

# Happy Holidays from Ahola Payroll



## Frequently Asked Questions

### SEASON'S GREETINGS

Our offices will be closed on  
December 26, 2011  
and  
January 2, 2012.

New Pennsylvania  
Act 32 information -  
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New Ohio minimum  
wage information -  
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### FRINGES, BONUSES, THIRD PARTY SICK PAY, HSA

**Q: *When do I need to have my Fringes, Year-End info or Bonus amounts in to Ahola?***

A: Fringes, Year-End information and/or bonuses should be submitted with or prior to your last payroll of 2011.

**Q: *I have a large bonus run - is there anything special that needs to be done?***

A: If you will be having a large run or a combination of runs, where the 941 liability is \$100,000.00 or more, the taxes on that run will be due the next business day (check date + 1). If a next-day tax deposit is processed after 12/28/11, you will be required to wire funds for the tax liability to Ahola and sign the letter releasing Ahola from liability for penalties and/or interest due to late tax filing for that run.

**Q: *When is the last day to submit Third Party Sick Pay information to Ahola?***

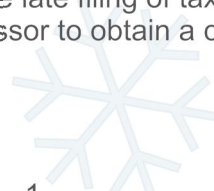
A: Third Party Sick Pay information should be submitted to Ahola as soon as possible, but no later than 1/13/2012. Please notify your processor as soon as possible if you know you will be receiving a Third Party Summary Statement.

**Q: *What is the last date I can process adjustments for 2011 without penalties? (Tax Payment Services Customers)***

A: 12/30/11 - Any adjustment runs processed after 12/30/11 will require a customer signature on our letter acknowledging that the customer will be responsible for any interest and/or penalties that may be incurred by the late filing of tax monies. Please contact your payroll processor to obtain a copy of our Adjustment letter.



*"America's First Family Payroll Company"™*



***Q: Our employees have Health Savings Accounts (HSA) that the company contributes to. These accounts are not run through the payroll. Does Ahola need to know about this?***

A: Yes. ALL contributions to Health Savings Accounts (HSA) including those made by the employer need to be shown in box 12 of the form W-2. If your employee contributions or employer matching contributions are not run through the payroll, please let your processor know before December 30th. Ahola will need to enter your employee and employer contribution information to be shown in the appropriate W-2 box.



Note: Health Savings Accounts (HSA) have government mandated contribution limits based on plan type, as well as the employee's age. Employers should audit employee contributions to ensure that employees have not contributed amounts over the allowable limits based on plan type and catch-up amounts (if applicable.) If you require an audit report to verify your employee contributions, please contact your processor to request a Deduction Report for HSA contributions (made through payroll.)

## **Healthcare Reform Act Reporting Requirements**

***Q: Do I have to report the value of each employee's employer-provided health coverage on their 2012 W2s?***

A: Beginning in 2012 employers issuing 250 or more W-2 forms will be required to report the cost of coverage under an employer sponsored group health plan. Reporting for smaller employers will remain voluntary.

Please note that employers with 250 employees or more should watch for a separate communication from Ahola regarding their reporting requirements and what Ahola will need to fulfill those requirements.



## W-2s and 1099s

### **Q: How can I avoid reprint charges for corrected W2s?**

A: Now is a great time to review your employee's information and check for accuracy, paying particular attention to addresses and Social Security numbers. A good way to accomplish this is to attach a form to everyone's paycheck and have them re-submit their Social Security number and current address for verification. Current year W-2 reprints are done at a cost of \$10.00 each.

*Note: Ahola's policy states that we will not knowingly file incorrect employee information with any government agency. Therefore, if you have employees that have been returned on the Social Security Verification Report with an error on their Social Security number, Ahola will not file 4th quarter or year-end returns until the Social Security number issue has been resolved.*



### **Q: What happens if I need a W-2 reprinted because it contains incorrect information?**

A: W-2s that need to be reprocessed because they have an incorrect Social Security number, or are lost due to a bad address that was not corrected before the end of 2011, will be reprinted at the customer's expense. The charge for reprocessed copies of 2011 W-2s is \$25.00 each. The charge for corrected W-2s after they are electronically filed (3/31/12) is \$50.00 each.

### **Q: When do my W-2s have to be out to my employees?**

A: W-2s must be postmarked by 1/31/2012.

### **Q: When do I have to have my 1099's out?**

A: 1099's must be postmarked by 1/31/2012.

### **Q: Are you running 1099 forms for our company? Can you run our Accounting Department's 1099's for us?**

A: If 1099 payments have been run through payroll all year, 1099 forms will be generated on or about 1/20/2012. Only 1099 payments of \$600 or more (for the year) will generate 1099 forms.

### **Q: When will my W-2s be delivered?**

A: We have a target date of January 13, 2012. This means that all Year-End Packages (except those that have 3rd Party Sick Pay or adjustments to be made) will be delivered between January 5th and January 13th.

**Q: Where will my W-2 forms be delivered?**

A: W-2s are included with your year-end package. Year-end packages are delivered to the same address as the Quarterly package and require a signature for delivery. If your Quarterly delivery address is a residence, a signature is not required. If your Quarterlies are delivered to your accountant, your W-2 forms are as well.



**Q: If I have questions about my year-end package, whom should I contact?**

A: Our Customer Service Department can assist you with any year-end package questions. They can be reached at (440) 717-7620, Option 7.

**Q: We plan to file our own W2s this year. Our company does not want Ahola to file them electronically - what do we need to do?**

A: Please send (via fax or email) your request, in writing, to The Ahola Corporation, Attn: CherylLaskowski, as soon as possible. Please fax written requests to: 440-717-7690, or email them to claskowski@ahola.com. Requests should be received by December 29, 2011.

## **RETIREMENT PLANS, UNEMPLOYMENT RATE DETERMINATIONS & WORKER'S COMPENSATION REPORTING, COBRA, PENNSYLVANIA ACT 32**

**Q: Several of my employees who participate in the company's retirement plan are over 50 and would like to contribute the catch-up amount - will their contributions continue up to the full catch-up limit automatically?**

A: No, it is not automatic. Because the catch-up contribution is voluntary, you must notify your Payroll Processor of any eligible employees who wish to make the voluntary catch-up contributions to the plan.

**Q: I received my unemployment rate determination sheet from Ohio Job & Family Services - do you need it?**

A: Yes. Please circle the rate you would like us to use and fax it to Ahola, at (440) 717-7695 - ATTN: Tax Department.



**NOTE: Voluntary payment may or may not reduce your rate!** If you choose to make the voluntary payment, please make a note of that on the rate determination and circle the rate we are to use before faxing.



**Q: How will the COBRA payments we have made on behalf of laid-off employees show on the form W-2?**

A: They will not appear anywhere on the form W-2. IRS is not requiring any reporting of individual's COBRA payments at this time.

**Q: How does Pennsylvania's new tax law (PA Act 32) effect employers working in PA or employees that live in PA?**

A: Pennsylvania's new Act 32 requires employers to gather new information from employees. Beginning in 2012, employers will be required to obtain a completed Residency Certificate (RC) from all employees living or working in Pennsylvania. RCs can be obtained by visiting our web site, [www.Ahola.com](http://www.Ahola.com), or the State of Pennsylvania's web site at [www.newpa.com](http://www.newpa.com)

*Note: If you have a work site in Pennsylvania or have employees living in Pennsylvania and have not received an informational letter from Ahola regarding PA Act 32, please send an email to Sara Foster ([sfoster@ahola.com](mailto:sfoster@ahola.com)) to request information as soon as possible.*

**Q: Does Ahola do my Worker's Compensation Reporting?**

A: Ahola does provide Worker's Compensation reporting for Ohio clients that have signed up for our Ohio Worker's Compensation program. For clients that are not taking advantage of this service, Ahola will provide a worksheet to assist customers in completing the Worker's Compensation Reports. This worksheet is included in your 2nd Qtr. and Year-End packages. If you are interested in signing up for the Worker's Compensation program, please contact Customer Service at 440-717-7620, Option 7.

