

2025 Year End Checklist – PART II

VERY Important: Please CAREFULLY Read this ENTIRE Checklist

Contact us at support@easytrackpayroll.com or simply reply to the Checklist email.

You **MUST** contact Easytrack by 12/14 to let us know whether or not your FAMILI employee count needs to be adjusted in the Gusto software, per the instructions in Checklist Part I.

Per Checklist Part I, if you are a SUTA exempt employer and you have added employees, contact Easytrack so we can determine if you are still exempt.

As a reminder, this year's usual annual processing fee is \$50, which you will see on your January invoice.

Any corrections will be charged Easytrack's customary hourly rate of \$200. Any requests after EOD (End of Day) 12/14 for corrections that have to be made before year-end will be subject to an additional rush fee of \$250.

Review all sections that apply to your payroll by December 14, 2025

* *Details and instructions for each section can be found on the pages listed*

- ☐ **1. ADJUSTMENTS and/or RECONCILIATIONS - page 2**
 - *Complete if your CPA has any adjustments and/or reconciliations that need to be recorded on W-2s OR if there has been a change in your business entity*
 - *Review especially if you are an S-corp*
- ☐ **2. BONUSES AND/OR LARGER THAN NORMAL PAYROLLS - page 2**
 - *Review if you expect to issue large bonuses and/or larger than normal payrolls at year end*
- ☐ **3. BENEFITS DEDUCTIONS/CONTRIBUTIONS REVIEW - page 3**
 - *Complete if you offer benefits that could reflect on employee W-2s*
- ☐ **4. FINAL 2025 CHECKS and PAY DATES - page 3**
 - *To be reviewed by ALL companies*
- ☐ **5. IMPORTANT YEAR END NOTES & EASYTRACK CLOSURE DATES - pages 3-4**
 - *To be reviewed by ALL companies*
 - *Especially important if you have contractors!*

- **6. 2026 WAGE INCREASES - pages 5-6**
 - *To be reviewed by ALL companies*
- **7. FYI: Automated Gusto Emails and Home Page Tasks – page 6**
 - *Useful for ALL companies*

Many of these items will also be requested by Gusto in an automated email as well as a task item on your Gusto home page. There will be a different item each week. See page 6 for more details.

1. ADJUSTMENTS and/or RECONCILIATIONS

a) If your CPA has any adjustments/reconciliations for you, email them to support@easytrackpayroll.com

- **Common Payroll Adjustments:**

- i. S-Corp Shareholders' Health and Accident Insurances
 - ❖ *Includes: Medical, Dental, Vision, Long-term and Short-term Disability Insurance Premiums paid by the company for each greater than 2% shareholder and any dependents*
- ii. Personal use of company car – *this needs to go on a live payroll with other wages so taxes can be paid*
- iii. Reclassification of distributions as wages
- iv. Group Term Life Insurance benefits greater than \$50,000 (only if 10 or more participants on plan)
- v. EmployER contributions to HSAs
 - ❖ If you do NOT record employer HSA contributions *with each paycheck*, send us the total contributed to each employee's HSA in 2025.
(Do NOT send us amounts contributed by employEes.)

b) If your business completed an **ENTITY CHANGE** (e.g., LLC to S-Corporation, S-Corporation to C-Corporation), please contact us about this

2. BONUSES AND/OR LARGER THAN NORMAL PAYROLLS

a) **IMPORTANT:** If your payroll will be much larger than usual, please let us know as soon as possible so that we can prepare as needed.

- You may be required to provide Gusto with a screenshot of your bank account balance.
- You may need to switch to 4-day deposit, so leave enough time for that possibility and be careful of regular payrolls running around the same time.
- You may be required to use a wire to fund the payroll.
- You may benefit from connecting your bank account to Gusto via Plaid so Gusto can verify the balance in your account. *Settings > Plan & Billing > Connect to Plaid*

3. BENEFITS DEDUCTIONS/CONTRIBUTIONS

- a) Reconcile benefits recorded in the payroll system for *the entire year*.

ANY REQUESTS for EASYTRACK'S ASSISTANCE AFTER 12/14 WILL INCUR A RUSH FEE.
SUBMISSIONS to GUSTO for CORRECTIONS are DUE NO LATER THAN 12/19.

4. FINAL 2025 CHECKS AND DATES

- a) Submit any bonuses or other paychecks you need to have recorded in 2025 by:

- December 18 for corrections that can be included on original filings
- December 24 for Direct Deposits with *4-day processing*
- December 29 for Direct Deposits with *2-day processing*
- December 30 for Direct Deposits with *next-day processing*
- December 31 for Paper Checks
- January 2 for an Off-Cycle Payroll back-dated in 2025 (subject to penalties for late taxes)

- b) Unforeseen variables (such as bank errors or the need for a wire-in payroll) could push the check date into the next tax year. This will cause the payroll to need reversal and reentry, and duplicate tax debits. Please try to run your last 2025 payrolls well ahead of deadlines.

- c) **IMPORTANT NOTE:** Paychecks dated 01/01/2026 will be included on the worker's 2026 W-2 or 1099, regardless of when the employee receives the funds in their account

- To include paychecks on 2025 W-2s and 1099s, paychecks MUST be ***dated 12/31/2025*** or earlier
- You may need to change your **default pay date** for this to be correct

Proper dating of paychecks is **your** responsibility.

*Please contact us with any questions **BEFORE** December 14th.*

5. IMPORTANT NOTES

- a) In order for all changes to be included in the original filings, **all loose ends must be tied up NO LATER THAN December 19.**

- b) **Any corrections you need us to do will be charged Easytrack's customary hourly rate of \$200.**

- c) **Any requests after EOD 12/14 for corrections that have to be made before year-end will be subject to an additional rush fee of \$250.**

- d) **You must give your workers their W-2s and 1099s by Monday, February 2, 2026.** W-2s and 1099s will be available January 17 in employees' Gusto software account portals.

- **More information will come regarding W-2 and 1099 delivery method in January.**
 - At that time, you'll be asked HOW you want the W-2s and 1099s delivered.
- You'll receive an email from Gusto when W-2s are ready (continued on next page)

- Review W-2s BEFORE giving them to employees (this should be done in December before December 19)
 - This is a task on your Home page now. Click **Let's do it** for simple instructions.
- If you elect to have W-2s mailed directly from the payroll system, they will be postmarked to each individual employee by February 2026.
- If you elect to self-print W-2s **it will be your responsibility to give each employee their W-2 by February 2, 2026.**
- Regardless of which distribution option you choose, Gusto will still send emails to employees letting them know that copies of their W-2s can be accessed in their account (employees must have an email address associated with their Gusto account to receive the notice).
 - *Note: Workers MUST sign off on receiving only an electronic copy of their W2/1099, or else you have to deliver a hard copy to them. More info will come when the time gets closer.*

e) If you have contractors:

- If you want Easytrack to file 1099s, each contractor must have a profile in the Gusto software, and their entire year of pay must be recorded in the Gusto before 2026. Let us know if you have questions about doing this.
- All contractors who have been paid in Gusto will receive a 1099 *UNLESS you opt them out.*
- If you had Easytrack opt you out of 1099s in the Gusto software in the past, you are still opted out. Let us know if you are not sure.
- It is your responsibility to make sure 1099s go to the people who need them. Here's how to confirm a contractor will receive a 1099 OR how to opt them out:
 - Go to Taxes & Compliance > Tax Documents > 1099s > Manage 1099 Filing
 - Adjust the filing status for anyone who needs to be changed
 - **Click Save**

f) Send Easytrack ALL rate and deposit schedule updates:

- You should be receiving state unemployment rate updates right about now, or you can log into your unemployment accounts to find the 2026 rates.
- You might receive deposit schedule updates from the state or the IRS.
- We will update the payroll software for you when you send us the new details.

g) UPDATE on Labor Law Posters: For those who have Easytrack Labor Law Posters, the monthly base price will go from \$10 per month to \$11 per month beginning January.

EASYTRACK CLOSURE DATES

December 24-25, 2025

January 1, 2026

6. 2026 WAGE INCREASES

a) State Minimum Wage Increase

- Effective January 1, 2026, **Colorado** and **CO Local** minimum wages will increase as follows:
 - *State Minimum Wage*: \$15.16/hour
 - *State Tipped Minimum Wage*: \$12.14/hour
 - *Denver City/County Minimum Wage*: \$19.29/hour
 - *Denver City/County Tipped Minimum Wage*: \$16.27/hour
 - *Boulder City/County Minimum Wage (only unincorporated areas)*: \$16.82
 - *Boulder City/County Tipped Minimum Wage (only unincorporated areas)*: \$13.80
 - *Edgewater Minimum Wage*: \$18.17
 - *Edgewater Tipped Minimum Wage*: TBD, check [here](#) after 12/16/25
- *If you have employees who are paid minimum wage: **BEFORE** your first paychecks in **2026** make sure the minimum wage rates for your employees are correct in the payroll system*
- **How to Review:**
 - i. Go to People > Team members
 - ii. Click the *name* of the Employee you need to update
 - iii. Click on the employee's Pay tab and scroll down to Compensation
 - iv. Confirm the Hourly Rate (*or rates if more than one*) is at least minimum wage.
 - v. Update as needed by clicking on Edit.
- ❖ *If you have employees in **other states** who are making minimum wage, please [contact us](#) at support@easytrackpayroll.com to confirm the state's minimum wage rate*

b) Exempt Employee Salary Threshold Increase

- Effective January 1, 2026, Colorado's *exempt employee salary threshold* will increase to **\$57,784/year**
- *If you have exempt employees who are below this amount: **BEFORE** your first paychecks in **2026**, you must do one of the following:*
 - i. Increase their salary to at least the minimum threshold
 - ii. Make them a non-exempt hourly employee AND track their hours, paying overtime when applicable
- **How to Review:**
 - i. Go to People > Team members
 - ii. Click the *name* of the Employee you need to update
 - iii. Click on the employee's Pay tab and scroll down to Compensation
 - iv. Click Edit
 - v. Adjust the Wage Amount

- vi. Select the Pay Period or the Specific date (if they are salaried, choose the date their rate changes)
- vii. Click Save
- ❖ *If you are changing someone to a Non-Exempt employee, make sure the employee is aware of this change and that you are tracking their regular and overtime hours worked*
- ❖ *If you have employees in **other states** and are unsure of that state's salary threshold, please [contact us](mailto:support@easytrackpayroll.com) at support@easytrackpayroll.com to confirm you are in compliance.*

FYI: Automated Gusto Emails and Home Page Tasks

The list below includes examples of the tasks you will be asked to complete by Gusto over the next several weeks. You will see them on your home screen in the Gusto software and you will receive automated emails from Gusto.

You will continue to see them on your home screen until you mark them as complete.

These items will be included in Easytrack's annual year-end checklists, parts 1 and 2, with detailed instructions.

- **Review company exemptions** – Checklist Part 1
- **Review historical payrolls (if you started with us this year)** – Checklist Part 1
- **Review employees and their payrolls** – Checklist Part 1
- **Add all contractors and their payrolls** – Checklist Part 1
- **Review employee work and home addresses** – Checklist Part 1
- **Review benefits** – Checklist Part 1
- **Identify all 2% stakeholders** – Checklist Part 1
- **Review employee exemptions** – Checklist Part 1
- **W-2 questionnaire** – This will come from Gusto
- **Report NSOs** - This to-do item will only be shown if you report an amount for NSOs on the W-2 questionnaire.
- **Review year to date W-2s (draft forms)** – This is a task on the Home page right now
- **Review year to date 1099s (draft forms)** – This is a task on the Home page right now (if applicable)
- **Distribute final forms** – Checklist Part 2, plus more info to come
- **Update SUI rates and deposit schedules** – Checklist Part 2