

Preparing for Year End 2024

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INOVA Payroll™



2024 Inova HCM Year-End Resources

Use these resources to help you prepare for a successful and timely year-end processing for your organization.

Please join us for our **2024 Inova HCM Year-End Best Practices Webinar on Nov 7, 2024 at 1 p.m. CT:**

- [Register here for the webinar](#)

Additional Resources:

- [2024 Year-End Processing Guide](#) (includes Fringe Benefits & Year-End Checklist to be returned by Dec 16, 2024)
- [2025 Payroll Calendar](#)
- [2025 Payroll Tax Cheat Sheet](#) (will be updated as outstanding 2025 info is released)
- [2024 Inova HCM Year-End ACA Resources](#) (for clients who use Inova for ACA processing)

Thank you for choosing Inova for your payroll needs. Please contact your Inova Account Manager with any year-end questions. We're here to help ensure a smooth year-end process for you and your team!



<https://inovapayroll.com/inova-hcm-year-end/>

INOVA Payroll™

Agenda

- Processing Deadlines
- Recommended Year End Tasks
- Holiday Schedule
- Year-End Housekeeping Details
- Adjustment Payrolls
- New Clients
- Tax Documentation Requirements
- W-2 Forms
- 1099s & 1095-Cs
- Year-end Payrolls
- Additional Resources
- Fringe Benefit & Year End Checklist

Processing Deadlines

Standard Deadlines

In keeping with our standard processing deadlines, Inova must receive all payroll information by the deadline indicated on the payroll-processing contract, which is **two banking days prior to the check date**. Any payroll information, such as adjustments, received after the deadline may not be processed timely due to the necessary processing and handling time.

Year-End Deadlines

The deadline to process adjustment or supplemental payrolls with a 2024 check date is December 27, 2024 at 2:00 p.m. EST/1:00 p.m. CST/12 p.m. MST/11 a.m. PST. All payrolls received after this deadline will have a 2025 check date. Adjustments with \$100,000 or more in federal tax liability (or December 31, 2024 adjustment combined with December 31, 2024 payroll totaling \$100,000 or more in federal tax liability) must be received by **December 27, 2024 at 2:00 p.m. EST/1:00 p.m. CST/12 p.m. MST/11 a.m. PST.** to ensure a timely federal deposit.

Please be advised that amended return fees processed after December, 31, 2024 may apply. **Any late IRS tax deposit penalties generated due to adjustments after December 31, 2024 will be the sole responsibility of the client.**

Processing Deadlines

December 2024

SUN	MON	TUE	WED	THU	FRI	SAT
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25 ✗ Inova Offices CLOSED	26 * If Fed/FICA liability is \$100k or more	27 Last processing day of 2024	28
29	30	31 Last possible pay date of 2024	1 ✗ Inova Offices CLOSED	2	3	4

Processing Deadlines



Information submitted AFTER December 27, 2024 must be in writing (or by email). If you are unable to process all 2024 payrolls by December 27, 2024, please notify your Inova representative **IN WRITING** immediately.



IMPORTANT: Payrolls processed in 2024 that have a CHECK DATE of 2025 will NOT show up as wages on the 2024 W-2!
These wages will NOT be part of your 2024 YTD totals.

Recommended Year-End Tasks

- ✓ Review holiday table for Federal Reserve holidays and Inova Payroll limited support hours.
- ✓ Review processing deadlines and identify your last payroll(s) for 2024.
- ✓ Inform your Inova representative of any year-end adjustments to record such items as relocation expenses, group term life, personal use of company cars, third-party sick pay, etc., **prior to your final 2024 payroll**. Please refer to the attached Fringe Benefits Checklist.
- ✓ For any 1099-type payments issued throughout the year through payroll, the 1099-NEC forms will be processed and billed along with W-2s added. For any clients wishing to file their own 1099-NEC forms, the worker type should be Draw.
- ✓ Enter any additional manual checks and/or voided checks that need to be recorded in the current year, prior to December 27, 2024.
- ✓ Perform an audit of employee data related to SSN, name, and mailing address by the end of the year in preparation for the creation of 2024 W-2s.
- ✓ Identify and process any end-of-year payrolls, such as a bonus payroll, by December 27, 2024.
- ✓ Call your Inova representative with ANY questions regarding year-end processing well in advance of December 27, 2024 so that there will be ample time to address and resolve any outstanding issues.

Inova Holiday Schedule

Holiday	Date Observed (Inova Offices Closed)
Thanksgiving 2024	Thursday, November 28 & Friday, November 29
Christmas Day 2024	Wednesday, December 25
New Year's Day 2025	Wednesday, January 1
Memorial Day 2025	Monday, May 26
Independence Day 2025	Friday, July 4
Labor Day 2025	Monday, September 1
Thanksgiving 2025	Thursday, November 27 & Friday, November 28
Christmas Day 2025	Thursday, December 25

Federal Reserve Holiday Schedule

Holiday	Date Observed (Federal Reserve Closed)
Thanksgiving 2024	Thursday, November 28
Christmas Day 2024	Monday, December 25
New Year's Day 2025	Wednesday, January 1
Martin Luther King, Jr. Day 2025	Monday, January 20
President's Day 2025	Monday, February 17
Memorial Day 2025	Monday, May 26
Juneteenth 2025	Thursday, June 19
Independence Day 2025	Friday, July 4
Labor Day 2025	Monday, September 1
Columbus Day 2025	Monday, October 13
Veterans Day 2025	Tuesday, November 11
Thanksgiving 2025	Thursday, November 27
Christmas Day 2025	Thursday, December 25

When the Federal Reserve is closed, no direct deposit or tax payments will be sent, nor will funds be settled on those days.

Inova clients should **NOT** have check dates on Federal Reserve holidays.

Please be sure your payroll information is communicated to your support team well enough in advance of these dates for direct deposits and tax liabilities to be issued.

Year-end Housekeeping Details

Audit

Have employees independently verify their SSN, name and address during the remainder of 2024 leading up to year-end. Also, please have employees update their account with any corrections PRIOR to the final 2024 payroll.

Samples of Invalid SSNs:

- Numbers with all zeros in any digit group (000-##-####, ###-00-####, ###-##-0000)
- Numbers with 666 or 900–999 ([Individual Taxpayer Identification Number](#)) in the first digit group.
- 123-45-6789, 987-65-4321, all the same digit as in 111-11-1111

SSA SSNVS: <https://www.ssa.gov/employer/ssnv.htm>

E-Verify: <https://www.e-verify.gov/employers>

Year-end Housekeeping Details

Exempt W-4s

W-4s for employees claiming tax exemption (Block Withholding in UKG) expire on February 15 of the next year and employees must provide a new W-4 to continue this status.



If the Employee does not provide you with a new W4 by Feb 15th, the Client Admin should update their Employee's Tax Settings to: Single with no dependents or adjustments.

Team > Payroll > Employee Payroll Maintenance > Taxes > Taxes

Add column: EE Withholding Status and filter for Exempt or Block W/H

You can read in more detail here:

www.irs.gov/taxtopics/tc753#

Year-end Housekeeping Details

401(k) Update

The contribution limit for **2024** is \$**23,000** and the over age-50 catch-up contribution amount is \$**7,500**.

The contribution limit for **2025** is \$**23,500** and the over age-50 catch-up contribution amount is \$**7,500**.

SECURE 2.0 ACT

<https://www.finance.senate.gov/download/retirement-section-by-section->

The Secure 2.0 Act of 2022, signed into law on December 29, 2022, expands and includes extensive legislation providing employers with opportunities to increase retirement readiness for their employee and to empower employees to build a stronger financial future for themselves. For 2025, there are some Mandatory & Optional provisions you should be aware of.

Please speak with your **Retirement Plan Broker** for full details on how SECURE 2.0 ACT could affect your Company's Retirement Plans.

Year-end Housekeeping Details

SECURE 2.0 ACT

MANDATORY PROVISIONS | 2025

- Automatic enrollment** is **required** for all 401(k) and 403(b) **plans adopted after 12/19/22**, with an initial contribution rate between 3% and 10%. The plan should have an automatic increases per year by 1% until it reaches 10%, but not more than 15%.
- Increased catch-up** contribution limit for employees aged **60 to 63** to \$10,000 per year. ★
- Long-Term Part-Time (LTPT)** employees working at least 500 hours per year for two years must be able to make employee contributions to retirement plans.

Please speak with your **Retirement Plan Broker** for full details on how SECURE 2.0 ACT could affect your Company's Retirement Plans.

Year-end Housekeeping Details

SECURE 2.0 ACT

OPTIONAL PROVISIONS | 2025

- Long-Term Care (LTC) Premiums:** Employers can modify their Deferred Comp plans to allow annual distributions of up to \$2,500 (indexed) for certain **LTC premiums**, which will be exempt from the 10% early withdrawal tax.
Employees must submit premium statements to their plans, and insurers are required to file with the Treasury Department, which will maintain a website of certified LTC providers.
- Plan Amendments to be Extended:** The deadline for SECURE 2.0 Act-related plan amendments is extended to the end of the first plan year in 2025, provided the plan operates according to the amendments from their effective date.

Please speak with your **Retirement Plan Broker** for full details on how SECURE 2.0 ACT could affect your Company's Retirement Plans.

Year-end Housekeeping Details

FIXED INDEMNITY DISCLOSURE

If you use Inova's Online Benefits Enrollment, there's a new setting called **Show consumer disclosure notice for fixed indemnity policy**. When enabled, it shows employees a disclosure message during enrollment.

This setting complies with a **federal mandate effective January 1, 2025**, requiring group plans to provide a consumer disclosure notice for certain types of insurance, like short-term limited duration, hospital indemnity, and accident indemnity.

Important Note: If your organization uses passive enrollment for the 2025 plan year, you must update settings to require employees to re-enroll to see the disclosure. Passive enrollment will skip the plan documents unless re-enrollment is required.

Check with your [Benefits Broker](#) if you are unsure if your plans fall under this mandate.

Year-end Housekeeping Details

DEMOLOGO 04:33 PM (CDT)

My Benefits > Enrollment

← Enrollment Continue

In progress (4 of 8)
50%
Due: 01/01/2025

- Instructions
- You and your family
- Medical
- Hospital Indemnity**
- Dental
- Basic Life
- Voluntary Life
- Finish up

Hospital Indemnity

Decline/waive Hospital Indemnity

You can review and compare plans for further details and find the coverage that works best for you and your family. If you don't need this coverage for any reason, you can opt out by selecting 'decline/waive coverage'.

IMPORTANT: This is a fixed indemnity policy, NOT health insurance

This fixed indemnity policy may pay you a limited dollar amount if you're sick or hospitalized. You're still responsible for paying the cost of your care.

- The payment you get isn't based on the size of your medical bill.
- There might be a limit on how much this policy will pay each year.
- This policy isn't a substitute for comprehensive health insurance.
- Since this policy isn't health insurance, it doesn't have to include most Federal consumer protections that apply to health insurance.

Looking for comprehensive health insurance?

- Visit [HealthCare.gov](https://www.healthcare.gov) or call 1-800-318-2596 (TTY: 1-855-889-4325) to find health coverage options.
- To find out if you can get health insurance through your job, or a family member's job, contact the employer.

Questions about this policy?

- For questions or complaints about this policy, contact your State Department of Insurance. Find their number on the National Association of Insurance Commissioners' website ([naic.org](https://www.naic.org)) under "Insurance Departments."
- If you have this policy through your job, or a family member's job, contact the employer.

There is only 1 plan available [Plan details](#)

Prices will change if a different coverage level is selected

Hospital Indemnity ⓘ

Afiac
Your price per pay period

\$5.76

Coverage Level Employee Only ▾

Who You Selected --

[Select](#)

Your benefit choices

Per pay period

Medical	\$138.46
Dental	\$23.08

Prices shown are your cost after employer contributions of \$184.62 per pay period

What You'll Pay **\$161.54**

Adjustment Payrolls



Manual and Void Checks

All pending and processed manual and/or void checks must be recorded **PRIOR** to the final **2024 payroll**. Adjustments completed after closing for year-end will require you to contact your Inova representative for assistance. ***All standard payroll processing fees will apply on the adjustment payroll run in addition to fees for reprocessing tax returns.***



Third-Party Sick Pay

As part of year-end processing, if you find that you have third-party sick pay that needs to be entered into the system, please contact your Inova representative. This must be completed **PRIOR** to the final payroll processing for your company in 2024.

New Clients

If you were a new client on or after April 1, 2024 and Inova is filing your W-2s, you must have supplied Inova with copies of all tax returns filed prior to your Inova service start date.

If copies of those returns have not been supplied to the implementation team, you will be required to sign an absolution letter acknowledging Inova cannot guarantee the accuracy of your annual returns or your employee's W-2s.

It is also imperative you make sure any previous provider is not filing any further monthly, quarterly or annual returns.

Tax Documentation Required

Tax Rate & Frequency Change Notices

Please forward all unemployment tax rate and deposit frequency notices to your Inova support representative as soon as you receive them.

For Federal Deposit Filing Frequency information - see Publication 15 for Look Back Period and/or \$100,000 in a Deposit period rules - it is your responsibility to notify Inova if your frequency is changing.

See [2023 publication 15](https://www.irs.gov/publications/p15) (irs.gov).

Note: many states no longer send you paper copies of unemployment rate changes. For those, you will need to log into your account and obtain them. It is the employer's responsibility to ensure the correct unemployment rate is used in the calculation of unemployment taxes. Unemployment taxes will be calculated using the unemployment rate supplied by the employer to Inova Payroll.

Social Security Numbers

Some states no longer accept quarterly tax and wage reports containing invalid Social Security numbers (SSNs), so it is important that employers take measures to ensure all employees have valid Social Security numbers. Some examples of the more common invalid SSN formats are multiple employees reported with the same number, SSNs beginning with 9 or containing dashes, and SSNs 123-45-6789 and 987-65-4321.

Samples of Invalid SSNs:

- Numbers with all zeros in any digit group (*000-##-####, ####-00-####, ###-##-0000*)
- Numbers with 666 or 900–999 ([Individual Taxpayer Identification Number](#)) in the first digit group.
- 123-45-6789, 987-65-4321, all the same digit as in 111-11-1111

SSA SSNVS: <https://www.ssa.gov/employer/ssnv.htm>

E-Verify: <https://www.e-verify.gov/employers>

W-2s, 1099s, 1095-Cs

W-2 Forms

As was the case last year, the W-2 filing date has been moved up by the federal government to January 31, 2025, the same date the forms are due to your employees. Inova Payroll will electronically file W-2s. W-2s will be available for distribution to employees on or before January 31, 2025.

Employees have the option in the Inova payroll system to consent to only an electronic copy of their W-2 form. If selected, a printed copy will not be provided for that employee.

1099 NEC Forms

Inova will also electronically file 1099s on your behalf if 1099 worker types exist for your company. As with W2s, the fees for 1099-NEC forms will be automatically assessed on a scheduled payroll invoice and these forms will be available for distribution on or before January 31, 2025.

The fees for W2 and 1099 forms will be automatically assessed on a scheduled payroll invoice.

Contact your Inova Account Manager for a specific date.

W-2s, 1099s, 1095-Cs (Continued)

2024 Inova HCM Year-End ACA Review Webinar



THU, NOV 14



1-2 PM CT

1095-C Employer-Provided Health Insurance Information

Employee

1. Social security number

2. Street address (including apartment no.)

3. City or town

4. State or province

5. Country and ZIP code

6. Employee Offer of Coverage

7. All 12 Months

8. Jan

9. Feb

10. Mar

11. Employee (required) Contribution (see instructions)

INOVA

If you're an Inova ACA client, please join us **Monday, Nov 14th at 1 p.m. CT** for our [2024 Inova HCM Year-End ACA Review Webinar](#), where we'll cover:

- Important ACA deadlines
- A general review of the Inova ACA process
- What you'll need to do and what to look for throughout the process

You'll also have the opportunity to submit questions that will be answered in the post-webinar follow-up email.

The recording and slide deck will be sent to all ACA clients, but this is an important webinar, so please try to attend the live session if you can make it.

[Register Here](#)

1094-C/1095-C | ACA Forms

Inova Payroll will file 1094-C and 1095-C forms for clients who requested ACA service and have performed all necessary data reviews as prescribed. For the forms to be available for distribution to your employees **on or before March 3rd 2025**, your Inova ACA team will be sending you a comprehensive ACA year-end guide with specific procedures and deadlines that will need to be followed.

Invite sent via Email: Thursday, October 24th

ACA Year-End Webinar: Thursday, November 14th 1:00 pm CST

The fees for the ACA forms will be automatically assessed on a scheduled payroll invoice. Please contact your Inova Account Manager if you need a specific date.

Year-end Payrolls

Bonus Payrolls

Many of our clients choose to pay their employees a bonus at year-end. Bonuses can be paid:

- On the same check the employee is receiving for a scheduled payroll
- On a separate check within an existing scheduled payroll
- On a separate bonus payroll* aka Supplemental Payroll

* Keep in mind that a completely separate bonus payroll can be run independently of the final payroll, but standard processing fees will apply. \$100k Fed Liability Rule combined Reg PR + Bonus

Please be sure to provide 48 hours notice of any bonus payrolls to allow for timely processing. Shorter time frames cannot be guaranteed.

Year-end Payrolls

Group Term Life (GTL)

With regard to closing out year-end details, any employer-paid life insurance in excess of \$50,000 per employee is considered a taxable fringe benefit. The amount in excess of the \$50,000, less any employee after-tax deductions related to the insurance, is treated as taxable income with the exception of FUTA, SUI, and SDI. Even though GTL is subject to all taxes, an employer is only required to withhold Social Security and Medicare from the taxable amount. The employer may at their discretion withhold the FIT on behalf of the employee.

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The GTL amount can be entered per payroll or entered as a final lump sum at the end of the year. It is the employer's responsibility to calculate the cost of the coverage OVER \$50,000 and then input the amounts for taxation for the employee and employer portions.

Group Term Life (GTL)

This is the Uniform Premium Table taken directly from the IRS website as fair marketvalue per \$1,000.

Age	Monthly Rate	Age	Monthly Rate
Under 25	\$0.05	Age 50-54	\$0.23
Age 25-29	\$0.06	Age 55-59	\$0.43
Age 30-34	\$0.08	Age 60-64	\$0.66
Age 35-39	\$0.09	Age 65-69	\$1.27
Age 40-44	\$0.10	Age 70 & Above	\$2.06
Age 45-49	\$0.15		



Please call your Inova representative with any questions related to group term life. The above information is intended to help you calculate the taxable portion of GTL. Once that amount per affected employee has been determined, your Inova representative will assist with making sure this is properly entered into the system.

Year-end Payrolls

Employer Portion of Healthcare

The Affordable Care Act requires employers to report the cost of employer-provided health care coverage on Forms W-2. The cost of group health coverage is reported in box 12, code DD.

- Reporting is mandatory for 2013 and years after for employers who file 250 or more Forms W-2 to the Social Security Administration.
- Employers are not required to issue Form W-2, including the reportable cost of health coverage, to any individual for whom the employer is not otherwise required to issue a Form W-2 (e.g., retirees, surviving spouses or others who may receive health coverage through the employer but no compensation).
- In general, the amount reported should include both the portion paid by the employer and the portion paid by the employee.
- Please notify your customer service representative to discuss the entry of the employer portion of the health insurance premiums.

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Year-end Payrolls

FUTA Credit Reduction

Some states take Federal Unemployment Trust Fund loans from the federal government if they lack the funds to pay UI benefits for residents of their states.

If a state has outstanding loan balances on January 1 for two consecutive years and does not repay the full amount of its loans by November 10 of the second year, then the FUTA credit rate for employers in that state will be reduced until the loan is repaid.

The reduction schedule is 0.3% for the first year the state is a credit reduction state, another 0.3% for the second year, and an additional 0.3% for each year thereafter that the state has not repaid its loan in full. Additional offset credit reductions may apply to a state beginning with the third and fifth taxable years if a loan balance is still outstanding and certain criteria are not met.

DOL runs the loan program and announces any credit reduction states after the November 10 deadline each year. DOL has information about the credit reduction states and loan balances on the FUTA Credit Reductions page of its DOL website.

https://oui.doleta.gov/unemploy/futa_credit.asp

Year-end Payrolls

FUTA Credit Reduction Continued

2024 Credit Reduction States

These have not been officially announced **yet**, but we *anticipate* these states:

- **California**
- **New York**
- ***Connecticut***
- **US Virgin Islands**

If your company is in one of these states or the US Virgin Islands²⁸, your company may owe additional federal unemployment taxes that Inova will need to impound in January 2025 to be paid by January 31, 2025. This computation of this additional tax cannot be computed until processing is complete for 2024. Please look for additional communication in January 2025.

<http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/FUTA-Credit-Reduction>

Additional Resources

PayrollOrg (formerly APA)	https://payroll.org/
Bureau of Labor Statistics	http://www.bls.gov/
Internal Revenue Service	http://www.irs.gov/
State Unemployment and Revenue Agencies	https://www.irs.gov/businesses/small-businesses-self-employed/state-government-websites
Affordable Care Act	http://www.irs.gov/Affordable-Care-Act
SSA SSNVS	https://www.ssa.gov/employer/ssnv.htm
E-Verify	https://www.e-verify.gov/employers

Fringe Benefits & Year-End Checklist

Please complete pages 12 and 13 and return by December 16, 2024 to mysupport@inovapayroll.com.

Company ID: Company Name:

Are the following items applicable to your company? If these fringe benefits have not been recorded in our system for the current year, please supply a list of employees and taxable amounts.

- Third-party sick pay (if yes, attach copy of report from insurance company) Yes No
- Is insurance company issuing W-2?* Yes No
- Personal usage of company auto, cell phone, laptop Yes No
- Excess per diem payments Yes No
- Payments under "non-accountable" reimbursement plans Yes No
- Group life insurance in excess of \$50,000 coverage Yes No

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[2024 Inova HCM Year End Resources](https://inovapayroll.com/inova-hcm-year-end/)

<https://inovapayroll.com/inova-hcm-year-end/>

Inova classifies all companies into 2 groups for W-2 processing. Your group assignment will be determined based on the answers above.



- **Group 1:** W-2s will be closed for auditing on **December 27, 2024**
- **Group 2:** W-2s will be closed for auditing on **January 3, 2025**

Fees apply if W-2s need to be reopened.

If this checklist is not returned, your W-2s will automatically be assigned to Group 1.



Fringe Benefits & Year-End Checklist

Are any of the following effective after January 1, 2025?



Time-Off Accrual Policies

 Yes No

Benefits Plans or Premiums

 Yes No

*** Time off policy changes typically take 2-3 weeks for setup and testing. New policies must be emailed to your Inova Account Manager by December 16, 2024, to be implemented by January 1, 2025. Changes received after December 16, 2024, will not be applied before the first payroll processing in January.**

*** Benefit plan changes must be communicated to your Account Manager by December 1, 2024. New plans and/or premiums must be submitted by December 16, 2024 to guarantee usage by January 1, 2025.**

Authorized Contact (Print Name)

Thank you!!

Final 2024 Processing Date:

Friday
December 27th

Deadline to complete & return
Fringe Benefit & Year-End Checklist:


Monday
December 16th

Inova Year End
Resource Page:

[https://inovapayroll.com
/inova-hcm-year-end/](https://inovapayroll.com/inova-hcm-year-end/)

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Webinar Q&A

Q: If the final payroll date is 12/27/24 is the deadline for the payroll 12/24/24 & what time?

A: Yes. A 12/27 payroll date should be finalized on 12/24 preferably by 2pm CST with a strict 4pm CST cut off.

Q: Does this same deadline apply if 12/31 is a normal/scheduled pay date?

A: Yes, the same 12/27 deadline applies.

Q: What if we want to pay on the 25th?

A: Since 12/25 is a banking holiday you cannot have a payroll dated on 12/25.

Q: What if your normal pay day is Friday but you process payroll on Tuesday. Do you still need to process on 12/27 if the pay day is Friday 1/3/25?

A: Since 1/1/2025 is a banking holiday, a 01/03/2025 payroll should be finalized on 12/31/2024

Q: We will not get 3rd party sick pay reports for Q4 2024 until early January. How to proceed in that case?

A: Please communicate this to your dedicated Account Manager so they can note it in our system for year-end processing.

Webinar Q&A

Q: If the pay date is 1/3/2025, does it need to be processed on 12/31/2024?

A: Yes

Q: Can the system prompt employees on 2/15 to do a new W4 form?

A: The system will not automatically prompt an employee that is claiming exempt on 2/15. You can ask your Account Manager to assist with a broadcast message that would be sent to all employees asking them to review their W-4 settings.

Q: When it said automatic enrollment, does that mean the employer should automatically enroll staff in 401k?

A: Yes, however we suggest reaching out to your broker for specifics regarding your plan.

Q: What about simple plans?

A: I do not see any provisions for Simple plans, but I would recommend that you confirm with your broker.

Q: Is a broadcast message different than "announcements" if so, is there a reason why we would use broadcast message rather than an announcement?

A: Announcements show up when the employee logs into the system. A broadcast message can be sent directly to their email that is listed on their employee

Webinar Q&A

Q: If employees want to opt out of the auto-enrollment for the 401K, can they?

A: I am not sure if employees are allowed to do an opt-out before they are auto-enrolled. Please discuss this with your broker.

Q: Can the system prompt employees on 2/15 to do a new W4 form?

A: The system will not automatically prompt an employee that is claiming exempt on 2/15. You can ask your Account Manager to assist with a broadcast message that would be sent to all employees asking them to review their W-4 settings.

Q: Regarding the automatic enrollment in the 401k/403b - are those the only retirement savings plans that it applies to? We have a SIMPLE IRA plan.

A: I do not see any provisions for Simple plans. Please check with your broker to confirm.

Q: What if the staff doesn't want to enroll and we automatically enroll them?

A: I am not sure if the employee can opt-out prior to being eligible to enroll or if that has to be done at the time the employee becomes eligible. Please check with your broker on this, then we can help with the auto-enroll process based on what your broker comes back with.

Webinar Q&A

Q: In the report Mike mentioned to audit our employees' tax status, what is the column we should bring in? "EE Withholding Status" or "Filing Status"?

A: The filing status will tell you if the employee is claiming S or M. The withholding status will say block withholding and that is the status used for employees that are claiming exempt.

Q: Would disability pay fall under 3rd party sick pay?

A: Short-term and long-term disability is considered to be 3rd party sick pay.

Q: Is Inova only electronically filing W-2s but not printing and sending them?

A: If your employees opt to receive their W-2 electronically it will not be printed and mailed to them. If they do not opt for the electronic W-2 option, the W-2 will be printed and sent.

Q: Will the Webinar be recorded for the ACA process so it can be accessed later?

A: Yes, the ACA webinar will be recorded and sent to all ACA clients a day or two following the session.

Webinar Q&A

Q: Are W-2s sent via US Mail to employees as well as available electronically? (or only electronically) Also, is there a notification email that will be sent confirming when W-2s have been distributed to employees (or if any W-2s were not sent out)?

A: If employees opt to view W-2s only electronically then a W-2 will not be mailed to them. There is no notification that goes out when W-2s are produced and mailed, but you can ask your account manager to let you know when your W-2s have been printed and mailed.

Q: For bonus checks, is there a way to print them out at our office so we can hand them out?

A: Yes. Please contact your account manager to discuss what is needed to be able to print your bonus checks in house.

Q: What does ACA mean?

A: Affordable Care Act

Q: If we are not required to report the Employer Portion in Box 12dd, must we contact support to have that removed?

A: Yes, you can request that. If you decide later that you do want this to show in box 12, please be sure to reach out again to request that we update the settings. Please send your request to mysupport@inovapayroll.com and your account manager will assist you.

Webinar Q&A

Q: Is the Bonus payroll (\$100,000) per payroll or per employee?

A: It's a combined total Fed Liability for all payrolls processed in a given week (typically). Page 33 of the IRS's 2024 Publication 15 (<https://www.irs.gov/pub/irs-pdf/p15.pdf>) has full details on the \$100k Next-Day Fed Deposit Rule.

Q: The GTL taxable fringe benefit. Just to clarify - We currently have \$100,000 coverage for our employees, which the company pays. Does this fall into GTL taxable fringe?

A: Yes, anything over \$50k is treated as taxable income.