



ATLANTA CHAPTER
AMERICAN PAYROLL ASSOCIATION

GLO Report – August 2023

Internal Revenue Service:

The IRS issued final rules and removed the temporary rules on the recapture of COVID-19 related tax credits. The temporary rules that were published in September of 2021 became permanent with minor adjustments. The rules go into effect on July 24, 2023. More information can be found [here](#).

The IRS has also provided more options to file the 941-X form, the *Adjusted Employer's Quarterly Federal Tax Return*, in 2024. This will include electronic filing. There are approximately 20 forms in all that will be available for electronic filing.

On July 7, the IRS clarified the new filing requirements for forms W2 and W2c. Combined forms (including 1094, 1095, 1099) totaling more than 10 will require electronic filing. There was also clarification issued on substitute W2 / W2c forms. Please see [Publication 1141 \(Rev. July 2023\) \(irs.gov\)](#) for more information.

Office of Child Support Enforcement (Now Office of Child Support Services):

The OCSS has requested that the current *Income Withholding Order (IWO)* be extended in its current version for three more years. The current form expires on September 30, 2023.

USICE / Department of Homeland Security:

New I-9 Form coming / Remote inspection. Notice has been published allowing E-Verify employers to remotely examine form I-9 documents. This is effective August 1, 2023. To qualify for remote inspection, the employer must be in good standing with E-Verify, inspect the documents via live video call and keep a copy of the supporting documents with the I-9. More information can be found on [I-9 Central](#) for more information.

A new form will be issued however the current form is still valid until October 31, 2023 and employers may continue to use until that time. Other improvements include clearer instructions and provides guidance on acceptable documents.

State News:

Alabama: Effective 1/1/2024 through 6/30/2025, overtime wages for full time employees working over 40 hours will be exempt from state tax. There are reporting requirements for tax year 2023 to provide the state with information related to the number of employees that

received overtime pay and the total amount. After 2023, the reporting requirement changes to monthly or quarterly based on withholding returns.

Missouri: Effective August 28, 2023 Earned wage access services providers will be required to register with the Missouri Division of Finance and pay a \$1,000 annual registration fee before offering earned wage access services. The fee will be due by July 1 each year. Click [here](#) for more information.

Montana: Montana employers will not be required to withhold income tax on nonresidents working in the state for less than 30 days. The Department of Revenue has also implemented an online unclaimed property reporting tool.

New Jersey: The Governor has signed a bill for remote workers giving tax credits against their state tax liability. The law attempts to address the tax liability of NJ residents that work for NY companies. The law introduces a “convenience of the employer” test.

New York: The Tax and Finance Department has published an Updated Metropolitan Commuter Transportation Mobility Tax (MCTMT) Guide on July 21, 2023 for quarters beginning after July 2023. More information can be found [here](#).

Oregon: Taxpayers must now take disputes involving local income tax to the Oregon Tax Court, not the general county courts under [HB 2576](#).

Local News:

