



Payroll and Hiring

How do I pay payroll to my employees?

- First make a file for payroll for the current year, use it for all payroll correspondence for that year.
- Have employee fill out Federal W-4 and NYS IT-2104 so you can deduct the correct withholding amount.
- Figure the employees' gross wages by multiplying the hours worked times the hourly rate.
- You can use payroll calculation programs found on the internet.
- Figure the FICA or Social Security and Medicare (same thing, different words) by multiplying the gross by 7.65%.
- Figure the Federal withholding (FWT) and State withholding (SWT) by going to the table for married or single weekly pay based on what the employee is claiming. Then follow the column across to the number of exemptions they have claimed and then look down the row for the gross wages you are paying and enter the amounts on their payroll cards.
- You can deduct from wages .60 cents per week for NYS Disability and NYS Family PAID Leave at 0.126% of weekly wages.
- You are also allowed to deduct health insurance premiums from wages, these can be pretax if you have an approved Section 125 plan approved by the IRS.
- Write in all the information on the payroll card showing gross to net, for your own reference you can put in the check number.
- Turn in your information to accountant by due dates.
 - Every quarter there must be a filing of forms 941 and NYS 45(for NYS)
 - Jan, Feb, March pay dates with forms that are due April 30th
 - April, May and June pay dates with forms that are due July 31st.
 - July, August and Sept pay dates with forms that are due October 31st.
 - Oct, Nov and Dec pay dates with forms that are due January 31st of the next year.
 - Annually a Federal 940 due January 31st.
 - Annual W-2s and W-3 due January 31st.
 - If owe more than \$700 per quarter of State withholding, then you must pay each month by the 10th.
 - If you owe more than \$2500 per quarter of Federal withholding, then you must pay each month by the 10th.

All employers

All newly hired employees are subject to a "New Hire Reporting Law". This law is to catch "dead beat" moms and dads so that child support payments can be deducted from their pay. Even if you're positive that a new person is not a "dead beat" parent, the form still must be sent in. Newly hired employees are defined as all new employees hired from October 1997 on. This is to be done indefinitely for all new hires. A fine of \$20 per employee is now being imposed if the form is not sent in. As an employer you must provide NYS with the following information:

This can easily be done online at NYS New Hire.

Or

- A copy of a filled out the Federal W-4 signed by the employee with their name, address and social security number.
- Your business name, address and Federal ID Number on the bottom of each W-4

If any employees have not been sent in, send them in now.

Mail copy to:

New York State Department of Taxation and Finance
New Hire Notification
PO Box 15119
Albany, NY 12212-5119

or Fax copy to:

(518) 320-1080

Please review all your insurance needs with your insurance agent to confirm you comply. As an employer you will have requirements for certain coverages such as worker's compensation and disability.

Any questions can be directed to Baer Tax Group at office@baertaxgroup.com.