



## End-of-Year Business Tax Tips; Are You Ready?

### Background

In an effort to combat fraud, [The Protecting Americans from Tax Hikes \(PATH\) Act of 2015](#), was passed by Congress and signed by President Obama in December. The act revises the filing deadline for Form W-2 and certain types of Form 1099.

### What's Changing?

Until now, employers had two dates to keep in mind when remitting W-2's:

- January 31, to provide employee copies, and
- February 28, for paper filings submitted to the Social Security Administration (March 31 for electronic filings)

**Beginning with 2016 forms**, employers will now have one filing deadline for all Federal W-2s, **January 31**. This is true for both employee and agency copies, or whether filing paper or electronic returns.

**What about Form 1099-Misc?** The new January 31 deadline applies to certain types of 1099s. If you're filing Form 1099-Misc and reporting amounts in **Box 7: Nonemployee Compensation**, then you will need to meet the new filing deadline of January 31.

If you don't have amounts in Box 7, then the deadline remains February 28 for paper filings or March 31 for electronic filings.

### Impact for Employers

With this new deadline, it's important that employers be well prepared to complete year-end tasks. This means:

- Verifying accuracy of employee information
- Reporting/submitted any year-end adjustments as soon as possible
- Reviewing year-end totals for any discrepancies

If you need to make corrections after sending your file to the Social Security Administration, you can do so by filing Form W-2c, Corrected Wage and Tax Statement.

### Impact on State W-2 filings

Many states have also adopted the Federal change the new deadline of January 31, beginning with the upcoming filings for 2016 Form W-2. For reference, Indiana and Illinois are a few of them.

**These tax tips are courtesy of H&R Block, your employer solutions partner. For more information on these tax tips – or any tax question you may have, contact your local H&R Block office listed below.**

**Knox 574-772-2316**

**Monticello 574-583-2795**

**Delphi 765-564-3783**

**Frankfort 765-654-8524**

**Crawfordsville 765-362-4548**

**Peru 765-473-4369**

**Logansport 574-722-4060**