

# Year-End Payroll Checklist

## October/November

- Start verifying your company information, including tax IDs and email address\*
- Start verifying your W-2 delivery address\*
- Start verifying employee and contractor information\*
- Prepare your payroll processing for Veterans Day impacts
- Prepare your payroll processing for Thanksgiving impacts
- Start making sure employee totals are correct
- Start verifying earnings and deductions
- Review third party sick pay (if applicable)

- Report fringe benefits (if applicable)
- Report healthcare coverage (if applicable)
- Find out if you're in a FUTA credit reduction state
- Prepare your household payrolls
- Process bonus payrolls, if needed
- Make sure applicable employees are using the new federal Form W-4
- Review the new Form 1099-NEC (employers with contractors only)
- Review the IRS's new ruling for truncating SSNs on W-2s
- Review the forms ADP® files on your behalf



## December

### Before your last payroll of the year

- Finish verifying employee and contractor information\*
- Finish making sure employee totals are correct
- Verify earnings and deductions
- Review third party sick pay (if applicable)
- Process your final payroll adjustments
- Record any FFCRA and/or CARES Act earnings BEFORE 12/31 (if applicable)
- Report fringe benefits (if applicable)
- Report healthcare coverage (if applicable)
- Prepare your payroll processing for Christmas and New Year's Day impacts

### Before December 31, 2020

- Run payroll BEFORE 12/31 (if you haven't processed regularly due to COVID-19)
- Finish verifying company information, including tax IDs and email address\*
- Finish verifying W-2 delivery address\*
- Gather data to meet 2020 ACA reporting deadlines (if applicable)
- Start preparing to provide Earned Income Tax Credit (EITC) notifications to your employees (if applicable)
- Process bonus payrolls, if needed
- Run your last payroll of the year
- Review your tax forms
- Stop retirement plan catch-up contributions (if applicable)

## January/February

### Before your first payroll of 2021

- Clear PTO Accrual Balances for Year-End
- Update employee deductions
- Obtain your state's new W-4 form (if applicable)
- Stop retirement plan catch-up contributions (if applicable)
- Review the ACA (if applicable)
- Review 2021 state minimum wage changes
- Review 2021 state unemployment insurance changes
- Review W-2s/1099s BEFORE January 15, 2021

### End of January 2021

- File your 1099s, including the new Form 1099-NEC

### January 31, 2021

- Distribute W-2s and 1099s to employees/contractors
- Provide Earned Income Tax Credit (EITC) notifications to your employees (if applicable)

\*If you made changes to your account due to COVID-19, it's important that this information is accurate and up-to-date to help avoid any filing disruptions or delivery delays.

### Mid-January

- Prepare your payroll processing for Martin Luther King, Jr. Day impacts
- Receive delivery of year-end forms and review them
- Tell employees/contractors to download their W-2s and 1099s (if applicable)



The information in this guide is provided solely as a courtesy and should not be construed as legal, financial or tax advice. Please review applicable law in your jurisdiction and consult your legal counsel or tax professional for updates on law and guidance that may have an impact on your organization and the specific facts related to your business.

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