



GLO Report – February 2023

Internal Revenue Service

The IRS has issued publication 1415, the Federal Tax Compliance Research: [Tax Gap Estimates for Tax Years 2014-2016](#). The document provides statistics that underscore the importance of payroll professionals. The Tax Gap is a measure of the level of overall non-compliance in the context of the Internal Revenue Code provisions in the effect at the time.

Secure 2.0 – 401(k) Catch Up unintentional error: A drafting error in the final version of the bill eliminated important text that executes the provision requiring catch-up contributions be made to defined contribution plans on a Roth basis, except for those with \$145,000 or less in wages for the prior year. **Need more information on this**

Social Security Administration

- *Verify Social Security Numbers*
 - If an employer needs information about whether their employee's reported name and SSN match our records, please view the [Verifying Social Security Numbers](#) page. The SSSA discontinued mailing [Employer Correction Request Notices](#) (EDCOR) in 2021.
- *Social Security Statement:*
 - The SSA encourages all employees to visit or open their personal my Social Security account where they can find their personalized Social Security Statement (Statement) to help them understand their benefits.
 - They recently redesigned the Statement to make it easier for reading and find the information needed. This includes:
 - A bar graph displaying personalized retirement benefit estimates.
 - An overview of earnings history and information on how to report an error (the account shows complete earnings history).
 - Supplemental Statement fact sheets designed to provide useful information based on age group and earnings situation.
 - Visit our [Get Your Social Security Statement](#) webpage to learn more.

Department of Labor

The Department of Labor has issued a ruling that Teleworkers are protected under the Wage-and-Hour laws such as the Fair Labor Standards Act (FLSA) and the Family Medical Leave Act (FMLA).

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](#).

United States Citizenship and Immigration Services (USCIS)

USCIS is extending the validity of Permanent Resident Cards (PRC) for petitioners who properly file Form I-751, Petition to Remove Conditions on Residence, or Form I 829, Petition by Investor to Remove Conditions on Permanent Resident Status for 48 months beyond the card's expiration date. Please refer to [USCIS Extends Green Card Validity for Conditional Permanent Residents with a Pending Form I 751 or Form I 829](#) for more information.

For Form I 9, an employee may present their expired PRC with a Form I 797, Notice of Action, that indicates USCIS has extended the card's validity, as a List C #7 document, which must be in combination with acceptable List B document. The I 797, Notice of Action, may be related to either a Form I 751, Petition to Remove Conditions, or a Form I 829, Petition by Investor to Remove Conditions on Permanent Resident Status.

Employees: If you had previously provided your employer a receipt notice for your Form I 751 or I 829 application, for Form I 9 and you received a new Form I 797 Notice of Action receipt notice indicating a new extension date, present this document along with your expired PRC to your employer. Your employer will use both of these documents to update your Form I 9.

Employers: If your employee previously provided this documentation for Form I 9, they may provide an updated Form I-797 Notice of Action receipt notice indicating a new extension date. If your employee provides this updated documentation, you must update Form I-9.

In Section 2, update the 'List C, Expiration Date'. You should:

- Draw a line through the expiration date;
- Enter the updated date; and
- Initial and date the update.

You must reverify the employee's employment authorization before their extension ends. For more information about reverification please see ['Reverifying Employment Authorization for Current Employees'](#).

E-Verify:



Reminder: We recommend employees whose E-Verify SSA Tentative Nonconfirmation mismatch cases were referred between **March 2, 2020, to July 14, 2022**, visit their local SSA offices according to the preferred timeframes below:



If the date on the employee's Referral Date Confirmation is:	Then the employee should visit SSA between:
March 2 to December 31, 2020	October 1 to December 31, 2022
January 1 to December 31, 2021	January 1 to March 31, 2023
January 1 to July 14, 2022	April 1 to June 30, 2023

Note: Timeframes are recommended. All employees must visit SSA to resolve their mismatch by the final deadline of September 29, 2023, or their case will receive a Final Nonconfirmation (FNC).

See E-Verify's [Social Security Resumes E-Verify Operations Webpage](#) or [E-Verify User Manual](#) for more information.

White House

The President has announced the end of the COVID-19 National Emergency. This affects temporary timelines for COBRA that we put in place during the Pandemic. Effective July 11, 2023, here are the pre-pandemic deadlines:

- The 14-day deadline for plan administrators to provide COBRA election notices to qualified beneficiaries;
- The 30-day period (or 60-day period, in some cases) to exercise HIPAA special enrollment rights in a group health plan following birth, adoption, or placement for adoption of a child; marriage, loss of other health coverage; or eligibility for a state premium assistance subsidy;
- The 60-day deadline by which a participant or qualified beneficiary must provide notice of divorce or legal separation, a dependent child that ceases to be an eligible dependent under the terms of the plan), or a Social Security disability determination used to extend COBRA coverage;
- The 60-day deadline in which to elect COBRA coverage;
- Individuals electing COBRA outside of the initial 60-day election period (as referenced above) generally have one year and 105 days after the election notice is provided to make the initial premium payment; and individuals electing COBRA within the generally applicable 60-day election period have one year and 45 days after the date of their election to make the initial payment;
- The date by which monthly COBRA premium payments are due; and
- The deadline under the plan by which participants may file a benefit claim (under the terms of the plan) and the deadlines for appealing an adverse benefit determination or requesting an external review, including Healthcare Flexible Spending Accounts (Health FSAs) and Health Reimbursement Arrangements (HRAs).

Note: these extensions do not apply to expense reimbursement requests under a nongroup health plan such as a Dependent Care FSA nor does this relief apply to Health Savings Account (HSA). In addition, the relief guidance suspended the deadline for the plan administrator to provide the COBRA election notice (that is, the 14-day deadline [44 days where the employer is the plan administrator]) to qualified beneficiaries.

State Updates:

- California: The Employment Development Department has issued the 2023 Employer's Guide: [2023 California Employer's Guide \(DE 44\) Rev. 49 \(1-23\)](#)
- Louisiana: Effective 1/20/2023, the LA Dept of Revenue adopted the Mobile Workforce Exemption for non-resident workers working in the state for 25 days or less.
- Wisconsin: The Wisconsin Department of Revenue Feb. 1 published information on individual income tax reciprocity. The publication provides: 1) Wisconsin has reciprocity agreements with Illinois, Indiana, Kentucky, and Michigan; 2) the procedures for

nonresidents from reciprocal states to prevent withholding and filing in Wisconsin; and 3) the procedures for residents to report and withhold or pay estimated taxes for income earned in reciprocal states. [\[Wis. Dep't of Revenue, Publ'n 121, 02/01/23\]](#)

