



GLO Report – May 2023

Internal Revenue Service:

IRS tools and resources to help small businesses

Small businesses play an important role in the nation's economy. During [National Small Business Week](#), the IRS reminds taxpayers that IRS.gov has resources and tools to help small businesses understand and meet their tax responsibilities.

Bookmark these important webpages

- [Small Business and Self-Employed Tax Center](#): Resources for small businesses with assets under \$10 million and for taxpayers who file these forms:
 - Form 1040 or 1040-SR
 - Schedules C, E and F
 - Form 2106
- [Gig Economy Tax Center](#): Resources for gig workers, people who operate a digital platform marketplace and the businesses that manage their taxes. The gig economy - also called the sharing economy and access economy - is activity where people earn income providing on-demand work, services or goods often with an app or website.
- [Tax Information for Businesses](#): Tax information, tools and resources for businesses and self-employed people.
- [Employer Identification Number](#): Businesses can apply for an EIN in several ways including online at IRS.gov. Generally, businesses need an Employer Identification Number, also known as a Federal Tax Identification Number. The IRS uses this number to identify a business entity.

Stay on track with deadlines and payments

- [Online Tax Calendar](#): Due dates and reminders for each month in different formats. Business owners can see all events or filter them by monthly depositor, semi-weekly depositor, excise and general event types. They can also get calendar reminders sent to their email and import the calendar into their calendar program.
- [Electronic Federal Tax Payment System](#): A free tax payment systems for businesses to pay their federal taxes online. Businesses can also pay by phone.

Stay in the know about business taxes

- [Small Business Tax Workshop](#): Online lessons that help new business owners understand the taxes they owe and when and how to pay them.
- [e-News Subscriptions](#): Email newsletters on a variety of tax topics. There are e-newsletters for small businesses, payroll professionals, tax professionals, IRS partners and more.

Florida storm victims qualify for tax relief; April 18 deadline, other dates extended to Aug. 15

Florida storm victims now have until Aug. 15, 2023, to file various federal individual and business tax returns and make tax payments, the Internal Revenue Service announced today. The IRS is offering relief to any area designated by the Federal Emergency Management Agency ([FEMA](#)) [as a result of tornadoes, severe storms and flooding that occurred from April 12 to 14](#). This means that individuals and households that reside or have a business in Broward County qualify for tax relief. Other areas added later to the disaster area will also qualify for the same relief. The current list of eligible localities is always available on the [disaster relief](#) page on IRS.gov.

The tax relief postpones various tax filing and payment deadlines that occurred starting on April 12, 2023 and is based on an April 27 FEMA disaster declaration. As a result, affected individuals and businesses will have until Aug. 15, 2023, to file returns and pay any taxes that were originally due during this period. This means that taxpayers will have until Aug. 15 to file any 2022 individual income tax returns and various business returns that were originally due on April 18. They will also have until Aug. 15 to pay any tax originally due on these returns. Taxpayers will get the extra time, even if they failed to request a tax-filing extension by April 18. Among other things, this also means that eligible taxpayers will have until Aug. 15 to make 2022 contributions to their IRAs and health savings accounts.

The Aug. 15 deadline also applies to the quarterly estimated tax payments, normally due on April 18 and June 15.

The Aug. 15 deadline also applies to the quarterly payroll and excise tax returns normally due on May 1 and July 31, 2023. In addition, penalties on payroll and excise tax deposits due on or after April 12 and before April 27, will be abated as long as the tax deposits were made by April 27, 2023.

The [IRS disaster relief](#) page has details on other returns, payments and tax-related actions qualifying for the additional time.

IRS joins SBA in support of National Small Business Week

The IRS will join the Small Business Administration again this year in support of their National Small Business Week, **April 30 - May 6, 2023**. During the week, the [IRS will also highlight its own small business resources](#) and share information to help small businesses thrive.

And, there's still time to [register for the National Small Business Week Two-Day Virtual Summit](#) hosted by the SBA and SCORE May 2 - 3. Attendees of this free virtual summit will learn new business strategies, meet other business owners and chat with industry experts. The two-day, action-packed event will also include educational sessions, online business resources and expert speakers. Find all of the IRS's resources for the self-employed and businesses together on the [Small Business Week webpage](#).

Beware of Employee Retention Credit schemes

The IRS continues to see [third parties aggressively promoting Employee Retention Credit schemes](#). Payroll professionals also report receiving undue pressure from their clients to claim the credit. Fraudulent promoters are pushing ineligible people to file a claim for the credit, while charging the filer either large upfront fees or a fee that is contingent on the amount of their refund. Plus, they're not informing taxpayers that they must reduce the wage deductions they claimed on the business' federal income tax return by the amount of the credit. Filers should carefully review the ERC guidelines before trying to claim the credit and be wary of offers promising tax savings that are too good to be true. The ERC is a valuable credit for those who qualify but claiming it improperly could result in taxpayers having to repay the credit along with potential penalties and interest.

Social Security Administration

Social Security Trustees Project Wage Base for 2024

Using the “intermediate” projections, the board projects the social security wage base will be \$167,700 in 2024 (up from \$160,200 this year) and will increase to \$230,100 by 2032. The formal announcement of the 2024 wage base will not come until mid-October.

Compliance Deadlines:

May 1, 2023 – 941 for first quarter 2023 due.

May 1, 2023 - EEO-1 Report due – has now been extended. The 2022 EEO-1 Component 1 Data Collection is tentatively scheduled to open in mid-July 2023. Updates regarding the 2022 EEO-1 Component 1 Data Collection, including the opening date, will be posted on the EEO-1 website as they become available.

U.S. Citizenship and Immigration Services (USCIS)

On January 20, 2023, the U.S. Citizenship and Immigration Services (USCIS) [announced](#) new designs for Green Cards (officially known as Permanent Resident Cards) and Employment Authorization Documents (EADs). USCIS will begin issuing these redesigned cards on January 30, 2023, with the goal of improving the security of, and minimizing the fraud associated with, these cards.

The new designs will include:

- Updated technology with improved detailed artwork;
- Tactile printing integrated with the artwork;
- Enhanced optically variable ink;
- Secure holographic images (on the front and back of the card);
- A layer-reveal feature with a partial window on the back photo box; and
- Relocated data fields, as opposed to previous card designs.

However, and important for employers to be aware of, these new designs do not invalidate an individual's currently issued card. Cards are valid until they expire or its otherwise noted (cards

may be automatically extended as indicated on Form I-797, Notice of Action, or in a Federal Register notice). Additionally, Green Cards issued between 1979 and August 1989 [do not have expiration dates](#) and remain valid. Lastly, some Green Cards and EADs issued after January 30, 2023, may still have the preexisting designs and format. This is because USCIS will continue using existing cardstock until its current supplies are gone (both versions of the cards are acceptable for [Form I-9, Employment Eligibility Verification](#); [E-Verify](#); and [Systematic Alien Verification for Entitlements \(SAVE\)](#)).

State Updates:

- *Arkansas:* Effective July 31, 2023, the Arkansas Youth Hiring Act removes the state's requirement that children under 16 must get the Division of Labor's permission to be employed. Instead, minors under 16 shouldn't be required to get an employment certificate as a condition of employment and the division shouldn't require that they verify their age, via an employment certificate, as a condition of employment.
- *Maryland:* Beginning January 1, 2024, the Maryland minimum wage will increase to \$15 per hour for all employers. Until then, small employers pay \$12.80 per hour and large employers pay \$13.25 per hour. Employers continue to be permitted to pay 85% of that rate to employees who are minors. (MD SB 555 was signed by the governor on April 11, 2023)
- *New Jersey:* Changes to New Jersey's [mini-WARN law](#), which applies to employers with 100 or more employees, takes effect on April 10, 2023. As amended, the state's mini-WARN notice and severance requirements are triggered when an employer terminates or lays off 50 or more employees working in or reporting to New Jersey over a period of 30 days, or 90 days if the reasons for the terminations/layoffs are related.
- *New York:* New York's pay transparency law requires employers to disclose the pay range, along with an existing job description, for any job, promotion, or transfer opportunity advertisement when any part of the role physically can (or will) be performed in the state. Effective September 17, 2023, these disclosure requirements also apply to advertisements for a job, promotion, or transfer opportunity that will be physically performed outside the state but report to a supervisor, office, or other worksite inside the state.
- *Virginia:* Effective July 1, 2023, employers in Virginia with at least 50 employees are required to provide eligible employees with unpaid leave to donate an organ, including bone marrow. Eligible employees are those who, at the time of requesting organ donation leave, have been employed by the same employer for at least 12 months and 1,250 hours during the previous 12 months. The law allows eligible employees to take up to 60 business days of unpaid leave to donate an organ and up to 30 business days to donate bone marrow in any 12-month period. To take donor leave, eligible employees must provide written physician verification to the employer. The law requires employers to maintain coverage of any health benefit plan for the duration of the organ donor leave. Further, employers are prohibited from counting any period of organ donor leave as a break in service for the purpose of an employee's salary and benefits. Employees who take organ donor leave must be restored to the same position they held prior to the leave

or an equivalent position with the same pay, benefits, and other terms and conditions of employment. Employers are prohibited from retaliating against an employee for requesting or taking organ donation leave.

- *Virginia:* Employee ID Can't Include Social Security Number. Effective July 1, 2023, employers cannot use an employee's Social Security number, or any version of it, as the employee's identification (ID) number or on their ID card, or badge, access card or badge, or the like.

Local Updates:

- *Bloomington Minnesota:* On March 31, 2023, the City of Bloomington updated its initial rules and released an employee notice of rights for the city's [Earned Sick and Safe Leave Ordinance](#), effective July 1, 2023. The updated rules: Provide new and expanded definitions, including a robust definition of adverse action for retaliation purposes. Change the eligibility for covered employees from working "at least 80 hours" in Bloomington to "more than 80 hours." Clarify accrual rates and how to track the hours of employees who are working inside and outside of Bloomington. Change the waiting period for use from "90 calendar days following the beginning of employment" to the "91st day of employment." Allow employees to use any amount of leave they want even if their leave balance is less than the designated minimum increment (four hours) established in the ordinance. Provide more guidance about notice and reasonable documentation requirements.
- *Seattle, Washington:* Beginning May 1, 2023, food delivery network company workers in Seattle—working for a company with more than 250 workers worldwide—are entitled to paid sick and safe time (PSST). Beginning January 13, 2024, all Seattle app-based workers—working for a 250-worker-count company—are entitled to PSST. For workers to be covered by the PSST they must, among other requirements, work in Seattle. For the company to be covered, it must be operating out of Seattle, but it doesn't matter where its 250 workers are located. The 250 worker-count includes workers anywhere in the world and incorporates workers at the company's chains, integrated enterprises, and franchises. Accrual and use terms are included in the ordinance, along with pay calculations, verification, and notice requirements. The specifics of the ordinance are on the city's [website](#).

