

Introducing **IOIPay** 2.0

WINTER 2016
Vol. 14, # 1

All New Benefits Management System

IOI is pleased to announce the launch of *IOIPay* 2.0, an all new system with advanced Benefits Management capability and a Single Sign-On Dashboard. *IOIPay* 2.0 increases the overall efficiency of our payroll product, allowing you to simplify and take the stress out of Benefits Management and Payroll processing. Single Sign-On allows you to sign into one dashboard and access the many IOI products you use on a daily basis. Streamlined and simplified navigation of your company and employee benefits are paired with:

- › The ability to push benefits to all divisions
- › New “set it and forget it” feature on future company rates
- › Modernized, user-friendly interface
- › New IOI application dashboard with portals to available products
- › New client controlled, role based security
- › Real time reporting and ACA reporting functionality
- › And much more!



As always, more information can be found online at www.ioipay.com, by phone at 888.697.0021, or by emailing salesinfo@ioipay.com.

Message from the President



As 2016 comes to a close, we continue to embrace the changes in our industry. This year, we launched the all new Benefits Management system, *IOIPay* 2.0, that streamlines your Benefits Management and Payroll processing. This new state-of-the-art system is one of many steps towards our goal of making IOI your one-stop resource for all of your Human Capital Management needs.

In this edition, you will find valuable information regarding compliance, tax filing tips, and limits and deadlines that are updated annually.

Please take time to sign up for one of our complimentary year end seminars and use this publication as a resource to prepare you for successful year end processing.

We are proud to continue to receive industry recognition for our cloud-based payroll product. This year *IOIPay* received the Bronze Award from TopTenReviews, a national service that has rated IOI a top ten payroll company since 2013.

As we look forward to 2017, we thank you for your continued business and look forward to advancing the innovation of our products and services, seeking better ways to serve you.

We remain @ your service, and wish you a Happy Holiday Season!

Sincerely,
Najeeb A. Khan, President & CEO



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Year End Checklist

(Yes, it's that time already!)

- Verify that employee names and SSNs match their Social Security card
- Confirm the following information you have on file with IOI is correct:
 - Federal ID number
 - Business name and address
 - All earnings and deductions for applicable W-2 codes
 - State withholding account numbers
- Send in your new State UC rate changes and updates for 2017
- Report all manual and voided paychecks for 2016 on or before the last payroll
- Monitor employees reaching the FICA maximum \$118,500 for 2016 if you will be calculating taxes for manual checks.
- Record Third Party Sick (TPS) payments
- Review employee pension codes for W-2s
- Report all additional earnings that should be noted on the 2016 W-2 prior to or with your last 2016 payroll run, such as:
 - Taxable fringe benefits
 - Moving allowances
 - Group term life
 - Auto allowances
 - HSA company contributions
 - Other compensations
- Schedule any bonuses needed for 2016 year end as well as any special reports needed
- Do not open a 2017 payroll until you know you are finished processing everything for 2016. The cut off for processing final 2016 payrolls and adjustments is December 28. (Please check with your HR Department in case they have an earlier cut off for you.) Anything established for 2016 submitted after this date will be done as W-2Cs with fees applicable.

Year End Seminars

IOI offers complimentary year end planning sessions for all its current clients. These General Sessions cover topics such as compliance, tax updates, and how the Department of Labor changes might impact your company in 2017 and beyond.

For more info or to register for a 2016 Year End Seminar, please call (888) 697-0021 or email yearend@ioipay.com.

2016 ACA Reporting Deadlines* (The Patient Protection and Affordable Care Act)

January 31, 2017

1095-C Employee Fulfillment;
Employer provides 1095-C to applicable employees

February 28, 2017

Paper filing with IRS;
Employer files 1094-C and 1095-C Forms with the IRS

March 31, 2017

Electronic filing with IRS;
Employer files 1094-C and 1095-C Forms with the IRS



2017 HSA Limits (Health Savings Account)

Max Contribution Levels

Individual, Self-Only Coverage: \$3,400

Family Coverage: \$6,750

Catch up Contribution (over 55): \$1,000

2017 Rates & Limits

	Wage Base	Rate	Amount
Social Security	\$127,200	6.2%	\$7,886.40
Medicare	≤ \$200,000	1.45%	\$2,900
	> \$200,000	2.35%	Unlimited
	401(k) 403(b) 408(k) 457(b)		
	18,000+6,000 = Over 50		
	408(p)		
	12,500+3,000 = Over 50		

*No indication of extension for 2016 Reporting Year.

Source: <https://www.shrm.org/resourcesandtools/hr-topics/benefits/pages/aca-reporting-2017.aspx>

Compliance & Tax Alerts

This material is provided for informational purposes and not intended to provide legal or business advice. Readers are encouraged to consult with their own legal or business advisors to determine content and how to comply.

Form W-2

The due date for filing 2016 W-2s is Jan. 31, 2017, for both the paper form and electronic. In 2016, 14 states moved up their filing deadlines to the end of January, totaling 25 states that adopted the same due date as the federal government. The earlier filing deadline is expected to decrease the number of tax fraud cases associated with invalid tax refunds.

Work Opportunity Tax Credit (WOTC)

WOTC is a federal tax credit available to employers who hired/hire individuals from eligible target groups with significant barriers to employment (e.g., veterans, food stamp recipients, ex-felons etc.). WOTC for veterans is available to tax exempt employers who otherwise cannot claim WOTC due to their tax exempt status. Long term unemployment recipients are a new targeted group added to the list as of Jan. 1, 2016. *IOI* can assist with the certification and reporting process with its WOTC service. Send your WOTC request to marketing@ioipay.com to learn how your company can benefit from this credit.

Payroll Tax Credit for Research Activities

Protecting Americans from Tax Hikes (PATH) Act of 2015

Small businesses with gross receipts of less than \$5 million annually can possibly benefit from a payroll tax offset of up to \$250,000 credit on the employer portion of the Social Security tax by conducting qualified research activities. Company research activities meeting a four-part test can potentially be eligible, which include test items such as technical uncertainty about development or improvement of a product or process; process of experimentation to eliminate or resolve technical uncertainty; technological processes relying on hard sciences such as engineering, physics, chemistry, biology or computer sciences; purpose is seen in an improved or new product or process. Eligible research and development costs may include wages, supplies, contract research, and rental or lease costs of computers. The credit is available for tax years beginning after Dec. 31, 2015. The portion of the payroll tax credit is allowed in the first calendar quarter beginning after the date the qualified small business filed its income tax return. *IOI* will be glad to assist you in reporting payroll research credit on Form 941.

FUTA Credit Reduction

Connecticut and Ohio have repaid their federal unemployment insurance loans, and employers in these states will not have a FUTA credit reduction for 2016 if these states do not have a loan balance on Nov. 10, 2016. Employers in California and the U.S. Virgin Islands are at risk of being assessed FUTA credit reductions for 2016. If California and the U.S. Virgin Islands have a federal unemployment loan balance by Nov. 10, 2016, employers in these jurisdictions will be assessed a general FUTA credit reduction of 1.8% that will increase their federal unemployment tax costs by up to \$126 for each employee. If you are a tax filing client, *IOI* will collect an additional amount for FUTA Credit Reduction tax for active employees with your checks processed in Dec. 2016. An additional amount for FUTA Credit Reduction tax for employees not paid in December will be collected in Jan. 2017. The exact date in January will be specified in your 4th quarter company package.

Bill: Curbs State Income Tax for Nonresidents

The House of Representatives passed legislation that would prohibit states from imposing income tax obligations on nonresident employees working for a de minimis period within their borders. Under the Mobile Workforce State Income Tax Simplification Act of 2015 (H.R. 2315), passed by voice vote on Sept. 21, 2016, U.S. states cannot impose income tax liability on nonresidents conducting business in a state for 30 or fewer days each year. The bill excludes the earnings of professional athletes and others compensated on a per event basis.

U.S. Department of Labor New Overtime Rule

Effective Dec. 1, 2016, the weekly salary threshold for executive, administrative and professional overtime exemptions increases to \$913 from \$455.



New Form EEO-1

The Equal Employment Opportunity Commission (EEOC) has recently released a draft of a new Form EEO-1 to be submitted to the EEOC by Mar. 31, 2018.

Private employers, including federal contractors and subcontractors, with at least 100 employees are required to submit the summary pay data for 2017.

The new Form includes 10 job categories and 12 pay bands. Employers also are to report the total number of hours worked by employees in each pay band.

Did you know... *IOI* is on social media?

Follow us on Twitter!

@ioi_pay



Like us on Facebook!

You can also find us on YouTube and LinkedIn!

Search *IOI*® today to keep up on current payroll and HR information.

Questions... About our products and services?

For more information, contact an *IOI* sales representative today!

Call 888.697.0021, e-mail salesinfo@ioipay.com

or visit us at www.ioipay.com

IOI® Featured Products & Services

HRIS Benefit Enhancements

Many HRIS enhancements were created in 2016 to provide you with the most seamless navigation and critical path to action on the *IOIPay* website. Enhancements include left hand navigation updates, recommended links to HR related screens within the system, a dedicated tab for benefits, company level and employee level sections, mass updating and employee deduction pushes, enhanced save features, and more.

IOITime

IOITime offers time and attendance solutions for all employers, regardless of company size. It provides an employer the ability to calculate and maintain accurate attendance records by automating pay requirements and ensuring compliance with federal regulations; integrate technology and data with complete scheduling functions and automatic pay rule calculations; and reduce employer workload by allowing employees to track their own time/benefits and request time off online.

IOIHire®

Streamline your hiring process with *IOIHire*. With features such as Applicant Tracking and Onboarding, it allows employers to create job postings, source candidates from leading job boards and collect important documents from employees (e.g. I-9, W-4, Proof of Citizenship, etc.). All data imports directly into *IOIPay*, our cloud-based payroll processing system.



Single Sign-On Dashboard

Get ready to access all available products with one Single Sign-On. No more wasted time on password retrieval or calls to your Help Desk!

For more information or to request a demo, contact an IOI sales representative today! Call 888.697.0021, email salesinfo@ioipay.com or visit us at ioipay.com.



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