ATLANTA CHAPTER
AMERICAN PAYROLL ASSOCIATION

GLO Report – January 2022

Internal Revenue Service

- *New Employee Salary Reduction Limits for 2022:*
  - Healthcare FSA/Limited Purpose FSA - $2,850
    - If the cafeteria plan permits, the maximum FSA carryover from 2022 to 2023 = $570
  - Dependent Care FSA - $5,000 (Family); $2,500 (Married filing separately)
  - Commuter (Parking and transit) - $280/month
  - Adoption limit - $14,890
- *Health Savings Account Contribution Limits for 2022:*
  - Individual $3,650
  - Family $7,300
  - Catchup contribution for 55 and older $1,000
- *Retirement Plan Contribution Limits (401k) for 2022:*
  - Contribution Limit $20,500
  - Catchup for 50 and older $6,500
- *Publication 15 T has been issued for 2022*
- *People can stay connected to the IRS through social media:*
  - Taxpayers can stay in the know on all things tax-related by following the IRS verified social media accounts and subscribing to the agency's e-news services. Here are some details about these valuable information resources.
    - IRS social media platforms
      - Twitter: Taxpayers, businesses and tax professionals can follow the IRS handles for up to the minute announcements, tips and alerts in English and Spanish.
      - Instagram: The IRS Instagram account shares taxpayer-friendly information.
      - YouTube: The IRS offers three video channels -- English, Multilingual and American Sign Language.
      - LinkedIn: The IRS shares key agency communications and job opportunities.
    - The agency continues to increase multilingual outreach on social media. For example, IRS has created individual Twitter Moments in six languages, highlighting key messages in Spanish, Vietnamese, Russian, Korean, Haitian Creole and Simplified Chinese.
    - The IRS also has a free mobile app, IRS2Go, where taxpayers can check their refund status, pay taxes, find free tax help, watch IRS YouTube videos, and get daily tax tips. The IRS2Go app is available from the Google

Play Store for Android devices, or from the Apple App Store for Apple devices. It is available in both English and Spanish.
    - Taxpayers should not reply to an IRS direct message on social media asking for personal or financial information. These are common scams that try to lure taxpayers on social media platforms or with unsolicited emails, texts, or calls.

Social Security Administration

- *New Social Security Wage Base for 2022:*
  - Social Security
    - Wage Limit: $147,00
    - Tax Rate: 6.2% (Maximum $9,114)
  - Medicare
    - Wage Limit: Unlimited
    - Tax Rate: 1.45%
    - Highly Compensated Rate:
      - Additional 0.9%
      - For those making over $200,000 per year

- *Important Dates to Note:*
  - *December 6, 2021*
    - *Business Services Online (BSO) is open for Electronic Filing W2 (EFW2) and W-2 Online filing.*
  - *January 31, 2022*
    - *Deadline for providing W-2s to employees.*
    - *Deadline for filing electronic and paper W-2s with SSA.*

- *Truncating Social Security Numbers on the W2s*
  - Employers may truncate, or shorten, the SSN on W-2s, except on Copy A.
  - SSA will not accept truncated SSNs that only show the last four digits (XXX-XX-1234) on Copy A Form W-2 or in the SSN field when using the EFW2.
  - More Info can be found on their website.

- *Uploading the W-2 file:*
  - If software that creates an EFW2 format file, consider Wage File Upload instead of keying individual W-2s. You can:
    - Upload your file to us to process for FREE.
    - EFW2 file must have a .TXT or .ZIP extension
    - Save time and reduce errors.
    - Register for BSO if you are not already registered.
    - Visit the Employer W-2 Filing Instructions & Information page to learn more.

- *Deferred Payroll Tax Reporting:*
    - For employers that deferred payroll tax for their employees in 2020, and collected this tax in 2021, then the employer will need to send in a W-2c to correct Tax Year 2020 Social Security taxes.
    - IRS W-2 & W-2c instructions
    - W-2 Reporting of Employee Social Security Tax Deferred under Notice 2020-65
    - IRS News Release

Department of Education

Administration extends the Student Loan Pause through May 1, 2022. Borrowers are encouraged to use the additional time to ensure their contact information is up to date and to consider enrolling in electronic debit and income-driven repayment plans to support a smooth transition to repayment. More information can be found at StudentAid.gov.

USICE / Department of Homeland Security:

E-Verify launches a redesigned Closed Company Account Webpage. On Jan. 19, E Verify launched a redesigned Close Company Account page. The page has been updated to improve usability by maintaining consistency with the other pages within E Verify and increasing efficiency and accuracy when submitting a termination request. Program administrators and corporate administrators will be able to select a termination request reason from a drop-down list instead of typing the reason in a text box. Program administrators and corporate administrators will also be able to cancel any termination request that was submitted within the 30 calendar days before the account is terminated.

COVID-19 (Federal)

- Insurance Companies and Group Health Plans are now required to cover the cost of the At-Home COVID tests.
- Free Testing – each family is entitled to receive up to 4 free test through the Government Website: https://www.covidtests.gov/ These will be shipped through the US Post Office and shipping will begin in Late January.

State Updates:

- **California**
    - **Releases 2022 Publication DE44**
    - **Amends COVID-19 Prevention Rules**
- **Connecticut – Effective 1/1/2022 Expanded FMLA**
- **Colorado – Paid Sick Leave Law now applies to Small Employers**
- **Minnesota OSHA suspends Enforcement of Vaccination and Testing Rule**
- **Oregon – Amends final rule on COVID-19 Quarantine Guidance**
- **Tennessee – Enacts Emergency COVID-19 Quarantine Guidance**
- **Washington State – Delays collection of Long-Term Care Payroll Tax**

Local Updates:

- **Allegheny County, PA – Announces Paid Sick Leave Date**
- **Boston, MA – Adopts Vaccination Mandate for Certain Employers**
- **Chicago, IL – Adopts Vaccination Mandate for Certain Employers**
- **Los Angeles County, CA – Requires Employers to Provide Masks to Employees**
- **New York City, NY Requires COVID Vaccination Leave**
- **New York City, NY Enacts Employee Vaccination Requirements**
- **Portland, ME – Hazard Pay Regulations expired after 1/13/2022**
- **San Francisco, CA – Overpaid Executive Tax, in effect 1/1/2022**

Happy New Year!!