 15 for more details.

## FORM 1099 NOTES AND REMINDERS

### PAYEE COPIES MAILED FOR YOU

AccuPay can mail Form 1099 **payee copies** for you.

If requested, there will be an additional charge of \$1.10 per payee to cover postage, envelopes, and labor.

The first mailing date will be January 31st for returns processed by **January 28th**. We need a few days to prepare the mailing. If additional changes are required after payee copies have been mailed, but prior to e-filing with the IRS, you can manually X the “Corrected” box and mail the revised 1099 to the payee.

**WinRX user:** On Payer Information screen, check the box in the “Other Options” section.

**Data Sheet user:** On Data Sheet A99, enter “X” in the “Mail Payee Copies” section.

**Excel user:** Check the box on Electronic Transmittal form.

Additional mailing dates will be available in February-April, visit our website for further details.

### MASK SSN ON PAYEE 1099

AccuPay can, at your request, mask the first 5 digits of a payee’s social security number. It does not apply to FEINs and affects ONLY the payee’s copy of the 1099. This option is a security measure on the payee copy that will be mailed.

To request that the payee’s SSN be masked (i.e. 123-45-6789 to XXX-XX-6789):

- **Data Sheet user:** Enter ‘M’ on Data Sheet A99, in the ‘Mask SSN’ box.
- **WinRX user:** Check the appropriate box in the center of the Payer Screen.
- **Or,** contact AccuPay to set up your account to ‘Mask’ the SSN on the payee copy for ALL 1099 returns.

### REMINDERS

The Recipient copies of 1099s must be mailed by **January 31, 2019**.

We have added a new field for Payers’ email addresses. Please enter in WinRX or on Data Sheet A99. The email address will print out on Form 1096.

The IRS can assess penalties for failure to file information returns as well as for failure to furnish correct payee statements.

AccuPay performs a series of edits to check for missing payee taxpayer identification numbers and missing or incomplete payee information. All diagnostics should be reviewed prior to giving the return to your client.

Correcting missing or incomplete payee information BEFORE the AccuPay E-filing deadline will eliminate potential IRS penalty notices to your clients next summer.

The information return payer/filer is responsible for the accuracy and completeness of the return. AccuPay acts only as a transmitter, NOT as preparer.

*See our website for additional information*