



## IMPORTANT YEAR-END REMINDERS/INFORMATION

Employee W-2s provide information about gross wages paid and taxes withheld to Federal and state government agencies. Important additional information, if it applies, should also appear on employee W-2s. **Please review this letter for items that pertain to your business/organization, and return the appropriate forms/information to AccuPay prior to December 13, 2019.** (Any additional forms needed may be downloaded at [www.accupay.com](http://www.accupay.com) under Resources/Forms.) **\*Additional fees WILL be charged for adjustments needed after your last payroll of 2019. Any adjustment processed after January 10, 2020 will be processed as a form W2-c.**

- **Personal Use of Company Vehicle** - Please return the “personal use of company vehicle” questionnaire for every employee who was provided use of an employer-vehicle during 2019 (forms available online);
- **Employer Paid Health Insurance** - If you issued at least 250 W-2’s for 2018, and pay a portion of your employees’ health insurance, please provide us with the total amounts of health insurance premiums paid by employee for 2019 (We need the combined premiums paid by both the employer and employee.)
- **Qualified Small Employer Health Reimbursement Accounts** – Please provide total amounts offered and reimbursed for each applicable employee. The total amount of permitted benefits is reported in box 12 (FF). \*Note – A QSEHRA is not all that common and is NOT the same as a “typical” HRA medical expense reimbursement plan.
- **Third-Party Sick Pay** - Please provide us with amounts of taxable sickness or injury (disability) payments paid to your employees by third party agents (i.e. insurance companies) during 2019 (Your insurance company should provide you with statements that may be forwarded to AccuPay for processing.) Please only send amounts that have not already been processed by AccuPay throughout the year;
- **HSA Contributions** - Please provide us with the 2019 amounts of Health Saving Account (HSA) contributions **you paid** to your employee HSA accounts which were **not processed through payroll**. (AccuPay will have any pre-tax employee contributions in your payroll records.);
- **Group-Term Life Insurance** - Please provide us with year 2019 group-term life insurance coverage data for employees with policy values over \$50,000 (**Complete Form A – attached**);
- **S-Corp 2% Shareholder Health Insurance** - If you are an “S” corporation, please provide us with amounts of health and long-term care insurance premiums paid in 2019 on behalf of 2%-or-more shareholder employees. (**Complete Form B - attached**);
- **Retirement Plan Information** - Please provide us with retirement plan information for years 2019 and 2020. (**Complete Form C - attached**).

AccuPay will provide you with a **W-2 Verification Report** either in your payroll packet or electronically. **Please review carefully and let us know of any changes/updates by December 13, 2019.** Also, **if you plan to process a bonus or holiday pay run, please schedule at least two weeks in advance** with your processor to ensure we can meet your deadline.

As a reminder, AccuPay does provide **ACA reporting services** for employers with 50 or more full-time equivalent employees. If you would like AccuPay to complete your ACA reporting, and we did NOT complete your reporting for 2018, please contact us immediately at [aca@accupay.com](mailto:aca@accupay.com) or 317-885-7600 for more information.

**A smooth year-end is a “team” effort between you and AccuPay. As always, we appreciate you as a client and thank you in advance for your assistance! Please call your payroll specialist at 317-885-7600 if you have questions as you compile this information.**

Happy Holidays!

*AccuPay, Inc.*

**Taxable Amount of Group-Term Life Insurance Coverage  
To Include in Employee's Income For 2019  
(Not applicable to 2% or more "S" corporation shareholder-employees)**

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Employee Name \_\_\_\_\_

Employee's Age as of 12/31/19 (or date of birth) \_\_\_\_\_

- 1. Life insurance coverage amount provided to employee during 2019 \$ \_\_\_\_\_
- 2. Less nontaxable coverage \_\_\_\_\_ (50,000)
- 3. **Taxable coverage (if zero or less, STOP - no taxable income to employee)** \$ \_\_\_\_\_
- 4. Divide Line 3 by \$1,000 to the nearest tenth of \$1,000 (i.e., \$75,250 rounds to 75.3) \_\_\_\_\_
- 5. Cost per \$1,000 of coverage for 1 month (See IRS table below based on employee's age at 12/31/19) \$ \_\_\_\_\_
- 6. Multiply Line 4 x Line 5 to determine monthly cost of excess coverage over \$50,000 \$ \_\_\_\_\_
- 7. Number of months the employee had this level of coverage in 2019 \_\_\_\_\_
- 8. Year 2019 cost of excess coverage over \$50,000 - multiply Line 6 x Line 7 \_\_\_\_\_
- 9. Less amount employee paid for coverage with after-tax dollars ( \_\_\_\_\_ )
- 10. Taxable cost of excess group-term life insurance coverage in 2019 – Line 8 Less Line 9 \$ \_\_\_\_\_ \*

\*This amount is taxable income to the employee on Form W-2 and is subject to FICA and Medicare taxes (both employee withholding and the employer match). No income tax withholding is required. Additionally, this amount is not subject to federal or state unemployment taxes.

5-Year Age Bracket	Cost per \$1,000 for One Month
Under 25	\$0.05
25-29	.06
30-34	.08
35-39	.09
40-44	.10
45-49	.15
50-54	.23
55-59	.43
60-64	.66
65-69	1.27
70 and above	2.06

**Important Note - Please provide us this information before your last payroll of 2019 so we can withhold the appropriate taxes for this year.**



**Employer Retirement Plan Information  
For Calendar Year 2019  
Planning For 2020 Funding By Employees**

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Form W-2 requires that we check certain boxes to identify which of your employees were “active participants” in retirement plans during 2019. “Active participation” implies that an employee received an economic benefit (contributions, plan allocations, etc.) from a retirement plan during 2019. **Accurate presentation of this information is important since it affects your employees’ eligibility for tax-deductible IRA’s on their 2019 personal income tax returns. Review your 2019 W-2 Verification Report to see if employees are classified correctly and notify AccuPay of any changes.**

**Please check all of the following types of retirement plans you sponsored during 2019 which included employer contributions for the benefit of employees:**

- Defined benefit or cash balance pension plan with calculations made by an actuary;
- SEP-IRA plan;
- Profit-Sharing plan;
- Money Purchase Pension Plan;
- SIMPLE plan which involved employer contributions;
- SARSEP plan which involved employer contributions;
- 401(K) plan which involved employer contributions;
- 403(b) plan which involved employer contributions.

**NOTE - Provide us a listing of all employees for whom your company made 2019 employer contributions or who otherwise benefited from a retirement plan during 2019 (i.e., perhaps their only benefit was an allocation of 2019 retirement plan income). We will check boxes for only those employees who “actively participated” in retirement plans during 2019.**

<b>IMPORTANT! PLANNING FOR 2020 FUNDING BY EMPLOYEES</b>
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Please let us know which employees you want us to calculate and withhold the maximum 2020 retirement plan funding for any of the following plans:

Type of Plan	<u>MAXIMUM 2020 EMPLOYEE FUNDING</u>	
	<u>Under Age 50</u>	<u>At Least 50 by 12/31/20</u>
401(k) and 403(b) retirement plans	\$ 19,500	\$ 26,000
SIMPLE-IRA retirement plan	\$ 13,500	\$ 16,500