

# Year-end is near! Are you ready?

Here are 7 steps to review that will help you prepare.

**Step 1: Review your workers' wages and benefits** - Check the wage and benefit information for each employee to make sure you can account for all the benefits you paid them throughout the year, leading up to the final paycheck. If any benefits aren't accounted for, add these to their last 2020 paycheck.

**Step 2: Review your employees' and contractors' personal information** - Make sure you have the correct names, addresses, and Social Security Numbers for every employee and contractor you paid in 2020. For independent contractors, you'll also need to check that their Tax Identification Numbers (TIN) are correct, and ensure payments are recorded for any bills that need to be included on form 1099-MISC.

**Step 3: Update employee tax profiles for 2021** - Remind your employees to review their withholding allowances for federal and state income taxes. Have them complete a new Form W-4 (or state equivalent) by January 1, 2021, if their personal information or allowances have changed.

**Don't forget: W-2s must be sent to any employees you paid in 2020 who are no longer working for you!**

**Step 4: Bring everything together with reconciliation** - If you pay your employees by check, perform a payroll bank reconciliation through December 31, 2020—including identifying outstanding checks—comparing state, and federal payroll tax withdrawals from your bank account to the amounts on your tax liability records.

**Step 5: Make sure your employer information is up-to-date** - Review your business' legal name, address, and Employer Identification Number (EIN) to ensure they're correct.

**Step 6: Confirm your tax profile for 2021** - Deposit requirements can change each year, so make sure you have the correct deposit information, government agencies do not notify CBIZ of these changes.

**Step 7: Verify employer tax rates for 2021** - Check your tax rates for state unemployment and disability insurance. If you've received a letter from any government agency with a new tax rate, please forward these to CBIZ.



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