

Government/ Public Sector

How will legislative and regulatory issues affect government sector employers as 2025 comes to a close?

- Get the latest adjustments for 2026, including §403(b) and §457(b) plan contribution limits
- Understand how to conduct a fringe benefit self-assessment for your year-end process
- Learn how Section 218 agreements impact FICA tax withholding

Please visit Payroll.org/GV for course details.

Government/Public Sector Course Outline*

Year-End Preparation

- Year-end checklist, accumulators, and project plan
- Verifying social security numbers
- Verification of employee data, reconciliations, and year-end notices

State Regulations Impacting Year-End

- State annual reconciliation return and magnetic media/electronic reporting
- State unemployment and disability wage bases

Annual Changes

- Social security tax wage base
- Retirement plan changes
- Fringe benefit limitations
- Federal per diem and mileage rates
- Federal tax levies – Publication 1494
- Automobile rates
- Qualified transportation fringe benefit limits
- Information return and payee statement penalties
- Affordable Care Act annual adjustments
- Income exclusion for U.S. citizens living abroad

Year-End Reporting and Taxation of Fringe Benefits

- Taxable fringe benefits
- Supplemental wages and grossing-up
- Group-term life insurance
- Awards, prizes, and gift cards
- Qualified transportation fringe benefits
- Loans to employees
- Deferred compensation
- Cafeteria and flexible benefit plans
- Dependent care benefits
- Adoption assistance
- Year-end reporting issues

- Overpayments and repayments
- Reporting employer provided health coverage

Legislative and Regulatory Review

- Discover how the One Big Beautiful Bill Act will affect year-end payroll
 - Updates on permanent extensions from the Tax Cuts and Jobs Act
 - How to treat No Tax on Tips
 - How to treat No Tax on Overtime
- Update on retirement plan legislation (SECURE 2.0 Act)
- Other proposed legislation
- Recent federal agency guidance and proposed regulations
- Court decisions providing clarity on payroll issues

Form Review and Revisions

- Form 941, Schedules B, D, and R
- Form 941-X
- Forms W-2 and W-2c
- Form 940

Government/Public Sector Year-End Issues

- Employer-furnished housing
- Occasional/sporadic employment impact on regular rate of pay
- Election workers
- Jurors' compensation
- State/local benefits for volunteer emergency responders
- Section 218's impact on social security and Medicare tax
- Defined benefit and contribution plans
- Fringe benefit compliance self-assessment
- Use of vehicles by law enforcement, public safety officers
- Tax treatment of differential military pay
- Fair labor standards for state and local governments
- Legislative, regulatory "hot topics" for government sector employers

**Program is subject to change without notice.*