



GLO Report – April 2022

Internal Revenue Service:

File and pay taxes by April 18 deadline to avoid penalty and interest charges The federal income tax deadline is April 18, 2022, for most individual taxpayers. However, filing the 2021 tax return and paying taxes due late brings extra charges. It's important to file any return due on time and pay as much as possible to reduce penalty and interest charges. The video [Avoiding Interest and Penalty Charges](#) provides details.

- **Extensions** [Get an automatic six more months](#) to file; all taxpayers can use IRS Free File to request an extension.
- **Economic Impact Payments** Letters issued about the [third-round of payments](#); important steps to take for missing payments and corrections Revised [third-round FAQs](#)
- **Refunds** IRS has [\\$1.5 billion in refunds for people who have not filed](#) a 2018 federal income tax return; April deadline approaches.
 - Reasons [why some tax refunds filed electronically take longer](#) than 21 days
 - Easy steps to [avoid tax return errors](#) that can delay processing or adjust refunds
- **Tax Time Guides**
 - [Electronic tax payment and agreement options](#) available to taxpayers who owe
 - Minimize cyber footprints, [protect personal information online](#)
- **More filing season information** IRS provides more forms, letters and publications in [multilingual and alternative formats](#): Spanish Braille now available
- IRS reminds taxpayers they must check a box on Form 1040, 1040-SR or 1040-NR on [virtual currency transactions for 2021](#)
- **Crowdfunding monies may be taxable; keep good records** [Crowdfunding](#) is a method of raising money through websites by soliciting contributions from a large number of people. The contributions may be solicited to fund businesses, for charitable donations, or for gifts.
- **For those who make estimated federal tax payments, the first quarter deadline is Monday, April 18**
 - **IRS YouTube Videos**
Estimated Tax Payments – [English](#) | [Spanish](#) | [ASL](#)
 - The Internal Revenue Service today reminds those who make estimated tax payments such as self-employed individuals, retirees, investors, businesses, corporations and others that the payment for the first quarter of 2022 is due Monday, April 18.
 - The 2022 [Form 1040-ES, Estimated Tax for Individuals](#), can help taxpayers estimate their first quarterly tax payment.
 - Income taxes are a [pay-as-you-go](#) process. This means, by law, taxes must be paid as income is earned or received during the year. Most people pay their taxes through

withholding from paychecks, pension payments, Social Security benefits or certain other government payments including unemployment compensation.

- Most often, those who are self-employed or in the gig economy need to make [estimated tax payments](#). Similarly, investors, retirees and others often need to make these payments because a substantial portion of their income is not subject to withholding. Other income generally not subject to withholding includes interest, dividends, capital gains, alimony and rental income. Paying quarterly estimated taxes will usually lessen and may even eliminate any [penalties](#).
- Exceptions to the penalty and special rules apply to some groups of taxpayers, such as farmers and fishers, casualty and disaster victims, those who recently became disabled, recent retirees and those who receive income unevenly during the year. See [Form 2210, Underpayment of Estimated Tax by Individuals, Estates and Trusts](#), and its instructions for more information.
- **How to pay estimated taxes**
[Form 1040-ES, Estimated Tax for Individuals](#), includes instructions to help taxpayers figure their estimated taxes. They can also visit [IRS.gov/payments](#) to pay electronically. The best way to make a payment is through [IRS Online Account](#). There taxpayers can see their payment history, any pending payments and other useful tax information. Taxpayers can make an estimated tax payment by using [IRS Direct Pay; Debit Card, Credit Card or Digital Wallet](#); or the Treasury Department's Electronic Federal Tax Payment System ([EFTPS](#)). For information on other payment options, visit [IRS.gov/payments](#). If paying by check, taxpayers should be sure to make the check payable to the "United States Treasury."
- [Publication 505, Tax Withholding and Estimated Tax](#), has additional details, including worksheets and examples, that can be especially helpful to those who have dividend or capital gain income, owe alternative minimum tax or self-employment tax, or have other special situations.
- **IRS.gov assistance 24/7**
Tax help is available 24/7 on IRS.gov. The IRS website offers a variety of online tools to help taxpayers answer common tax questions. For example, taxpayers can search the [Interactive Tax Assistant](#), [Tax Topics](#) and [Frequently Asked Questions](#) to get answers to common questions.
- The IRS is continuing to expand ways to communicate to taxpayers who prefer to get information in other languages. The IRS has posted translated tax resources in 20 other languages on IRS.gov. For more information, see [We Speak Your Language](#).

Publication 505 Available: The IRS released the [2022 Publication 505](#), Tax Withholding and Estimated Tax. While the publication is generally designed to help individuals determine their proper withholding amounts, it also provides an explanation of the withholding rules for salaries and wages, supplemental wages, taxable fringe benefits, sick pay, pensions and annuities, and other payments. Additionally, the publication includes a basic description of the rules pertaining to tip reporting and explains situations where backup withholding is required. Publication 505

also provides a detailed discussion of the requirements that must be met for an employee to properly claim that he or she is exempt from withholding.

Social Security Administration:

Social Security to Offer Self-Attestation of Sex Marker in Social Security Number Records

Kilolo Kijakazi, Acting Commissioner of Social Security, announced that the agency will offer people the choice to self-select their sex on their Social Security number (SSN) record. The agency anticipates this option will be available in the fall of 2022.

“The Social Security Administration is committed to reducing barriers and ensuring the fair treatment of the LGBTQ+ community by updating our procedures for Social Security number records,” said Acting Commissioner Kijakazi. “This policy change will allow people to self-select their sex in our records without needing to provide documentation of their sex designation.”

People who update their sex marker in Social Security’s records will need to apply for a replacement SSN card. They will still need to show a current document to prove their identity, but they will no longer need to provide medical or legal documentation of their sex designation once the policy change becomes effective. SSN cards do not include sex markers.

In February 2022, the agency issued guidance instructing employees to accept evidence documents that contain non-binary identifiers (e.g., “X”) for original SSN and replacement SSN card applications, and other updates to the agency’s internal SSN records. The agency is exploring possible future policy and systems updates to support an “X” sex designation for the SSN card application process.

Department of Labor:

DOL Proposes Updates to Davis-Bacon and Related Acts: The U.S. Department of Labor (DOL) issued a notice of proposed rulemaking (NPRM) to update regulations for the Davis-Bacon Act and the Davis-Bacon and Related Acts (collectively, DBRA) [87 F.R. 15698, 3-18-22]. The NPRM is the most comprehensive review of the acts in 40 years [DOL, 22-109-NAT, 3-11-22].

Background: Under the DBRA, the Secretary of Labor sets prevailing minimum wage standards for laborers and mechanics working on federally financed construction contracts of \$2,000 or more. The DBRA includes provisions that require labor standards be applied to most federally aided construction. The prevailing wages (including fringe benefits) are based on wages for similar workers in the locality where the project is to take place (see The Payroll Source®, §2.10-2).

Proposed changes: The proposed changes include:

- Changing the prevailing wage update system to ensure rates keep up with actual wages
- Returning to the definition of “prevailing wage” used from 1935 to 1983, which is a three-step method applied in the absence of a wage rate paid to a majority of workers in a particular

classification by determining a wage rate as prevailing if it is paid to at least 30% of such workers in a community

- Periodically updating prevailing wage rates to address out-of-date determinations
- Issuing supplemental rates for key job classifications when no survey data exists and
- Strengthening enforcement to update standard contract language to include anti-retaliation provisions and clarifying procedures for recovering back wages.

Submitting comments: Comments can be submitted electronically (include RIN 1235-AA40) or by mail to: Division of Regulations, Legislation, and Interpretation, Wage and Hour Division, U.S. Department of Labor, Room S-3502, 200 Constitution Avenue N.W., Washington, DC 20210. Comments must be received on or before May 17, 2022.

Department of Education:

White House extends pause on student loan repayments until August 31, 2022.

Compliance Deadlines:

USICE / Department of Homeland Security:

State Updates:

Colorado: Effective May 1, 2022, agriculture employers must ensure employees have a 10-minute rest for every two hours of work in dangerous conditions.

Utah: Established a 20-day threshold for non-resident employees. Effective 1/1/2023 employers will not be required to withhold income tax for employees working in Utah for a duration of less than 20 days.

Local Updates:

Los Angeles Minimum Wage \$16.04

