

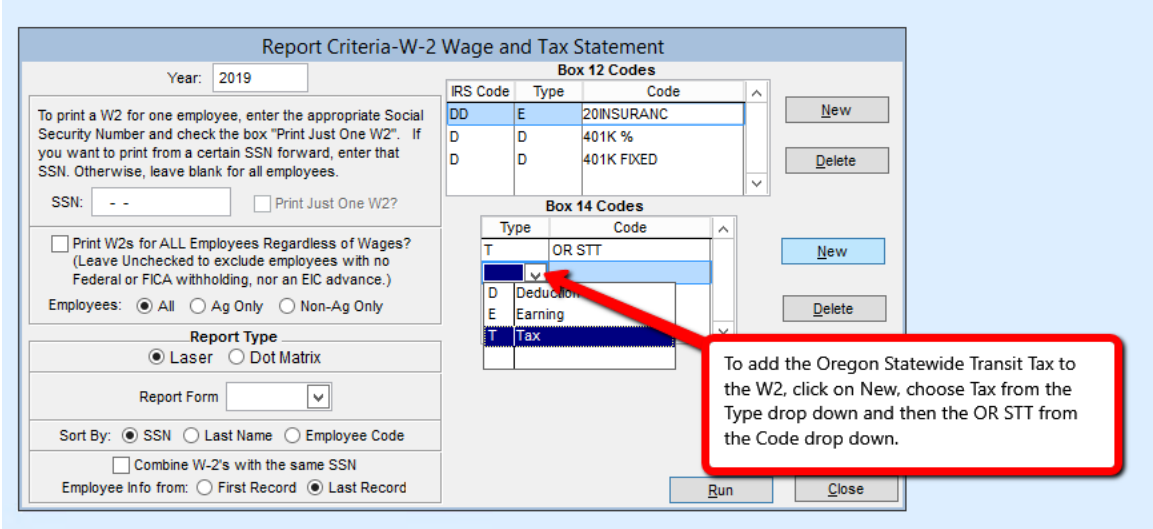
Important Reminders:

1. You can continue into January 2021 without an update. Federal and State taxes will just be withheld at 2020 rates. The 20.51 update and later includes the new 2021 tax tables for Federal, Canadian, California, New York, and Oregon.
2. February 1, 2021 is the filing deadline for BOTH electronic and paper forms W-2 to the government since January 31 falls on a Sunday.
3. For Tax Year 2020, the Box 7 on the MISC-1099 form was replaced with a new Form-NEC for Non-employee Compensation, also due on February 1, 2021.
4. Change your SUTA limit for your state; your rate for your business; and the FICA Limit in 2021.
5. There was a new Form W4 beginning in January 2020. Older versions of the W4 can still remain in place unless the employee wants to make a change in their withholding. The government has issued 2 sets of Federal Tax Tables, the Standard Tax Table for old W4 forms and a new one for Multiple Jobs from the new Form W4. Both tables are installed, and both are updated. These changes are outlined in this document.

W2 Forms

If you have a W2/1099 form supplier that has forms that have worked well with our program in the past, you can continue to use them. There are sometimes slight differences in margins that make some forms line up better than others. For us to have a standard format, we align with the forms provided by Form Masters. The contact is **Anita Ensley and the number is 503-319-7783**. She can help you decide which forms to order. You can determine the number of W2's needed by running the W2 program in our system to the viewer only, then close it and the W3 will view. It states the number of W2's printed. (Remember that is W2's not number of forms as you could choose the forms with 2 employees per page or 1 employee per page.)

Oregon employers must add the Statewide Transit Tax to Box 14 of the employees W2s. This went into effect last year. You do that by adding the Tax Code to the Box 14 area of the screen when you run the W2's. If you did that last year, the setup should remain in place for this year.



Report Criteria-W-2 Wage and Tax Statement

Year: 2019

To print a W2 for one employee, enter the appropriate Social Security Number and check the box "Print Just One W2". If you want to print from a certain SSN forward, enter that SSN. Otherwise, leave blank for all employees.

SSN: -- Print Just One W2?

Print W2s for ALL Employees Regardless of Wages? (Leave Unchecked to exclude employees with no Federal or FICA withholding, nor an EIC advance.)

Employees: All Ag Only Non-Ag Only

Report Type
 Laser Dot Matrix

Report Form: [Dropdown]

Sort By: SSN Last Name Employee Code

Combine W-2's with the same SSN

Employee Info from: First Record Last Record

IRS Code	Type	Code
DD	E	20INSURANC
D	D	401K %
D	D	401K FIXED

Box 14 Codes

Type	Code
T	OR STT
D	Deduction
E	Earning
T	Tax

To add the Oregon Statewide Transit Tax to the W2, click on New, choose Tax from the Type drop down and then the OR STT from the Code drop down.

Employer Cost of Health Care on W2 Box 12. We have separate instructions describing the procedures for this process if you are required. This procedure went in place in 2012, however it still remains a requirement only for employers who print 250 or more W2's. If you do, compile a list of the cost of health insurance for your employees and follow the instructions on the "Health Insurance Premiums Cost" document. This is YOUR cost as an employer, not what your employee paid in as premiums. More information at <http://www.irs.gov/uac/Form-W-2-Reporting-of-Employer-Sponsored-Health-Coverage>

CARES Act Sick & Family Leave on the W2

If you paid out Sick Leave or FFCRA Leave (Families First Corona Response Act), you are required to give that information to employees either in Box 14 of the W2 or on a separate statement per this IRS publication. <https://www.irs.gov/pub/irs-drop/n-20-54.pdf> If you want to include that information on the W2, we have a separate document with those instructions attached with the email or available for download from our Message board.

W3 Transmittal

For those who are not submitting the W2's to the government online by magnetic media, remember to check the top boxes and sign before sending the W3 in with your W2's.

DO NOT STAPLE

33333		a Control number		For Official Use Only ▶ OMB No. 1545-0008	
b Kind of Payer (Check one)	<input type="checkbox"/> 941 CT-1	<input type="checkbox"/> Military Hshld. emp.	<input type="checkbox"/> 943 Medicare govt. emp.	<input type="checkbox"/> 944	Kind of Employer (Check one)
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
				<input type="checkbox"/> State/local non-501c	<input type="checkbox"/> 501c non-govt. State/local 501c
				<input type="checkbox"/> Federal govt.	<input type="checkbox"/> Third-party sick pay (Check if applicable)
c Total number of Forms W-2		d Establishment number		1 Wages, tips, other compensation	2 Federal income tax withheld
e Employer identification number (EIN)				3 Social security wages	4 Social security tax withheld
f Employer's name				5 Medicare wages and tips	6 Medicare tax withheld
				7 Unemployment taxes	8 Unemployment taxes withheld
				9 Nonqualified plans	10a Deferred compensation
g Employer's address and ZIP code				11 For third-party sick pay use only	12b
h Other EIN used this year				14 Income tax withheld by payer of third-party sick pay	
15 State	Employer's state ID number			18 Local wages, tips, etc.	
16 State wages, tips, etc.		17 State income tax		19 Local income tax	
Employer's contact person				Employer's telephone number	For Official Use Only
Employer's fax number				Employer's email address	

After GrowPoint prints the amounts on your W3, you need to check the boxes that apply in this area of the form, fill in any telephone numbers needed, and also sign & date at the bottom.

Under penalties of perjury, I declare that I have examined this return and accompanying documents, and, to the best of my knowledge and belief, they are true, correct, and complete.

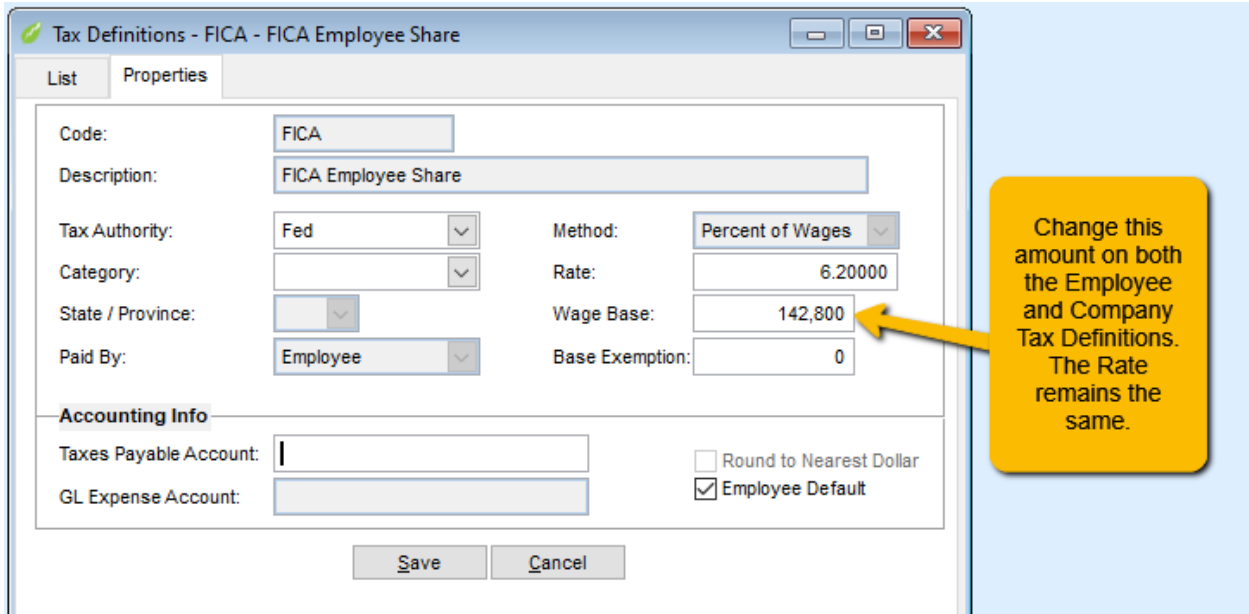
Signature ▶ Title ▶ Date ▶

The deadline for 1099-NEC forms (for nonemployee compensation). The Form 1099-NEC must be filed on or before February 1, 2021 to both the recipient and the government. Otherwise, other 1099 forms file to the government by February 28, 2021, if you file on paper, or by March 31st electronically. <https://www.irs.gov/businesses/small-businesses-self-employed/employment-tax-du-dates> The MISC-1099 Box 7 was replaced by the 1099-NEC for Non-employee Compensation this year. There is a new box code that was added to the vendor file in the 1st Quarter of 2020, be sure to use it instead of Box code 7 and also use the 1099-NEC form instead of the 1099-MISC form.

OASDI (FICA) and Medicare Rates & Limits

- FICA Limit Wage Base 142,800
- Employee Rate (unchanged) 6.2
- Company Rate (unchanged) 6.2

The only value that changes in your system will be the FICA Limit (Wage Base). Be sure to change it in both the Employee and Employer FICA Tax Definition in Maintenance>Tax Definitions AFTER the end of the year.



The screenshot shows a software window titled "Tax Definitions - FICA - FICA Employee Share". It has two tabs: "List" and "Properties". The "Properties" tab is active, showing the following fields:

- Code: FICA
- Description: FICA Employee Share
- Tax Authority: Fed (dropdown)
- Method: Percent of Wages (dropdown)
- Category: (dropdown)
- Rate: 6.20000
- State / Province: (dropdown)
- Wage Base: 142,800 (highlighted with a yellow arrow)
- Base Exemption: 0
- Paid By: Employee (dropdown)

Below these fields is an "Accounting Info" section with:

- Taxes Payable Account: (empty field)
- GL Expense Account: (empty field)
- Round to Nearest Dollar
- Employee Default

At the bottom are "Save" and "Cancel" buttons. A yellow callout box on the right contains the text: "Change this amount on both the Employee and Company Tax Definitions. The Rate remains the same."

Medicare Employee & Company

There is no upper limit, so set the Wage Base to 999,999 and the rate of 1.45 remains the same.

Oregon Unemployment and Worker's Comp changes

Oregon's Taxable Wage Base will be **\$43,800** up from \$42,100. Your unemployment rate will be sent to you by your state, make any changes to that rate on the same screen.

Tax Definitions - OR Unemp - Oregon - State Unemployment Tax

List **Properties**

Code: OR Unemp

Description: Oregon - State Unemployment Tax

Tax Authority: State EFT Method: Percent of Wages

Category: Rate: 3.00000

State / Prov: Wage Base: 43,800

Paid By: Base Exemption: 0

Accounting

Taxes Payable Acc: Round to Nearest Dollar

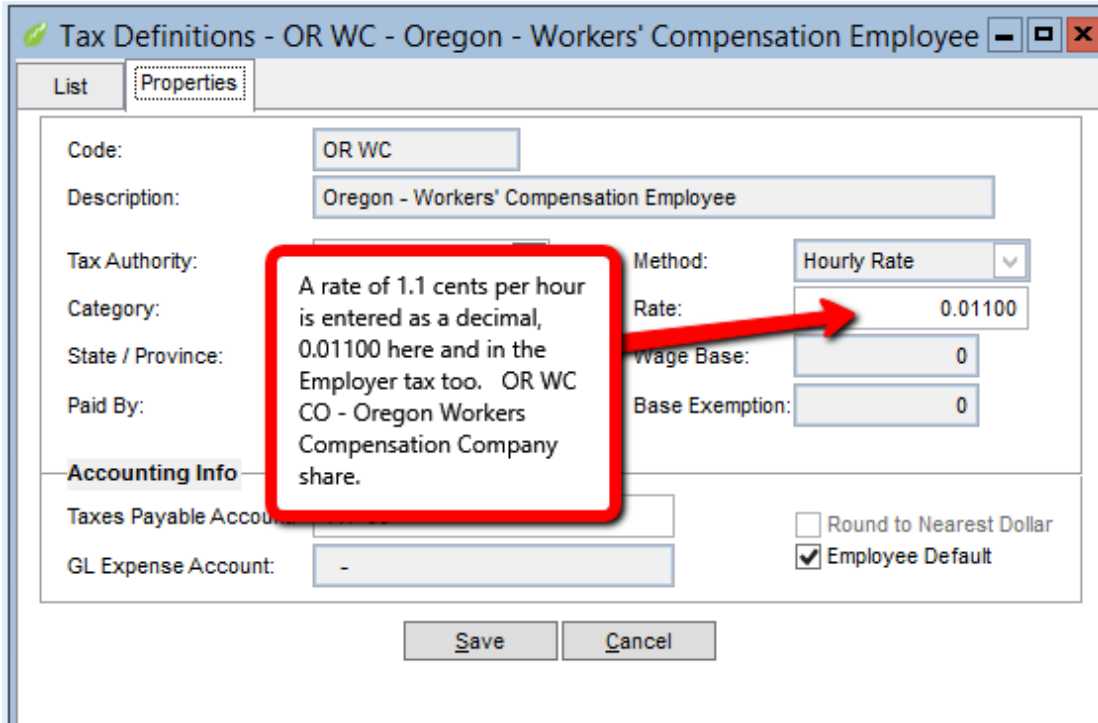
GL Expense Acco: Employee Default

Cancel

This rate is unique to your company and will be sent from your state to you. 3% = 3.00000

Enter the new Wage Base for your state if it changed. Oregon changed to 43,800 in 2021.

Oregon Worker's Benefit Fund: <https://www.oregon.gov/dcb/Pages/wbf.aspx> This assessment remains the same - 2.2 cents per hour. Divide the rate in half for the employee and company portions, to **1.1 cents** each and enter as a decimal (0.01100) in both the Employee and Company Worker's Compensation taxes.



Tax Definitions - OR WC - Oregon - Workers' Compensation Employee

List Properties

Code: OR WC

Description: Oregon - Workers' Compensation Employee

Tax Authority: [Redacted]

Category: [Redacted]

State / Province: [Redacted]

Paid By: [Redacted]

Method: Hourly Rate

Rate: 0.01100

Wage Base: 0

Base Exemption: 0

Accounting Info

Taxes Payable Account: [Redacted]

GL Expense Account: -

Round to Nearest Dollar

Employee Default

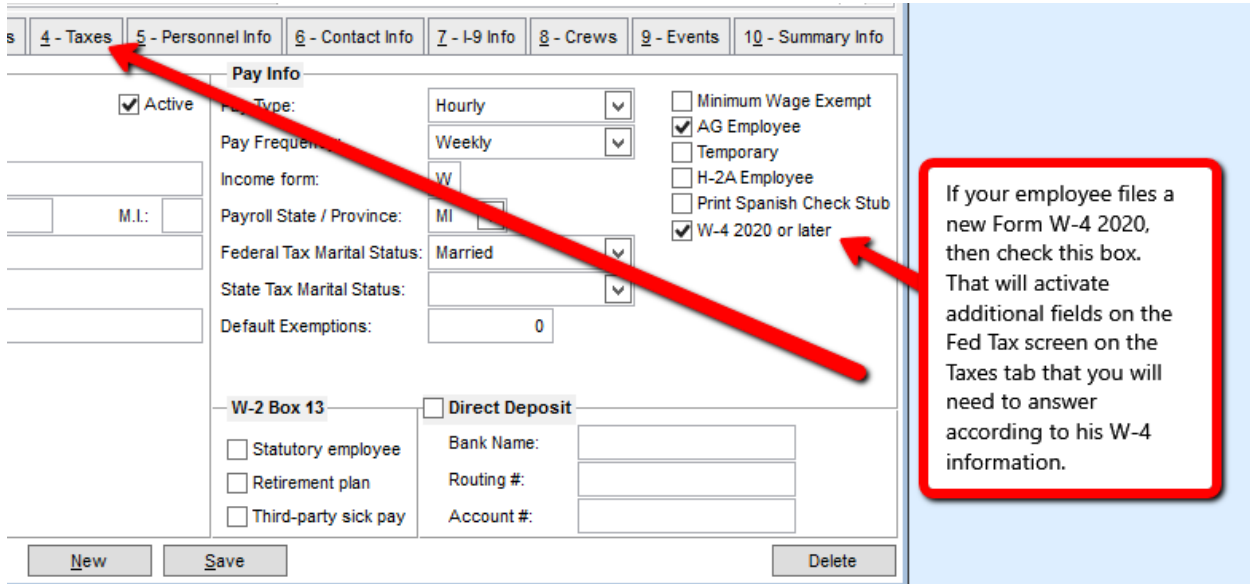
Save Cancel

A rate of 1.1 cents per hour is entered as a decimal, 0.01100 here and in the Employer tax too. OR WC CO - Oregon Workers Compensation Company share.

Other states will send you their changes to the unemployment Wage Base and rate for your company, and any rate changes for Worker's Comp. Change them in the same manner for your state. **In our system, percentage rates are entered as the percentage. Ex. 6.2% = 6.2000 For the cents/hour, it is the cents in decimal form, so 1.1 cents per hour is 0.01100.**

New Form W4 and Federal Withholding Calculation Changes

In 2020, there was a new Form W4 which no longer uses withholding allowances, but rather uses a structure of 2 different Federal Tax Tables. A second table is used if the employee checks the box in Step 2 of the new Form W4 for those who have multiple jobs or a working spouse. The Standard Withholding Rate table is used for those employees who have submitted or still have on record, a Form W4 from 2019 or prior years, or if the box in Step 2 of the new form is NOT checked. Basically, if your employee feels that they did not have the proper amount of tax withheld in the past – either too much or too little, they should use the worksheet on the new W4 to calculate the best method to request on making a change. If your employee has filed a Form W-4 2020, then check the box on the Details tab of the employee screen, if not, the prior years W4's are valid to use.



s 4 - Taxes 5 - Personnel Info 6 - Contact Info 7 - I-9 Info 8 - Crews 9 - Events 10 - Summary Info

Pay Info

Active

Pay Type: Hourly

Pay Frequency: Weekly

Income form: W

Payroll State / Province: MI

Federal Tax Marital Status: Married

State Tax Marital Status:

Default Exemptions: 0

Minimum Wage Exempt

AG Employee

Temporary

H-2A Employee

Print Spanish Check Stub

W-4 2020 or later

W-2 Box 13

Statutory employee

Retirement plan

Third-party sick pay

Direct Deposit

Bank Name:

Routing #:

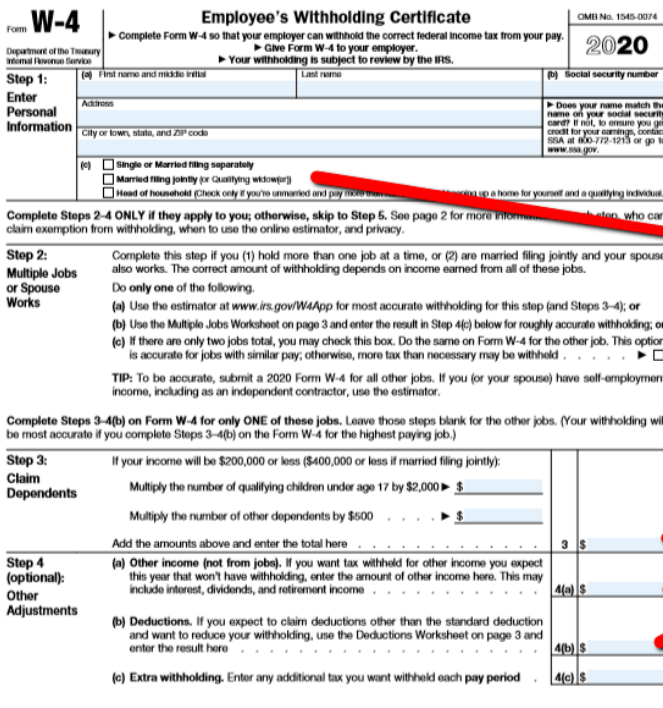
Account #:

New Save Delete

If your employee files a new Form W-4 2020, then check this box. That will activate additional fields on the Fed Tax screen on the Taxes tab that you will need to answer according to his W-4 information.

Do not check the box if the employee still has an old Form W-4 filed with you. Existing employees are not required to fill out a new W4 Form. Additional information on withholding can be found in the FAQ here: <https://www.irs.gov/newsroom/faqs-on-the-draft-2020-form-w-4> Our system prints the 2020 W4 form from the Employee record in the lower left hand corner under "Forms."

Step 2 on the Form W4 has options a, b, and c. If the employee chooses option a) or b) they are responsible for calculating any additional withholding tax they would want to add to what the table will calculate for them and they will put that amount in Step 4 c) of the Form W4. The new Form W-4 includes a worksheet and tax tables, but we do not print those out from GrowPoint, see the attached version.



Form W-4 Employee's Withholding Certificate
OMB No. 1545-0074
2020

Department of the Treasury Internal Revenue Service
▶ Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay.
▶ Give Form W-4 to your employer.
▶ Your withholding is subject to review by the IRS.

Step 1: Enter Personal Information

(a) First name and middle initial Last name
Address
City or town, state, and ZIP code

(b) Social security number
▶ Does your name match the name on your social security card? If not, to ensure you get credit for your earnings, contact SSA at 800-772-1213, or go to www.ssa.gov.

(c) Single or Married filing separately
 Married filing jointly (or Qualifying widow(er))
 Head of household (check only if you're unmarried and pay more than half the cost of keeping up a home for yourself and a qualifying individual).

Complete Steps 2-4 ONLY if they apply to you; otherwise, skip to Step 5. See page 2 for more information on each step, who can claim exemption from withholding, when to use the online estimator, and privacy.

Step 2: Multiple Jobs or Spouse Works
Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs. Do only one of the following:
(a) Use the estimator at www.irs.gov/W4App for most accurate withholding for this step (and Steps 3-4); or
(b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; or
(c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld.
TIP: To be accurate, submit a 2020 Form W-4 for all other jobs. If you (or your spouse) have self-employment income, including as an independent contractor, use the estimator.

Complete Steps 3-4(b) on Form W-4 for only ONE of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3-4(b) on the Form W-4 for the highest paying job.)

Step 3: Claim Dependents
If your income will be \$200,000 or less (\$400,000 or less if married filing jointly):
Multiply the number of qualifying children under age 17 by \$2,000 ▶ \$
Multiply the number of other dependents by \$500 ▶ \$
Add the amounts above and enter the total here 3 \$

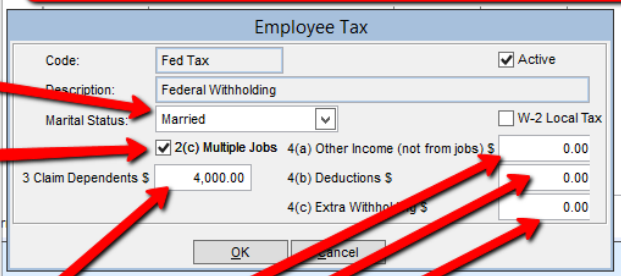
Step 4 (optional): Other Adjustments

(a) Other income (not from jobs). If you want tax withheld for other income you expect this year that we'll have withholding, enter the amount of other income here. This may include interest, dividends, and retirement income 4(a) \$

(b) Deductions. If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here 4(b) \$

(c) Extra withholding. Enter any additional tax you want withheld each pay period 4(c) \$

This graphic shows you how the boxes and fields on the new Form W-4 relate to the Employee Tax screen for Fed Tax. The fields are named on the screen with the corresponding line on the Form. These fields will **only appear IF** you have checked the box on the Details tab of the employee to indicate they have a "W-4 2020 or later", otherwise it uses the older calculation method. Lines 3 & 4 are all dollar amounts, not numbers of allowances.



Employee Tax

Code: Fed Tax Active

Description: Federal Withholding

Marital Status: Married W-2 Local Tax

2(c) Multiple Jobs 4(a) Other Income (not from jobs) \$ 0.00

3 Claim Dependents \$ 4,000.00 4(b) Deductions \$ 0.00

4(c) Extra Withholding \$ 0.00

OK Cancel

Form 1095-C/1094-C Health Care Offered Employers with 50 or more full-time employees (including full-time equivalent employees) are considered Large Employers and must use Forms 1094-C and 1095-C to report the information required about offers of health coverage and enrollment in health coverage for their employees. If you are not sure if you qualify as a Large Employer, we have a utility that will calculate the Full Time and Full Time Equivalents for you. Contact your CSC if you do not already have it from last year. (Healthcare Large Employer Calculator.app) Here is information on whether you are a large or small employer. <https://www.irs.gov/affordable-care-act/employers>

We print the forms directly from our system for you to give to your employees without having to purchase forms, it includes the instructions on the back. If you have more than 250 forms, then you must file with the government online. We work with a third-party provider, www.Aatrix.com to feed a spreadsheet into that system and allow you to complete the filing through them. Contact your CSC for information on working with Aatrix.

Here is a link for more information <http://www.irs.gov/uac/About-Form-1095-C> and also <https://www.irs.gov/pub/irs-pdf/i109495c.pdf> The above IRS instructions state:

Extension of due date for furnishing statements. The due date for furnishing Form 1095-C to employees is extended from January 31, 2021, to March 2, 2021. See Notice 2020-76 and Extension of Time To Furnish Statement to Recipients.



2021 Payroll Information

Relief for failure to furnish statements to certain employees enrolled in self-insured health plan. The IRS will not impose a penalty for failure to furnish Form 1095-C to any employee enrolled in an ALE member's self-insured health plan who is not a full-time employee for any month of 2020 if certain conditions are met. See Notice 2020-76 and Information reporting penalties.

Extension of good faith relief for reporting and furnishing. The IRS will not impose a penalty for reporting incorrect or incomplete information on the Forms 1095-C if you make a good faith effort to comply with the information reporting requirements. See Notice 2020-76 and Information reporting penalties.

600120

Form 1095-C Employer-Provided Health Insurance Offer and Coverage. Includes fields for Employee and Applicable Large Employer Member (Employer) information, and a table for Employee Offer of Coverage by month.

The 1094-C is like a W3, it totals all the 1095's. Both need to be submitted to the government. Only the 1095 to the employee.

120116

Form 1094-C Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns. Includes fields for Applicable Large Employer Member (ALE Member) information and summary statistics.

Rest Breaks (reminder)

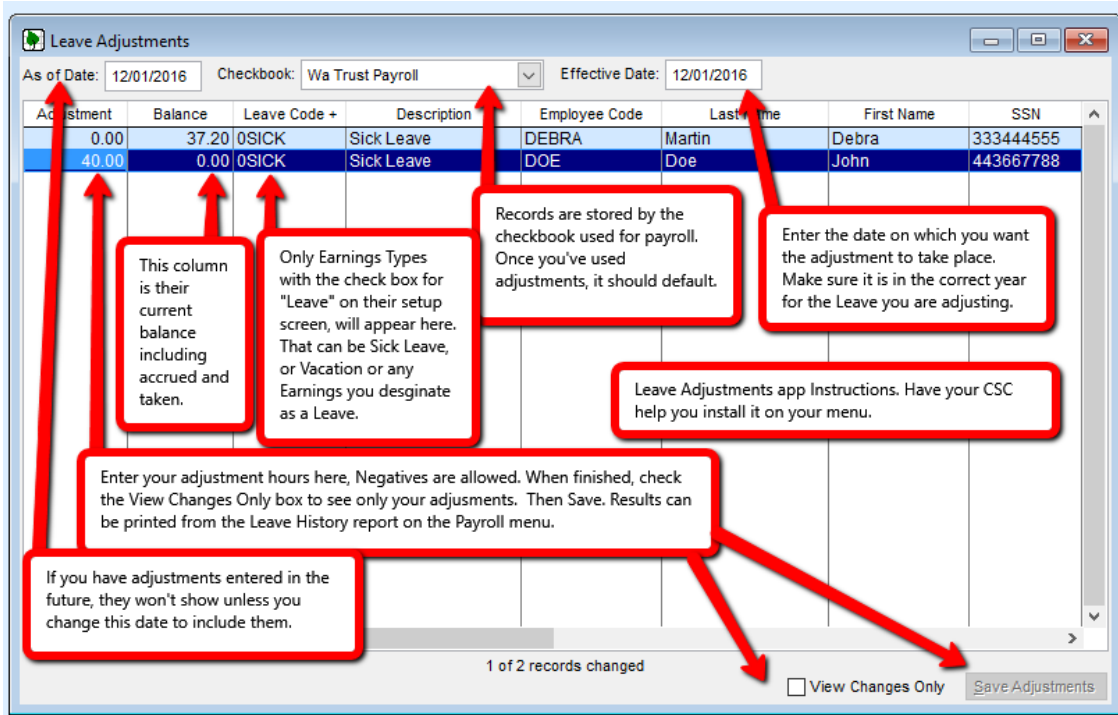
A few years ago, Washington and Oregon enacted a Rest Break law requiring employers to pay piecework paid employees for a rest break (either 10 or 15 minutes) every 4 hours at their currently earned rate per hour. Our system is enabled to calculate this for you on either a weekly or daily basis. For the daily option to work, you must enter timecards on a daily basis. Both the Rest Break accrued and paid will show on the check stub. Check with your CSC for help in turning on this function in the system. It can work for any state.

Regular Sick Leave Accrual (reminder)

Several states have enacted some form of Paid Sick Leave law in the last 3 years. (This was before the CARES act in response to Covid-19 sick leave and operates outside those laws.) We have individual instructions available for California, Oregon and Washington. The system accrues sick leave based on the rate per hour you enter and accrues to a maximum limit. You now have the option to make the limit an annual limit. With our Leave Adjustment utility, you can manage the Sick Leave accrued to adjust for errors, correct the Balance for sick leave accrued before you implemented the process, or to simply give employees the maximum annual amount up front (an option in OR and CA). If you don't want to accrue per hour worked, you have the option of just giving them the maximum at the beginning of the year. Use the Leave Adjustment utility to do that. Run the Leave History report at year end to determine if you want to adjust for the amount of Leave employees carry over. You can adjust them back to a carryover amount with the Leave Adjustment Utility below.

Leave Adjustment Utility

You can use this utility to adjust not only Sick Leave, but Vacation or any earnings type you have designated as a Leave type in the Earning Type Definition screen. It is called "Leave Adjustments,app" and you may have installed it in the past. We have an updated version that includes an As of Date for adjustments entered in the future. Contact your CSC to have it installed or updated if you need it.



Leave Adjustments

As of Date: 12/01/2016 Checkbook: Wa Trust Payroll Effective Date: 12/01/2016

Adjustment	Balance	Leave Code +	Description	Employee Code	Last Name	First Name	SSN
0.00	37.20	0SICK	Sick Leave	DEBRA	Martin	Debra	333444555
40.00	0.00	0SICK	Sick Leave	DOE	Doe	John	443667788

Callout Boxes:

- This column is their current balance including accrued and taken.
- Only Earnings Types with the check box for "Leave" on their setup screen, will appear here. That can be Sick Leave, or Vacation or any Earnings you designate as a Leave.
- Records are stored by the checkbook used for payroll. Once you've used adjustments, it should default.
- Enter the date on which you want the adjustment to take place. Make sure it is in the correct year for the Leave you are adjusting.
- Leave Adjustments app Instructions. Have your CSC help you install it on your menu.
- Enter your adjustment hours here, Negatives are allowed. When finished, check the View Changes Only box to see only your adjustments. Then Save. Results can be printed from the Leave History report on the Payroll menu.
- If you have adjustments entered in the future, they won't show unless you change this date to include them.

1 of 2 records changed View Changes Only Save Adjustments

You can also manage the Leave by using the Leave Year End Process that is built into your menu. For Oregon and California which allow only a limited number of hours to be carried forward into the new year, you will need to create that rollover balance at the end of each year.