



Optimum Windows OptiCloud® Year-End Processing Guide 2022

Year End Edition as of 11/28/22



What's New for 2022	3
Year-End Processing	7
Year End Process Checklist	8
How to Prepare for the 2022 Year End Process	10
❑ Step 1: Purchase Tax Forms from Optimum's Preferred Provider.....	10
❑ Step 2: Verify SSNs are accurate	12
❑ Step 3: Verify Benefits W-2 Box Code	15
❑ Step 4: Verify Retirement Plan Code Setup	17
❑ Step 5: Review Deduction and Benefit Taxability	19
❑ Step 6: State Unemployment Experience Rates	20
Year End Balance and Reconciliation	27
❑ Step 1: Verification Process	27
❑ Step 2: Form 941 Preparation and Balancing	28
❑ Step 3: Form 941B Preparation	32
❑ Step 4: Form 940 Preparation.....	34
After the Final Payroll in 2022 and Prior to Processing the First Payroll for Year 2023..	37
❑ Step 1: Program Update and Tax Updates	38
❑ Step 2: Run Mass/Global Updates for deductions.....	38
❑ Step 3: Run the PTO Period Accrual	43
❑ Step 4: Setup Payroll Pay Cycle Calendar	47
❑ Step 5: Setup Time & Attendance Holiday Calendar.....	50
W-2 Processing.....	52
❑ Step 1: Verify Update Contains Needed Program Changes.....	52
❑ Step 2: Create W-2 Work File	52
❑ Step 3: Make W-2 Work File Changes	59
❑ Step 4: Verification Process using Reports and the W-2 Edit.....	62
❑ Step 5: Print W-2's.....	69
❑ Step 6: Push W-2's to ESS	75
❑ Step 7: Filing W-2's.....	81
❑ Step 8: Verify Data and Format of the EFW2 File	83
❑ Step 9: Filing W-2s by Mail	85
Other Resources	89



Appendices – separate document

1. Appendix A – Onetime Adjustments (Annual Entries).....	3
2. Appendix B – Third Party Sick Pay	10
3. Appendix C – Processing 1099s	20
4. Appendix D – Reporting the Cost of Employer-Provided Health Coverage	36
5. Appendix E – Indiana LIT Tax Code Setup for W2 Information	42

What's New for 2022

COVID-19

There are no COVID-19 reporting requirements for Forms W2 for tax year 2022.

How To Report Deferred Payroll Taxes

If you deferred payroll tax for your employees in 2021, and if you collected this tax in 2022, then you need to send in a W-2C to correct Tax Year 2021 Social Security taxes.

Form W-2

Please note that tax year 2022 will be the LAST YEAR that Pin-Feed forms will be supported. Please make appropriate plans for tax year 2023 to print W2 forms on a laser printer.⁷

If you send 100 or more W-2s, you MUST submit federal files electronically; many states have set limits for electronic filing at 25.

In 2023, the federal limit will be lowered to TEN.

Reminder: In 2021, Wage File Upload was a new way to upload W-2 files using the existing EFW2 specs. Available through Business Services Online (BSO), Wage File Upload will process files and provide results in real-time with improved and configurable screens for easier use. Filers will know immediately the status of their file as rejection errors will be provided immediately directly on the screen, and success confirmation information is likewise provided immediately. The Wage File Identifier is provided once the file has passed all edits and processed successfully. Visit <https://www.ssa.gov/employer/returnfilers.html> for more information, and also visit <https://youtu.be/mDs37P5gzNA> for a video link.

Truncated SSNs

As in 2020, you may truncate the SSN on W-2s, except on Copy. SSA will not accept truncated SSNs that only show the last 4 digits (XXX-XX-1234) on Copy A Form W-2, or in the SSN field when using the EFW2. You must show all 9 digits of the SSN on Copy A for proper processing.



ACA Reporting

The Affordable Care Act benchmark for determining the affordability of employer-sponsored health coverage will significantly decrease to 9.12% of an employee's household income for the 2023 plan year.

January 31 will remain filing deadline for BOTH electronic and paper forms W-2,

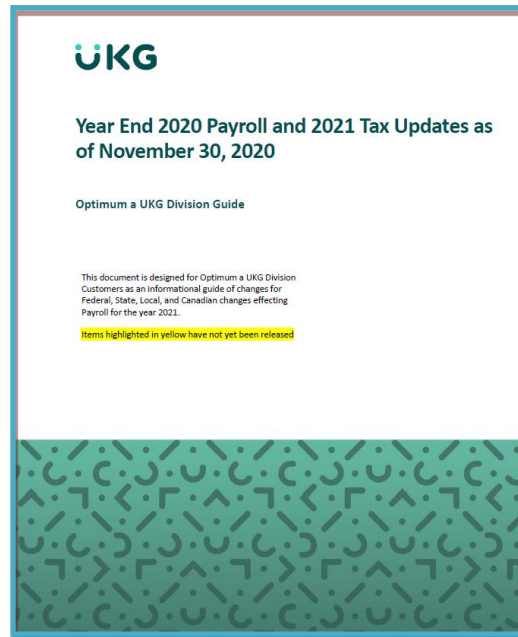
Be sure you find out your state deadline, as many of them have also changed.

Form 1099-NEC and 1099-Misc - Section 6071(c) requires you to file Form 1099-NEC on or before February 1, 2021, using either paper or electronic filing procedures. File Form 1099-MISC by March 1, 2021, if you file on paper, or March 31, 2021, if you file electronically.

<https://www.ssa.gov/employer/accuwage/>

AccuWage Online provides a user-friendly option for testing wage reports in the current EFW2/EFW2C formats. AccuWage Online is accessed by logging on to Business Services Online and going to the Employer Wage Reporting webpage. You will need to log in with your BSO username and password. AccuWage Online is the fourth tab. Click [here](#) to get started using the AccuWage Online application. For more information, please see the AccuWage Online Help Guide.

Accuwage recommends wage report submitters zip their files before testing them through AccuWage Online. The max file size that can be accepted is 350 MB before it must be zipped



As we get closer to December, refer to the **Year End Payroll and Tax Updates Optimum Solutions Guide**. This document is regularly updated and available on Optimum's support website at https://support.optimum-solutions.com/wp-content/uploads/Web_Manuals/YearEnd/Year_End_Payroll_and_Tax_Updates.pdf

What's New for 2023

Social Security Wage Base in 2023

The 2022 social security wage base will increase to \$160,200. The maximum withholding for OASDI tax at a rate of 6.2% will be \$9,932.40. Employers match the employee amount with an equal contribution.

2023 Pension Plan Limit Amounts –

The limitation on the exclusion for elective deferrals described in Section 402(g)(3)—for 401(k)-type plans, most 457 plans, and the federal government's Thrift Savings Plan **will increase to \$22,500 (from 20,500), and the catch-up contribution for employees over age 50 increased to \$7,500.**

IRA

The limitation on annual contributions to an IRA increased to **6,500**, up from 6,000. The IRA catch-up contribution limit for individuals aged 50 and over is not subject to an annual cost of living adjustment and remains 1,000.

HSA limits for 2023

- Maximum annual contribution for self only -- \$3,850
- Maximum annual contribution for family -- \$7,750
- Catch up contribution for 55 and older – \$1,000
- HDHP minimum deductibles for individual -- \$1,500; family -- \$3,000
- HDHP maximum out of pocket amounts for individual -- \$7,500; family -- \$15,000

FSA limits for 2023

- Health FSA limit is unchanged at 3,050.
- Employers may amend cafeteria plans to allow employees to carryover up to \$610 of unused amounts in a health FSA as of the end of a plan year.

State changes for 2023 announced to date

- Many States accelerating employer Form W-2 filing deadlines.
- See the 2023 Legislative and Tax Updates document, updated regularly.

Check Optimum's support website at <http://support.optimum-solutions.com/> for more changes.

Year-End Processing

Have a plan. Year-End is a process that can be made simple if you prepare. Does Payroll own year-end preparation? The payroll department is ultimately responsible and accountable, but other areas of your organization must be involved and working together to assure a successful year end! Listed below are suggestions to assist you in a successful year end process:

- Establish a year end committee with representatives from:
 - a. Payroll
 - b. Human Resources
 - c. Accounting
 - d. Tax
 - e. Information Technology
 - f. Mail Room (postage)
 - g. Outside Vendors (i.e. Third-party sick pay vendors)
- Plan your schedule carefully around your holidays. Make sure you have adequate staff coverage during year-end.
- Review last year's notes and reports. Make sure any issues that came up were resolved properly so they don't "haunt" you again this year.
- Always remember to verify your information every payroll and at the end of each quarter. This will guarantee a smoother year end. Remember your W-2's should balance back to the 4 quarters of the 941's you filed. If they do not, they will be returned for correction.
- Identify taxable benefits that need to be applied prior to processing your final payroll of the year. Do you have third-party vendors that you rely on to report information back to you?
- Order the necessary number of W-2 forms by early December or before.
- Sweat the small stuff!
 - ✓ Ask your employees to verify that all information on their checks is accurate including reviewing the number of allowances they claim and completing a new W-4 form if that number will change in the new year
 - ✓ Verify that the employee information matches what is on file with the SSA.
 - ✓ Verify the legal name, address and FEIN of your companies.
 - ✓ Verify your State & Federal unemployment rates; research and resolve problems; catch mistakes early.
 - ✓ Schedule a test run of your W-2's on plain paper.
 - ✓ Reward your employees for all their hard work with a year-end party or outing.

**A common mistake at year-end is allowing too little time to prepare.
Optimum HRIS wants you to have a successful 2022 year end.
Follow the steps in this guide to achieve OPTIMUM success!**



Year End Process Checklist

How to Prepare for the 2022 Year End Process

- ☐ Step 1. Purchase Tax Forms
- ☐ Step 2. Verify Employees' Social Security Numbers
- ☐ Step 3. Verify Benefits W-2 Box Codes
- ☐ Step 4. Verify Retirement Plan Code Setup
- ☐ Step 5. Review Deduction and Benefit Taxability
- ☐ Step 6. Change State Unemployment Experience Rates
- ☐ Step 7. Enter Benefits
- ☐ Step 8. Confirm Employer Side Health Coverage

Year End Balance and Reconciliation

- ☐ Verification Process Using Balancing Spreadsheet and Reports

After the Final Payroll in 2022 and Prior to Processing the First Payroll for 2023

- ☐ Step 1: Update Tax Tables
- ☐ Step 2: Run Mass/Global Updates for Deductions
- ☐ Step 3: Run PTO Accrual if Rollover is at Beginning of Year
- ☐ Step 4: Setup Payroll Pay Cycles Calendar
- ☐ Step 5: Set up Time and Attendance Holiday Calendar, if applicable

W-2 Processing

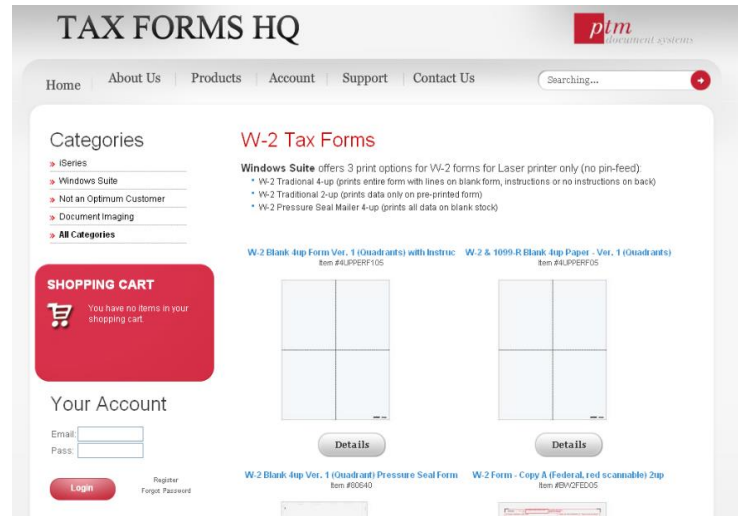
- ☐ Step 1: Update W-2 Programs
- ☐ Step 2: Create W-2 Work File
- ☐ Step 3: Make W-2 Work File Changes
- ☐ Step 4: Verify Data and Print W-2 Edit and History Reports
- ☐ Step 5: Print W-2 Forms and Distribute to Employees
- ☐ Step 6: Push W-2s to ESS (if applicable)
- ☐ Step 7: Create EFW2 W-2 File (or File by Mail)
- ☐ Step 8: Verify Data & Format of the EFW2 File (AccuWage)
- ☐ Step 9: Submit W-2s by Electronic File or Paper Filing

How to Prepare for the 2022 Year End Process

How to Prepare for the 2022 Year End Process

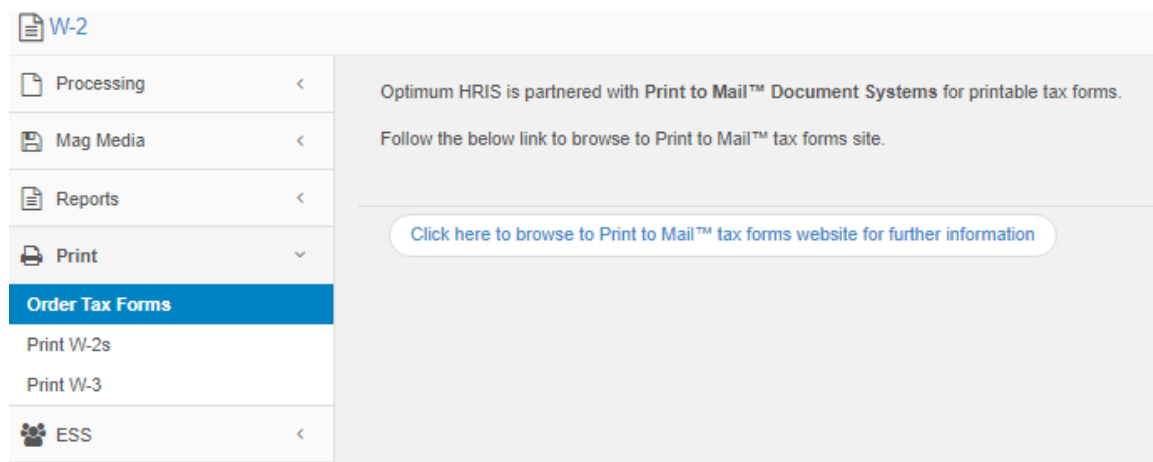
Step 1: Purchase Tax Forms from Optimum's Preferred Provider. Both Form W-2 can be purchased now at www.taxformsusa.com

For questions, contact
Robyn Cabrera – PTM Document Systems
rcabrera@print-2-mail.com
1-866-667-2861 ext. 566309
Direct dial 707-576-6309



Forms ordered from PTM are guaranteed to work with Optimum's software.

Or you can click on the link in our system to purchase from PTM online. Go to “Government Reporting” and then to “W-2.” Then Print Click “Order Tax Forms” and click the link to go to the website.



Windows OptiCloud® offers 3 print options for W-2 forms for Laser Printer only (no pin-feed):

- W-2 Traditional 4-up (prints all data with lines on blank form, you choose instructions or no instructions on the back when you order.)
- W-2 Traditional 2-up (prints data only on pre-printed form.)
- W-2 Pressure Seal Mailer 4-up (prints all data on blank stock.)

Note: Optimum does not print the instructions on the back of the forms, only the form data on the front.



This is a sample of the 2022 W-2 Form.

22222		VOID <input type="checkbox"/>	a Employee's social security number		For Official Use Only ▶ OMB No. 1545-0008	
b Employer identification number (EIN)			1 Wages, tips, other compensation		2 Federal income tax withheld	
c Employer's name, address, and ZIP code			3 Social security wages		4 Social security tax withheld	
			5 Medicare wages and tips		6 Medicare tax withheld	
			7 Social security tips		8 Allocated tips	
d Control number			9		10 Dependent care benefits	
e Employee's first name and initial		Last name	Suff.	11 Nonqualified plans		12a See instructions for box 12
f Employee's address and ZIP code			13 Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12b	
			14 Other		12c	
					12d	
15 State Employer's state ID number		16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name

Form **W-2** Wage and Tax Statement

2022

Department of the Treasury—Internal Revenue Service


Copy A—For Social Security Administration. Send this entire page with Form W-3 to the Social Security Administration; photocopies are **not** acceptable.

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 10134D

Do Not Cut, Fold, or Staple Forms on This Page

PLEASE NOTE that all screens displayed in this document are examples only intended for illustration. Please setup deductions, benefits, earnings codes, etc., according to your specific company requirements.

 **Step 2: Verify SSNs are accurate:** The Internal Revenue Service can penalize for each employee name and social security number mismatch.

Some of the highlights are:

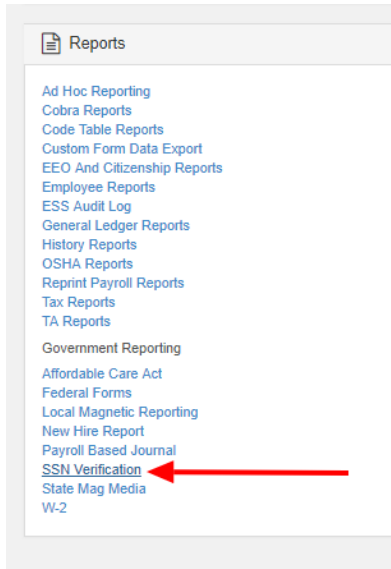
- SSA will start mailing letters in August 2020 to those who have filed Form W-2 with employee name and SSN mismatch errors in the past about the importance of accurate information. Sample letter <https://www.ssa.gov/employer/notices/EDCOR.pdf>
- Penalties may apply
 - Fail to file timely
 - Missing information on the Form W2
 - Inaccurate information SSN and employee name mismatch
 - Filing on paper when required to file electronically
- Penalty Amounts for failure to file
 - Up to \$260 per return with max of \$3,282,500
 - Or Max of \$1,094,000 if employer's annual gross receipts is less than \$5 mil
- Penalty for not filing correct information
- Both penalties may apply with up to \$540 per return and \$6.5 million annually
- Penalties may apply to form 1095C and 1099 the same as form W-2

Social Security offers employers 2 internet verification options to verify that your employee names, and social security numbers match Social Security's records.

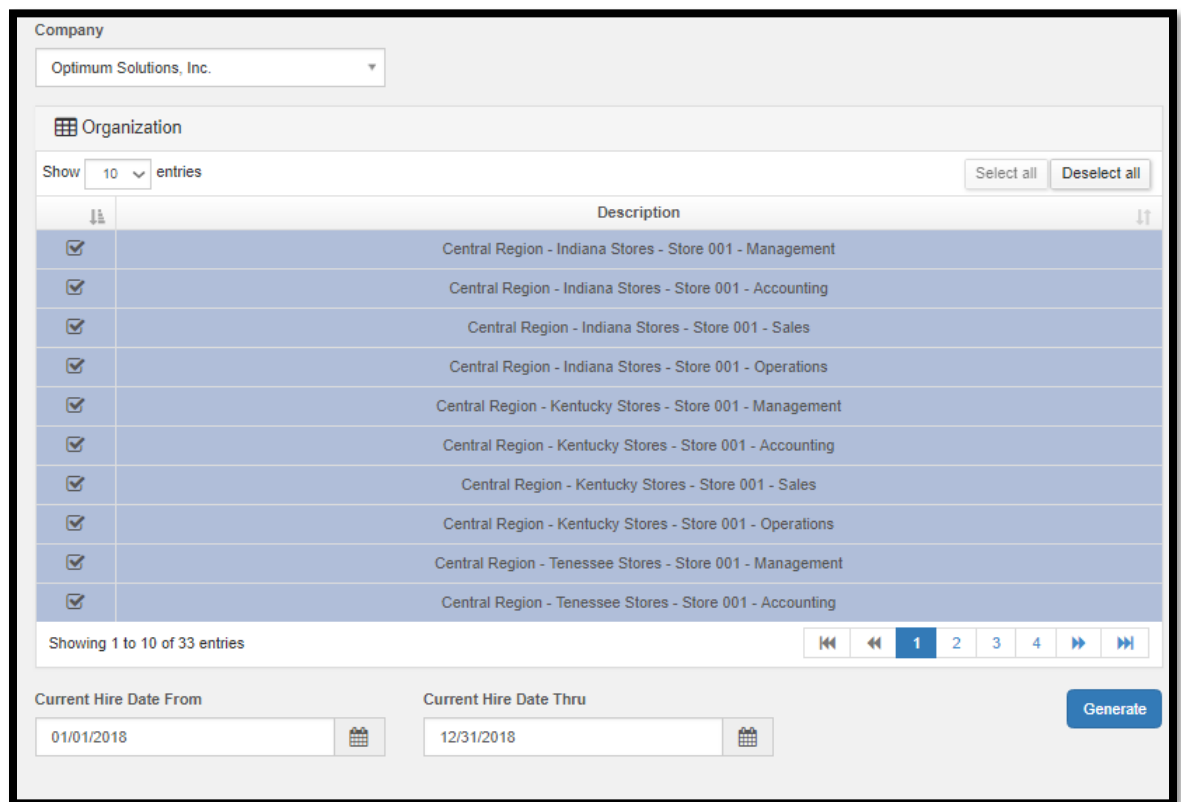
You can:

- Verify up to 10 names and SSNs (per screen) online and receive immediate results. This option is ideal to verify new hires.
- Upload overnight files of up to 250,000 names and SSNs and usually receive results the next government business day. This option is ideal if you want to verify an entire payroll database or if you hire a large number of workers at a time. Optimum gives you the ability to create a file that you can upload to the SSA for verification. It's very easy using the directions on the next page..

Path: Government Reporting> SSN Verificaiton



To create the file select the company, organization(s), choose the range of current hire dates, and then Generate SSN File.



The screenshot shows the 'SSN Verification' generation screen. It includes a 'Company' dropdown set to 'Optimum Solutions, Inc.', an 'Organization' table with checkboxes, a date range selector, and a 'Generate' button.

Organization	Description
<input checked="" type="checkbox"/>	Central Region - Indiana Stores - Store 001 - Management
<input checked="" type="checkbox"/>	Central Region - Indiana Stores - Store 001 - Accounting
<input checked="" type="checkbox"/>	Central Region - Indiana Stores - Store 001 - Sales
<input checked="" type="checkbox"/>	Central Region - Indiana Stores - Store 001 - Operations
<input checked="" type="checkbox"/>	Central Region - Kentucky Stores - Store 001 - Management
<input checked="" type="checkbox"/>	Central Region - Kentucky Stores - Store 001 - Accounting
<input checked="" type="checkbox"/>	Central Region - Kentucky Stores - Store 001 - Sales
<input checked="" type="checkbox"/>	Central Region - Kentucky Stores - Store 001 - Operations
<input checked="" type="checkbox"/>	Central Region - Tennessee Stores - Store 001 - Management
<input checked="" type="checkbox"/>	Central Region - Tennessee Stores - Store 001 - Accounting

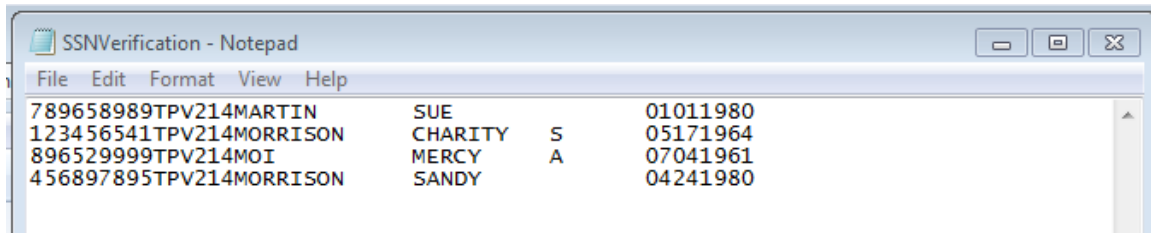
Showing 1 to 10 of 33 entries

Current Hire Date From: 01/01/2018
Current Hire Date Thru: 12/31/2018

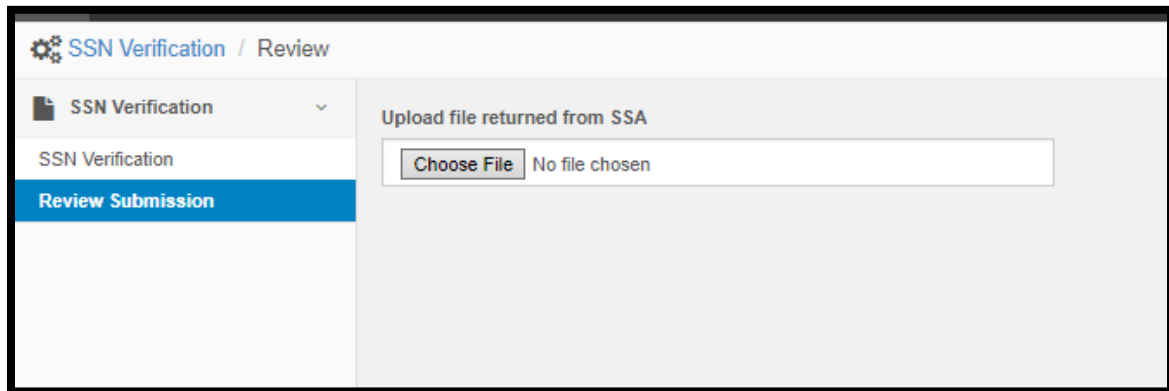
Generate

After clicking on Generate the file will download to your specified download folder. Once downloaded, open the file using Notepad.

The file should display like this one and is ready to upload to the SSA.



When the SSA file is returned and you have saved it on your computer, you can choose to the Review Results tab from the same screen to review the results.



- While the service is available to all employers and third-party submitters, it can only be used to verify current or former employees and only for wage reporting (Form W-2) purposes.

For step by step instructions, go to the Social Security Administration website at <http://www.ssa.gov/employer/ssnv.htm>

- Step 3: Verify Benefits W-2 Box Code:** Make sure the deductions and benefits are set up with the proper W-2 Box Code if needed.

PATH: Administration, Code Tables, Benefits Codes, [Select Benefit] **Taxability** tab

Code Tables / Benefit Codes / Edit Benefit Taxability

Benefit Code: 401K Description: 401K

☒ Retirement Savings Plan Deduction

☐ 125 Plan Deduction

W2 Box Code

D - 401(K) Deferred Compensation

W2 User Defined Description

☐ W2 Include Benefit

☒ W2 Include Deduction

Save

This setup determines whether the Deduction or Benefit amount will be on the W-2.

- If Health/Retirement, check W-2 Include Deduction
- If Taxable Benefit, check W-2 Include Benefit – OR - if Health Insurance

Valid codes for boxes 10, 11 and 12 are:

- Box 10 **1** - Dependent care benefit
- Box 11 **2** - Non-qualified plans
- Box 12 **AA** - After-tax contributions to a Roth 401(k) retirement plan.
- Box 12 **BB** - After-tax contributions to a Roth 403(B) retirement plan.
- Box 12 **C** -Cost of group-term life insurance over \$50,000
- Box 12 **D** -Elective deferrals to a section 401K cash or deferred arrangement
- Box 12 **DD** – Value of Healthcare Coverage – not taxable to the employee, but value of employee and employer portion is reported on Form W-2 for information to the employee.***
<http://www.irs.gov/uac/Form-W-2-Reporting-of-Employer-Sponsored-Health-Coverage>
- Box 12 **E** -Elective deferrals to a section 403B salary reduction agreement
- Box 12 **EE** – Designated Roth Contributions under a governmental section 457(b) plan

- Box 12 **F** - Elective deferrals to a section 408K6 salary reduction SEP
- Box 12 **FF** – Permitted benefit under a qualified small employer health reimbursement arrangement
- Box 12 **G** - Elective and non-elective deferrals to a section 457B deferred comp plan
- Box 12 **GG**- Income from qualified equity grants under section 83(i)
- Box 12 **H** - Elective deferral to a section 501(c) (18) (D) tax-exempt organization plan
- Box 12 **HH**- Aggregate deferrals under section 83(i) elections as of the close of the calendar year
- Box 12 **J** - Non-taxable sick pay
- Box 12 **K** - 20% excise tax on excess golden parachute payments
- Box 12 **L** - Substantiated employee business expense
- Box 12 **M** - Uncollected Soc. Sec. or RRTA tax on cost of group-term life >\$50,000
- Box 12 **N** - Uncollected Medicare tax on cost of group-term life > \$50,000
- Box 12 **P** - Excludable reimbursed moving expense
- Box 12 **Q** – Nontaxable combat pay
- Box 12 **R** – Employer contributions to an Archer MSA
- Box 12 **S** - Simple retirement (excluding 401k)
- Box 12 **T** - Adoption assistance
- Box 14 **U** - User defined
- Box 12 **V** - Exercised Stock option
- Box 12 **W** – For HSA employer portion and the EE portion if part of a S125 cafeteria plan
- Box 12 **Y** - Deferrals under section 409A nonqualified deferred compensation plan
- Box 12 **Z** - Income under section 409A on a nonqualified deferred compensation plan. This amount is also included in box 1.
- Box 14 **ZZ** – Affordable Care Act-coverage provided for adult children (info only)

For specifics refer to the Box Codes in the IRS Form W-2 instruction booklet at www.irs.gov/pub/irs-pdf/iw2w3.pdf

*** The Benefit Taxability screen can be changed just before running the W2 Work file, but for the DD Cost of Healthcare, you must have already set up Medical Employer portion so that those amounts are in history.



Step 4. Verify Retirement Plan Code Setup

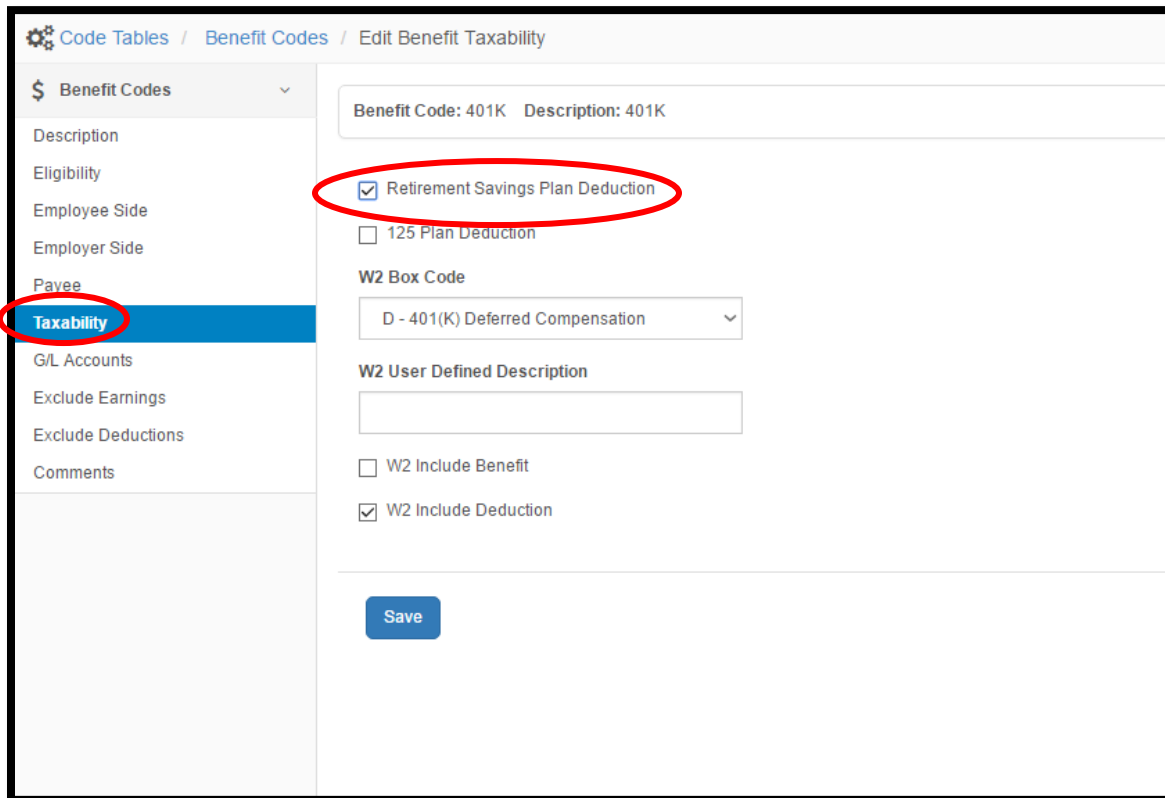
Verify that all Benefit Codes that are part of a Retirement Plan have the appropriate field flagged for “Retirement Savings Plan Deduction”. How do you know what to check?

- If you do not have 100% participation, or do not process the Retirement through Optimum, the Employee’s Federal screen > Retirement Plan box should be checked for all eligible employees regardless of participation.
- If you have 100% participation, and the above box is not checked, you can use deduction/benefit history for the benefits that have the Taxability tab checked for Retirement Savings Plan Deduction

..

- 1) When the W-2 Work file is created, you will be given an option to use the Employee’s Federal Info Retirement Plan Indicator, if you don’t check this, it looks at each employee’s Benefit/deduction history for the year. If an employee had an amount deducted for any benefit code that is flagged as a retirement code, the system will check the box on the W-2 for Retirement Plan.

PATH: Administration, Code Tables, Benefits Codes, [Select Benefit] **Taxability tab**



Code Tables / Benefit Codes / Edit Benefit Taxability

Benefit Code: 401K Description: 401K

☒ Retirement Savings Plan Deduction

☐ 125 Plan Deduction

W2 Box Code

D - 401(K) Deferred Compensation

W2 User Defined Description

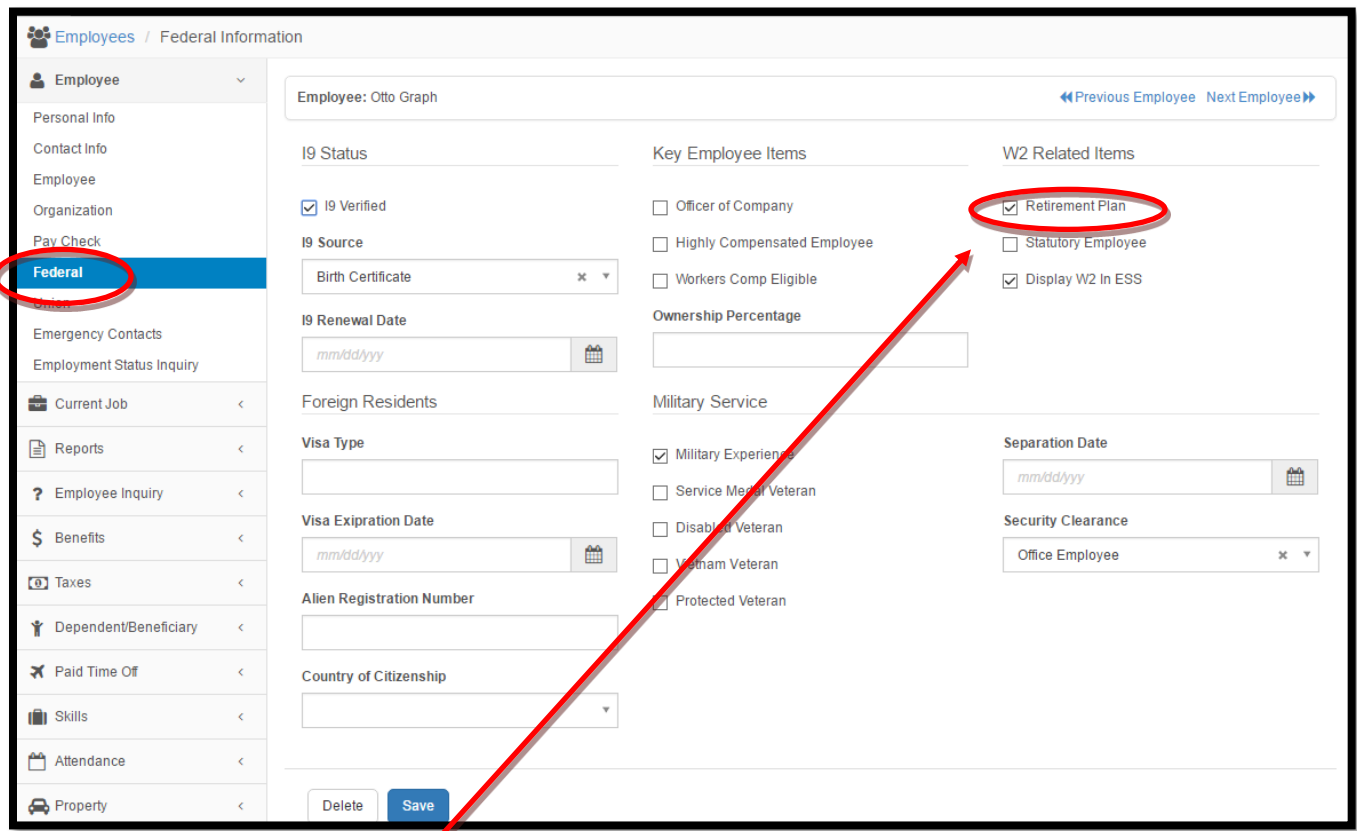
☐ W2 Include Benefit

☒ W2 Include Deduction

Save

- 2) If the Retirement Plan is checked on the Employee's Federal screen (participation not 100%, but available to all employees) , it will automatically mark the W-2 Work File Box 13 for Retirement plan regardless of if history exists for that employee.

PATH: Human Resources, Employees, Employee, [Highlight employee] **Federal**



Check if employee is eligible for the plan, but you don't have 100% participation.

Side note: Notice the checkbox on this screen – “Display W2 in ESS”

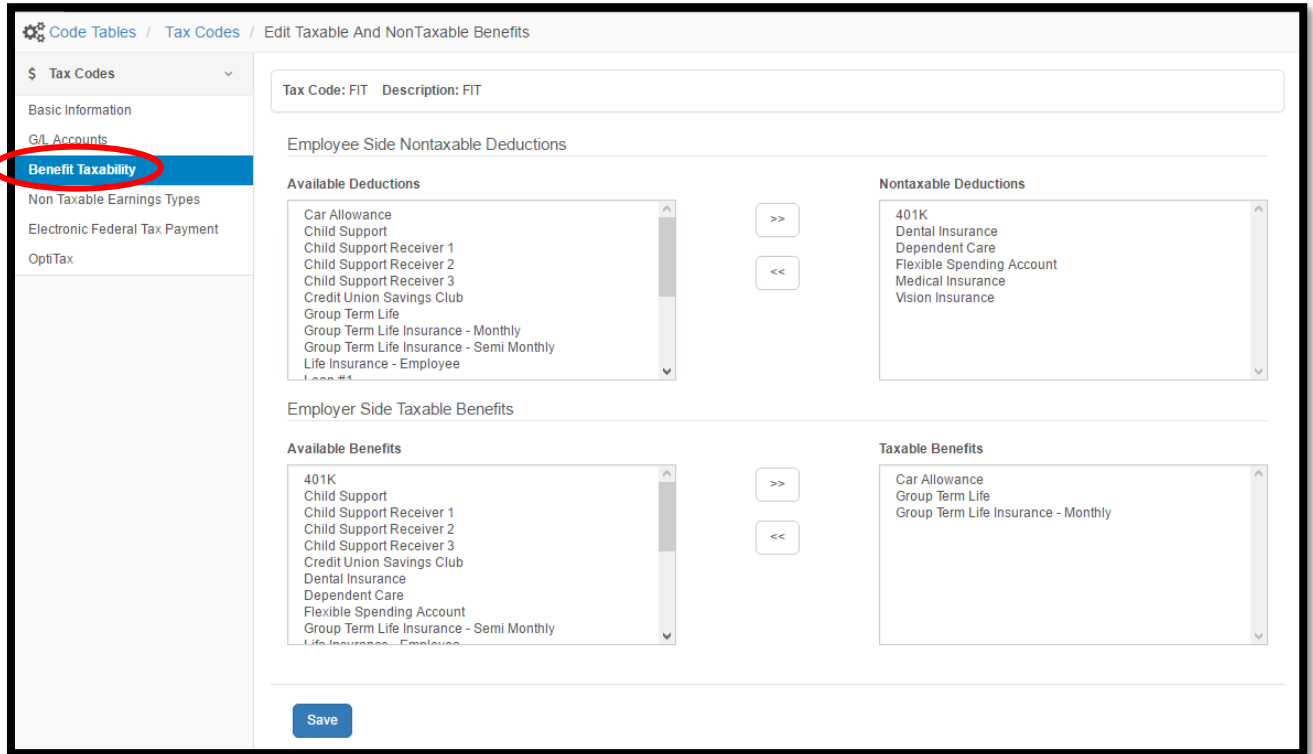
Reference the later section in this guide “Push W-2s to ESS” for more information. Employees must give permission to have their W-2s available electronically on ESS. A check in this box means that the employee has opted for their W-2 not to be printed on paper forms, but accessible via ESS only.

For more information about coverage by an Employer's Retirement Plan -

<https://www.irs.gov/retirement-plans/are-you-covered-by-an-employers-retirement-plan>

Step 5: Review Deduction and Benefit Taxability. If you discover any deduction or benefit taxability flag that need to be changed, call your software support representative BEFORE you change them.

Path: Administration, Code Tables, Tax Codes, [Select Code], **Benefit Taxability.**



The screenshot displays the 'Benefit Taxability' configuration screen for Tax Code FIT. The left sidebar shows the navigation menu with 'Benefit Taxability' highlighted. The main content area is divided into two sections: 'Employee Side Nontaxable Deductions' and 'Employer Side Taxable Benefits'. Each section contains two lists of items with arrows for moving items between them.

Employee Side Nontaxable Deductions:

- Available Deductions:** Car Allowance, Child Support, Child Support Receiver 1, Child Support Receiver 2, Child Support Receiver 3, Credit Union Savings Club, Group Term Life, Group Term Life Insurance - Monthly, Group Term Life Insurance - Semi Monthly, Life Insurance - Employee.
- Nontaxable Deductions:** 401K, Dental Insurance, Dependent Care, Flexible Spending Account, Medical Insurance, Vision Insurance.

Employer Side Taxable Benefits:

- Available Benefits:** 401K, Child Support, Child Support Receiver 1, Child Support Receiver 2, Child Support Receiver 3, Credit Union Savings Club, Dental Insurance, Dependent Care, Flexible Spending Account, Group Term Life Insurance - Semi Monthly, Life Insurance - Employee.
- Taxable Benefits:** Car Allowance, Group Term Life, Group Term Life Insurance - Monthly.

A 'Save' button is located at the bottom of the screen.



Step 6: State Unemployment Experience Rates - State unemployment experience rates are not communicated to Optimum. When you get a notice from the state that your experience rate has changed, you are responsible for going to the state SUI tax table and making that change. **However, DO NOT MAKE CHANGES UNTIL YOU HAVE FINISHED YOUR LAST PAYROLL FOR THE YEAR!**


Please also see the note below about the Tax ID number for SUI codes as well as SIT and LIT.

Path: Administration, Code Tables, Tax Codes, [Select SUI Code], **Employer Tax rate factor**

Note: - When entering the Tax ID Number, it must not have a dash. The SUI quarterly file looks to this field when generating the file.

Also for SIT and LIT tax codes, you must also enter the Tax ID number as that is what will print on the W2 form.

New Option: If your SUI rate or state SUI wage limit changes midyear, you can check this box and enter the effective date to recalculate the expense.

-  **Step 7:** Enter any **Benefits** (Employer or Company portion) that have not been entered throughout the year. For example, Personal Use of an Automobile, S Corp Benefits, Group Term Life (GTL) greater than 50K, etc. Taxable benefits increase taxable wages. Benefits must be set up in the employee file for each employee who will receive the benefit.

There are three methods for posting benefits to your history files.

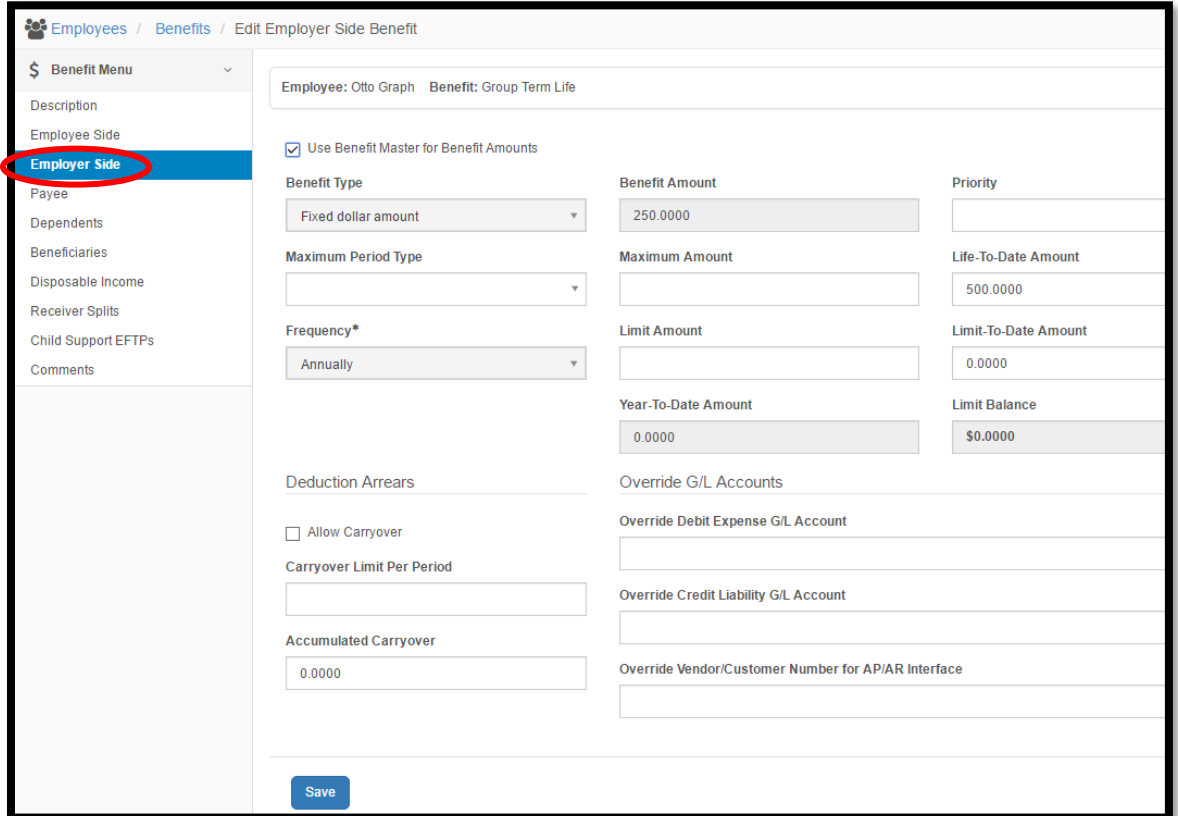
1. Post through regular payroll processing throughout the year.
 - a. Taxes will be deducted each payroll the benefit is applied.
2. Post via Adjustment Payroll.
 - a. If posted before the last payroll of the year, the employee's FICA/Medicare will be adjusted on the next payroll processing.
 - b. If posted after the last payroll of the year, the employee's FICA/Medicare will not be deducted and the company will be responsible for both employee and employer portions of FICA/Medicare. You may post adjustment checks to a prior year. Use this method to post Third Party Sick Pay when the third party has already withheld the employee's portion of FICA/Medicare tax.
3. Post with the last payroll of the year.
 1. Benefits may be posted with the last payroll of the year as a lump sum. Again, tax will be deducted from the employee's check – **See Appendix A for One-Time Adjustment - Annual Entries**
 2. Benefits can also be entered directly on W-2 forms. NOTE: benefits entered directly onto the W-2 will not be posted to your history files.

Additional set up may be required before processing a taxable benefit.

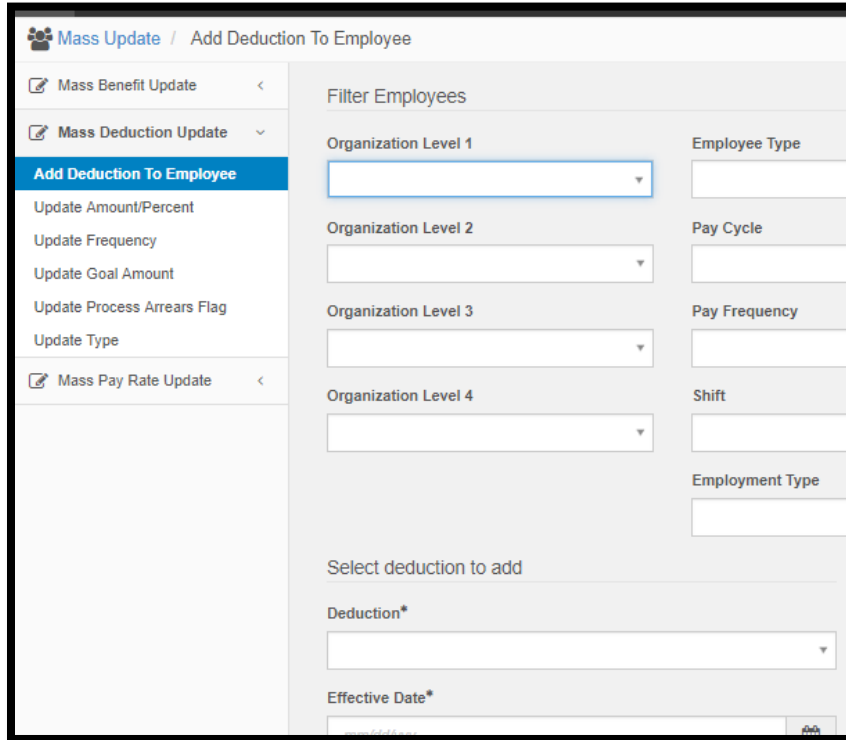
Here are the 4 steps

1. Benefits must be setup in the code table "Benefit Codes". Enter the correct taxability flags and W-2 box codes on the Benefit's "Taxability" tab. *See path and screen print earlier in this section.*
2. Set up federal, state and local taxability, if needed, in code table "Tax Codes". *See path and screen print earlier in this section.*

3. After the new Benefit is setup in Benefits Codes, it must be added to the Employee Master. First add the Benefit and then the benefit details to the Employer side.



4. If this benefit should be added to all employees, use the Global/Mass Update ADD Deductions to Employer Benefit feature.



Mass Update / Add Deduction To Employee

Filter Employees

Organization Level 1:

Organization Level 2:

Organization Level 3:

Organization Level 4:

Employee Type:

Pay Cycle:

Pay Frequency:

Shift:

Employment Type:

Select deduction to add

Deduction*:

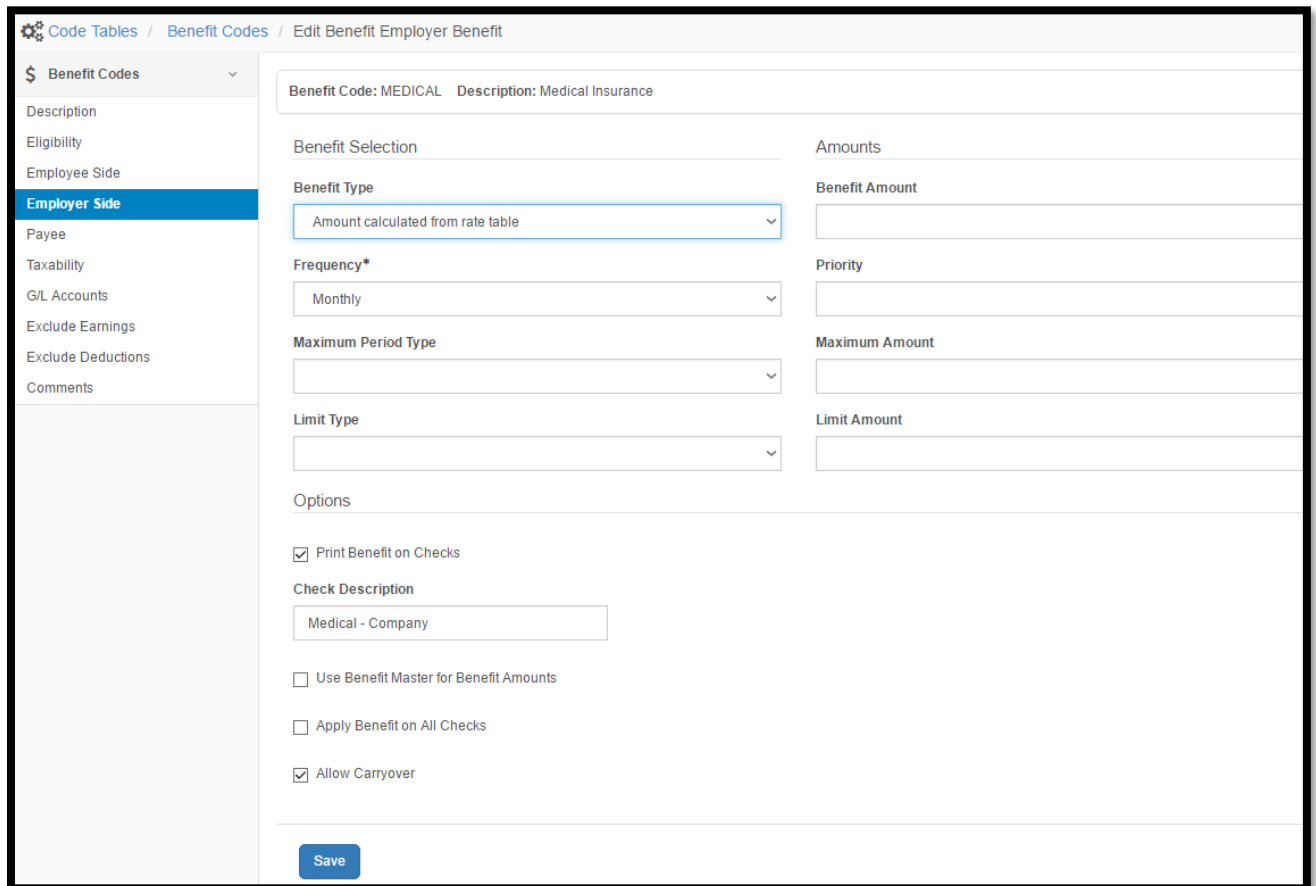
Effective Date*:

Save



Step 8: Verify the setup of **Employer Side Health Coverage** which tracks the value of Employer Sponsored Health Coverage for Form W-2 Reporting. If your company provides healthcare benefits to employees (i.e. an employer portion of the premium), then the Employer Side of healthcare benefits (medical) should have been set up to properly track at the beginning of calendar year 2012, reported in 2013*.

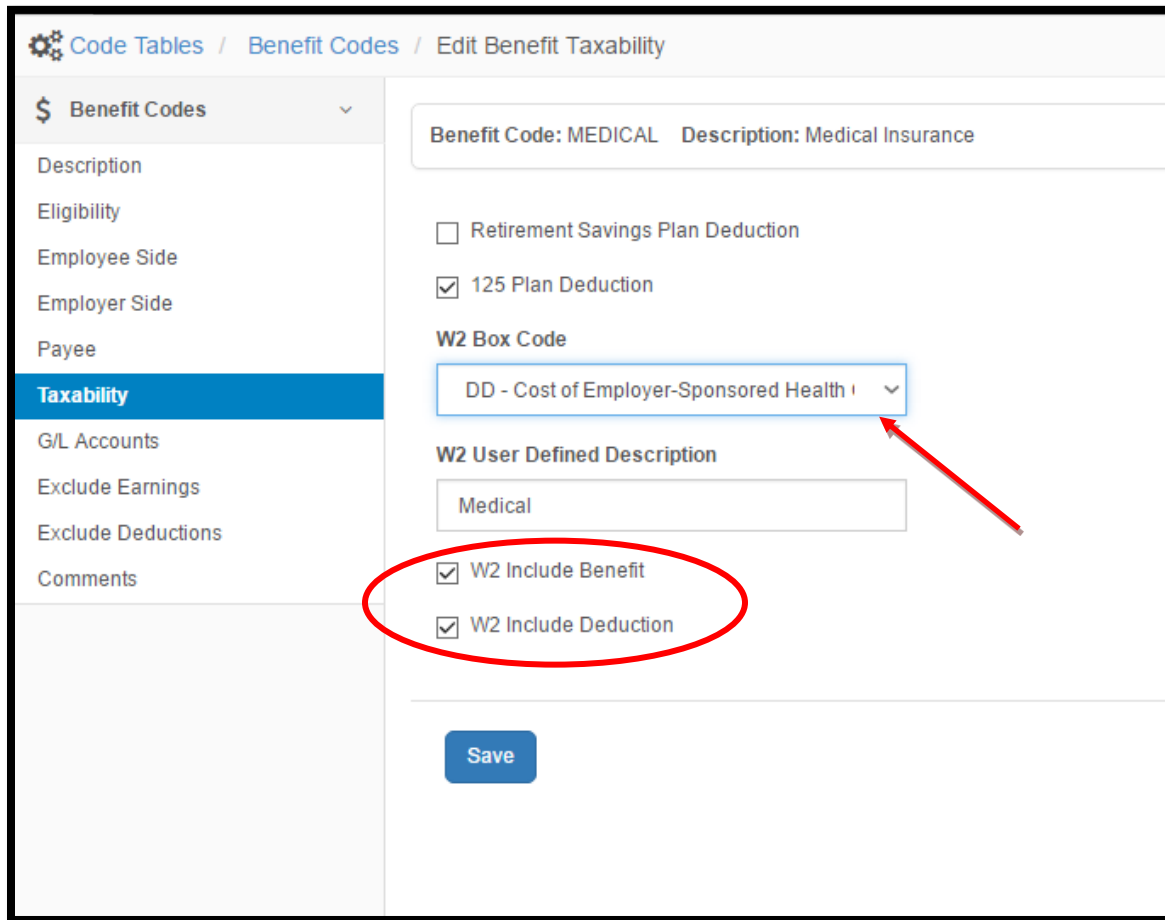
Path: Administration, Code Tables, Benefit Codes, [Select Code], **Employer Side**



On the Employer Side tab

- Select the appropriate **Benefit type**
 - If you are using a rate table select “Amount calculated from rate table”
 - If putting the amount on the benefit code, select “Fixed dollar amount” and enter the amount for the period in the Amount field.
- Select your **Frequency**
- If this applies to all employees, then you can check the box *Use benefit master for benefit amounts*.

To report the amount on the W2 in Box 12, Click on the **Taxability** tab. Select the W2 Box code **DD Cost of Employer Sponsored Health Coverage**



Code Tables / Benefit Codes / Edit Benefit Taxability

Benefit Codes

Description

Eligibility

Employee Side

Employer Side

Payee

Taxability

G/L Accounts

Exclude Earnings

Exclude Deductions

Comments

Benefit Code: MEDICAL Description: Medical Insurance

☐ Retirement Savings Plan Deduction

☒ 125 Plan Deduction

W2 Box Code

DD - Cost of Employer-Sponsored Health

W2 User Defined Description

Medical

☒ W2 Include Benefit

☒ W2 Include Deduction

Save

Check both boxes **W2 – Include Benefit** and **W2 – Include Deduction**

Save.

Repeat this process for each Employer Sponsored Healthcare Benefit.

*Additional information about Reporting the Cost of Employer-Provided Health Coverage is available in the 2022 Year End Appendices document.

Note: On the W2, Box 12 DD, the Employee and Employer portions will be combined. To see both amounts, run the History Report, *Benefit Listing by Code EE and ER*.

Year End Balance and Reconciliation



Year End Balance and Reconciliation



Step 1: Verification Process

Year-end should be a breeze if your procedures include balancing tax and wage information on a regular basis. To have a successful year end, balance and verification of employee federal, state and local taxability and withheld information compared to all tax reporting is **vital**. Form 941s are sent to the IRS and Forms W-2's are sent to the SSA. The numbers on those forms must match for those two agencies. It is recommended that you audit every payroll and balance every quarter to verify this information. This will ensure any adjustments that need to be made in prior quarters have been made. This process will also help to ease reconciling the final quarter of the year.

Always remember that taxable wages are calculated using the following formula: **Gross less pre-tax deductions, plus taxable benefits, less nontaxable earnings, equals taxable wages.**

Optimum Balancing Tool: Download the Excel file from the support website to verify wage and tax information to date. Go to **Documentation** then **Windows Suite, Government Reporting** and go to the article **941 and 941B Quarterly Balancing Tools** for the link to the **941 Balancing spreadsheet and instructions.**

Reports you will need to gather this information are:

- 941 Report (by quarter)
- Federal Tax Report (by quarter)
- Taxable Wage Report (by quarter)
- W-2 Work File Edit Report

	A	B	C	D	E	F	G	H	I	J	K	L
	Quarter & Year End Balancing for Year ____											
1												
2	Form 941				EE plus ER	6.2%		EE plus ER				
3					Vages X's 12.40 %	(formula)		Vages X's 2.90 %	(formula)		(formula)	
4	Quarter	FIT Wages	FIT Taxes	SS Wages	SS Taxes	SS EE w/h	Medicare Wages	Medicare Taxes	Medi EE w/h	Medi >200k	Medi Tax .3%	Total Taxes
5	1st	147,878.39	15,375.79	153,588.86	19,045.02	9,522.51	153,588.86	4,454.08	2,227.04	0.00	0.00	38,874.89
6	2nd	147,828.78	15,385.09	153,649.56	19,052.55	9,526.27	153,649.56	4,455.84	2,227.92	0.00	0.00	38,893.48
7	3rd	147,297.77	15,273.71	152,385.21	18,970.17	9,485.08	152,385.21	4,438.57	2,218.29	0.00	0.00	38,680.45
8	4th	143,129.90	15,468.95	154,854.31	19,201.93	9,600.97	154,854.31	4,490.77	2,245.37	0.00	0.00	39,162.85
9	941 YTD	592,234.84	61,504.54	615,077.94	76,269.67	38,134.83	615,077.94	17,837.26	8,918.63	0.00	0.00	155,611.47
10												
11	Federal Tax report											
12	Quarter	FIT Wages	FIT Taxes	SS Wages		SS EE w/h	Medicare Wages		Medi EE w/h			
13	1st	147,878.39	15,375.79	153,588.86		9,522.50	153,588.86		2,227.02			
14	2nd	147,828.78	15,385.09	153,649.56		9,526.29	153,649.56		2,227.96			
15	3rd	147,297.77	15,273.71	152,385.21		9,485.09	152,385.21		2,218.29			
16	4th	143,129.90	15,468.95	154,854.31		9,600.95	154,854.31		2,245.37			
17	Federal Tax Report YTD	592,234.84	61,504.54	615,077.94		38,134.83	615,077.94		8,918.63			
18	Difference in Fed Tax and 941	0.00	0.00	0.00		0.00	0.00		0.00			
19												
20	Taxable Wage Totals Report											
21	Quarter	FIT Wages	FIT Taxes	SS Wages		SS EE w/h	Medicare Wages		Medi EE w/h			
22	1st	147,878.39	15,375.79	153,588.86		9,522.50	153,588.86		2,227.02			
23	2nd	147,828.78	15,385.09	153,649.56		9,526.29	153,649.56		2,227.96			
24	3rd	147,297.77	15,273.71	152,385.21		9,485.09	152,385.21		2,218.29			
25	4th	143,129.90	15,468.95	154,854.31		9,600.95	154,854.31		2,245.37			
26	Taxable Wage Totals YTD	592,234.84	61,504.54	615,077.94		38,134.83	615,077.94		8,918.63			
27	Diff in Taxable Wage and Total 941	0.00	0.00	0.00		0.00	0.00		0.00			
28												
29	W2 Work File Edit Report											
30		FIT Wages	FIT Taxes	SS Wages		SS EE w/h	Medicare Wages		Medi EE w/h			
31		592,234.84	61,504.54	615,077.94		38,134.83	615,077.94		8,918.63			
32												
33	Balances											
34	YTD	FIT Wages	FIT Taxes	SS Wages		SS EE w/h	Medicare Wages		Medi EE w/h			
35		0.00	0.00	0.00		0.00	0.00		0.00			
36	Difference in V2 and 941 totals	0.00	0.00	0.00		0.00	0.00		0.00			
37	Difference in V2 and Fed Tax Report	0.00	0.00	0.00		0.00	0.00		0.00			
38	Difference in V2 and Taxable Wage	0.00	0.00	0.00		0.00	0.00		0.00			
39	Difference in V2 and Hol Taxable Wage											

Compare results to the preliminary W-2 Edit. This will enable you to verify system generated wages and taxes against your payroll reconciliation form. **For additional information on reconciliation visit SSA's website at <http://www.ssa.gov/employer/>.** There are additional tabs at the bottom of the worksheet for other items that may be reconciled to the worksheet based on your company's needs for payroll and benefits.

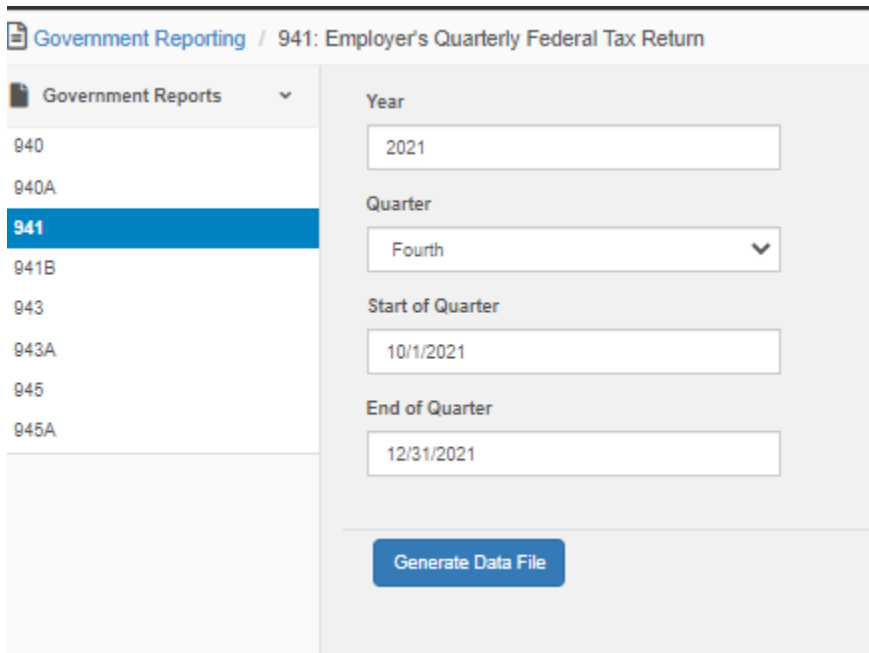
Step 2: Form 941 Preparation and Balancing

Form 941: Verifying Federal Taxes using the 941 Report: The 941 Report can be used to verify Federal Taxes. 941s should be verified at the end of every Quarter. These reports can then be used during the Year-End to verify the Work File Edit Report.

Form 941: Employer's Quarterly Federal Tax Return

PATH: Reports, Government Reporting, Federal Forms, **941**

- Choose the Year and which Quarter you wish to print.
- Click on the box "Generate Data File"



Government Reporting / 941: Employer's Quarterly Federal Tax Return

Government Reports

- 940
- 940A
- 941**
- 941B
- 943
- 943A
- 945
- 945A

Year: 2021

Quarter: Fourth

Start of Quarter: 10/1/2021

End of Quarter: 12/31/2021

Generate Data File

- File will download as an xdp type file to your downloads folder

Open the file from your “downloads” folder. If there is a yellow bar at the top, click on Options. Data will appear in the form only after clicking “Trust this Document always.” (Note: Adobe Reader must be installed on your computer.)

The screenshot shows the Adobe Acrobat Reader DC interface. The top menu bar includes File, Edit, View, Window, and Help. The toolbar contains various icons for document manipulation. A red arrow points to the 'Options' button in the top right corner of the document viewer. The document is titled 'f941_20162.pdf' and displays the '941 for 2016: Employer's QUARTERLY Federal Tax Return' form. The form includes fields for Employer identification number (EIN), Name, and Trade name, and a section for reporting for this quarter of 2016.

The 941 will be displayed and can be modified. You will need to print the form as you can't save it

Please fill out the following form. You cannot save data typed into this form.
Please print your completed form if you would like a copy for your records.

941 for 2021: Employer's QUARTERLY Federal Tax Return

Form 941 (rev. June 2021) Department of the Treasury — Internal Revenue Service

OMB No. 1545-0029

Employer identification number (EIN) 2 1 - 1 2 3 4 5 6 7

Name (not your trade name) Optimum Solutions Inc.

Trade name (if any)

Address 210 25th Ave N
 Number Street Suite or room number

Nashville TN 37203
 City State ZIP code

Foreign country name Foreign province/county Foreign postal code

Report for this Quarter of 2021 (Check one.)

☐ 1: January, February, March

☐ 2: April, May, June

☐ 3: July, August, September

☒ 4: October, November, December

Go to www.irs.gov/Form941 for instructions and the latest information.

Print all 4 Quarters of the 941.

Use the 941 copies to extract these numbers for each Quarter

- Federal Taxable Wages
- Federal Income Tax amounts
- Social Security Taxable Wages
- Social Security Tax amounts
- Medicare Taxable Wages
- Medicare Tax amounts

We suggest that you total up these amounts for each quarter in the Excel Balancing tool described in the last section. Be aware, however, that the Social Security Tax amounts and Medicare Tax amounts on the “941” show both the Employee’s contribution as well as the Employer’s contribution. Therefore, the tax amounts need to be split (6.2% employee portion / 6.2% employer portion) before totaling in order to compare with the “W-2 Work File Edit List.” For this reason these amounts only need to balance to within a few cents. They do not have to be exact.

Here is an example of a spreadsheet being used to verify a Work File Edit List.

Quarter & Year End Balancing for Year 20xx									
Form 941				EE plus ER			EE plus ER		
				Wages X's 12.40 %	(formula)		Wages X's 2.90 %	(formula)	
Quarter	FIT Wages	FIT Taxes	SS Wages	SS Taxes	SS EE w/h	Medicare Wages	Medicare Taxes	Medi EE w/h	EIC
1st	84,875.52	4,264.66	86,673.15	10,747.47	5,373.74	88,548.41	2,567.90	1,283.95	0.00
2nd	120,205.94	6,549.43	122,435.39	15,181.99	7,590.99	124,829.49	3,620.06	1,810.03	256.73
3rd	107,287.14	5,862.20	109,357.32	13,560.31	6,780.15	111,246.96	3,226.16	1,613.08	251.30
4th	140,745.31	8,439.97	143,166.32	17,752.62	8,876.31	145,370.90	4,215.76	2,107.88	268.01
941 YTD	453,113.91	25,116.26	461,632.18	57,242.39	28,621.20	469,995.76	13,629.88	6,814.94	776.04

Employee W2 Edit List						
Employee	FIT Wages,Tips	FIT Taxes W/H	SS Wages	SS Taxes W/H	Med Wages,Tips	Med Taxes W/H
Back, Peppa K	23714.00	2394.47	23955.59	1485.25	24159.69	350.32
Bookplate, Henry I	52015.58	3648.77	53946.70	3344.70	55175.00	800.04
Bookplate, Horace I	48742.06	0.00	48964.84	3035.82	49153.24	712.72
Brery, Lila I	13799.26	402.07	13844.75	858.37	13976.42	202.66
Dick, Shunarey C	32649.60	3809.79	33001.14	2046.07	33634.59	487.70
Edges, Gilda I	34138.54	3634.08	35762.90	2217.30	36097.00	523.41
Edishin, Furst K	34405.40	878.56	35323.95	2190.08	36742.25	532.76
Fickson, Nawn K	17226.24	1561.07	17402.29	1078.94	17606.39	255.29
Graph, Otto I	27220.63	617.47	27502.90	1705.18	28227.00	409.29
Logue, Catherine I	16764.96	815.11	16936.12	1050.04	17116.30	248.19
Marker, Place K	401.00	0.00	150.00	9.30	150.00	2.17
Print, Outta I	21056.84	904.20	21276.80	1319.16	21997.00	318.96
Storey, Tru I	31147.26	1418.91	31466.32	1950.91	31906.50	462.64
Table, Coffey I	32697.44	0.00	33368.90	2068.87	33573.00	486.81
Tale, Fannie I	150.00	0.00	150.00	9.30	150.00	2.17
Tome, Dusty I	35617.65	3572.90	36553.95	2266.34	37452.25	543.06
Turrey, Miss K	21307.44	1458.86	32025.03	1985.55	32879.13	476.75
End of Company	453113.91	25116.26	461632.18	28621.18	469995.76	6814.94

If any of the Quarters are out of balance, use the “941B” Report to find out which Payroll is out.)

Why would my Quarter numbers be out of balance?

History vs Form 941 Calculation: On the 941 form, it pulls in taxable wages for FICA/Medicare from check history, but the taxes on the 941 are calculated based on those wages pulled in on the form, not on the actual taxes in history. This is a reason why they might not balance.

Did any of your employees reach 200k in Medicare Taxable Wages?

IMPORTANT Note: Medicare taxes are somewhat complicated to balance for employees that have **200k in Medicare Taxable Wages**. The Employee pays an additional .9% for a total of 2.35% on wages 200K or greater. The Employer (1.45%) does not match this. Please refer to instructions and a worksheet on the Support website: Documentation >Windows> Government Reporting, see article **941 Medicare Balancing Greater than 200K Instructions and Spreadsheet**.

For these employees you can run the Medicare Wages > 200k to Balance to 941 reports found under Path: Reports, History Reports.

Medicare Wages > 200k to Balance to 941 Optimum Solutions Inc.					
	----- Quarter 1 -----	----- Quarter 2 -----	----- Quarter 3 -----	----- Quarter 4 -----	----- YTD -----
Honey , Jared					
Employee Number:	1130				
Taxable Earning:	367044.25	220226.55	0.00	73408.85	660679.65
Tax Withheld:	6825.54	5175.32	0.00	1725.11	13725.97
Taxable Earning > \$200k:	167044.25	220226.55	0.00	73408.85	460679.65
Tax on > \$200k:	1503.40	1982.04	0.00	660.68	4146.12
End of Company : Optimum Solutions Inc.					
Taxable Earning:	367044.25	220226.55	0.00	73408.85	660679.65
Tax Withheld:	6825.54	5175.32	0.00	1725.11	13725.97
Taxable Earning > \$200k:	167044.25	220226.55	0.00	73408.85	460679.65
Tax on > \$200k:	1503.40	1982.04	0.00	660.68	4146.12



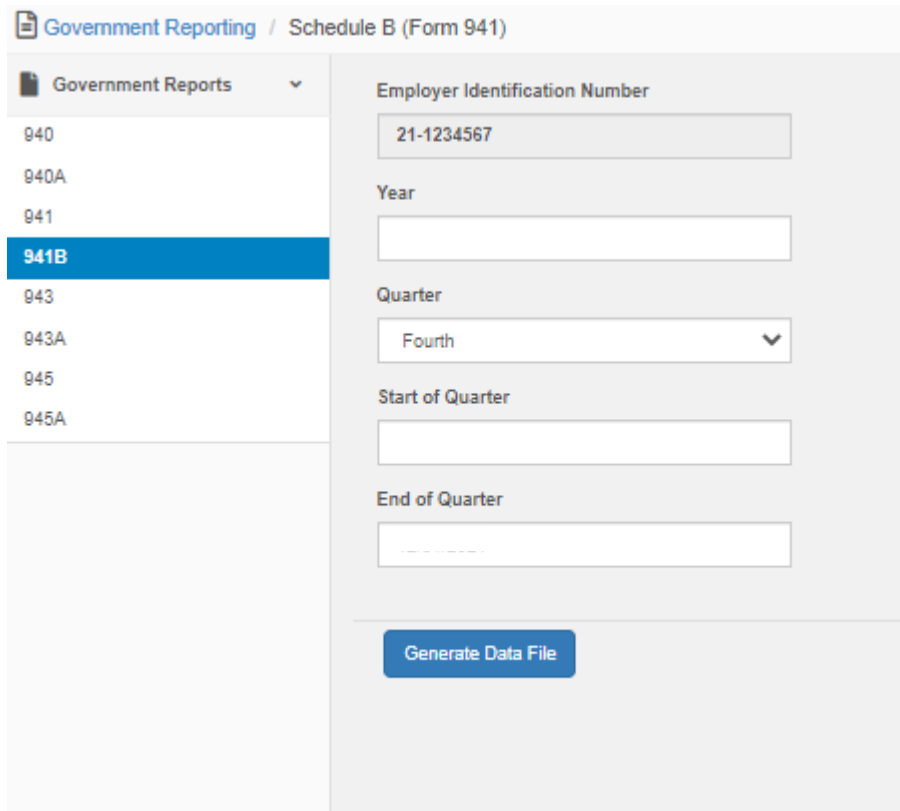
Step 3: Form 941B Preparation

Form 941B: Report of Tax Liability for Semiweekly Schedule Depositors

Form 941B must be filed if you are a semiweekly depositor and meet the qualifications stated in the IRS Instructions for Schedule B (Form 941).

PATH: Reports, Government Reporting, Federal Forms, **941B**

- Choose the Year and which Quarter you wish to print.
- Click on the box “Generate Data File”



- File will the 941B will fill in with the quarter FIT, FICA and Medicare taxes withheld on the screen by check date.
- File will download to your downloads folder as an xdp file

Open the file from your “downloads” folder. If there is a yellow bar at the top, click on Options. Data will appear in the form only after clicking “Trust this Document always.”

Schedule B (Form 941):

Report of Tax Liability for Semiweekly Schedule Depositors

(Rev. January 2017) Department of the Treasury — Internal Revenue Service

960311

OMB No. 1545-0029

Employer identification number (EIN)

2

1

-

1

2

3

4

5

6

7

Name (not your trade name)

Optimum Solutions Inc.

Calendar year

2

0

2

0

Report for this Quarter...
 (Check one.)

☐ 1: January, February, March

☐ 2: April, May, June

☐ 3: July, August, September

☒ 4: October, November, December

Use this schedule to show your TAX LIABILITY for the quarter; don't use it to show your deposits. When you file this form with Form 941 or Form 941-SS, don't change your tax liability by adjustments reported on any Forms 941-X or 944-X. You must fill out this form and attach it to Form 941 or Form 941-SS if you're a semiweekly schedule depositor or became one because your accumulated tax liability on any day was \$100,000 or more. Write your daily tax liability on the numbered space that corresponds to the date wages were paid. See Section 11 in Pub. 15 for details.

- The due date to file Form 941B is the same as for Form 941.



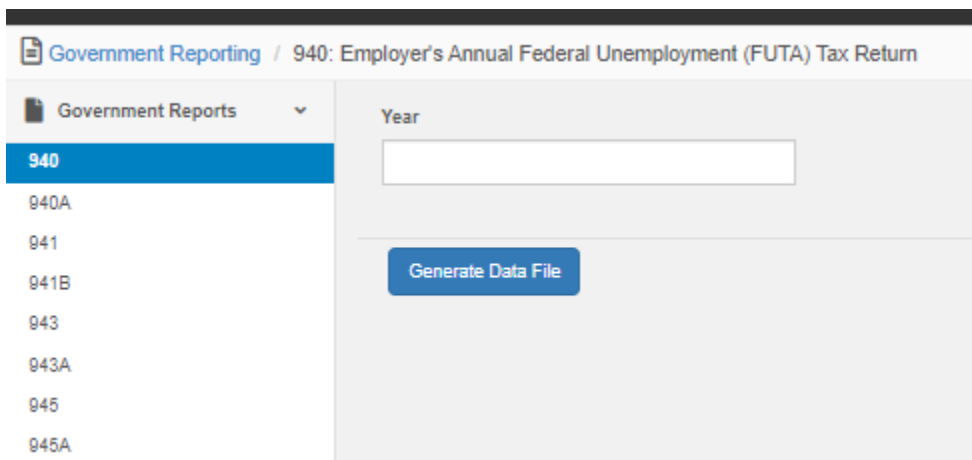
Step 4: Form 940 Preparation

Form 940: Employer's Annual Federal Unemployment (FUTA) Tax Return

Form 940 generation will be available in Windows OptiCloud®. As you will not be creating this form prior to year-end, we will give instructions in future documentation. We anticipate creating this form will be a similar process to creating the 941. **At publication time, Form 940 for the current year is not yet available.**

PATH: Reports, Government Reporting, Federal Forms, **940**

- Choose the Year you wish to print.
- Click on the box "Generate Data File"



- File will download to your downloads folder as an xdp type file

Form **940 for** **Employer's Annual Federal Unemployment (FUTA) Tax Return** 850113
Department of the Treasury — Internal Revenue Service OMB No. 1545-0028

Employer identification number (EIN) 2 1 - 1 2 3 4 5 6 7

Name (not your trade name) Optimum Solutions Inc.

Trade name (if any)

Address 210 25th Ave N
Number Street Suite or room number

Nashville TN 32703
City State ZIP code

Foreign country name Foreign province/county Foreign postal code

Type of Return
(Select all that apply.)

☐ a. Amended

☐ b. Successor employer

☐ c. No payments to employees in 2019

☐ d. Final: Business closed or stopped paying wages

Go to www.irs.gov/Form940 for instructions and the latest information.

Read the separate instructions before you complete this form. Please type or print within the boxes.

Part 1: Tell us about your return. If any line does NOT apply, leave it blank. See instructions before completing Part 1.

1a If you had to pay state unemployment tax in one state only, enter the state abbreviation . 1a ☐ ☐

1b If you had to pay state unemployment tax in more than one state, you are a multi-state employer 1b ☐ Check here, Complete Schedule A (Form 940).

2 If you paid wages in a state that is subject to CREDIT REDUCTION 2 ☐ Check here, Complete Schedule A (Form 940).

Part 2: Determine your FUTA tax before adjustments. If any line does NOT apply, leave it blank.

3 Total payments to all employees 3 2539763 28

4 Payments exempt from FUTA tax 4 56603 43

Check all that apply: 4a ☐ Fringe benefits 4c ☐ Retirement/Pension 4e ☐ Other

4b ☐ Group-term life insurance 4d ☐ Dependent care

5 Total of payments made to each employee in excess of \$7,000 5 1693997 53

6 Subtotal (line 4 + line 5 = line 6) 6 1750600 96

To balance the 940, run the following Tax Reports:

- 940 FUTA Excess Yearly Report
- FUTA Excess Yearly with Total as Taxable
- FUTA Report by EE State_Detail
- FUTA Report by EE State_Summary

After the Final Payroll in 2022 and Prior to Processing the First Payroll for the Year 2023



After the Final Payroll in 2022 and Prior to Processing the First Payroll for Year 2023

You may be wondering what you need to change in the system in order to make a smooth transition. Well, this may be easier than you thought.

Since everything in OptiCloud® is “Date Driven,” the system will automatically recognize change in date. As a result Earnings, Taxes and Benefits/Deductions will start over with a Year-to-Date amount of \$0.00 as soon as the first payroll cycle with the check date of the New Year has been calculated.

However, some deductions, such as 401K, will start the New Year with a different limit, or “Goal Amount.” Changing all of your employees’ 401K limits could be a very time consuming and difficult task. So Optimum has made this change available as a **“Mass Update.”**

VERY IMPORTANT: You will also need to be aware of the web update schedule containing [the 2023 tax table changes prior to running your first payroll.](#) You will be notified of this update availability via mass email OR check the support website starting mid-December to see if it is included in the current version. *If you do not currently receive mass emails from Optimum, notify your support representative to be added to the distribution.*

Prior to Processing the First Payroll for the Year 2023...

Tax tables, withholding amounts, deduction and benefit limits and holiday calendars need to be updated. All of this can be accomplished by following these steps:

Step 1: Program Update and Tax Updates. Watch for emails from Optimum about update alerts and updated tax tables. Tax Updates will be applied to OptiCloud® frequently. Refer to the support site and emails from us regarding these updates. **Note: State Unemployment experience rates are maintained by the user.**

Step 2: Run Mass/Global Updates for deductions. This is most commonly used to reset the 401K, HSA and Flex deduction limits and clear the Goal to Date amount before your first payroll. You may have other deductions that also need to be reset. Our example will be to update the 401K limit and clear the Goal to Date amount.

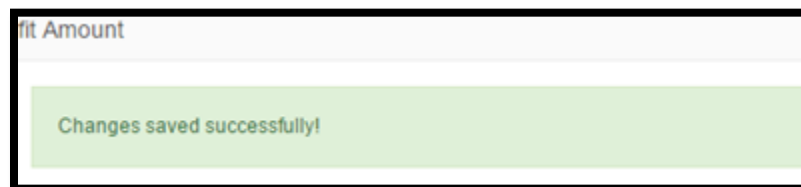
PATH: Human Resources, Mass/Global Update, Mass/Global to Deductions, **Update Goal Amount.**

For Users with 401K Deductions: The 2022 401K/401k ROTH limit is \$22,500.

NOTE: The mass benefit Goal-To-Date update option MUST be run for all employees even if the limit does not change.

1. Click on Deduction Update
2. Click on Update Goal Amount
3. Choose the Deduction from the dropdown. *The deduction type and frequency will fill in when you choose the deduction.*

4. For Current Goal Amount, select Equal To from the drop down and key in the goal amount. For Update to, select New Flat Amount and Key in the goal amount. If the goal amount did change, you would select “Less Than or Equal to” instead of “Equal to.”
5. **Be sure to check “Clear Goal to Date Amount”**. This starts accruing toward the new Goal from \$0.00 for the New Year. *Even if the limits do not raise, you will need to clear the goal to date amount. The reason is that if it is not cleared, the employee will meet the limit during the year and the deduction will stop coming out of their check.*
6. Click Process **Please Note that this may need to be run multiple times as some employees may have a Deduction type of Percentage of Gross Pay, but others have a Fixed Amount**. Also employees with catch up use the same benefit code, but have a different goal or different deduction types-\$ or %.
7. A report will pop up showing the changes that you are implementing with the Mass Update. This report lists all the employees to whom the change will be applied. **Be sure to “Print” this report.**
8. Click “Continue with Update” when you are ready to proceed.
9. This window will pop up to confirm that the change has been implemented successfully.



VERY IMPORTANT NOTE for Goal Amounts: Whenever a Goal Amount changes, you must also change the 401K Goal Amount on the Benefit Master and in Administration / Company/Organization.

PATH: Administration, Codes Tables, Benefit Codes, **Employee Side**

The Benefit Master is used when you Hire a New Employee or Add a Benefit to an Existing Employee. If the Goal amount is not updated, it will be incorrect on the future employee benefit.

Code Tables / Benefit Codes / Edit Benefit Employee Deduction

Benefit Code: 50 Description: 401K

Employee Side

Employer Side
Payee
Taxability
G/L Accounts
Exclude Earnings
Exclude Deductions
Comments
Leave Ins 3rd party tax codes

Basic Information

Deduction Type*
Percentage of gross pay

Frequency*
Weekly

Percent
%

Priority
%

Check Description*
401K

Maximum Period Type
%

Maximum Amount
%

Goal Amount
22500.0000

Arrears

☐ Process Arrears
Arrears Limit Per Period
%

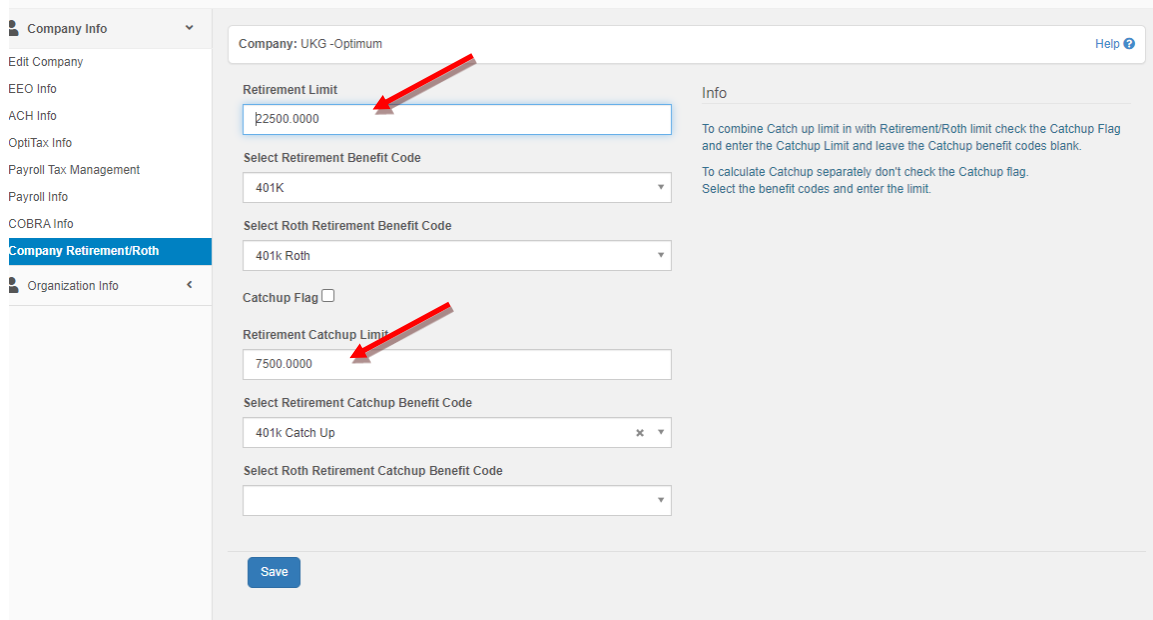
Additional Options

☐ Use Benefit Master for Deduction Amounts
☒ Withhold on All Paychecks
☒ Deferred Compensation
☐ Allow Partial Deductions
☐ Exclude from Worker's Compensation Wages
☐ Covid qualified Health plan expense

Save

PATH: Administration, Company/Organization, **Company Retirement/Roth**

Company/Organization / Company Retirement/Roth



Company: UKG -Optimum

Retirement Limit: 2500.0000

Select Retirement Benefit Code: 401K

Select Roth Retirement Benefit Code: 401K Roth

Catchup Flag: ☐

Retirement Catchup Limit: 7500.0000

Select Retirement Catchup Benefit Code: 401K Catch Up

Select Roth Retirement Catchup Benefit Code:

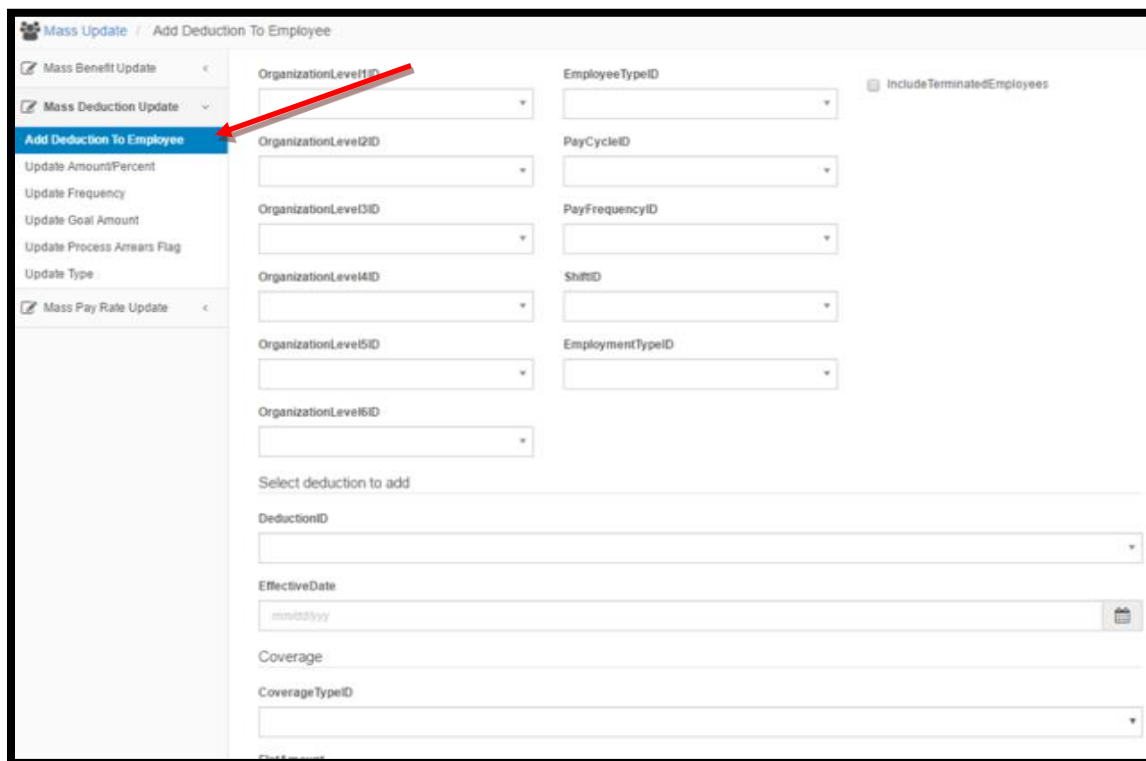
Save

Info

To combine Catch up limit in with Retirement/Roth limit check the Catchup Flag and enter the Catchup Limit and leave the Catchup benefit codes blank.

To calculate Catchup separately don't check the Catchup flag. Select the benefit codes and enter the limit.

* If you need to mass **add a deduction** to employees or **change premium amounts** for the New Year, this can be accomplished using the other options on the Mass/Global update menu. The process is similar to the example shown above.



Mass Update / Add Deduction To Employee

Mass Benefit Update

Mass Deduction Update

Add Deduction To Employee

Update Amount/Percent

Update Frequency

Update Goal Amount

Update Process Affects Flag

Update Type

Mass Pay Rate Update

OrganizationLevel1ID

OrganizationLevel2ID

OrganizationLevel3ID

OrganizationLevel4ID

OrganizationLevel5ID

OrganizationLevel6ID

EmployeeTypeID

PayCycleID

PayFrequencyID

ShiftID

EmploymentTypeID

Include Terminated Employees

Select deduction to add

DeductionID

EffectiveDate

Coverage

CoverageTypeID



Note: You may have **Benefits (Employer Side)** with Limit-to-Date amounts that need to be cleared. There is now a Mass/Global Update for Benefits available for Update Amount/Percent and Update Benefit Limit Amount. This process similar to the steps above.

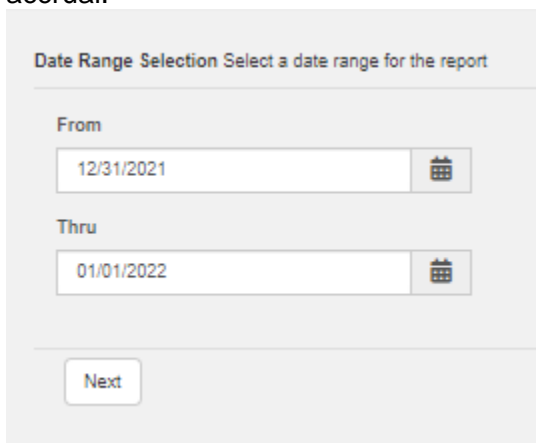
Step 3: Run the PTO Period Accrual

Run the PTO Period Accrual if Rollover is at the beginning of the year. **If your rollover is the employee's anniversary date, Step 3 doesn't apply to you – Go to Step 4**

PATH: Payroll, **PTO Period Accrual**

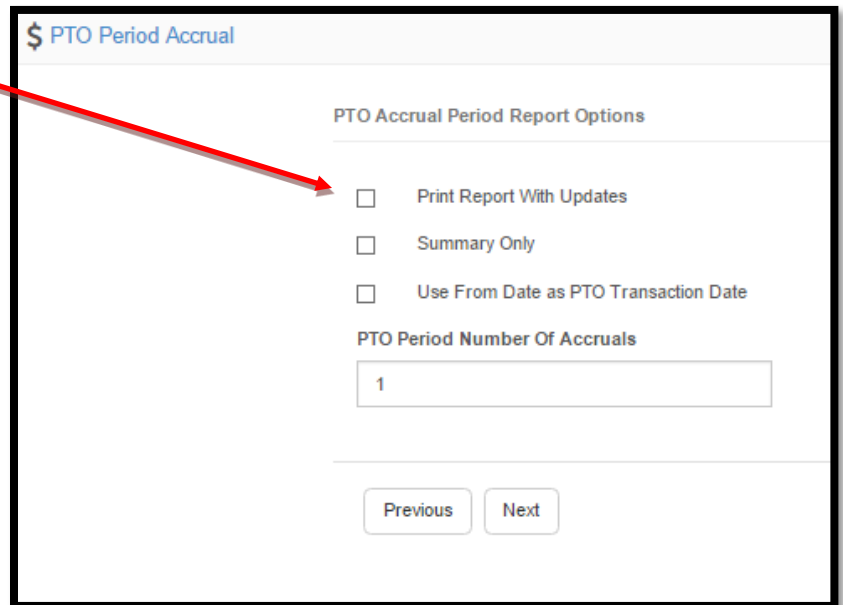
When to run the PTO Period Accrual...

Depending on how your PTO plan is setup, you will need to determine when to run the accrual.



If your plan is **ANNUAL**-starting at the beginning of the year, after the last payroll of the prior year and before you process your first payroll, you would run the PTO Period Accrual for the date range 12/31/2022 – 01/01/2023 so that the rollover transactions (negatives) are dated 12/31 to zero out the Earned and Taken in the year they were Earned/Taken and give the new Earned as of 01/01.

ALWAYS Run the PTO Period Accrual with the box "Print Report With Updates" UNCHECKED first and carefully review the report to see how the transaction will rollover or clear the plan available amounts. Once you are satisfied the PTO will post correctly, you will run the process again and check this box, which will update the actual employee records.

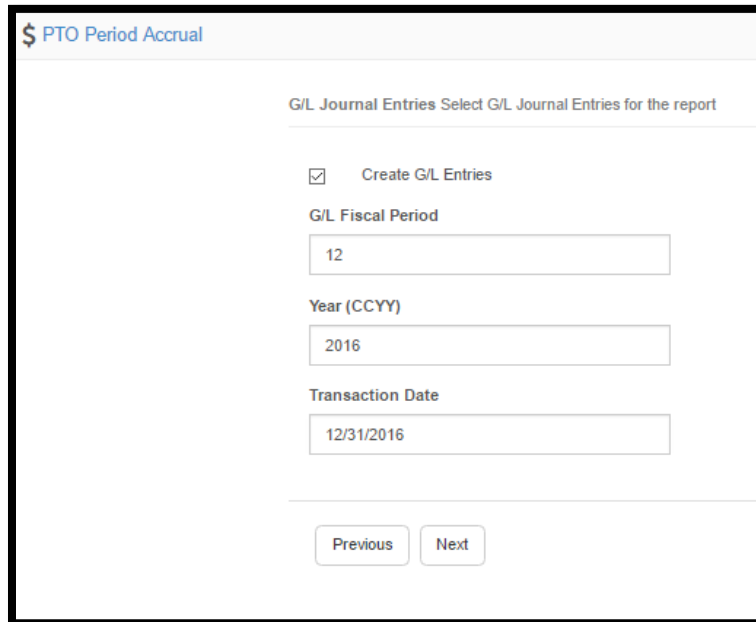


The screenshot shows the "PTO Period Accrual" window. At the top, there is a title bar with a dollar sign icon and the text "PTO Period Accrual". Below this is a section titled "PTO Accrual Period Report Options" which contains three unchecked checkboxes: "Print Report With Updates", "Summary Only", and "Use From Date as PTO Transaction Date". Below these options is a field labeled "PTO Period Number Of Accruals" with the value "1" entered. At the bottom of the window are two buttons: "Previous" and "Next". A red arrow points from the text on the left to the "Print Report With Updates" checkbox.

This screen allows you to create Journal Entries for hours accrued/earned. The JE's can be created running "With" or Without" update.

- Check the box for Create G/L journal entries
- Enter the G/L fiscal period
- Enter the Year
- Enter the Transaction date for the JE

Note: You have to have the GL accounts setup on the PTO Plans code table to create the JE.



The screenshot shows the "PTO Period Accrual" screen. Under the heading "G/L Journal Entries Select G/L Journal Entries for the report", there is a checkbox labeled "Create G/L Entries" which is checked. Below this are three input fields: "G/L Fiscal Period" with the value "12", "Year (CCYY)" with the value "2016", and "Transaction Date" with the value "12/31/2016". At the bottom of the form are two buttons: "Previous" and "Next".

If your plan is based on a **CALENDAR** year and the first check of the year includes PTO time taken from the last period of the year, you will need to consider if you want to let the system do the roll over on this payroll. For example, if the last pay period date range is 12/26-12/31, but the check date is **01/07**, any PTO taken counts toward the new year and prior year earned hours rolls over or is cleared. In this case you will want to change the Rollover date so that the PTO taken counts towards the prior year. **The next example shows you how easy it is to change that rollover date for your plans.**

PATH: Payroll> PTO Change Rollover

Choose your company, select the Plan to change and enter the new Rollover Date. Click on Execute. There is no need to change this back to your original rollover date unless you want to.

Change Paid Time Off Rollover Date

Select Which Company

UKG -Optimum

Select Which Pay Cycle

OSI

Select Which Plan

Percent of Hours Worked

New Rollover Date

01/02/2023

Change

Another option to avoid having to change the Rollover date every year is to change the policy that PTO time must be used prior to the last period of the year. For example, earned PTO would have to be used during the next to last pay period so that the check date would be in the current year. Any time used during the last pay period of the year would count towards the New Year's earned hours.

Step 4: Setup Payroll Pay Cycle Calendar

Update the **Payroll Pay Cycle Calendar (Pay Periods and Check dates)** for the entire year rather than entering them during Payroll Processing, and perhaps entering the incorrect date when you are in a hurry. (This step is optional, but recommended.)

PATH: Administration, Code Tables, **Payroll Pay Cycles Calendar**

Use your company's Accounting Calendar to set up the whole year. Press the **Create Pay Cycles Calendar** link, Select your Company, Pay Cycle and Pay Frequency from the drop down list.

Code Tables / Payroll Active Pay Cycles Calendar / Edit Pay Cycles Calendar

Pay Cycle: OSI Company: UKG -Optimum Pay Frequency: Weekly

Help

Pay Cycle Info Override Frequencies

Pay Period

Pay Period/Week Number*

1

☐ SpecifyTime

Pay Period Begin Date*

12/25/2022

00:00

Pay Period End Date*

12/31/2022

00:00

Options

☒ Perform Processing of Arrears

☐ Hold All Direct Deposits

☐ Roll Over % of Hours Worked PTO for Paid Employees

☐ Roll Over % of Hours Worked PTO for Non Paid Employees

☐ Accrue End of Accounting Period Expense

☒ Filter Employees By Cycle

Accruals

End of Accounting Period Date

mm/dd/yyyy

End of Period G/L Fiscal Year

2023

End of Period G/L Fiscal Period

1

Reversing Accounting Period Date

mm/dd/yyyy

Reversing Period G/L Fiscal Year

2023

Reversing Period G/L Fiscal Period

1

of Expense to Accrue =

Save

Pay Cycle Calendar Tab

Pay Period Section:

1. Key in the first Pay Period/Week Number – usually 1 although your Fiscal year may start differently.
2. Key in the Begin Date
3. Key in the End Date
4. Key in the Pay period G/L Fiscal Year and Period

Check Section:

1. Key in the Check Date for the period
2. Key in the Check Date's G/L Fiscal Year and Period
3. Click Override Frequency tab and select the frequencies for your normal payrolls.

Options Section

1. Check those options applicable to your company's practices.

Accruals Section

1. Check those options applicable to your company's practices. For the period s that cross months and if you do accruals, select those periods and fill out the information. Review this link for more information: <https://support.optimum-solutions.com/opticloud-accrue-end-of-accounting-period-expense/>

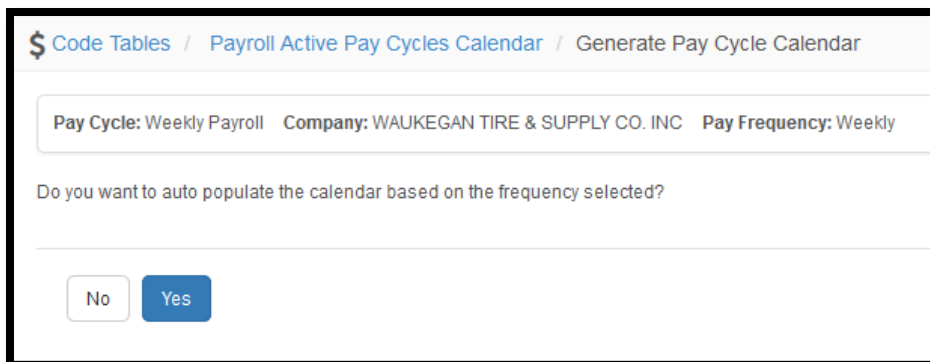
Override Frequency

1. Click Override Frequency tab and select the frequencies for your normal payrolls.

When completed, click on the **Save** Icon or press Ctrl-S.

You may see a couple of pop-up boxes stating the dates are not in the current year. Just click **OK** on both.

An **Auto Populate** box will pop up asking if you want to auto populate the rest of the year. Select **Yes**. *The system takes your entries for the first pay cycle and continues through the entire year.*



What results is a whole year of pay cycles set up for you. You can change these individually as needed. For instance, *if you have a Bi-Weekly pay cycle, there are 2 months of the year that have 3 periods. You don't want deductions to come out, so select those periods and move the deduction frequency to the left.

Delete Prior Year Calendars for Pay Cycles

You can delete old year calendars so you don't have so many rows. Select the Pay Cycle and calendar year you want to delete from the dropdown. Click on the remove button. This will delete all rows with that year's check date for that pay cycle. Repeat for additional pay cycles until you have only the current year left.

Code Tables / Payroll Active Pay Cycles Calendar

Pay Cycle*









WE

Calendar Year*

2017

Remove

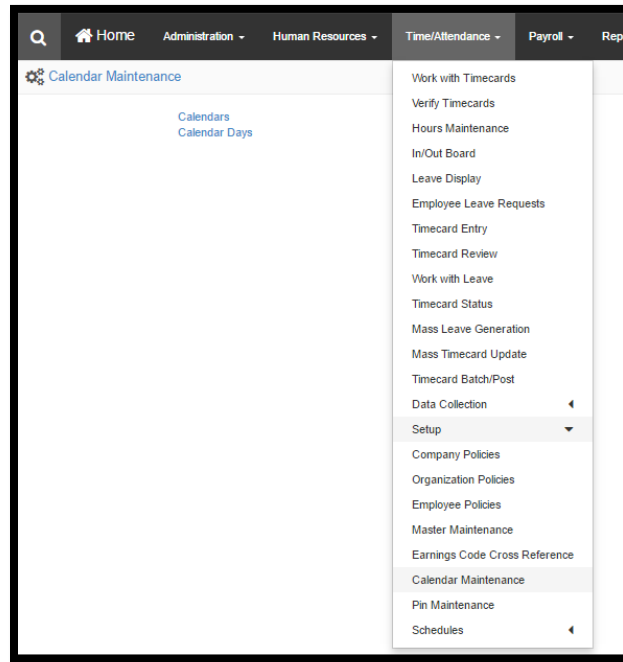
+ Create Pay Cycles Calendar

Company	Pay Cycle	Pay Period	Pay Period Begin Date	Pay Period End Date	Check Date	Actions
1	WE	1	12/26/2016	01/01/2017	01/06/2017	 
1	WE	2	01/02/2017	01/08/2017	01/13/2017	 
1	WE	3	01/09/2017	01/15/2017	01/20/2017	 
1	WE	4	01/16/2017	01/22/2017	01/27/2017	 






















































Step 5: Setup Time & Attendance Holiday Calendar

If using **OSI Time and Attendance**, you will need to set up the **holiday calendar** for the New Year. Setting up the new holidays for missing punches and if the employee works on a holiday and gets special pay.

PATH: Time and Attendance, Setup, Calendar Maintenance, **Calendar Days**



You may change the existing calendar dates or add new ones.

<div>  Calendar Maintenance / Calendar Select / Standard Calendar Days </div>				
<div> <div>  Calendar Days </div> <div> + Create Calendar Day </div> </div>				
Calendar	Date	Day Description	Holiday	Actions
Standard	01/01/2009	New Years Day	✓	  
Standard	07/03/2009	July Fourth	✓	  
Standard	05/25/2009	Memorial Day	✓	  
Standard	09/07/2009	Labor Day	✓	  
Standard	11/26/2009	Thanksgiving	✓	  
Standard	12/24/2009	Christmas Eve	✓	  
Standard	12/25/2009	Christmas Day	✓	  
Standard	01/06/2009	Test Holiday	✓	  
Standard	11/27/2009	Day after Thanksgiving	✓	  
Standard	12/31/2010	New Year's Day "observed"	✓	  
Standard	07/04/2011	Independence Day	✓	  
Standard	09/05/2011	Labor Day	✓	  
Standard	11/24/2011	Thanksgiving Day	✓	  
Standard	11/25/2011	Thanksgiving Day Friday	✓	  
Standard	12/23/2011	Christmas Eve "observed"	✓	  
Standard	12/26/2011	Christmas Day "observed"	✓	  
Standard	05/30/2011	Memorial Day	✓	  

W-2 Process and Filing

W-2 Processing

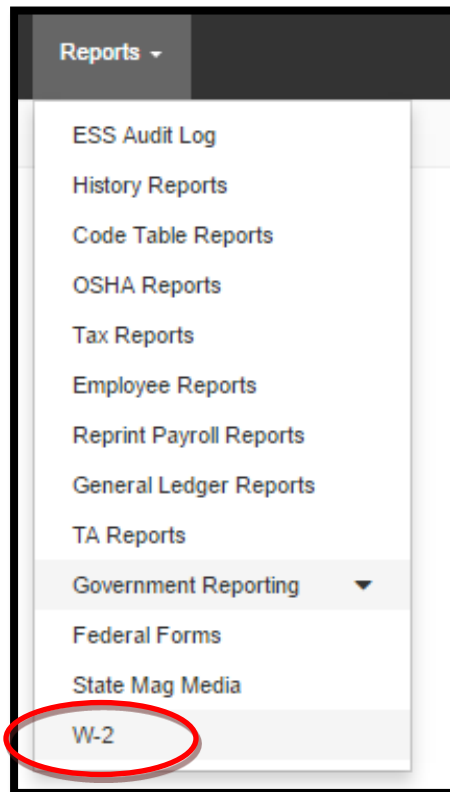
☐ Step 1: Verify Update Contains Needed Program Changes

The W-2 program will be released and included in an update in December and you will be notified via email when it is ready. If you are not receiving update emails from Optimum, please contact your support representative.

☐ Step 2: Create W-2 Work File

Create the **W-2 Work File** for processing W-2 information.

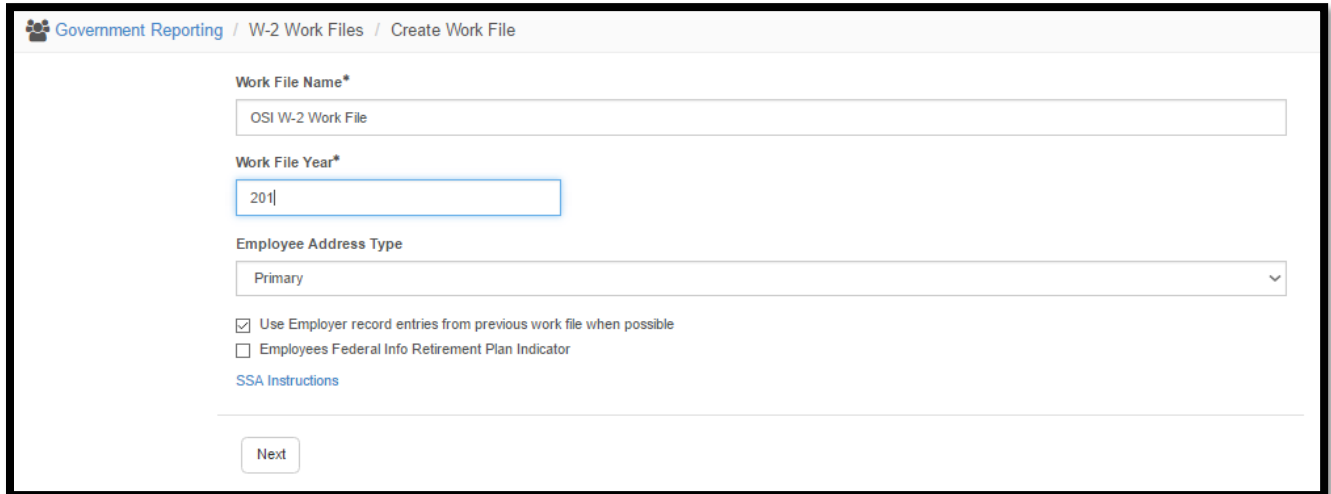
PATH: Reports, Government Reporting, **W-2**



Did you know that you can create a work file as many times as you want? You can even create them throughout the year during your quarterly balancing. The important thing is to go through the steps until you are comfortable with the process.

1. Click on Create Work File

- Enter the Work File name
- Enter the Year if it does not auto-populate to the current year.
- Choose Employee Address Type to use. Primary is the default.
- *Use employer record entries from previous work file when possible* is defaulted to checked.
- Employees Federal Info Retirement Plan Indicator check box
 - If checked, the system looks to the Employees Federal screen to see if the Retirement Plan checkbox in the W2 Related Items area is checked.
Note: this flag is used when there is not 100% participation in the retirement plan, so the federal screen flag is checked for all eligible employees. See page 16-17 for more info.
 - If not checked, the system looks at the Benefit Master-Taxability tab to see if the Retirement Savings Plan Deduction check box is checked, and if so...looks at history to see if there has been activity for the employee during the reporting year. *Note: this flag is used when there is 100% participation in the retirement plan.*
- Click Next



Government Reporting / W-2 Work Files / Create Work File

Work File Name*

OSI W-2 Work File

Work File Year*

201

Employee Address Type

Primary

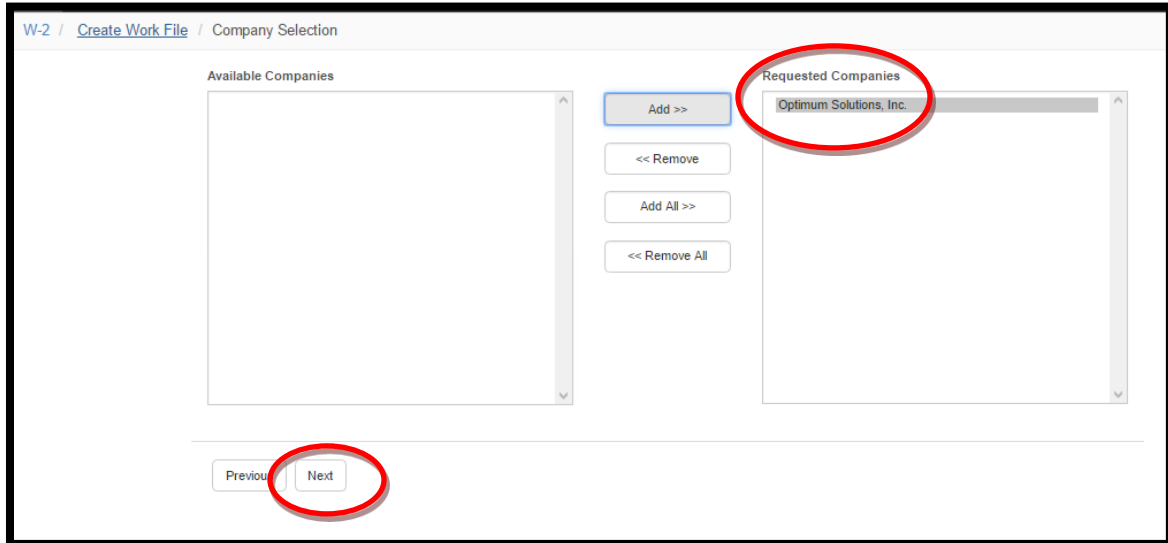
☒ Use Employer record entries from previous work file when possible

☐ Employees Federal Info Retirement Plan Indicator

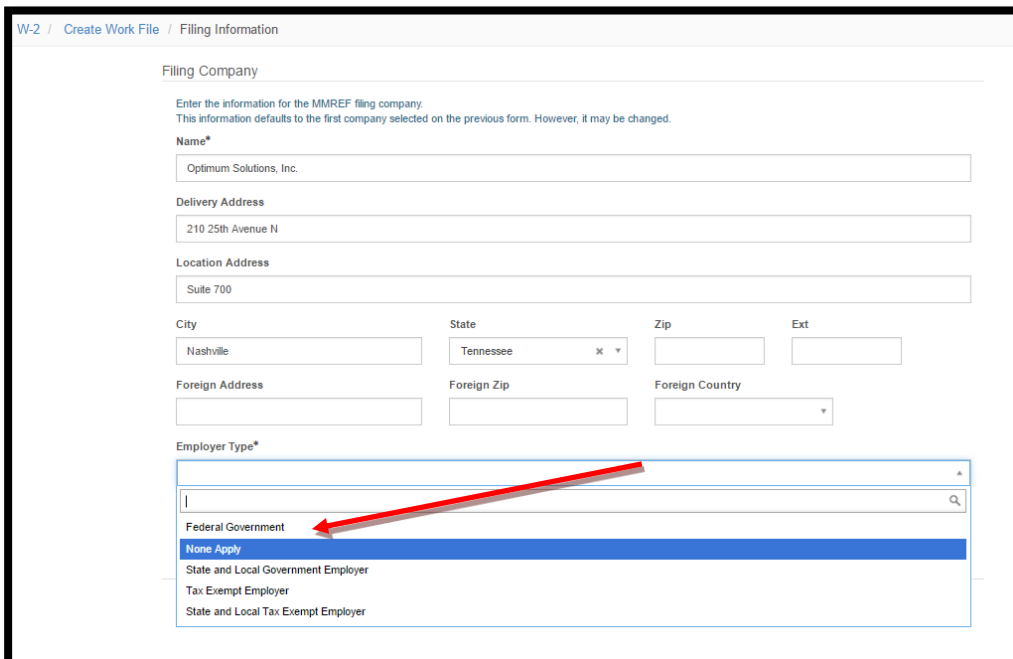
[SSA Instructions](#)

Next

2. Select the company for which you wish to create a W-2 work file in the list of available companies. Use the green arrow to move the company name over to the right. Click Next.



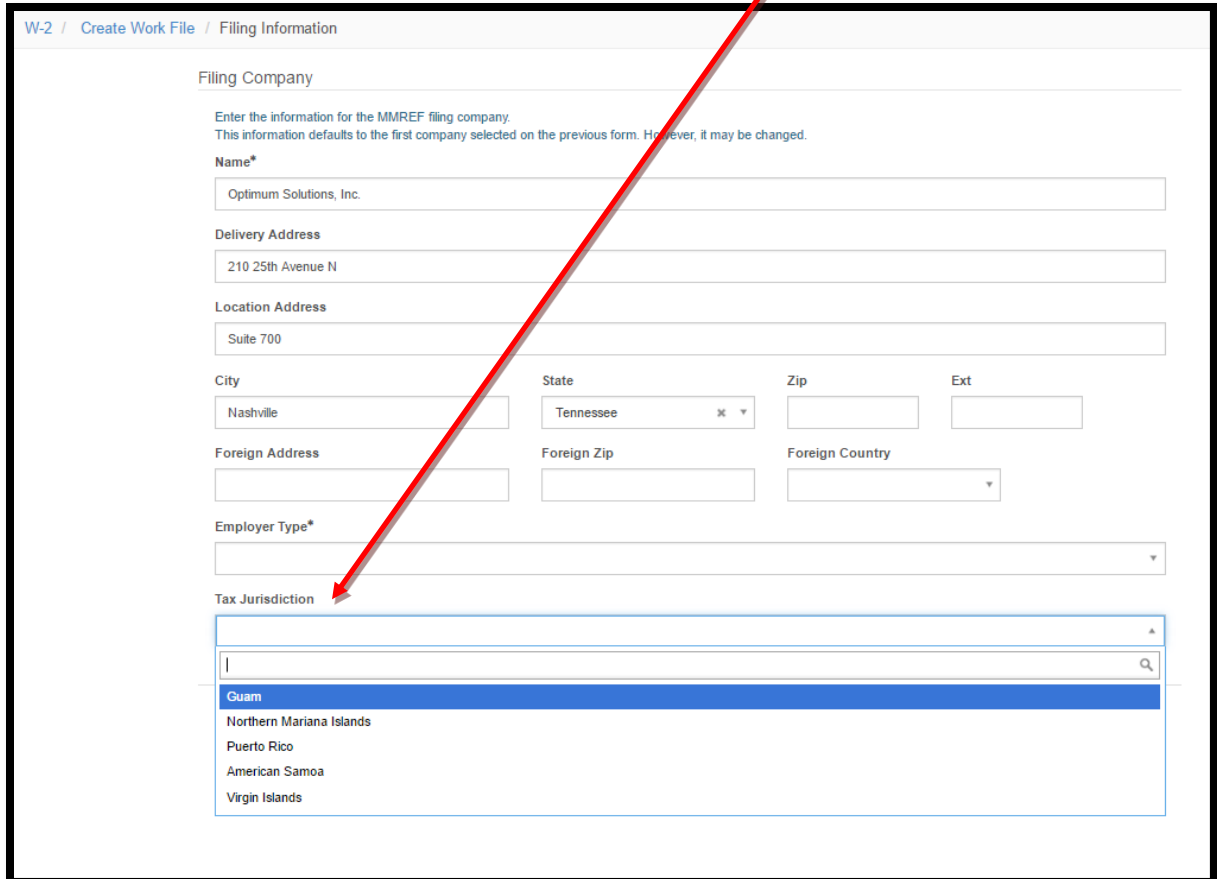
3. Verify that your Company's information is correct and make any changes necessary.
 - Select Employer Type from the drop down list.



*For an explanation of these choices, refer to the Publication 42 – <https://www.ssa.gov/employer/efw/16efw2.pdf>

RE POSITION	FIELD NAME	LENGTH	FIELD SPECIFICATIONS
165-169	ZIP Code	5	Enter the employer's ZIP code. For a foreign address, fill with blanks.
170-173	ZIP Code Extension	4	Enter the employer's four-digit extension of the ZIP code. If not applicable, fill with blanks.
174	Kind of Employer	1	<p>This is a required field.</p> <p>Enter the appropriate kind of employer:</p> <p>F = Federal govt. (Federal government entity or instrumentality)</p> <p>S = State/local non-501c. (State or local government or instrumentality (this includes cities, townships, counties, special-purpose districts or other publicly-owned entities with governmental authority))</p> <p>T = 501c non-govt. (Non-governmental tax-exempt section 501(c) organization (types of 501(c) non-governmental organizations include private foundations, public charities, social and recreation clubs and veterans organizations))</p> <p>Y = State/local 501c. (State or local government or instrumentality where the employer received a determination letter from the IRS indication that they are also a tax-exempt organization under section 501(c)(3))</p> <p>N = None Apply</p> <p><i>Note: Leave blank if the Tax Jurisdiction Code in position 220 of the RE Record is P (Puerto Rico).</i></p>

- Tax Jurisdiction was a new field added as of year-end 2014. **If your company is in the U.S. leave this blank.** If in one or more of the countries listed, make your selection from the drop down list.



W-2 / Create Work File / Filing Information

Filing Company

Enter the information for the MMREF filing company.
This information defaults to the first company selected on the previous form. However, it may be changed.

Name*

Optimum Solutions, Inc.

Delivery Address

210 25th Avenue N

Location Address

Suite 700

City

Nashville

State

Tennessee

Zip

Ext

Foreign Address

Foreign Zip

Foreign Country

Employer Type*

Tax Jurisdiction

Guam

Northern Mariana Islands

Puerto Rico

American Samoa

Virgin Islands

- Click Next.

4. Enter your 8 digit SSA PIN#.

- Verify the other information is correct.
- Click Next

For more information on obtaining an SSA PIN, go to <http://www.ssa.gov/bso> .This link will take you to “Business Services Online,” select “Registration.”

W-2 / Create Work File / Submitter Information

Submitting Company

Enter the submitter information.
This information defaults to the first company selected on the previous form. However, it may be changed.

EIN* 987654321 PIN* 12345678

Name
Optimum Solutions, Inc.

Delivery Address
210 25th Avenue N

Location Address
Suite 700

City Nashville State Tennessee Zip Ext

Foreign Address Foreign Zip Foreign Country

Previous Next

5. Enter the Contact Information including name and phone numbers.

- Select the Preferred method of contact
- Select who the Preparer of the file is
- Click Next

W-2 / Create Work File / Contact Information

Contact

Name* Charlie Bookkeeper

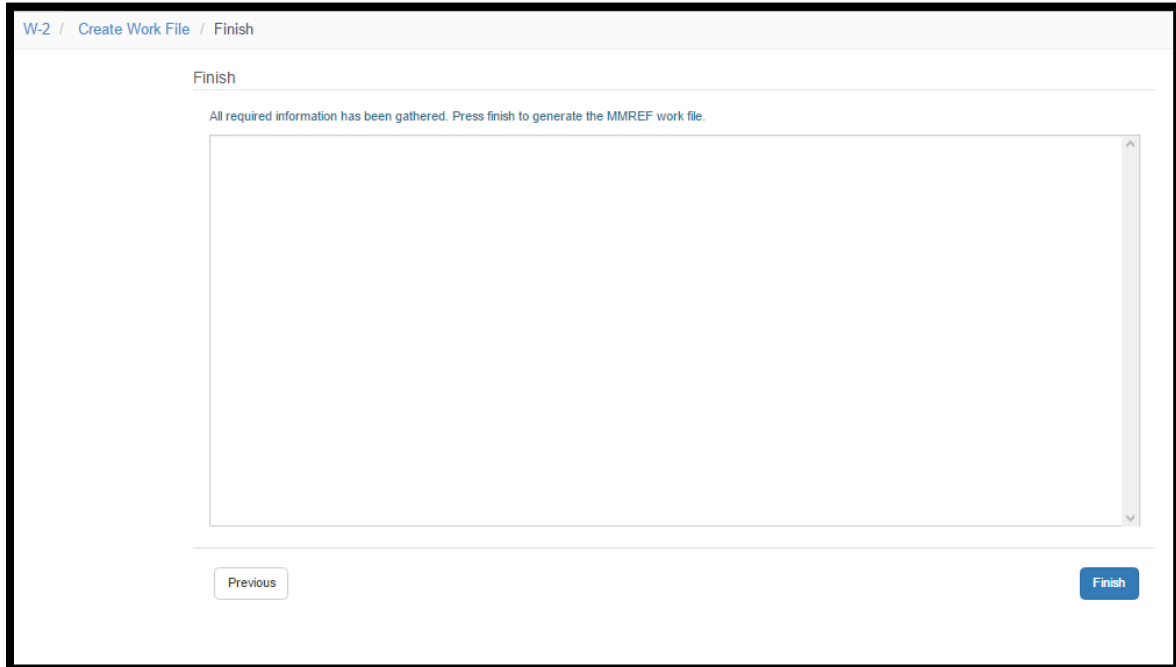
Phone Number 515-555-1212 Ext Fax 515-555-1213

Email cbookkeeper@optimumhris.com Preferred* U.S. Postal Service

Preparer* Self-Prepared

Previous Next

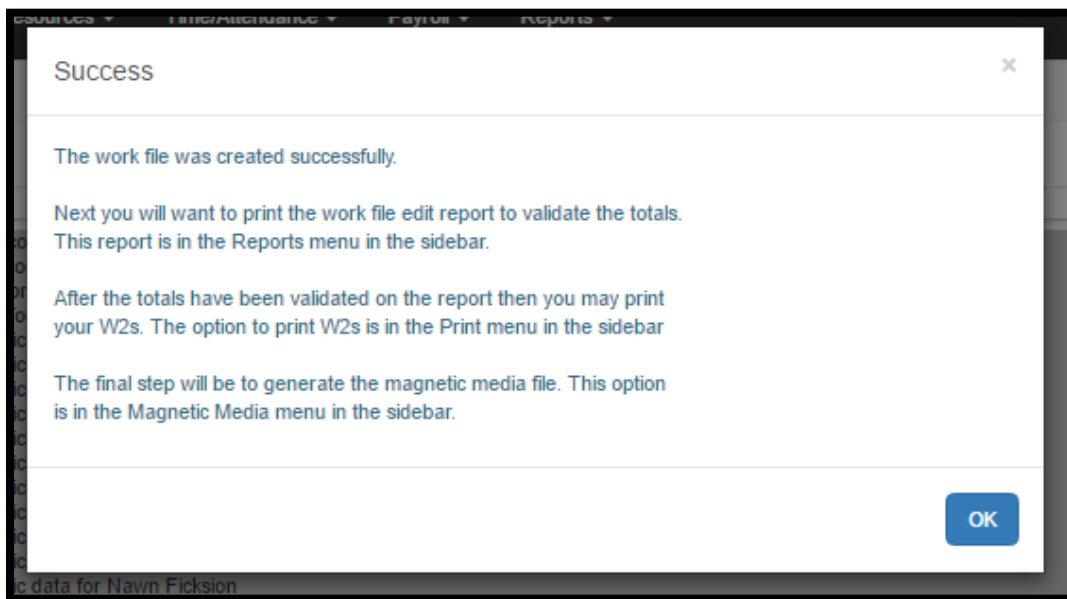
6. All of the information is now gathered and you are ready to create the W-2 Work File. Click Finish to create the file.



The screenshot shows a web interface for the 'Finish' step. At the top, there is a breadcrumb trail: 'W-2 / Create Work File / Finish'. Below this, the heading 'Finish' is centered. A message states: 'All required information has been gathered. Press finish to generate the MMREF work file.' Below the message is a large, empty rectangular box with a vertical scrollbar on the right. At the bottom of the interface, there are two buttons: 'Previous' on the left and 'Finish' on the right.

This message tells you the next steps to take.

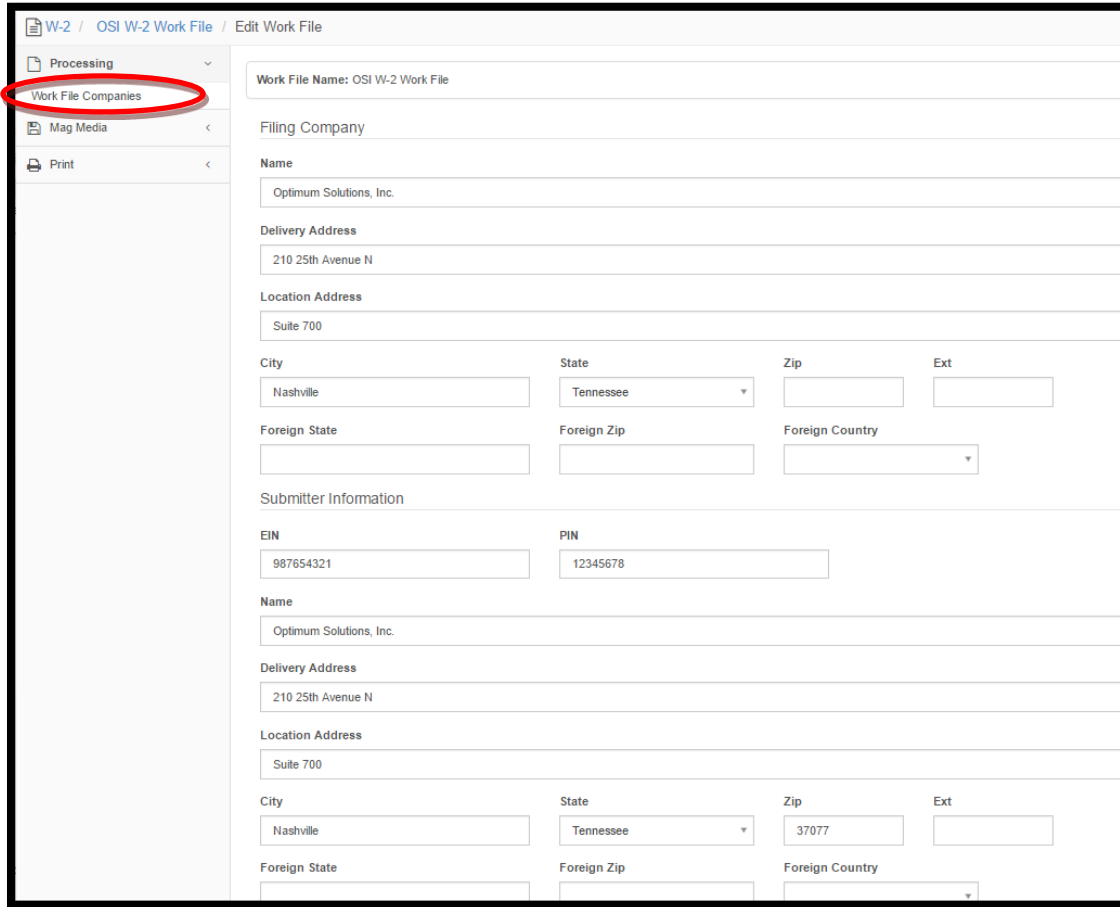
Click OK



The screenshot shows a 'Success' dialog box with a close button (X) in the top right corner. The text inside the dialog box reads: 'The work file was created successfully. Next you will want to print the work file edit report to validate the totals. This report is in the Reports menu in the sidebar. After the totals have been validated on the report then you may print your W2s. The option to print W2s is in the Print menu in the sidebar. The final step will be to generate the magnetic media file. This option is in the Magnetic Media menu in the sidebar.' At the bottom right of the dialog box is an 'OK' button.

Step 3: Make W-2 Work File Changes

Once the work file has been created, you can **Make Changes** or add data.



W-2 / OSI W-2 Work File / Edit Work File

Processing

Work File Companies

Mag Media

Print

Work File Name: OSI W-2 Work File

Filing Company

Name

Optimum Solutions, Inc.

Delivery Address

210 25th Avenue N

Location Address

Suite 700

City

Nashville

State

Tennessee

Zip

Ext

Foreign State

Foreign Zip

Foreign Country

Submitter Information

EIN

987654321

PIN

12345678

Name

Optimum Solutions, Inc.

Delivery Address

210 25th Avenue N

Location Address

Suite 700

City

Nashville

State

Tennessee

Zip

37077

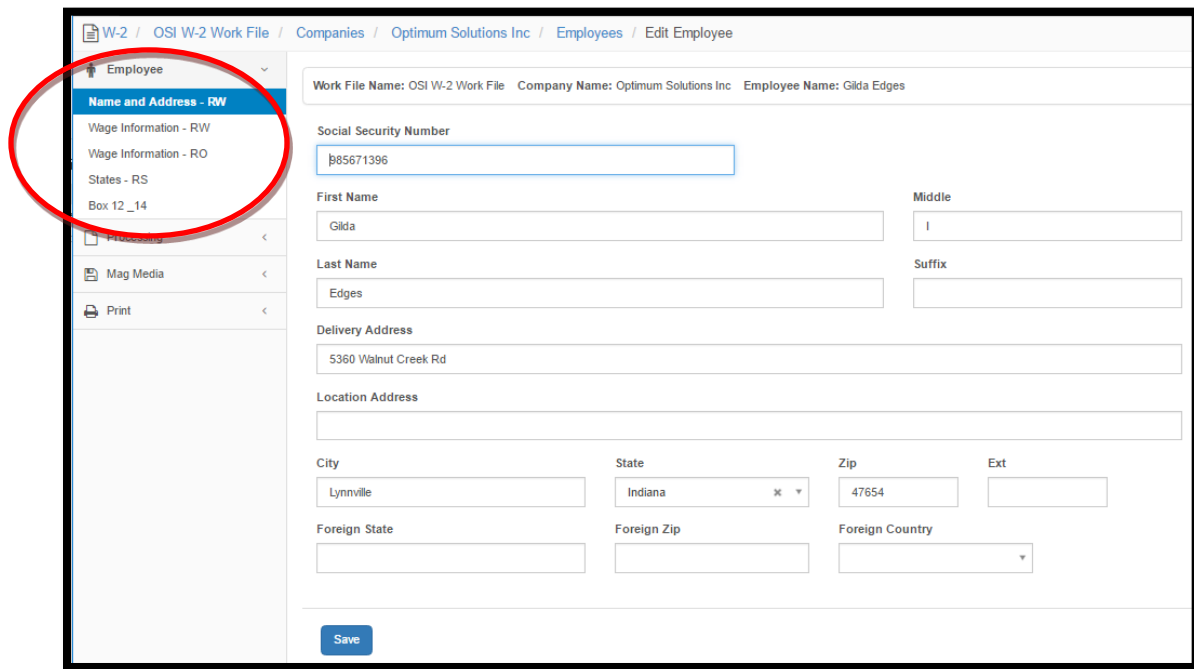
Ext

Foreign State

Foreign Zip

Foreign Country

- Click on the Processing tab and then Work File companies
- Click on the needed company
- Find the Employee's name you wish to change or add data to.
- Select the tab that contains the information you wish to manipulate.
- Make the changes and Save. Remember to save on each tab.

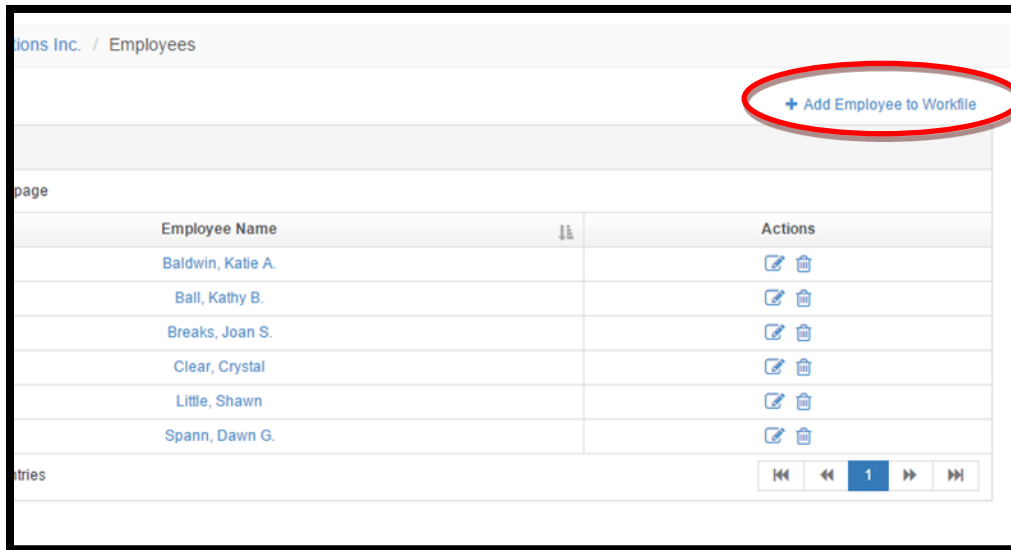


NOTE: Any information added or changed in the W-2 work file will NOT be in history. In order to add it to history, you will need to change it in Optimum (i.e. Address change – change in the Employee Master or change to wages – make a manual adjustment in payroll processing.) If you make changes in the system, you will need to recreate the W-2 work file. This work file can be re-created as many times as you need to.

DID YOU KNOW? ...that you can easily create a W-2 work file for prior years if the History is in Optimum?

From here, you can also **add an employee** to the Work File, but you must be logged in as Administrator User ID.

- Click on the “Add Employee to Work file” link
- Enter all of the Employee’s information in the appropriate tabs.
- Save.



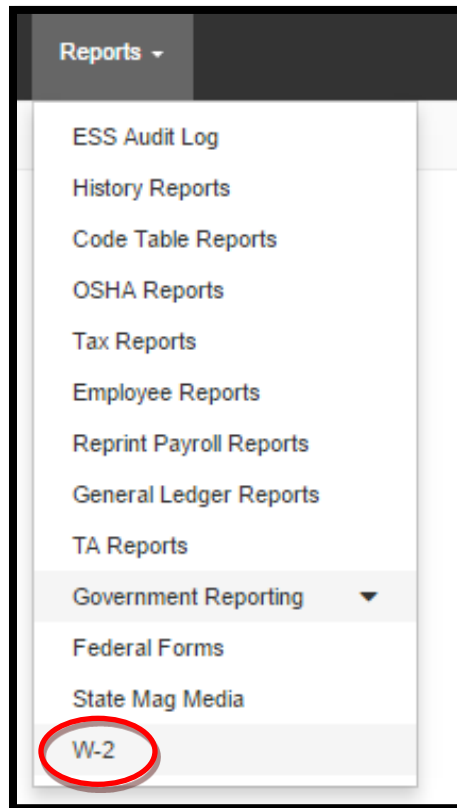
Again, a reminder that adding an employee to the W-2 work file does NOT add them to Optimum history.

Step 4: Verification Process using Reports and the W-2 Edit –

Once the W-2 Work File has been created, the data needs to be checked against your Quarterly Reports and other reports from History in order to verify that the Work File contains the correct information.

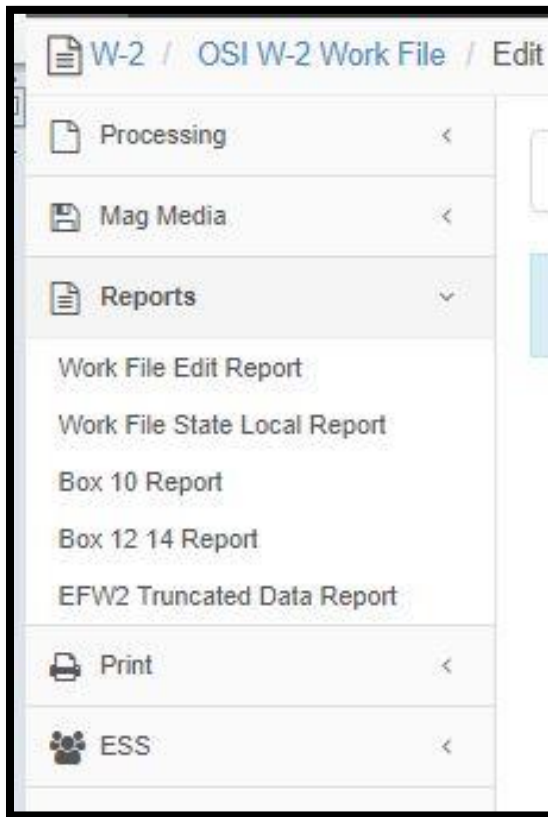
1. First you will need to print out the **Work File Reports** to compare to the information that is already in history.

PATH: Reports, Government Reporting, **W-2**



2. Click on “Reports” from the Menu Bar

- Choose the report you wish to print from the W-2 Work File.



The report selections are similar to report selections in other areas of the software. You can select data by company and employee and change various sort options. A description and sample of each report is below:



5. The **Work File Edit Report** gives each employee's Wages and Taxes Withheld for all Federal Taxes.

- Use the Totals line to verify Federal Income Tax, FICA and Medicare for the company.
- Use the detail to see where any employee is out of balance.

Employee W2 Edit List

Employee	FIT Wages,Tips	FIT Taxes W/H	SS Wages	SS Tips	SS Taxes W/H	Med Wages,Tips	Med Taxes W/H
Bookplate, Henry I	62690.60	5451.07	66745.94	0.00	4138.25	66745.94	967.82
Brery, Lila I	16211.60	1025.45	16382.17	0.00	1015.69	16382.17	237.54
Edges, Gilda I	42229.42	5050.95	45459.50	0.00	2818.49	45459.50	659.16
Edishin, Furst K	44599.08	2677.41	47014.03	0.00	2914.87	47014.03	681.70
Ficksion, Nawn K	20766.96	2368.80	21203.52	0.00	1314.62	21203.52	307.45
Graph, Otto I	34751.04	1815.12	35480.66	0.00	2199.80	35480.66	514.47
Logue, Catherine I	20790.96	1712.40	21227.52	0.00	1316.11	21227.52	307.80
Moi, Mercy A	43456.76	6082.94	44371.12	0.00	2751.01	44371.12	643.38
Moi, Minnie	571.28	37.96	584.00	0.00	36.21	584.00	8.47
Morrison, Charity S	22752.26	2606.58	22752.26	0.00	1410.64	22752.26	329.91
Morrison, Sandy	24115.74	2768.31	24610.46	0.00	1525.85	24610.46	356.85
Print, Outta I	26017.90	1896.47	26573.40	0.00	1647.55	26573.40	385.31
Shunarey, Dick C	50234.79	7777.48	51818.11	0.00	3212.72	51818.11	751.36
Storey, Tru I	37499.47	2392.41	38284.35	0.00	2373.63	38284.35	555.12
Table, Coffey I	38939.61	5034.66	40588.14	0.00	2516.46	40588.14	588.53
Tome, Dusty I	44716.94	5397.97	47156.95	0.00	2923.73	47156.95	683.78
Turrey, Miss K	38363.61	4685.81	40012.14	0.00	2480.75	40012.14	580.18
Versey, Chapin C	23526.82	2722.75	24813.67	0.00	1538.45	24813.67	359.80
End of Company	592234.84	61504.54	615077.94	0.00	38134.83	615077.94	8918.63

6. The **Work File State_Local Report** contains each employee's State and Local Tax Information.

- This report is used to verify State and Local Taxes.

Work File State and Local

Work File State and Local

Name	State Quarterly Unemployment Ins		State		Local	
	Total Wages	Total Taxable Wages	Taxable Wages	Income Tax Withheld	Taxable Wages	Income Tax Withheld
State : IN						
Local Name : WrckCtyLIT						
Tome, Dusty I					48800.95	239.04
WrckCtyLIT Local Totals:	0.00	0.00	0.00	0.00	28982795	1414.14
IN State Totals:	0.00	0.00	32384754	10318.02	28982795	1414.14
State : KY						
Local Name :						
Edishin, Furst K	47014.03	9900.00	44599.08	2231.24		
Ficksion, Nawn K	21203.52	9900.00	20766.96	939.00		
Morrison, Charity S	22752.26	9900.00	22752.26	994.15		
Turrey, Miss K	40012.14	9900.00	38363.61	1889.59		
Local Totals:	130981.95	39600.00	126481.91	6053.98	0.00	0.00
KY State Totals:	130981.95	39600.00	126481.91	6053.98	0.00	0.00
End of Company	27912331	70184.00	59279884	21298.25	28982795	1414.14



7. The **Work File Box 10 Report** shows what will print in box 10 on your W-2s.

Employee W2 Dependent Care Benefits

Name	Benefit Amount
Tome, Dusty I	300.00
Turrey, Miss K	80.00
End of Company	380.00

8. The **Work File Box 12_14 Report** shows what will print in boxes 12 and 14 for each employee and sorts and totals by Box Code

Employee W2 12 - 14

Name	W2 Box Number	Total Deduction Amount
W2 Box: CASDI		
Moi, Minnie	14	3.82
Shunarey, Dick C	14	316.62
Versey, Chapin C	14	154.41
	CASDI Total:	474.85
W2 Box: D		
Bookplate, Henry I	12	4055.34
Brery, Lila I	12	170.57
Edges, Gilda I	12	3230.08
Edishin, Furst K	12	2414.95
Ficksion, Nawn K	12	436.56
Graph, Otto I	12	729.62
Logue, Catherine I	12	436.56
Moi, Mercy A	12	914.36
Moi, Minnie	12	12.72
Morrison, Sandy	12	494.72
Print, Outta I	12	555.50
Shunarey, Dick C	12	1583.32
Storey, Tru I	12	784.88
Table, Coffey I	12	1648.53
Tome, Dusty I	12	2440.01
Turrey, Miss K	12	1648.53
Versey, Chapin C	12	1286.85
	D Total:	22843.10
W2 Box: DD		
Bookplate, Henry I	12	900.00
Brery, Lila I	12	550.00
Edges, Gilda I	12	480.00
Edishin, Furst K	12	900.00
Ficksion, Nawn K	12	480.00
Graph, Otto I	12	729.62
Logue, Catherine I	12	436.56
Moi, Mercy A	12	914.36
Moi, Minnie	12	12.72
Morrison, Sandy	12	494.72
Print, Outta I	12	555.50
Shunarey, Dick C	12	1583.32
Storey, Tru I	12	784.88
Table, Coffey I	12	1648.53
Tome, Dusty I	12	2440.01
Turrey, Miss K	12	1648.53
Versey, Chapin C	12	1286.85
	DD Total:	12868.50



Verification - Work Files vs. History Files

Now that the reports are printed from the Work File, reports will need to be printed from History for verification.

One of the most useful reports for Verification is the “Taxable Wage Totals Report.” It can be used for verification of Federal, State and Local Taxes.

PATH: Reports, History Reports, **Taxable Wage Totals Report**

- Run the report with a Date Range for the entire year.
- This report can be run in **Summary** (a smaller report to verify just the totals) or in **Detail** (a much larger report broken down per employee.)

This is an example of the **Taxable Wage Report** when run in Detail.

This report breaks down each Tax Code by employee, and it gives Totals for each Tax Code.

Taxable Wage Totals Optimum Solutions Inc.											
Tax Code	Employee Name	Number	Gross Earnings	NonTaxable Deductions	Taxable Benefits	Nontaxable Earnings	Employee Taxable Wages	Taxes Withheld	Employer Taxable Wages	Employer Tax Expense	Total Taxes
FICA	Ball, Kathy B.	0740	7621.80	56.00	6.96	0.00	7572.76	469.51	7572.76	469.51	939.02
FICA	Goodwin, Danny K	0040	6496.00	1459.36	0.00	0.00	5036.64	312.27	5036.64	312.27	624.54
	Totals:		14117.80	1515.36	6.96	0.00	12609.40	781.78	12609.40	781.78	1563.56
FIT	Ball, Kathy B.	0740	7621.80	357.08	6.96	0.00	7271.68	621.76	7271.68	0.00	621.76
FIT	Goodwin, Danny K	0040	6496.00	1459.36	0.00	0.00	5036.64	506.80	5036.64	0.00	506.80
	Totals:		14117.80	1816.44	6.96	0.00	12308.32	1128.56	12308.32	0.00	1128.56
FUTA	Ball, Kathy B.	0740	7621.80	317.08	0.00	1600.00	5704.72	0.00	5704.72	34.24	34.24
FUTA	Goodwin, Danny K	0040	6496.00	1459.36	0.00	0.00	5036.64	0.00	5036.64	30.24	30.24
	Totals:		14117.80	1776.44	0.00	1600.00	10741.36	0.00	10741.36	64.48	64.48
MED	Ball, Kathy B.	0740	7621.80	56.00	6.96	0.00	7572.76	109.81	7572.76	109.81	219.62
MED	Goodwin, Danny K	0040	6496.00	1459.36	0.00	0.00	5036.64	73.03	5036.64	73.03	146.06
	Totals:		14117.80	1515.36	6.96	0.00	12609.40	182.84	12609.40	182.84	365.68
TNSUI	Ball, Kathy B.	0740	7621.80	56.00	0.00	0.00	7000.00	0.00	7000.00	22.40	22.40
TNSUI	Goodwin, Danny K	0040	6496.00	1459.36	0.00	0.00	5036.64	0.00	5036.64	16.12	16.12
	Totals:		14117.80	1515.36	0.00	0.00	12036.64	0.00	12036.64	38.52	38.52
End of Company : Optimum Solutions Inc.			Totals:	\$138.96	20.88	1600.00		2093.18		1067.62	3160.80



Other useful Tax reports to use for verification can be found on the Reports Menu under Tax Reports.

PATH: Reports, Tax Reports

- From here you can print the **Federal Tax Report** for verifying Federal Tax amounts.
- Print the **State Tax Report** for State Tax amounts.
- Print the **Local Income Tax Report** for Local Tax amounts.
- These reports can only be run in Detail. There is no Summary option.

Federal Tax Optimum Solutions Inc.										
Employee	FICA Taxable	FICA Withheld	Medicare Taxable	Medicare Withheld	FIT Taxable	FIT Withheld	FITR/FITM Taxable	FITR/FITM Withheld	FUTA Taxable	FUTA Tax
End of Company : Optimum Solutions Inc.	992828.67	61555.34	1443142.39	24333.99	1412530.33	293398.93	20436.32	2115.08	640867.62	3845.44
			#ACTIVE:	128						

State Tax Optimum Solutions Inc.						
SSN	Number	Name	Gross Wages	State Taxable	State Tax Withheld	
State: AL	TaxID#: 32323232	Tax Code: SIT AL - SIT AL				
111-11-1112	1380	Sit , Alabama	3345.44	3289.44	123.84	
213-13-1345	1010	Audit , Aubrey Neal	11448.00	10948.64	467.08	
Total for Tax Code: SIT AL			#ACTIVE: 2	14793.44	14238.08	590.92
Total for State: AL			#ACTIVE: 2	14793.44	14238.08	590.92
State: CA	TaxID#: 5412657	Tax Code: CASIT - SIT CA				
065-23-1112	0240	Baldwin , Katie A.	10758.48	10441.80	145.84	
333-33-3777	1400	Sit , California	3248.00	2600.48	16.36	
965-82-4555	0420	Redford III, Bob	14693.16	14573.16	957.52	
Total for Tax Code: CASIT			#ACTIVE: 3	28699.64	27615.44	1119.72
Total for State: CA			#ACTIVE: 3	28699.64	27615.44	1119.72
End of Company : Optimum Solutions Inc.			#ACTIVE: 5	43493.08	41853.52	1710.64

Local Income Tax Optimum Solutions, Inc.					
SSN	Number	Name	Gross Wages	Local Taxable	Local Tax Withheld
Tax Code: INWarrCty - IN Warrick LIT			TaxID#: 33333333		
143-49-6760	58204	Tome , Dusty I	52613.28	52613.28	258.05
203-29-9792	58205	Logue , Catherine I	24010.33	24010.33	115.06
232-65-9878	58208	Print , Outta I	30503.04	30503.04	147.48
294-21-2122	58201	Bookplate , Henry I	73870.06	73870.06	353.12
307-55-9698	58206	Table , Coffey I	45377.04	45377.04	221.88
405-24-8834	58203	Graph , Otto I	41167.36	41167.36	205.88
985-67-1396	58202	Edges , Gilda I	51611.86	51611.86	258.08
Total for Tax Code: INWarrCty			#ACTIVE: 7	319152.97	1559.55



Verifying Deductions in Boxes 12 and 14

PATH: Reports, History Reports

- Choose the **Benefits by Benefit Code** Report. Run the report for those benefits (employer contributed) that should be showing in Box 12-14.
- Choose the **Deductions by Deduction Code** Report. Run this report for those deductions (employee contributions) that should be showing in Box 12-14.
- For both reports, use a date range for the entire year.
- These reports can be run in Detail or Summary (see separate Summary report)
- Use these reports to verify the amounts from the Work File Box 12_14 Report.

Here are some examples of these reports:

Benefits Summary By Benefit Code Optimum Solutions, Inc.

Benefit	Description	Amount Applied
401K	401K	8506.62
DENTAL	Dental Insurance	1660.00
GTLANNUAL	Group Term Life	4000.00
LIFE	Life Insurance - Employee	13439.41
MEDICAL	Medical Insurance	4956.15
VISION	Vision Insurance	352.00
End of Company : Optimum Solutions, Inc.		32914.18

Deductions By Deduction Code - Summary Optimum Solutions, Inc.

Check D

Deduction Description	Mgmt Fee	Amount Deducted
401K	0.00	25427.85
Car Allowance	0.00	1560.00
Child Support	0.00	0.00
Child Support Receiver 1	0.00	300.00
Child Support Receiver 2	0.00	200.00
Credit Union Savings Club	0.00	1415.00
Dental Insurance	0.00	3240.00
Dependent Care	0.00	380.00
Flexible Spending Account	0.00	1620.00
Group Term Life	0.00	0.00
Group Term Life Insurance - Monthly	0.00	0.00
Life Insurance - Employee	0.00	0.00
Student Loan	0.00	100.00
Long Term Disability	0.00	27.68
Medical Insurance	0.00	11100.00
Moving Expense Reimbursement	0.00	0.00
PERA Coordinated	0.00	95.02
Roth 401K	0.00	2089.16
Tax Levy	0.00	0.00
Test-Deduction not taken 3rd Pay cycle of month	0.00	0.00
Vision Insurance	0.00	600.00
End of Company : Optimum Solutions, Inc.	0.00	48154.71

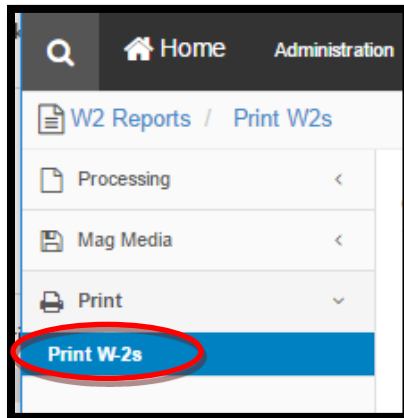
Step 5: Print W-2's

Printing **W-2s** for employees can be an easy process with the proper preparation.

PATH: Reports, Government Reporting, **W-2**

1. Click on "Print" from the Navigation Bar

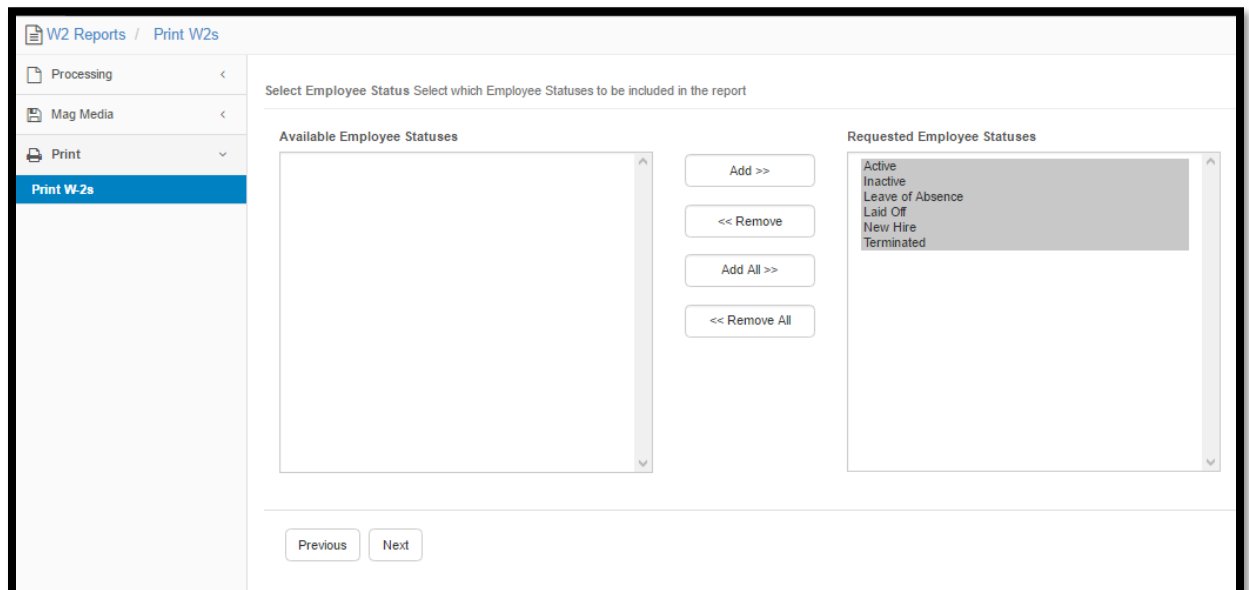
- Choose Print W-2's



2. Select your company and employees Work File from the list.

You can also select just one employee's W-2 at a time from here by clicking on the company name, and selecting the employee(s).

- Select the Employee Status: Active, Inactive, leave of Absence, Terminated or a combination of them all.



- If you want to print all W2's including ESS Employees to save to PDF, check the Override – Print All W2's (Including ESS Employees) box.
- *If you choose to Truncate the SSN on the W2, check the box.*
- Select the sort option you prefer
- Click “Next”

W-2 / OSI W2 Work file / Print W-2s

Processing <

Mag Media <

Reports <

Print >

Order Tax Forms

Print W-2s

Print W-3

ESS <

Options Select from the following options

☒ Employee's Name (Last, First, Middle)

☐ By State then Zip Code

☐ Employee's ID

☐ Employee's Organization Level then by employee's name

☐ Employee's Organization Level then by employee's ID

Print alignment offset in inches (+ or -)

Horizontal

0

Vertical

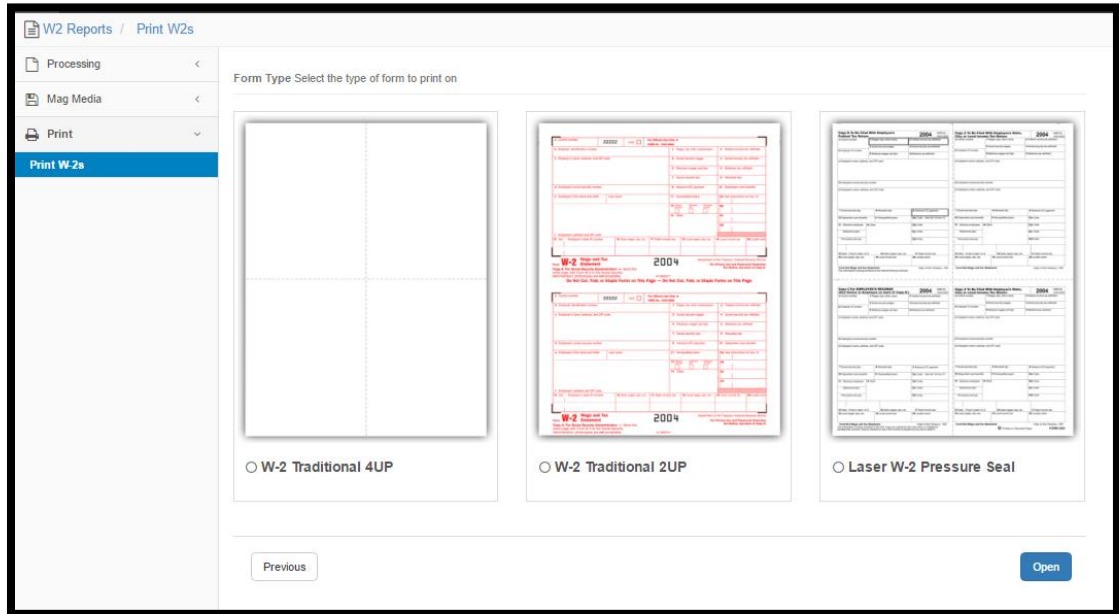
0

Previous Next

☐ Override - Print All W2's (Including ESS Employees)

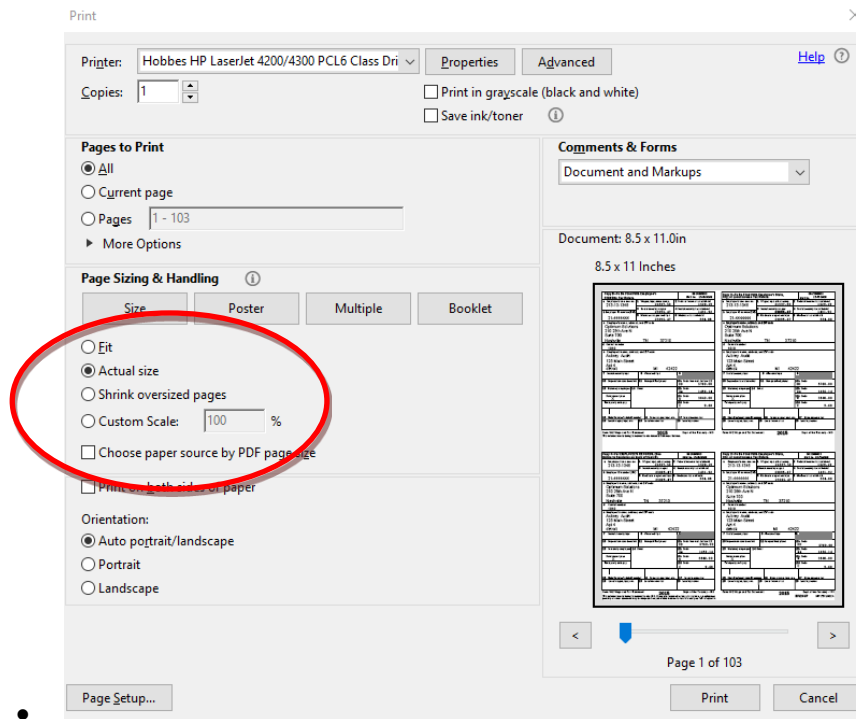
☐ Truncate SSN (***-**-1234) - W2 Traditional 4UP Forms Only

3. Next, select the W-2 form you wish to print by clicking on the form name.
 - For Employee copies, use the “W-2 Traditional 4UP” or the “Laser W-2 Pressure Seal” depending of which kind you purchased. (Both are blank fronts and Optimum prints all data including boxes on the blank form.)
 - If you are not filing electronically, use the “W-2 Traditional 2UP” for filing purposes.
 - Click “Open”



Optimum software does not print the instructions on the back for the 4UP form. You would purchase the blank front, and instructions on back from Print-2-Mail or vendor of your choice.

4. The Print Viewer will open and show you exactly what will be printed from Optimum.
 - Click the down arrow to see all of the W-2 forms.
 - **IMPORTANT:** Many browsers will default to a “Shrink to Fit” for printing. You will need to print test form(s) on blank paper and make sure it is acceptable before printing actual forms. Each browser is slightly different in view/compression settings and options.



-
- Click Print when ready to print forms.

The example below is for a “W-2 Traditional 4UP.”

Copy B--To Be Filed With Employee's		38-2099803	
FEDERAL Tax Return.		OMB No. 1545-0008	
1 Employer's soc. sec. no. 294-21-2122	3 Wages, tips, other comp. 68213.88 4 Social security wages 72586.06 5 Medicare wages and tips 72586.06 6 Medicare tax withheld 1052.50	2 Federal income tax withheld 6359.60 3 Social security tax withheld 4500.34 4 Social security tax withheld 4500.34 5 Medicare tax withheld 1052.50	OMB No. 1545-0008 1 Employer's soc. sec. no. 294-21-2122 2 Wages, tips, other comp. 68213.88 3 Social security wages 72586.06 4 Social security tax withheld 4500.34 5 Medicare wages and tips 72586.06 6 Medicare tax withheld 1052.50
b Employer ID number(EN) 98-7654321		b Employer ID number(EN) 98-7654321	
c Employer's name, address, and ZIP code Optimum Solutions Inc 210 25th Avenue North Nashville TN 37203		c Employer's name, address, and ZIP code Optimum Solutions Inc 210 25th Avenue North Nashville TN 37203	
d Control number 58201		d Control number 58201	
e Employer's name, address, and ZIP code Henry I Bookplate 812 N Poplar Street Bonville IN 47601		e Employer's name, address, and ZIP code Henry I Bookplate 812 N Poplar Street Bonville IN 47601	
7 Social security tips 0 Allocated tips 0		7 Social security tips 0 Allocated tips 0	
10 Dependent care benefits 0 Nonqualified plans 0		10 Dependent care benefits 0 Nonqualified plans 0	
13 Statutory employee 54 Other 0		13 Statutory employee 54 Other 0	
Retirement plan X Dental 300.00		Retirement plan X Dental 300.00	
Third-party sick pay 0 Life Insur 1040.04		Third-party sick pay 0 Life Insur 1040.04	
IN 22-222222 68213.88 2152.10		IN 22-222222 68213.88 2152.10	
16 State Employer's state ID number 0 State wages, tips, etc. 0 State income tax 0		16 State Employer's state ID number 0 State wages, tips, etc. 0 State income tax 0	
18 Local wages, tips, etc. 0 Local income tax 0		18 Local wages, tips, etc. 0 Local income tax 0	
Form W-2 Wage and Tax Statement 2016 Dept. of the Treasury - IRS		Form W-2 Wage and Tax Statement 2016 Dept. of the Treasury - IRS	

Copy C--For EMPLOYER'S RECORDS, (See Notice to Employees on back of Copy B.)		38-2099803	
FEDERAL Tax Return.		OMB No. 1545-0008	
1 Employer's soc. sec. no. 294-21-2122	3 Wages, tips, other comp. 68213.88 4 Social security wages 72586.06 5 Medicare wages and tips 72586.06 6 Medicare tax withheld 1052.50	2 Federal income tax withheld 6359.60 3 Social security tax withheld 4500.34 4 Social security tax withheld 4500.34 5 Medicare wages and tips 72586.06 6 Medicare tax withheld 1052.50	OMB No. 1545-0008 1 Employer's soc. sec. no. 294-21-2122 2 Wages, tips, other comp. 68213.88 3 Social security wages 72586.06 4 Social security tax withheld 4500.34 5 Medicare wages and tips 72586.06 6 Medicare tax withheld 1052.50
b Employer ID number(EN) 98-7654321		b Employer ID number(EN) 98-7654321	
c Employer's name, address, and ZIP code Optimum Solutions Inc 210 25th Avenue North Nashville TN 37203		c Employer's name, address, and ZIP code Optimum Solutions Inc 210 25th Avenue North Nashville TN 37203	
d Control number 58201		d Control number 58201	
e Employer's name, address, and ZIP code Henry I Bookplate 812 N Poplar Street Bonville IN 47601		e Employer's name, address, and ZIP code Henry I Bookplate 812 N Poplar Street Bonville IN 47601	
7 Social security tips 0 Allocated tips 0		7 Social security tips 0 Allocated tips 0	
10 Dependent care benefits 0 Nonqualified plans 0		10 Dependent care benefits 0 Nonqualified plans 0	
13 Statutory employee 54 Other 0		13 Statutory employee 54 Other 0	
Retirement plan X Dental 300.00		Retirement plan X Dental 300.00	
Third-party sick pay 0 Life Insur 1040.04		Third-party sick pay 0 Life Insur 1040.04	
IN 22-222222 68213.88 2152.10		IN 22-222222 68213.88 2152.10	
16 State Employer's state ID number 0 State wages, tips, etc. 0 State income tax 0		16 State Employer's state ID number 0 State wages, tips, etc. 0 State income tax 0	
18 Local wages, tips, etc. 0 Local income tax 0		18 Local wages, tips, etc. 0 Local income tax 0	
Form W-2 Wage and Tax Statement 2016 Dept. of the Treasury - IRS		Form W-2 Wage and Tax Statement 2016 Dept. of the Treasury - IRS	

Did you know you can **export the W-2's** to a PDF for storage or to keep offsite? Every browser is slightly different. You can download as a PDF, or select Save as PDF for the printing destination.

38-1099803
2016
 Social Security tax withheld **6359.18**
 Total security tax withheld **4500.34**
 Medicare tax withheld **1052.56**

**Copy 3-To Be Filed With Employer's Return,
 Or, at Local Office**
 Employer's sec. no. **294-21-7122** Wages, tips, other comp. **6359.18**
 Social security wages **6359.18**
 Medicare wages and tips **6359.18**
 Federal income tax withheld **6359.18**

Employee ID number **98-7654321** Social security number **72586.06** Medicare tax withheld **1052.56**

Employer's name, address, and ZIP code
 Optimum Solutions Inc
 210 25th Avenue North
 Nashville TN 37203

Control number
 58021

Employer's name, address, and ZIP code
 Henry I Bookplate
 812 N Poplar Street
 Boonville IN 47601

7 Social security type **0** Allocation type **0**

8A Dependent care benefits **1000.00** **8B** Nonqualified plans **1000.00**

9A Statutory employee **0** **9B** Other **0** **9C** **310.08**

Retirement plan **X** Dental 300.00 **9D** **310.08**

Life Insurance 1040.04 **9E** **4372.18**

Vision 84.00 **9F** **4372.18**

Therapy with pay 8621.88 **9G** **2152.18**

10 **22-022222** **11** **22-022222** **12** **2152.18**

State income tax **0** State wages, tips, etc. **6359.18** State income tax **0**

Local wages, tips, etc. **73870.94** Local income tax **0** Local income tax **0**

Wages, tips, other comp. **6359.18** Social Security tax withheld **6359.18**

Medicare tax withheld **1052.56**

Form W-2 and Tax Statement **2016** Dept. of the Treasury - IRS

38-1099803
2016
 Social Security tax withheld **6359.18**
 Total security tax withheld **4500.34**
 Medicare tax withheld **1052.56**

**Copy 3-To Be Filed With Employer's Return,
 Or, at Local Office**
 Employer's sec. no. **294-21-7122** Wages, tips, other comp. **6359.18**
 Social security wages **6359.18**
 Medicare wages and tips **6359.18**
 Federal income tax withheld **6359.18**

Employee ID number **98-7654321** Social security number **72586.06** Medicare tax withheld **1052.56**

Employer's name, address, and ZIP code
 Optimum Solutions Inc
 210 25th Avenue North
 Nashville TN 37203

Control number
 58021

Employer's name, address, and ZIP code
 Henry I Bookplate
 812 N Poplar Street
 Boonville IN 47601

7 Social security type **0** Allocation type **0**

8A Dependent care benefits **1000.00** **8B** Nonqualified plans **1000.00**

9A Statutory employee **0** **9B** Other **0** **310.08**

Retirement plan **X** Dental 300.00 **9D** **310.08**

Life Insurance 1040.04 **9E** **4372.18**

Vision 84.00 **9F** **4372.18**

Therapy with pay 8621.88 **9G** **2152.18**

10 **22-022222** **11** **22-022222** **12** **2152.18**

State income tax **0** State wages, tips, etc. **6359.18** State income tax **0**

Local wages, tips, etc. **73870.94** Local income tax **0** Local income tax **0**

Wages, tips, other comp. **6359.18** Social Security tax withheld **6359.18**

Medicare tax withheld **1052.56**

Form W-2 and Tax Statement **2016** Dept. of the Treasury - IRS

38-1099803
2016
 Social Security tax withheld **6359.18**
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Employer's name, address, and ZIP code
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8A Dependent care benefits **1000.00** **8B** Nonqualified plans **1000.00**

9A Statutory employee **0** **9B** Other **0** **310.08**

Retirement plan **X** Dental 300.00 **9D** **310.08**

Life Insurance 1040.04 **9E** **4372.18**

Vision 84.00 **9F** **4372.18**

Therapy with pay 8621.88 **9G** **2152.18**

10 **22-022222** **11** **22-022222** **12** **2152.18**

State income tax **0** State wages, tips, etc. **6359.18** State income tax **0**

Local wages, tips, etc. **73870.94** Local income tax **0** Local income tax **0**

Wages, tips, other comp. **6359.18** Social Security tax withheld **6359.18**

Medicare tax withheld **1052.56**

Form W-2 and Tax Statement **2016** Dept. of the Treasury - IRS



This is an example of a pre-printed W-2 Traditional 2UP form. We suggest that you print a few samples to hold against the form to make sure it lines up properly. If not, use the alignment tool described earlier.

```

                                145-89-6321

    98-7654321                                16211.60                1025.45
Optimum Solutions, Inc.                    16382.17                1015.69
210 25th Avenue N
Suite 700                                16382.17                237.54
Nashville      TN   37203

    58209
Lila          I   Brery                                D                170.57

    9744 8th St.                                X                DD                550.00
                                Dental    120.00
Evansville    IN   47785                                Life In   105.00

IN  22-222222                16211.60                502.02
```

5. How many copies do I need?

- It will be necessary to print this file multiple times for every copy of W-2 2UP form needed.
 - Copy A – Employer copy for Social Security Administration (red copy) – not necessary if filing electronically.
 - Copy B – For Employee's Tax Return
 - Copy C – Employee's Record Copy
 - Copy D – Employer File Copy
 - Copy 1 – State, City or Local filed by Employer
 - Copy 2 – State, City or Local filed by Employee
- Be sure to order enough forms for the sufficient amount of copies. Determine the # of copies needed by printing the W-2 Edit Form.

6. Test Envelopes

Test your W-2 forms with the window envelopes. Make sure that the employees name and address appear correctly and line up with the windows.

7. Re-Printing or Reissuing W-2s

- If you need to reissue a W-2 for an employee who has misplaced the original, you can reprint copies of the W-2. As described earlier, select just that employee's name from the Work File, and follow the steps to print the W-2. Then use a stamp, or write on the form "Reissued Statement." This is per IRS instructions for Forms W2-W3.- **Lost Form W-2—reissued statement.** If an employee loses a Form W-2, write "REISSUED STATEMENT" on the new copy and furnish it to the employee. You do not have to add "REISSUED STATEMENT" on Forms W-2 provided to employees electronically.



Step 6: Push W-2's to ESS

For customers using Web's ESS (Employee Self Service) and you want to provide the W-2 to the employee, you will need to PUSH the W-2 file out to ESS.

NOTE: There are IRS regulations regarding providing W-2s to employees in ESS such as obtaining a consent before publishing. Please refer to **Publication 15-A** in the www.irs.gov website for an updated list under the heading of "Furnishing Form W-2 to employees electronically." The following is copied from the 2018 publication:

Furnishing Form W-2 to employees electronically. You may set up a system to furnish Form W-2, Wage and Tax Statement, electronically. Each employee participating must consent (either electronically or by paper document) to receive his or her Form W-2 electronically, and you must notify the employee of all hardware and software requirements to receive the form. You may not send a Form W-2 electronically to any employee who does not consent or who has revoked consent previously provided. To furnish Forms W-2 electronically, you must meet the following **disclosure requirements** and provide a clear and conspicuous statement of each requirement to your employees.

- The employee must be in
 - Furnishing Form W-2 to employees electronically.** You may set up a system to furnish Form W-2 electronically. Each employee participating must consent (either electronically or by paper document) to receive his or her Form W-2 electronically, and you must notify the employee of all hardware and software requirements to receive the form. You may not send a Form W-2 electronically to any employee who does not consent or who has revoked consent previously provided. To furnish Forms W-2 electronically, you must meet the following disclosure requirements and provide a clear and conspicuous statement of each requirement to your employees.
 - The employee must be informed that he or she will receive a paper Form W-2 if consent isn't given to receive it electronically.
 - The employee must be informed of the scope and duration of the consent.
 - The employee must be informed of any procedure for obtaining a paper copy of his or her Form W-2 and whether or not the request for a paper statement is treated as a withdrawal of his or her consent to receiving his or her Form W-2 electronically.
 - The employee must be notified about how to withdraw a consent and the effective date and manner by which the employer will consider a withdrawn consent. The employee must also be notified that the withdrawn consent doesn't apply to the previously issued Forms W-2.
 - The employee must be informed about any conditions under which electronic Forms W-2 will no longer be furnished (for example, termination of employment).
 - The employee must be informed of any procedures for updating his or her contact information that enables the employer to provide electronic Forms W-2.
 - The employer must notify the employee of any changes to the employer's contact information.

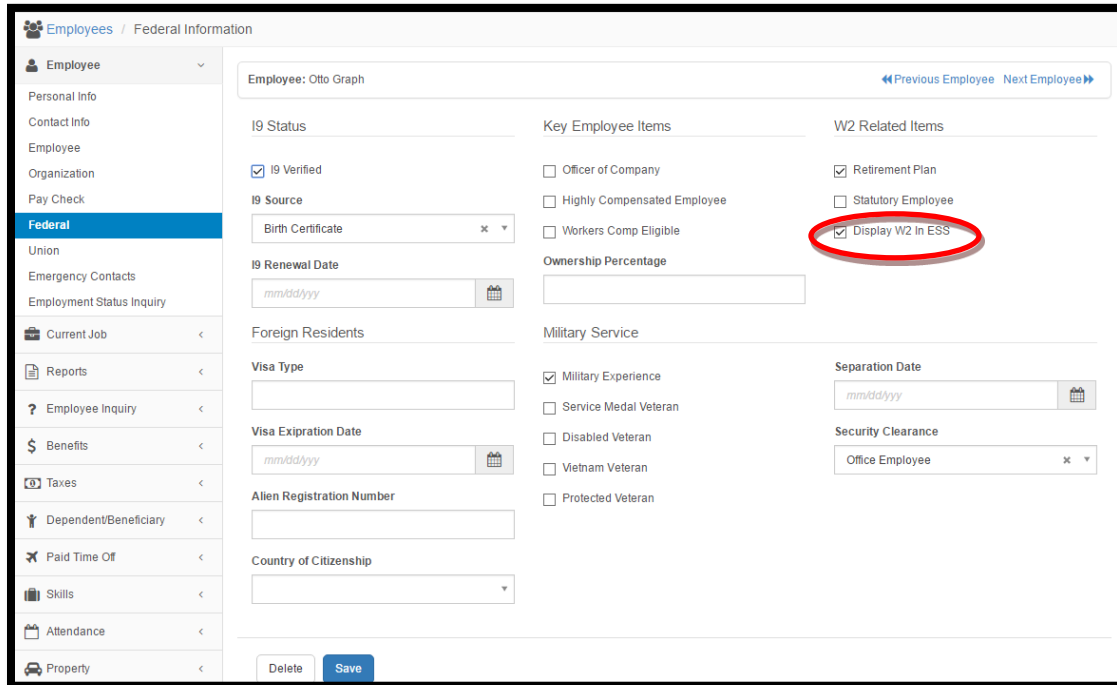
Display W-2 in ESS – Don't Print (a paper W-2)

The check box on the Employee's Federal screen titled "Display W2 in ESS" determines if the employee will receive a printed W-2 form or will receive an Electronic W-2 in ESS.

Employees who opt for ESS W-2s will not receive a printed W-2. They will log into their ESS account to view and print their W-2.

If you have employees who have opted out of electronic W-2s, you'll need to uncheck the box option on the Employee's Federal screen titled "Display W2 in ESS" If NOT checked, the employee will NOT see their W-2 in ESS and their W2 will print to paper in the W2 process. Thus, you will want this box checked for all employees, except those that do not give permission to upload their W2 to ESS. Contact your support rep for a script that will check the box for all employees, then you will manually visit each employee that doesn't give permission.

PATH: Human Resources, Employees, Employees, Federal



Employees / Federal Information

Employee: Otto Graph [Previous Employee](#) [Next Employee](#)

Employee

- Personal Info
- Contact Info
- Employee
- Organization
- Pay Check
- Federal**
- Union
- Emergency Contacts
- Employment Status Inquiry
- Current Job
- Reports
- Employee Inquiry
- Benefits
- Taxes
- Dependent/Beneficiary
- Paid Time Off
- Skills
- Attendance
- Property

I9 Status

☒ I9 Verified

I9 Source

Birth Certificate

I9 Renewal Date

mm/dd/yyyy

Foreign Residents

Visa Type

Visa Expiration Date

mm/dd/yyyy

Alien Registration Number

Country of Citizenship

Key Employee Items

☐ Officer of Company

☐ Highly Compensated Employee

☐ Workers Comp Eligible

Ownership Percentage

Military Service

☒ Military Experience

☐ Service Medal Veteran

☐ Disabled Veteran

☐ Vietnam Veteran

☐ Protected Veteran

W2 Related Items

☒ Retirement Plan

☐ Statutory Employee

☒ Display W2 In ESS

Separation Date

mm/dd/yyyy

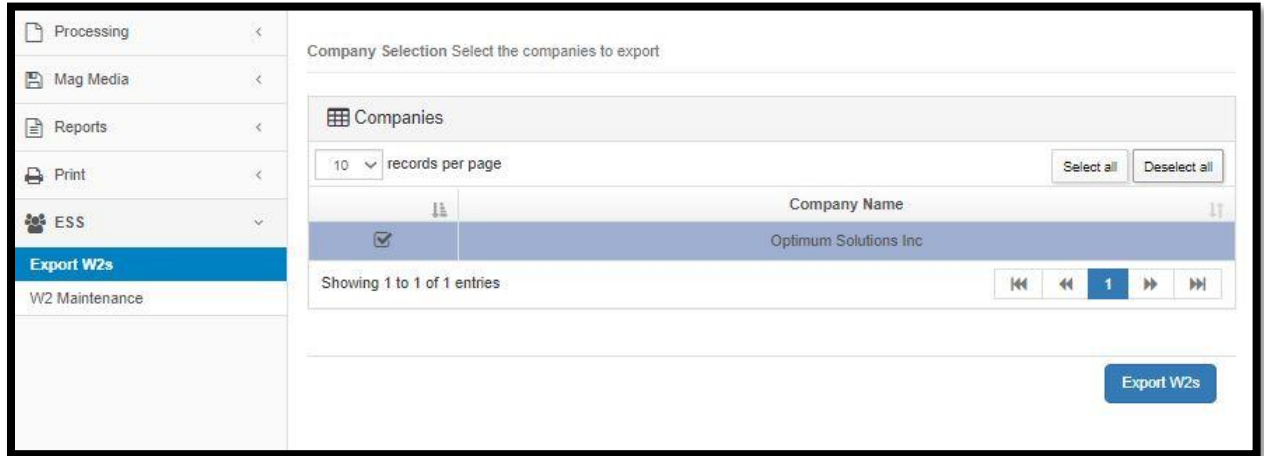
Security Clearance

Office Employee

Delete Save

PATH: Reports, Government Reporting, W-2, **ESS**

To Export the W-2 file to ESS, click the Export W-2's link.



Important Note: If manually adding a W-2 for employees not in Optimum, or who do not have wages such as retirees, the system will not push out the W-2 to ESS. You will get a message listing those employees at the end of the process.

After exporting the file out to ESS, you should review the list of employees in case some do not have an ESS account and/or have withdrawn their consent to publish. This will be done in ESS Maintenance.

Clicking ESS W-2 Maintenance will display a form as shown below. Employees can be selected and removed. When removed, employees will no longer have access to their W-2 in Suite Web, and if the Federal Screen, “Display W2 In ESS” is checked, they will not have a printed copy either. Notice that in the screen below that multiple years are showing. Again, refer the regulations above in that you would need to inform the employee if removing any prior year form access.

W-2s / W-2 Maintenance

ESS W-2s

25 records per page

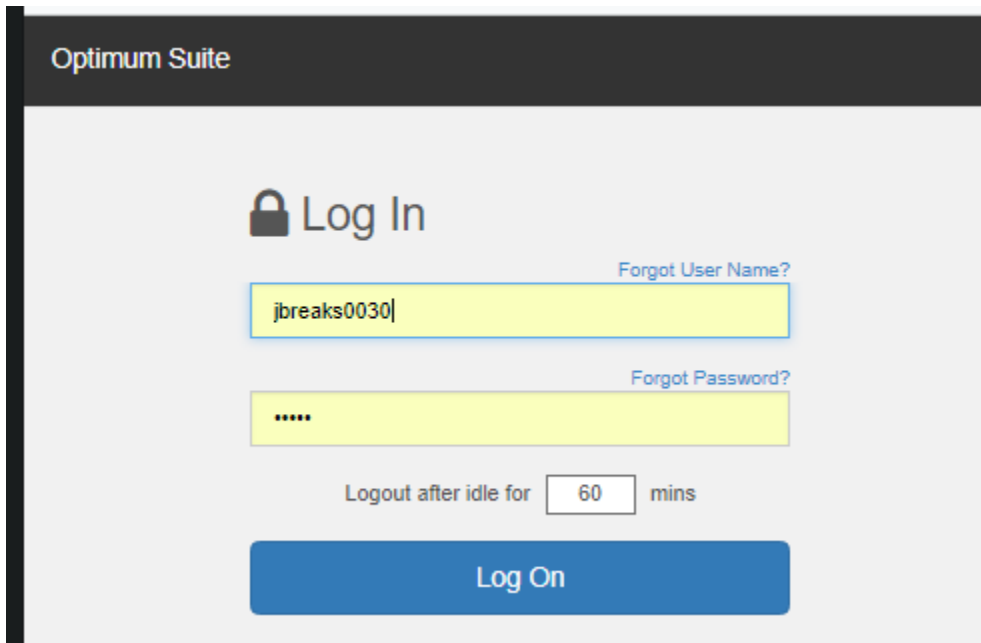
Company	File Name	Year	Employee	Actions
Optimum Solutions, Inc.	2017_W2.pdf	2017	Storey, Tru	
Optimum Solutions, Inc.	2017_W2.pdf	2017	Graph, Otto	
Optimum Solutions, Inc.	2014_W2.pdf	2014	Tale, Farrie	
Optimum Solutions, Inc.	2017_W2.pdf	2017	Versey, Chapin	
Optimum Solutions, Inc.	2017_W2.pdf	2017	Brery, Lila	
Optimum Solutions, Inc.	2017_W2.pdf	2017	Table, Coffey	
Optimum Solutions, Inc.	2017_W2.pdf	2017	Tome, Dusty	
Optimum Solutions, Inc.	2017_W2.pdf	2017	Edges, Gilda	
Optimum Solutions, Inc.	2014_W2.pdf	2014	Marker, Place	
Optimum Solutions, Inc.	2017_W2.pdf	2017	Shunarey, Dick	
Optimum Solutions, Inc.	2017_W2.pdf	2017	Ficksion, Nawn	
Optimum Solutions, Inc.	2017_W2.pdf	2017	Turrey, Miss	
Optimum Solutions, Inc.	2012_W2.pdf	2012	Bookplate, Horace	
Optimum Solutions, Inc.	2017_W2.pdf	2017	Morrison, Charity	
Optimum Solutions, Inc.	2017_W2.pdf	2017	Moi, Minnie	
Optimum Solutions, Inc.	2017_W2.pdf	2017	Print, Outta	
Optimum Solutions, Inc.	2017_W2.pdf	2017	Moi, Mercy	
Optimum Solutions, Inc.	2017_W2.pdf	2017	Logue, Catherine	
Optimum Solutions, Inc.	2017_W2.pdf	2017	Edishin, Furst	
Optimum Solutions, Inc.	2017_W2.pdf	2017	Morrison, Sandy	
Optimum Solutions, Inc.	2017_W2.pdf	2017	Bookplate, Henry	

Showing 1 to 21 of 21 entries

Questions from prior webinars:

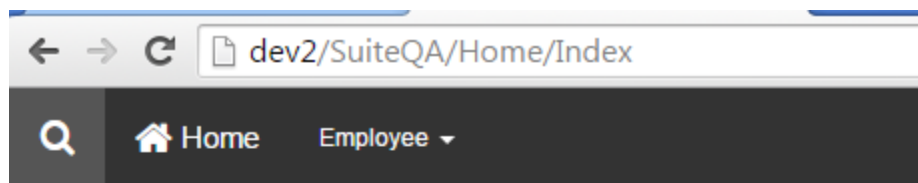
- Q. If an employee is not registered for ESS, do you have to remove them from the upload list? A. Yes
- Q. How do we track who wants the W2 in ESS or Not? A. You need to get a signed form from all who want it and those that don't. Remove those that don't want the ESS W-2 from the ESS maintenance screen. (Also uncheck the box on the Employees Federal screen “W2 via ESS – Don't Print” as stated above).
- Q. Does the form need to be filled out every year? A. Yes.
- Q. What do you do if the employee wants a copy of the W2? A. You can recreate the W-2 Work File and print a copy for them OR if you have saved the PDF when printing the W-2s, and checked the *Override – Print All W2's (Including ESS Employees)*, you can print the W2 from the PDF document.


To view the records, Login to Web.

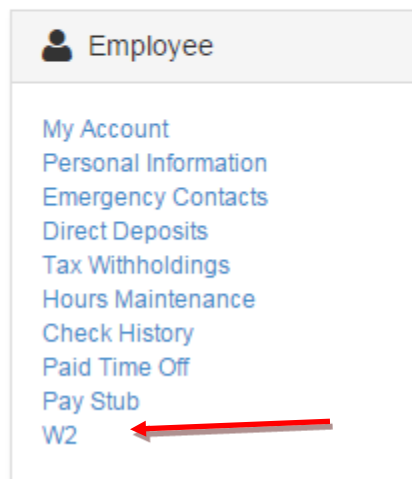


The image shows the 'Optimum Suite' login interface. At the top, it says 'Optimum Suite'. Below that is a 'Log In' section with a lock icon. There are two input fields: one for the username containing 'jbreaks0030' and one for the password containing six dots. Above the username field is a link 'Forgot User Name?' and above the password field is a link 'Forgot Password?'. Below the password field, it says 'Logout after idle for 60 mins'. At the bottom is a large blue button labeled 'Log On'.

Click Reports, then W2.



 Home





Click the File Year

W2s

Show 50 entries

File Year

2021

Showing 1 to 1 of 1 entries

The W-2 will display.

Copy 1--To Be Filed With Employee's FEDERAL Tax Return		38-2099803 OMB No. 1545-0008	
1 Employee's soc. sec. no. 900-00-2223	4 Wages, tips, other comp. 5,675.48	2 Federal income tax withheld 395.90	3 Social security wages 6,821.27
5 Employer ID number(EIN) 21-1234567	6 Social security tax withheld 422.92	7 Medicare wages and tips 6,821.27	8 Medicare tax withheld 98.91
9 Employer's name, address, and ZIP code Optimum Solutions Inc. 210 25th Ave N Suite 700 Nashville TN 32703			
10 Control number 0030			
11 Employee's name, address, and ZIP code Joan S. Breaks 123 Main Street Notown TN 37203			
12 Social security tips 100.00	13 Allocated tips DD	14 Verification Code Code See inst. for box 12 DD 1215.00	
15 Statutory employee SLW1	16 Other 769.03	17 Code AA 305.55	
18 Retirement plan X	19 PA SUI EE 1.44	20 Code W 173.07	
21 Third-party sick pay		22 Code C 15.57	
23 PA 3215444	24 7638.48		
25 State Employer's state ID number 7638.48	26 State wages, tips, etc. 114.57	27 State income tax Phil PA	

Form W-2 Wage and Tax Statement 2021 Dept. of the Treasury - IRS
This information is being furnished to the Internal Revenue Service.

Copy 2--To Be Filed With Employee's State, City, or Local Income Tax Return		38-2099803 OMB No. 1545-0008	
1 Employee's soc. sec. no. 900-00-2223	4 Wages, tips, other comp. 5,675.48	2 Federal income tax withheld 395.90	3 Social security wages 6,821.27
5 Employer ID number(EIN) 21-1234567	6 Social security tax withheld 422.92	7 Medicare wages and tips 6,821.27	8 Medicare tax withheld 98.91
9 Employer's name, address, and ZIP code Optimum Solutions Inc. 210 25th Ave N Suite 700 Nashville TN 32703			
10 Control number 0030			
11 Employee's name, address, and ZIP code Joan S. Breaks 123 Main Street Notown TN 37203			
12 Social security tips 100.00	13 Allocated tips DD	14 Verification Code Code See inst. for box 12 DD 1215.00	
15 Statutory employee SLW1	16 Other 769.03	17 Code AA 305.55	
18 Retirement plan X	19 PA SUI EE 1.44	20 Code W 173.07	
21 Third-party sick pay		22 Code C 15.57	
23 PA 3215444	24 7638.48		
25 State Employer's state ID number 7638.48	26 State wages, tips, etc. 114.57	27 State income tax Phil PA	

Form W-2 Wage and Tax Statement 2021 Dept. of the Treasury - IRS

Employee can print and/or save using their browser.



Step 7: Filing W-2's

Filing W-2s is simple with Optimum. There are 2 ways to file your W-2s with the government. You can **mail in paper copies** for each employee, OR you can **file electronically** using an EFW2 file. *These rules are constantly changing. Check your state for current requirements.*

- Employers with 250 employees must report W-2 wages to the Social Security Administration using the EFW2 format.
- Employers with fewer than 250 employees are encouraged to report using EFW2, but they will not be penalized for filing paper copies.

You should retain a copy of the data you send to SSA for a minimum of four years in case you should need to recreate it. With Optimum, you can recreate the W-2 Work File from History anytime. If you make changes to the Work File (outside of what is in Optimum history), then you should save the Work File by locking it.

If you file EFW2 data, DO NOT file paper W-2 forms containing the same data.

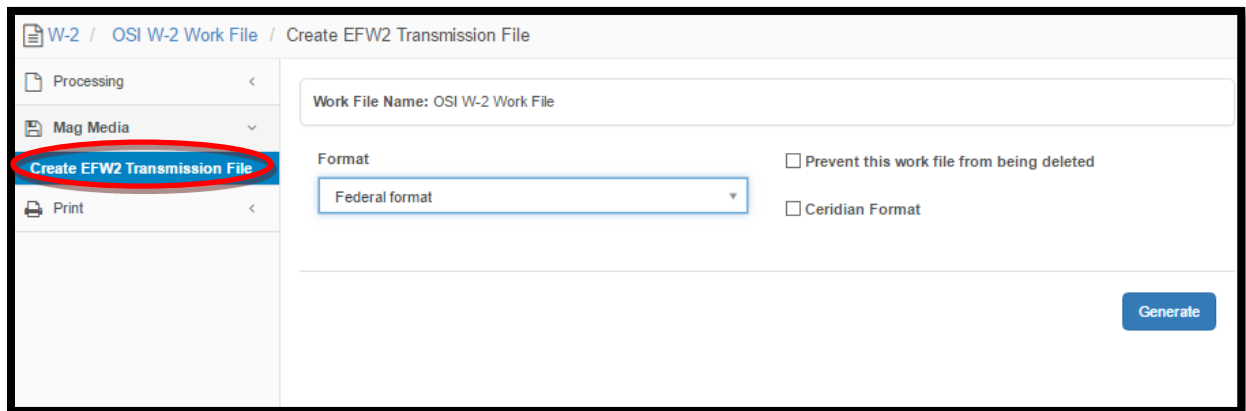
Refer to the instructions offered by the SSA for further filing information.

<https://www.ssa.gov/employer/>

Filing W-2s Electronically with EFW2

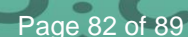
PATH: Reports, Government Reporting, **W-2**

1. Click on “Mag Media” from the Menu Bar
 - Choose Create EFW2 Transmission File



The screenshot shows the Optimum software interface. On the left, there is a menu bar with options: Processing, Mag Media, and Print. The 'Mag Media' option is expanded, and 'Create EFW2 Transmission File' is highlighted with a red circle. The main area of the interface shows the 'Work File Name: OSI W-2 Work File' and a 'Format' dropdown menu set to 'Federal format'. There are checkboxes for 'Prevent this work file from being deleted' and 'Ceridian Format'. A 'Generate' button is located at the bottom right.

3. File will download to your downloads folder



. Once the EFW2 has been generated and saved, you are ready to verify and upload the file to the government

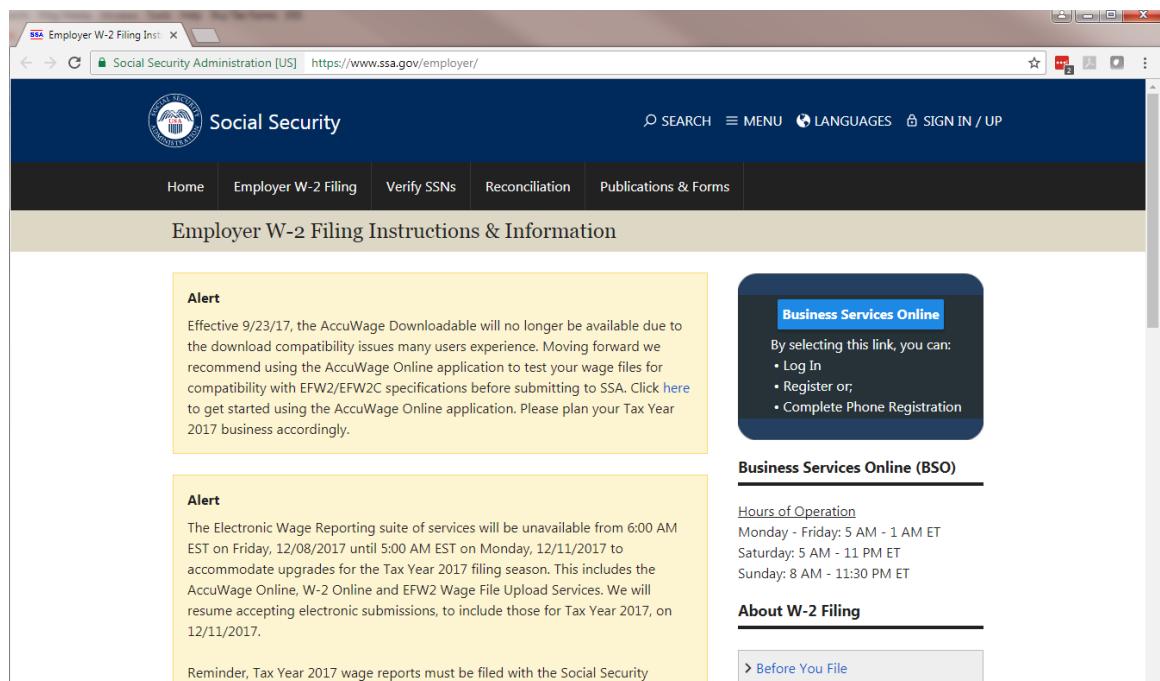
Note that if the area is “grayed out”, it is locked because you selected to “prevent the work file from being deleted.” If you need to edit, create the EFW2 file and do not lock it.

There is also an **EFW2 Truncated Data Report** that shows all employees that have addresses that were truncated in the EFW2 file. *This is a custom report for a specific customer. It doesn’t matter if the address is truncated to the IRS.*



Step 8: Verify Data and Format of the EFW2 File

1. Before filing the EFW2 with the government, you’ll need to test it with AccuWage. AccuWage is no longer be a download program due to compatibility issues. Instead AccuWage Online is available.
 - You will run the file through a program that will test the file for you and extract any errors you may need to correct.
2. AccuWage Online 2020 is available at <https://www.ssa.gov/employer/accuwage/index.html>



3. You will need to log In to the Business Services Online to run AccuWage Online using your specific login and password. Refer to the AccuWage Online Help Guide for further steps in testing your file.



Submitting your File to the Social Security Administration

Submitting your file will require logging into the SSA Business Services Online website and uploading the file from your computer.

You must first obtain a PIN/PASSWORD from the Social Security Administration before submitting your file. Go to www.ssa.gov/bsol to register.

If you received a PIN last year, you may use that PIN indefinitely, as long as you change your password every 90 days. This PDF provides some helpful documentation including what to do if you forgot your password.

<https://www.ssa.gov/employer/bsoreguq.pdf>



Step 9: Filing W-2s by Mail

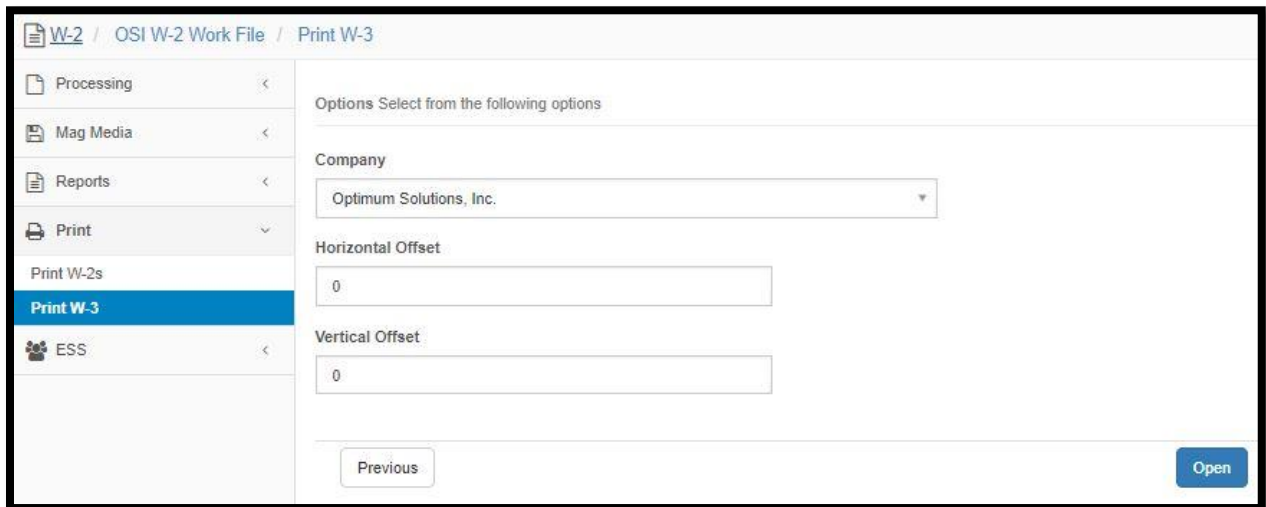
Filing paper W-2s and the W-3 may not be completely old fashioned. If you have fewer than 250 employees, it may be easier for you. However, you are encouraged to file electronically if you can. *These rules are constantly changing so check the IRS guidelines and your state for current requirements.*

Printing a **W-3 Transmittal form** for filing paper copies with the IRS is pretty simple..

Note: this is not needed if filing electronically.

PATH: Reports, Government Reporting, **W-2> Print W-3**

1.



W-2 / OSI W-2 Work File / Print W-3

Processing <

Mag Media <

Reports <

Print >

Print W-2s

Print W-3

ESS <

Options Select from the following options

Company

Optimum Solutions, Inc.

Horizontal Offset

0

Vertical Offset

0

Previous

Open

3. The print preview will show you the W-3 to be printed on the **RED Federal copy** of the W-3.

Note that you do not need to order the W-3 form from www.Taxformsusa.com.

Several W-3 forms will be included with your order complimentary.

- Click Print

18		681560.72	76584.15
	98-7654321	706988.57	43833.32
Optimum Solutions Inc		706988.57	10251.32
210 25th Avenue North		0.00	0.00
Nashville	TN 37203		380.00
		0.00	27517.01
X			
681624.72	24474.66	319152.97	1559.55
Charles Bookkeeper		615 555 1212	

This example is of a completed W-3 Transmittal form.

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 Military <input type="checkbox"/> 943 Hehd. emp. <input type="checkbox"/> 944 Medicare gov. emp.		Kind of Employer (Check one) <input type="checkbox"/> None apply <input type="checkbox"/> 501c non-govt. <input type="checkbox"/> State/local non-501c <input type="checkbox"/> 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 18		d Establishment number		1 Wages, tips, other compensation 681560.72	
e Employer identification number (EIN) 98-7654321		3 Social security wages 706988.57		2 Federal income tax withheld 76584.15	
f Employer's name Optimum Solutions Inc 210 25th Avenue North Nashville TN 37203		5 Medicare wages and tips 706988.57		4 Social security tax withheld 43833.32	
g Employer's address and ZIP code		7 Social security tips 0.00		6 Medicare tax withheld 10251.32	
h Other EIN used this year		9		8 Allocated tips 0.00	
		11 Nonqualified plans 0.00		10 Dependent care benefits 380.00	
		13 For third-party sick pay use only		12a Deferred compensation 27517.01	
15 State X Employer's state ID number		14 Income tax withheld by payer of third-party sick pay		12b	
16 State wages, tips, etc. 681624.72		17 State income tax 24474.66		18 Local wages, tips, etc. 319152.97	
19 Local income tax 1559.55		Employer's telephone number 615 555 1212		For Official Use Only	
Employer's fax number		Employer's email address			

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 _____

Form W-3 Transmittal of Wage and Tax Statements 2016 38-2099803 Department of the Treasury Internal Revenue Service

Send this entire page with the entire Copy A page of Form(s) W-2 to the Social Security Administration (SSA).
Do not send any payment (cash, checks, money orders, etc.) with Forms W-2 and W-3.

Reminder

Separate instructions. See the 2016 General Instructions for Forms W-2 and W-3 for information on completing this form. Do not file Form W-3 for Form(s) W-2 that were submitted electronically to the SSA.

Purpose of Form

A Form W-3 Transmittal is completed only when paper Copy A of Form(s) W-2, Wage and Tax Statement, is being filed. Do not file Form W-3 alone. All paper forms must comply with IRS standards and be machine readable. Photocopies are not acceptable. Use a Form W-3 even if only one paper Form W-2 is being filed. Make sure both the Form W-3 and Form(s) W-2 show the correct tax year and Employer Identification Number (EIN). Make a copy of this form and keep it with Copy D (For Employer) of Form(s) W-2 for your records. The IRS recommends retaining copies of these forms for four years.

E-Filing

The SSA strongly suggests employers report Form W-3 and Forms W-2 Copy A electronically instead of on paper. The SSA provides two free e-filing options on its Business Services Online (BSO) website:

- **W-2 Online.** Use fill-in forms to create, save, print, and submit up to 50 Forms W-2 at a time to the SSA.
- **File Upload.** Upload wage files to the SSA you have created using payroll or tax software that formats the files according to the SSA's *Specifications for Filing Forms W-2 Electronically (EFW2)*.

W-2 Online fill-in forms or file uploads will be on time if submitted by **January 31, 2017**. For more information, go to www.socialsecurity.gov/employer. First time filers, select "Go to Register"; returning filers select "Go To Log In."

When To File

Mail Form W-3 with Copy A of Form(s) W-2 by **January 31, 2017**.

Where To File Paper Forms

Send this entire page with the entire Copy A page of Form(s) W-2 to:

**Social Security Administration
Data Operations Center
Wilkes-Barre, PA 18769-0001**

Note: If you use "Certified Mail" to file, change the ZIP code to "18769-0002." If you use an IRS-approved private delivery service, add "ATTN: W-2 Process, 1150 E. Mountain Dr." to the address and change the ZIP code to "18702-7997." See Publication 15 (Circular E), Employer's Tax Guide, for a list of IRS-approved private delivery services.

BW3 NTF 2590100

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

This completes the W-2 Filing selection of the Year End Processing Guide.

Other Resources



Other Resources

Optimum HRIS – www.optimumhris.com

Optimum Customer Support – <http://support.optimum-solutions.com>

Current Year End Payroll and Tax Updates - <https://support.optimum-solutions.com/suite-web-and-opticloud-year-end-processing-guides/>
--look for this document link below the video link.

American Payroll Association - www.americanpayroll.org

Social Security Administration - www.ssa.gov/employer
<http://www.ssa.gov/employer/ssnv.htm>

Social Security Accuwage - <http://www.ssa.gov/employer/accuwage/>

SSA BSO and register - www.socialsecurity.gov/bsowelcome.htm.

Employer Reporting Assistance - <http://www.ssa.gov/employer/empcontacts.htm>

BSO Technical Assistance - www.socialsecurity.gov/bsowelcome.htm
Telephone: 1-888-772-2970, Fax: 1-410-597-0237
E-mail – bsosupport@ssa.gov

General Information - For information about Social Security programs and benefits
1-800-772-1213 (toll free)
Monday - Friday
7:00 a.m. to 7:00 p.m. Eastern time
For TDD/TTY, call 1-800-325-0778 (toll free)

Internal Revenue Service - www.irs.gov

Tax Forms – www.taxformsusa.com

Affordable Care Act – <http://www.irs.gov/Affordable-Care-Act/Employers>

IRS Tax Calendar for Businesses and Self-Employed -
<https://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/IRS-Tax-Calendar-for-Businesses-and-Self-Employed>

Additional W2-W3 Information
<https://www.irs.gov/pub/irs-pdf/fw2.pdf>