



ADP® Offers Important Year-End Payroll and Tax Tips to Small Business Owners and Their Advisors

Verifying tax IDs, submitting payroll adjustments and reporting missing wages among important steps to be taken before Dec. 31

ROSELAND, N.J., December 15, 2014 – As the end of 2014 inches near, [ADP®](#), a leading global provider of Human Capital Management (HCM) solutions, offers the following important year-end tips and reminders to small business owners, their accountants and other advisors, to help streamline the tax filing process.

- **Verify Tax IDs** – Work with your accountant or payroll service provider to confirm that all tax ID numbers on payroll reports are up to date and correct. Be sure to **correct** all discrepancies before processing the company's last payroll for 2014.
- **Confirm W-2 and 1099 Information with Employees** – Ask your employees to review and confirm their W-2 and 1099 information before the end of the year. Provide your accountant or payroll provider with any updated employee W-2 information prior to the last payroll report in 2014. If you need to file a W-2c form with the IRS to correct an employee's W-2, immediately notify your accountant or payroll provider of the updated information.
- **Know Your Filing Responsibilities** – Typically, either the small business owner or the company's accountant is responsible for filing the company's taxes. Verify your responsibilities with your accountant or tax advisor.
- **Submit Payroll Adjustments** – Submit any payroll adjustments for employees, such as voided or manually issued employee checks, to your accountant or payroll service provider before your final 2014 payroll report. You must complete this before Dec. 31, 2014.
- **Report All Missing Wages or Miscellaneous Income/Tax Credits** – You are required to report items such as fringe benefits, tips, COBRA payments, employee moving expenses, unsubstantiated employee expense reimbursements and others to your accountant or payroll service provider before the company's final payroll report of 2014.
- **Set Up a Qualified Retirement Plan** – If you have not already done so, consider creating a retirement savings plan.¹
- **Provide Year-End Bonuses to Employees** – Bonuses and associated payroll taxes are deductible. Even if you miss the Dec. 31 deadline, for tax purposes, you may be able to pay bonuses up to March 15, 2015, if your business uses an accrual-based accounting system, something you may want to check with your tax advisor.

¹ Consult your legal, tax, and/or financial advisor for deadlines and eligibility in 2014.

- **Understand How the Affordable Care Act (ACA) Can Impact Your Business** – The legislative changes enacted by the federal government can seem complicated and daunting. It's important to understand their impact on your business. Learn more about the ACA by watching a complimentary [webinar](#), especially tailored for small businesses.
- **Set Up a Meeting With Your Accountant** – Your tax advisor knows what's best for your business and can offer specific strategies to minimize tax liability.

“With the enormous amount of responsibility small business owners bear, keeping up to date with and adhering to complex tax regulations can be difficult,” said John Ayala, president of ADP’s Small Business Services division. “That’s why it’s especially important at year end for small business owners to consult with their most trusted business advisor: their CPA. CPAs follow tax law changes year round and can help small businesses stay in compliance and reduce risk.”

For additional resources, please visit ADP’s [accountant portal \(adp.com/accountant\)](http://adp.com/accountant), which includes many accounting resources and tools. In addition, ADP Small Business Services’ [Year-End Central](#) provides guides and other resources to help with year-end tax preparation and filings.

These tips are not intended to take the place of advice from a licensed accountant or tax advisor. All small business owners should consult with their accountant or tax advisor to ensure they are filing their taxes as required by law under the specific facts related to their business.

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