

# PAYROLL 201

# Payroll Administration

## COURSE OUTLINE

### **Are They Employees? (2.0 hour)**

- Employee/non-employee
- Immigration Reform and Control Act of 1986
  - I-9 process
  - Using E-Verify
- Statutory Employee and Nonemployee

### **Paying Your Employees (6.0 hours)**

- Review of the FLSA
- White collar exemptions, including the duties and salary test
- FLSA and your employees
  - Calculation of pay
  - Identification of hours worked
  - Effects of company policies
  - Overtime pay requirements
- FLSA issues for hospitals and governmental organizations
- Overview of withholding tax issues
- Federal income tax issues
  - W-4 issues
  - Flat rate methods vs. aggregate method
- Social security/Medicare issues
  - Wage base and tax rates
  - Related corporations/ common paymaster
  - Additional Medicare Tax

### **What Compensation Is Subject to Taxation? (6.0 hours)**

- IRS definition of wages
- Taxation issues
  - Nontaxable fringe benefits
- Taxable fringe benefits (valuation, reporting, and withholding issues)
- Compensable Time Issues
- Other payment taxation issues (identification, timing, recording, reporting, and withholding)
  - Backpay awards
  - Employer-paid taxes/grossing-up
  - Loans
  - Stock and stock options

- Tips
- Advances and Overpayments
- Overview of taxation issues when paying aliens and U.S. citizens abroad
  - Federal income tax
  - Social security/Medicare taxes
  - Resident/nonresident alien status

### **Benefits (4.0 hours)**

- Affordable Care Act
  - Applicable Large Employer reporting
  - Forms 1095-C and 1094-C
  - Employer shared responsibility payments
- FMLA issues
  - Eligible employees
  - Intermittent leave
  - Health benefit continuation
- Cafeteria plans
  - Plan and participation requirements
  - Benefits
  - Election revocation
  - Flexible spending arrangements
- Dependent care assistance programs
- Retirement plans
  - Defined benefit plans
  - Defined contribution plans
  - Deferred compensation plans
  - Nonqualified deferred compensation plans
- COBRA
- Sick pay

### **Unemployment Taxes (1.0 hour)**

- Federal unemployment tax
- Covered wages
  - Tax rate and wage base
  - Deposit rules
  - Reporting on Form 940

### **Depositing and Reporting Tax Issues (4.0 hours)**

- Social security numbers
- Employer identification numbers
- Electronic Federal Tax Payment System

- When to deposit
  - Federal taxes
- Quarterly reporting
  - Form 941
  - Reconciliation
- Annual reporting – Form W-2
  - Reconciliation/IRS and SSA
- Electronic reporting
- Corrections
  - Identifying and making corrections
  - Forms W-2c, W-3c, and 941-X

### **Deductions From an Employee's Pay (3.0 hours)**

- Voluntary assignments
- Involuntary deductions
  - Child support withholding
  - Tax levies
  - Garnishments
  - Student loans
  - Bankruptcy orders
  - Wage and hour restrictions

### **Your Payroll System (2.0 hours)**

- Understanding the processes in the system
- Selecting your system
- Ongoing review and maintenance
- Disaster recovery
- Employee/manager self-service
- Security and controls

### **Payroll's Future (1.0 hour)**

- Emerging technologies