

2023 Year End Checklist – PART II

Review all sections that apply to your payroll *by December 15, 2023*

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

Any corrections will be charged Easytrack's customary hourly rate of \$200. Any requests after EOD 12/15 for corrections that have to be made before year-end will be subject to an additional rush fee of \$250.

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 2-3

- *Complete if you offer benefits that could reflect on employee W-2s*

4. FINAL 2024 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*

6. 2024 WAGE INCREASES - page 4-5

- *To be reviewed by ALL companies*

7. FYI: Automated Gusto Emails and Home Page Tasks – page 6

- *Useful for ALL companies*

Items in orange text 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. Shareholder personal use of company car
- 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 2023.
(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. *Company > Company Details > Connect account*

3. BENEFITS DEDUCTIONS/CONTRIBUTIONS

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

ANY REQUESTS for EASYTRACK'S ASSISTANCE AFTER 12/15 WILL INCUR A RUSH FEE. SUBMISSIONS to GUSTO for CORRECTIONS are DUE NO LATER THAN 12/22.

- **How to Reconcile if your payroll was in OnPay at the beginning of the year:**
 - i. Select **Reports** from the menu on the left side of the screen
 - ii. Select **Year to date**

iii. Make sure the box for *Deductions and contributions* is checked

iv. Click **Generate Report**

- Benefit info that was moved over from OnPay will be listed separately per employee as *Historical* deductions
- Reconcile the benefits recorded in Gusto to your accounting records (QuickBooks if you use it)
- Reconcile the benefits recorded in Gusto to statements/invoices from your Insurance Carrier/Benefits Broker
- [Contact us](#) immediately if you notice a discrepancy or have any questions.

This is very important. All corrections and adjustments must be made prior to **December 22** to be included on the original filings.

4. FINAL 2023 CHECKS AND DATES

a) Submit any bonuses or other paychecks you need to have recorded in 2023 by:

- **December 22** for Direct Deposits with *4-day processing*
- **December 27** for Direct Deposits with *2-day processing*
- **December 28** for Direct Deposits with *next-day processing*
- **December 31** for Paper Checks
- **January 3** for an Off-Cycle Payroll dated in 2023

b) **IMPORTANT NOTE:** Paychecks dated 01/01/2024 will be included on the employee's 2024 W-2, regardless of when the employee receives the funds in their account

- To include paychecks on **2023 W-2s**, paychecks MUST be **dated 12/31/2023** 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 15th.

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 22.**

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

c) Any requests after EOD 12/15 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 **Wednesday, January 31st, 2024.** W-2s and 1099s will be available January 17 in workers' Gusto accounts.

- **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
- **Review W-2s BEFORE giving them to employees** (this should be done in December before December 22)
 - 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 January 31, 2024.
- If you elect to self-print W-2s **it will be your responsibility to give each employee their W-2 by January 31, 2024.**
- 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.*

EASYTRACK CLOSURE DATES

December 22-25, 2023

January 1, 2024

6. 2024 WAGE INCREASES

a) State Minimum Wage Increase

- Effective January 1, 2024, **Colorado** and **CO Local** minimum wages will increase as follows:
 - *State* Minimum Wage: \$14.42/hour
 - *State Tipped* Minimum Wage: \$11.40/hour
 - *Denver* Minimum Wage: \$18.29/hour
 - *Denver Tipped* Minimum Wage: \$15.27/hour
 - *Boulder County* Minimum Wage (*only unincorporated areas*): \$15.69
 - *Boulder County Tipped* Minimum Wage (*only unincorporated areas*): \$12.67
 - *Edgewater* Minimum Wage: \$15.02
 - *Edgewater Tipped* Minimum Wage: \$12.00
- ***If you have employees who are paid minimum wage - BEFORE your first paychecks in 2024 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. Scroll down to the **Compensation** section

iv. Confirm the Hourly Rate (*or rates if more than one*) is at least minimum wage. Update as needed.

❖ *If you have employees in **other states** who are making minimum wage, please [contact us](#) to confirm the state's minimum wage rate*

b) Exempt Employee Salary Threshold Increase

▪ Effective January 1, 2024, Colorado's exempt employee salary threshold will increase to **\$55,000/year**

▪ *If you have exempt employees who are below this amount – **BEFORE** your first paychecks in **2024**, 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. Scroll down to the **Compensation** section

iv. ***If you are increasing their Salary:***

- Click **Edit** next to the Employee type

- Enter the new *Salary Amount* in the respective box

- Select **A specific date** and enter 1/1/24

- Save

v. ***If you are changing them to a Non-Exempt Salary Employee:***

- Click **Edit** next to the Employee type

- In the **Employee type** box, select *Paid by the hour* from the dropdown menu

- Enter the Hourly Rate

- Select **A specific date** and enter 1/1/24

- 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](#) 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 Gusto 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** – 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 2 has updated instructions
- **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** – More details will come