

SUMMIT YEAR-END PREPARATION FOR 2011

DECEMBER 2011

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HOLIDAY & PRINT SCHEDULES



Be sure to schedule all those important holidays & year-end dates coming up!

Holiday Schedule:

Please make note on your calendars, our schedule for this upcoming holiday season:

Christmas	December 26	Closed
New Years	January 2	Closed

Delivery During Holidays:

Overnight carriers will not be operating on the above holidays.

If you choose to use an overnight carrier, the payroll will be delivered the next business day after the legal holiday. Ask your specialist about alternate delivery options.

Upcoming Federal Reserve Banking Holidays (No Direct Deposit):

Christmas Day	December 26th
New Year's Day	January 2nd
Martin Luther King Day	January 16th

Payroll Print Schedule:

For your convenience, payrolls are processed five times throughout the day. Payrolls should be completed before the start time in order to be printed. Payrolls received after 3 p.m. are processed the next business day.

Listed below are the scheduled print times:

<u>Start Time</u>	<u>Ready Time</u>
9:00	11:00
10:00	12:00
11:00	1:00
1:30	3:00
2:00	5:00

YEAR-END CHECKLIST

- Review Holiday Schedule
- Identify your last payroll(s) for 2011 and first payroll(s) for 2012.
- Schedule a time for year-end adjustments for such items as third party sick pay, allocated tips, wage corrections, year end bonuses, relocation expenses, group term life, personal use of company cars, additional manual checks, voided checks, any other taxable fringe benefits etc.
- payroll run of 2011 so that taxes can be withheld and paid timely as necessary
- December 2011:** Notify all employees to review their W4 forms (*Refer to the Employee Notices Section on page 3*)
- Verify Company & Employee Data Reports
- January 13 2012:** Summit will mail out/publish 4th Quarter & Year-end reports by this date.
- January 31, 2012:** Distribute employee W2's/1099's by this date
- January 31, 2012:** Summit will file Form 940 / 944 / 943 as applicable, by this date
- Summit will file your W2 & W3 Information electronically to the SSA.



SPECIAL POINTS OF INTEREST:

Great Information Online:

Visit our website for valuable resources to such IRS Forms as the W4.

These adjustments should occur on or before your last regular

TAX NOTICES / EIN CHANGES

IRS Tax Deposit Notices:

Typically towards the end of the year, IRS will mail to businesses Notice 931—Deposit Requirements for Employment Taxes, if there is a change.

Important: Please notify your payroll specialist and send a copy as well.

Include your client number and name on all correspondences.

State Unemployment Rate Notices

Also towards the end of the year, state agencies typically mail each business a Tax Rate Notice for the following year.

Important: Please notify your payroll specialist and send a copy as well.

Include your client number and name on all correspondences.

EIN Changes

Please notify a payroll specialist at least 2 business days prior to the first payroll on a new EIN to ensure proper taxation and reporting of wages

Where to send notices:

Mail: Summit HR & Payroll
1800 E Lambert Ste 115
Brea, CA 92821
Phone: (714) 515-1900
Fax: (714) 515-1560



To ensure proper taxation and to avoid any potential penalties, be sure to contact in regards to any agency notice.

YEAR-END DEADLINES

December

Payroll Adjustments

All adjustments for 2011 should be called in **on or before** your last payroll for the year. Adjustments may include:

- Manual / Void Checks
- Group Term Life
- Third Party Sick Pay
- Allocated Tips
- Auto Allowances / Personal use of Company Car

December 15

Year End Holdout Notification

If know ahead of time that you will need us to delay the printing of your 4th quarter or year end reports, please let us know by this date.

To avoid additional charges, please turn in all payroll adjustments before January or notify us ahead of time to delay your printing.

December 16

Employee Corrections

Please submit any employee changes found during the employee verification steps. If no corrections are turned in, we will assume your W2's will be ready to print.

January 13—Fourth quarter and yearly reports will be sent out/ published by this weekend

January 31—Distribute W2's/1099's to employees / if applicable, file 940 / 944 / 943 form.

Great Information Online:
Visit our website for valuable resources to such IRS Forms as the W4.

EMPLOYEE INFORMATION VERIFICATION



Request from your payroll specialist a **Company Data Letter & Employee Data Report** listing of current employees.

Please review the following:

- Employee Name
- Employee SSN
- Employee Address

An employee's W2 wages are posted to their social security accounts based on the information provided.

Any variance between the Social Security Card and the above should be corrected with us as soon as possible.

Advise employees during November and December to compare their paycheck data to their Social Security Card and report any discrepancies to you.

If an employee's name is different from their SSN card because of marriage, divorce, or legal action, they must apply for a new

SSN Card using the SS-5 Form . Only after receiving the new card should you alter their records.

Need Assistance?

As a free service offered to our clients, we can print a special company memo on all checks & direct deposit vouchers to assist in notifying employees.

Contact one of our Payroll Specialists and request a company check memo.

EMPLOYEE NOTICES REQUIRED UNDER FEDERAL LAW

December 1—Form W4 Notice Deadline

IRS Regulations require employers to remind their employees to file a new 2012 W4 Form, IF:

- Filing Status (Single / Married)
- Number of Allowances
- Exempt Status

has changed since their last filing of their W4. This reminder should be done by December 1st.

Note: A claim of exempt from

withholding is effective for one year and a new W4 attesting to continued exempt status must be filed to you by February 15th. If this type of employee fails to do so, you must withhold as if the employee is Single / 0

New: If an employee claims more than 10 allowances or claims exempt from withholding, you are **no longer required to send the IRS a copy of the W4. Instead, submit a copy only if directed to do so in a written notice from the IRS or under future published guidance.**

December 31– Advanced Earned Income Credit (EIC)

Employees who have filed the W5 form will have their certificate expire on December 31.

Advanced EIC has been repealed for Tax Years (TY) 2011+ as part of the Education Jobs Act of 2011.

Employees who are eligible for the EIC will still be able to claim the full amount of the credit on their personal income tax returns but will no longer have the option to get a portion of the credit in



advance. Employers should not accept a Form W-5 from an employee for wages paid after December 31, 2010.

2012 AUTOMOBILE BENEFIT INFORMATION

To assist you in calculating taxable fringe benefits attributed to an employee's use of a car, provided below is the latest IRS Rates and Tables:

Automobile Rates (Cents Per Mile)

Type of Use	2012 Amt
Standard	\$.51
Charitable	\$.14
Medical	\$.19

Luxury Car Value: \$15,900 (for cars) / \$16,700 (for trucks)

Type of Use	2011 Amt
Standard	\$.555/.51
Relocation	\$.235/.19
Charitable	\$.14
Medical	\$.235/.19

Luxury Car Value: \$15,300 (for cars) / \$16,000 (for trucks)

If a car has a FMV greater than or equal to the Luxury Car Value amount, the Cents the Mile method should not be used.

Annual Lease Value Table:

[Click here to view this lease table](#)

Federal Per Diem Rates (effective 10-1-2011)

Lodging Rate (high)	\$177
Lodging Rate (low)	\$111
Meal & Incidental (high)	\$65
Meal & Incidental (low)	\$52
Combined (high)	\$242
Combined (low)	\$163

Great Information

Online:

Visit our website

for valuable

resources:

summitpayonline.com

IMPORTANT NOTES

Account Balances

For on-time preparation of your 4th quarter and year end reports, be sure your account balance is current

Duplicate W2 Requests

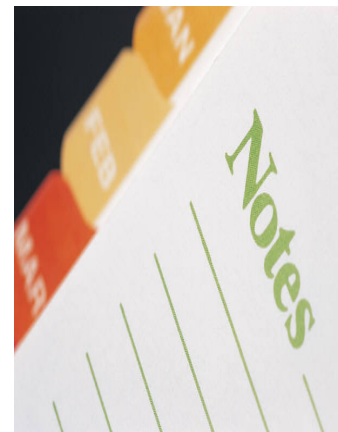
If an employee loses or misplaces their original W2, we can reprint a duplicate W2 marked "REISSUED STATEMENT" for a nominal charge.

Feel free to make copies of the [request form](#) found with this newsletter. For each duplicate W2 needed, fill one of these forms out and fax or mail the request to our office.

Under an IRS Service Center Advice, employers may collect a fee for supplying duplicate copies of W2's to employees who have lost or destroyed their original copy of the form or simply want

an extra copy. You may not charge for supplying an original or corrected form.

If you elect to charge your employees a fee for such requests, be sure to add a statement to the request form such as, "I authorize that \$xxx be deducted from my next pay check to receive this payroll department service



Check out our website for the latest news and info.

Website: www.summitpayonline.com

SUMMIT HR & PAYROLL

1800 E Lambert Rd
Ste 115

Phone: (714) 515-1900

Fax: (714) 515-1560

Email: support@summitpayonline.com

THE WAY TO PAY

IS YOUR TIME VALUABLE? CONSIDER ATTENDANCE ON DEMAND



The easy-to-use time-keeping solution that's linked by phone or internet to your payroll professionals.

Attendance on Demand features an electronic time clock that connects to the internet. Your employees clock in and out on the clock by swiping their personal time card. Every ten minutes, the clock transmits the day's activity to our data center.

We even offer a clockless solution where by each employee may clock in and out via the Internet.

Once the information has been received at the data center, it is immediately available for viewing, editing and printing over the internet through your web

browser software.

Benefits:

- Accessible from anywhere in the world via an internet connection
- Minimal training and implementation
- Information is maintained in a confidential and secure data center
- 24 x 7 availability to information

Features:

- Automatic overtime calculation and lunch deductions
- Multiple department tracking or job costing capability
- Tip reporting capability

More Information?

Contact your payroll specialist today.

Payroll Poem

Last night as I lay sleeping



I died or so it seemed,
Then I went to heaven
But only in my dream

Up there St Peter met me
Standing at the pearly gates,
He said "I must check your record
Please stand here and wait."

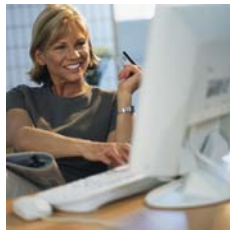
He turned and said "Your record
Is covered with terrible flaws,
On earth I see you rallied
For every losing cause."

I see that you drank alcohol
And smoked and used drugs too,
Fact is, you've done everything
A good person should never do.

We can't have people like you up here
Your life was full of sin,
Then he read the last of my record
Took my hand and said "Come in."

He lead me up to the big boss and said
"Take her in and treat her well",
She used to work in Payroll
She's done her time in hell".

PLATINUMPAY—PUT THE POWER OF PAYROLL IN YOUR HANDS



PlatinumPay.net is an integrated online suite of Payroll, HR, and Time & Attendance applications. Its powerful thin-client environment provides you the best of both worlds: the rich interface of a

windows desktop application with all the benefits of an online experience

Safe & Secure

PlatinumPay employs the latest in internet technology, ensuring a safe online experience. Because there is nothing to install on your PC, you are free from worrying about data back ups or unauthorized access of your PC. You are also always guaranteed to be running on the latest version available, no more upgrade fees or hassles. You can access it on any PC from work or home, even including a Macintosh, all with minimal involvement from your IT department.

Power & Flexibility

Power and flexibility is what PlatinumPay Payroll is all about. Fast data entry is available from simple grid input methods and

detailed drill-down screens to options of importing data from your time & attendance or POS systems.

PlatinumPay Payroll provides multi-user access, robust security features, flexible job costing and labor allocations and even certified payrolls.

With on-screen gross to net calculations and real-time processing, you can see the final data instantly.

Discover PlatinumPay

Take the tour and explore all the reasons PlatinumPay Payroll is for you.

Call us today at (714) 515-1900 and put the power of payroll in your hands.

