

The background of the image is a dark green color with a pattern of blurred, overlapping green leaves, creating a natural and organic feel.

# Greenshades

# 15 Year-End Tips in 15 Minutes

---

Year-End Webinar Series 2022

 Greenshades



## About Greenshades

- 20 years of experience in Tax and Compliance
- Started as experts in tax and compliance before adding HR and payroll solutions
- Greenshades offers a cloud-based, all-in-one solution that supports the employee from hire to retire
- Serves over 3,800 mid-size organizations (and counting!)

A photograph of a wooden desk with a white laptop, a small green plant in a black pot, a spiral-bound notebook, and a silver pen.

## 15 Tips... Before We Start

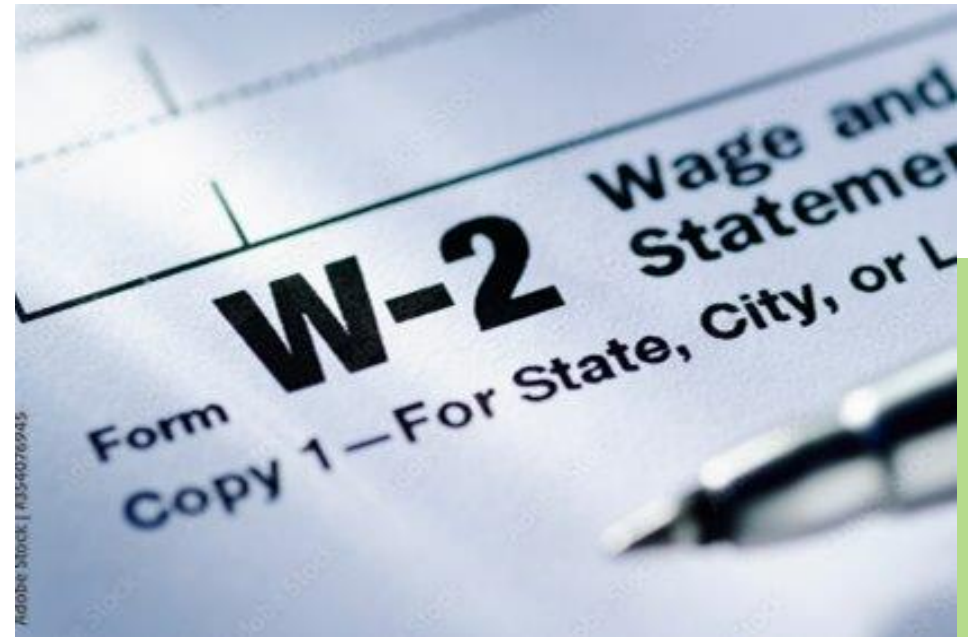
- These tips are in no particular order
- These tips may not be applicable to all companies or situations
- This is not formal legal advice, always consult your local counsel
- Greenshades partners with myHRCounsel to provide customers with affordable, online and on-demand legal advice
- **If you have questions about how Greenshades can help you during year-end, let us know!**



# Tip #1

## Reconcile 941 and W-2 before filing

- Ensure your (4) quarter 941 totals match employee W-2 wage totals
- Double check wages paid under FFCRA for proper W-2 reporting
  - (totals should match the totals reported in lines 5(a)(i) and 5(a)(ii) on the 941s)
- Review voided checks and manual transactions to ensure they were properly recorded for both 941 and W-2 reporting



A stack of Social Security cards is shown on the left side of the slide. The cards are blue and white, with the words "SOCIAL SECURITY" printed vertically in a stylized font. The top card is slightly offset, showing the edges of the cards underneath.

## Tip #2

### **Prevent Penalties for no-match information returns**

- Use the SSN and TIN verification tools in Greenshades Year-end forms to review your recipient tax IDs before distribution of forms
- Ensure you have W-4 and W-9 copies for all employees and vendors
  - Audit for legibility of records, signatures and dates to avoid unintentional, invalid documents
- Address validation using the USPS services accessed through the Greenshades products to help reduce forms getting "lost in the mail"



## Tip #3

**Review benefits to calculate and adjust for imputed income from group life insurance and other fringe benefits such as:**

- Premiums for employee coverage over \$50,000
- Premiums for spouse coverage over \$2,000
- Personal use of a vehicle
- Adoption or dependent care assistance in excess of the allowable tax-free amount
  - *Special care should be paid to dependent care benefits as many employers offered expanded benefits during COVID-19*
- Treat all benefits provided in a calendar year as paid no later than December 31 of the calendar year.



## Tip #4

### Be Sure to Check the Wage Base

- The 2022 Social Security wage base is \$147,000
- Employee social security withholding should not exceed \$9,114 in 2022
- The 2023 Social Security wage base will be \$160,200





## Tip #5

### Make sure you use the right 1099

- 1099-NEC is specifically for reporting **Non- Employee Compensation**
- Use 1099-NEC for independent contractors, gig workers, and other non-W-2 employees
- You no longer report non-employee compensation on Form 1099-MISC (formerly box 7)
- 1099-NEC has been included in the **Combined Federal/State filing program** since 2021

<input type="checkbox"/> VOID <input type="checkbox"/> CORRECTED				
PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.		OMB No. 1545-0116 Form <b>1099-NEC</b> (Rev. January 2022) For calendar year 20 <input type="text"/>	<b>Nonemployee Compensation</b>	
PAYER'S TIN	RECIPIENT'S TIN	<b>1</b> Nonemployee compensation \$ <input type="text"/>		<b>Copy 1 For State Tax Department</b>
RECIPIENT'S name		<b>2</b> Payer made direct sales totaling \$5,000 or more of consumer products to recipient for resale <input type="checkbox"/>		
Street address (including apt. no.)		<b>3</b> <input type="text"/>		
City or town, state or province, country, and ZIP or foreign postal code		<b>4</b> Federal income tax withheld \$ <input type="text"/>		
Account number (see instructions)		<b>5</b> State tax withheld \$ <input type="text"/>	<b>6</b> State/Payer's state no. <input type="text"/>	<b>7</b> State income \$ <input type="text"/>

Form **1099-NEC** (Rev. 1-2022)    [www.irs.gov/Form1099NEC](http://www.irs.gov/Form1099NEC)    Department of the Treasury - Internal Revenue Service

## Tip #6

- Don't forget to get a **properly completed** W-9. If you are unable to get a correct TIN/EIN, be sure to start back-up withholding at the 2022 rate of 24%.
- If you do need to backup withhold on a contractor, remittances get reported/reconciled on Form 945.
- If backup withholding was required, don't forget to report it on the 1099 NEC or 1099 MISC.

Form <b>W-9</b> (Rev. October 2018) Department of the Treasury Internal Revenue Service		<b>Request for Taxpayer Identification Number and Certification</b> ▶ Go to <a href="https://www.irs.gov/FormW9">www.irs.gov/FormW9</a> for instructions and the latest information.		Give Form to the requester. Do not send to the IRS.
<b>1</b> Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.				
<b>2</b> Business name/disregarded entity name, if different from above				
Print or type. See Specific Instructions on page 3.	<b>3</b> Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only <b>one</b> of the following seven boxes.			<b>4</b> Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
	<input type="checkbox"/> Individual/sole proprietor or single-member LLC			Exempt payee code (if any) <input type="text"/>
	<input type="checkbox"/> C Corporation			Exemption from FATCA reporting code (if any) <input type="text"/>
	<input type="checkbox"/> S Corporation			(Applies to accounts maintained outside the U.S.)
<input type="checkbox"/> Partnership				
<input type="checkbox"/> Trust/estate				
<input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ <input type="text"/>				
<input type="checkbox"/> Other (see instructions) ▶ <input type="text"/>				
<b>5</b> Address (number, street, and apt. or suite no.) See instructions.			Requester's name and address (optional)	
<b>6</b> City, state, and ZIP code				
<b>7</b> List account number(s) here (optional)				

## Tip #7

### Review!

**Review Administrators** in Greenshades Online and the Year-End forms portal.

To ensure only current employees have access to forms and employee data.

Quick **audit of 401(k) contributions** for excess contributions.

---

This is especially likely with employees that are engaging in catch-up contributions



## Tip #8

### Use Electronic Consent to Streamline your Year End

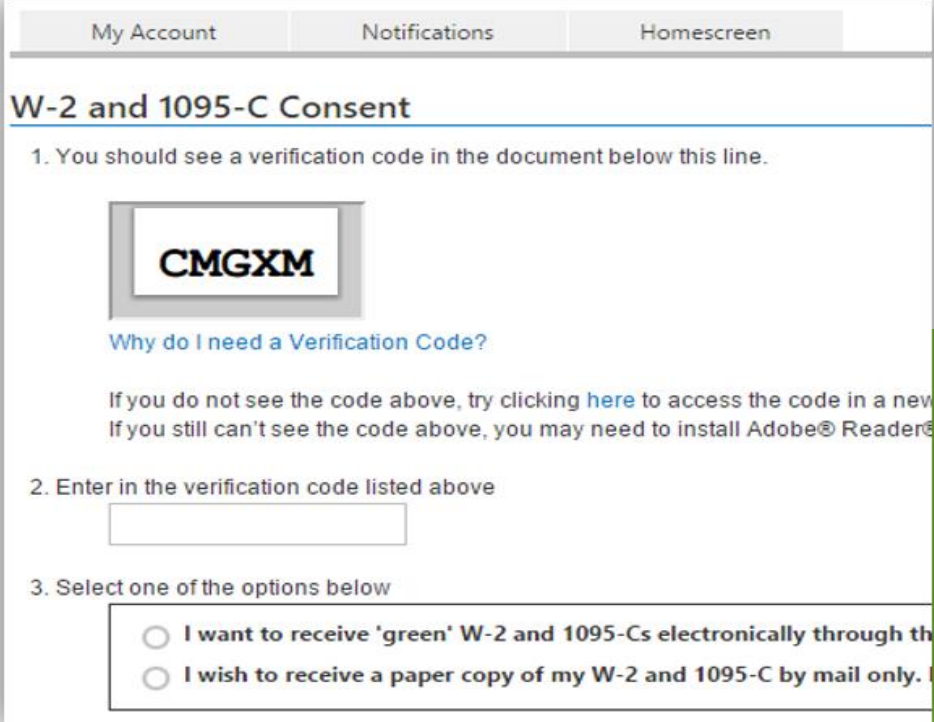
- Educate employees on the ability to receive their W-2s and 1095s electronically.
- For employers, electronic distribution is the fastest & most affordable distribution method.
- Remember that you cannot force employees to accept electronic distribution and must mail paper forms to those that do not consent or request paper copies.

The screenshot shows a web interface for 'W-2 and 1095-C Consent'. At the top are three tabs: 'My Account', 'Notifications', and 'Homescreen'. The main heading is 'W-2 and 1095-C Consent'. Below this, step 1 instructs the user to look for a verification code in a document. A placeholder image shows a box with the text 'CMGXM'. A link 'Why do I need a Verification Code?' is provided. Instructions follow: 'If you do not see the code above, try clicking [here](#) to access the code in a new window. If you still can't see the code above, you may need to install Adobe® Reader®.' Step 2 is 'Enter in the verification code listed above', with an empty text input field. Step 3 is 'Select one of the options below', with two radio button options: 'I want to receive 'green' W-2 and 1095-Cs electronically through the system' and 'I wish to receive a paper copy of my W-2 and 1095-C by mail only.'

## Tip #9

### Consider Concierge Support

Although all Greenshades products include unlimited customer support, we offer an enhanced support model for companies that need added assistance, year-end project planning, or dedicated support.



The screenshot shows a web interface for the "W-2 and 1095-C Consent" form. At the top, there are three tabs: "My Account", "Notifications", and "Homescreen". The main heading is "W-2 and 1095-C Consent". Below this, the first instruction is "1. You should see a verification code in the document below this line." This is followed by a placeholder image of a document with the text "CMGXM" in the center. Below the image is a link that says "Why do I need a Verification Code?". The next instruction is "2. Enter in the verification code listed above", with a text input field below it. The final instruction is "3. Select one of the options below", followed by two radio button options: "I want to receive 'green' W-2 and 1095-Cs electronically through th" and "I wish to receive a paper copy of my W-2 and 1095-C by mail only. I".

# Tip #10

## Streamline Year-End by Outsourcing Forms Production

Use Greenshades to create and distribute year-end forms with easy production, cost effective mailing options without putting staff at risk.

☐ VOID    ☐ CORRECTED

**Form 1095-C**  
Department of the Treasury  
Internal Revenue Service

**Employer-Provided Health Insurance Offer and Coverage**  
Do not attach to your tax return. Keep for your records.  
Go to [www.irs.gov/Form1095C](https://www.irs.gov/Form1095C) for instructions and the latest information.

☐ VOID    ☐ CORRECTED

OMB No. 1545-2251  
**2022**

OMB No. 1545-0116  
**Form 1099-NEC**  
(Rev. January 2022)  
For calendar year 20\_\_

**Nonemployee Compensation**

Part I Employee		Applicable Large Employer Member (Employer)			
1 Name of employee (first name, middle initial, last name)	2 Social security number (SSN)	7 Name of employer	8 Employer identification number (EIN)		
3 Street address (including apartment no.)		9 Street address (including room or suite no.)	10 Contact telephone number		
4 City or town	5 State or province	6 Country and ZIP or foreign postal code	11 City or town	12 State or province	13 Country and ZIP or foreign postal code

Part II Employee Offer of Coverage	Employee's Age on January 1							Plan Start Month (enter 2-digit number):					
	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
14 Offer of Coverage (enter required code)													
15 Employee Required Contribution (see instructions)	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
16 Section 4980H Safe Harbor and Other Relief (enter code, if applicable)													
17 ZIP Code													

**Copy 1**  
**For State Tax Department**

ig \$5,000 or more of it for resale ☐

7 State income  
\$  
\$

Department of the Treasury - Internal Revenue Service

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.    Cat. No. 60705M    Form 1095-C (2022)



## Tip #11

### Archive!



Before the end of the year, make sure you have previous copies of your year-end forms as well as a plan for current year information.

Greenshades offers a multiple options Archive options:

- 7-year archive enrollment, during the initial upload process!
- The ability to download all forms locally at no additional cost
- Individual year archive options
- CD Archive requests, that Greenshades fulfills and mails right to your home or office

## Tip #12

### **Be aware of the paper shortage!**

- If you print your own forms, be aware of the paper shortage
- Increased demand and low supply will mean competition for resources
- Shipping delays from FedEx or UPS, winter storms, and other factors could lead to late distribution penalties
- Always print a test copy to ensure your paper is in the printer with the correct orientation before accidentally ruining precious tax stock



## Tip #13

### **Remind Employees to verify their personal and contact info in Q4.**

Send out a reminder in Q4 to employees asking them to review their:

- Mailing Address
  - Personal contact information
  - Emergency Contacts
  - Dependent Information
  - Beneficiary Information for 2022 benefits
  - Distribution preferences for Year-End forms
- 
- This review can cut down on print and mail bounce backs, discussions with employees, and additional work during critical periods in January.

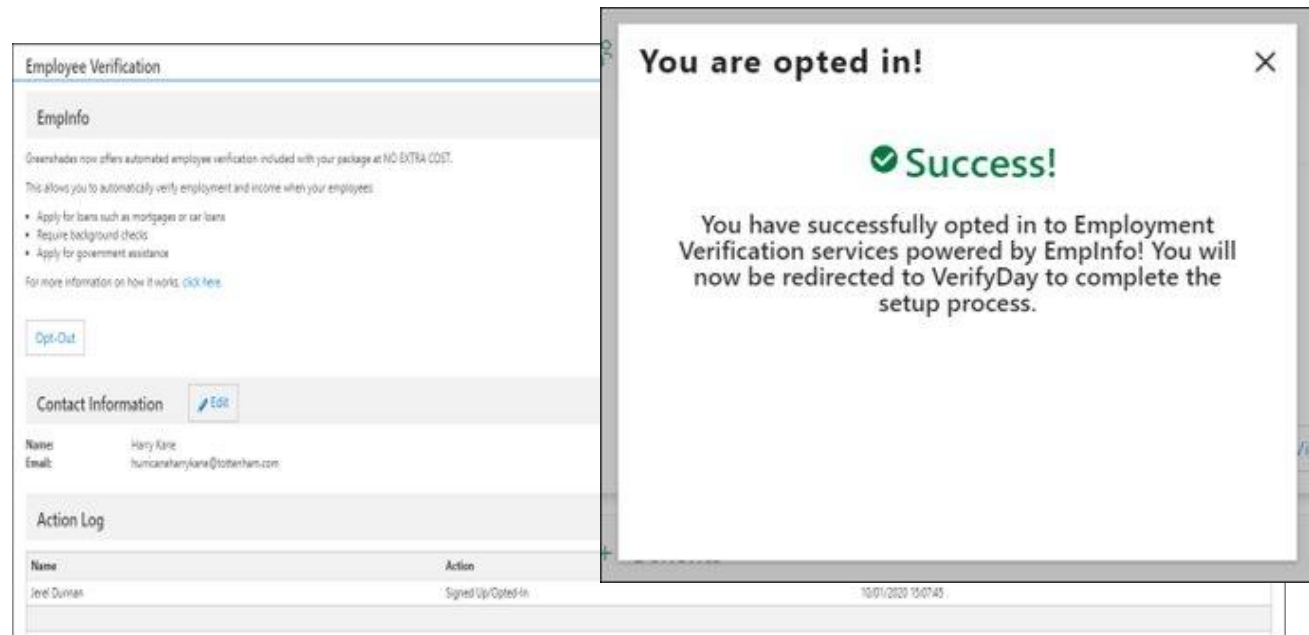




## Tip #14

### Sign up for Employment and Income Verification

- Use EmplInfo through Greenshades at no additional cost!
- Streamline employment and income verification for Greenshades Online users
- Using this service can automate these verifications and save your team time and money!



## Tip #15

### Get Started Early!

- Avoid stress by getting started early
- Work with Greenshades to complete, file, and distribute year-end forms
- The sooner the better, the closer to Jan 31 the more costly

\$0.99 per form upload fee	
PRINT AND MAIL	
Date Range	Price
01/01/2023 - 01/04/2023	\$0.75
01/05/2023 - 01/09/2023	\$2.19
01/10/2023 - 01/15/2023	\$2.74
01/16/2023 - 01/20/2023	\$3.29
01/21/2023 - <b>01/23/2023*</b>	<b>\$3.84</b>
01/24/2023 - 02/13/2023	\$4.17
02/14/2023 - Onward	\$4.39
<b>*Last date guaranteed for January 31 delivery</b>	

# Thank you!

*For more information contact  
[sales@greenshades.com](mailto:sales@greenshades.com) or visit [go.greenshades.com](http://go.greenshades.com)*

**Greenshades**