

LEGISLATIVE UPDATES

Racing Towards Year End: Employment Tax Updates & Reminders

The IRS and SSA are providing a **FREE webinar** on employment tax updates and reminders...topics include:

- Paycheck Checkup: federal withholding and W-4 update
- Identity theft and tax related scams & schemes
- Information Security Policy requirements and how to respond to and recover from a data breach
- Employer Credit for Paid Family and Medical Leave
- Tax reform changes to transportation fringe benefits
- Navigating the IRS website, including the Payroll Tax Center and Tax Cuts & Jobs Act resources

SSA

- Business Services Online – What it is and how to register
- W-2 Online
- Filing Forms W-2 Electronically (EFW2) and by paper
- AccuWage
- The Social Security Number Verification Service (SSNVS)
- New: W-2C Online & W-2C wage file upload

Sign up for Tues, Dec 4th!

<https://www.webcaster4.com/Webcast/Page/1148/27718>

State of MI UPDATE

New Update for 2019 from MI Dept of Treasury Online

New Update for 2019 From MTO Michigan Treasury Online announced in their update session recently a change to W-2 reporting for MI.

W-2's are now due to the State of MI on 1/31/2019; Annual returns are due 2/28/2019. If you have more than 250 employees, the annual return must be filed electronically.

For more information, click [HERE!!](#)

More Federal Updates!

IRS Releases Draft of 2019 W-4

On Oct 12th, the IRS released a NEW draft version of the 2019 W-4 form.

There are very few changes from the 2018 version, just a few additions in the employee instructions. All major form changes have been delayed until 2020.

To view the draft, click [HERE!!](#)

Social Security Wage Base for 2019

Social Security Wage Base Increases to \$132,900 for 2019

The SSA announced on Thursday, October 11, 2018, that the 2019 social security wage base will be \$132,900, which is an increase of \$4,500 from \$128,400 in 2018



The Pay Check Times

Monthly Newsletter – West Michigan
Chapter of the American Payroll
Association



November, 2018

UPCOMING EVENTS

Wednesday, Nov 14, 2018

November Monthly Chapter Meeting

Topic: ACA Reporting: What's New for 2018

Presented by: Kathy Kerkstra, ACA Compliance
Manager from Basic Payroll

Where: Railside Golf Club, 5:30pm

PAYROLL TOPIC HIGHLIGHT – 2019 IRS Limit Update

The IRS has announced the changes to the dollar limits on benefits and contributions under qualified retirement plans, as well as other items, for tax year 2019 [IRS Notice 2018-83, 11-1-18]. IRC §415, which provides for dollar limits on benefits and contributions under qualified retirement plans, also requires that the IRS annually adjust these limits for cost-of-living changes. The IRC also requires various other amounts to be adjusted at the same time and in the same manner as these dollar limits. The limitation on the exclusion for elective deferrals under §402(g)(1) (e.g., §401(k) and §403(b) plans) increases to \$19,000 (from \$18,500).

The limit on annual additions to defined contribution plans under §415(c)(1)(A) increases to \$56,000 (from \$55,000).

The limit on the annual benefit under a defined benefit plan contained in §415(b)(1)(A) increases to \$225,000 (from \$220,000).

The annual compensation limit under §401(a)(17), §404(l), §408(k)(3)(C), and §408(k)(6)(D)(ii) increases to \$280,000 (from \$275,000).

The compensation amount under §408(p)(2)(E) regarding elective deferrals to SIMPLE retirement accounts increases to \$13,000 (from \$12,500).

The limitation under §457(e)(15) concerning elective deferrals to deferred compensation plans of state and local governments and tax-exempt organizations (§457(b) plans) increases to \$19,000 (from \$18,500).

The limitation under §416(i)(1)(A)(i) concerning the definition of “key employee” in a top-heavy plan increases to \$180,000 (from \$175,000).

The limitation under §414(v)(2)(B)(i) for catch-up contributions to §§401(k), 403(b), and 457(b) plans for individuals age 50 or over remains unchanged at \$6,000; the limitation under §414(v)(2)(B)(ii) for catch-up contributions to an employer’s SIMPLE plan for individuals age 50 or over remains unchanged at \$3,000.

The limitation used in the definition of “highly compensated employee” under §414(q)(1)(B) increases to \$125,000 (from \$120,000).

The compensation amount under §408(k)(2)(C) regarding simplified employee pensions (SEPs) remains unchanged at \$600.

The compensation amount under Treas. Reg. §1.61-21(f)(5)(i), concerning the definition of “control employee” for fringe benefit valuation purposes, remains unchanged at \$110,000. The compensation amount under §1.61-21(f)(5)(iii) increases to \$225,000 (from \$220,000).

The limit on annual contributions to an Individual Retirement Arrangement, which last increased in 2013, increases to \$6,000 (from \$5,500). The additional catch-up contribution limit for individuals aged 50 and over is not subject to an annual cost-of-living adjustment and remains \$1,000.

**AMERICAN
PAYROLL
ASSOCIATION**

West Michigan Chapter is an affiliated local chapter of the American Payroll Association. Learn more about APA at www.americanpayroll.org

Certification Spotlight!

Congrats to our newest CPP certified
Chapter Members!

Laura Butrick, CPP – Payroll Specialist at TGW
Group

Mark Denhof, CPP – Payroll Administrator at
Van Andel Institute

Have ideas or suggestions for our
newsletter? Contact us!

Email Christine Nygaard at cnygaard@ufpi.com

Chapter Website: <http://westmichiganapa.org>
Facebook Page: <https://www.facebook.com/westmiapa/>