PenSoft® NEWS

Quarterly Newsletter for PenSoft® Payroll Solutions

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Fall 2013

INSIDE...

In observance of Labor Day, PenSoft will be closed Monday, September 2nd.

In observance of Thanksgiving Day, PenSoft will be closed Thursday & Friday, November 28th & 29th.

PenSoft BUSINESS SOLUTIONS
PenSoft
151 Enterprise Drive
Newport News, Virginia 23603
P 757.873.2976
F 757.873.1733
info@pensoft.com
support@pensoft.com
www.pensoft.com

Affordable Care Act

PenSoft enjoys the benefit of staying up to date on the latest news, thanks in part to our close ties to the American Payroll Association and NACTP committee positions held by PenSoft employees. To help our customers remain in compliance with the various government agencies, we happily share this information as we receive it. Recent legislative delays to the Affordable Care Act reporting requirements have some employers wondering once again what preparations need to be made for this year-end and beyond.

ACA
What must companies comply with in 2013 and what has been delayed?

IRS Notice 2013-45 was released to provide Transition Relief for reporting in 2014 under Sections 6055 (Information Reporting), 6056 (Information Reporting), and 4980H (Employer Shared Responsibility Provisions). The purpose of this delay in the employer mandate is to provide time for businesses to adapt their health coverage and reporting systems to the regulations set forth in the Affordable Care Act provisions. Originally, Sections 6055 and 6056 required annual information reporting by health insurance issuers, self-insuring employers, government agencies, and other providers of health coverage by 2014. In addition, Section 6056 requires a qualified large employer to offer affordable, minimum value health coverage to its full-time employees or a shared responsibility payment if one or more of its full-time employees receive a premium tax credit under Section 36B. Under the Transition Relief, these requirements have been deferred to 2015.

Once the reporting rules have been finalized and implemented, businesses are encouraged to voluntarily comply for 2014. Employers must still be ready to adhere to the remaining regulations of the Affordable Care Act. The requirement for businesses to provide employees with written notices of coverage availability and open enrollment through the affordable insurance exchanges are still set to begin

See **ACA**, *page 4*

EFTPS Batch Provider Software

The Electronic Federal Tax Payment System (EFTPS) is a service designed to report and pay federal tax deposits electronically. This free software provided by the US Department of the Treasury has been in effect since 1996 and is used by millions of businesses and individual taxpayers. The EFTPS® Batch Provider Software takes filing simplicity to the next level by allowing business taxpayers to submit multiple companies in a single transmission.

EFTPS
Changing banks? How to update your enrollment in PenSoft Payroll.

When a taxpayer changes the financial institution used to make tax payments, the business taxpayer must apply the change in the EFTPS Batch Provider software. An Enrollment Edit should be submitted within the Batch Provider software when changes to an existing Enrollment's financial information occur. This action will create a new enrollment for the taxpayer as well as establish a new PIN. It is imperative the user inactivate or delete the original enrollment in the Batch Provider software to avoid further use. This will prevent any future attempt to draw funds from the previous financial account. The next time the enrollments are synchronized with EFTPS, the changes will appear in the taxpayer's enrollment records.

See **EFTPS**, *page 2*

Leroy Newman
President & CEO

President's Corner

The summer is past and the children are back in school. We trust you had a pleasant season and are getting back into the fall routine. We wish you a profitable 4th quarter.

Employees

It has been a very busy summer for PenSoft and we had numerous reasons to celebrate in August.

Stephanie Salavejus, Vice President and COO, celebrated 20 years of loyal service with PenSoft. She was presented with the 20-year watch with a diamond studded bevel. Stephanie was initially hired as the sole Program Consultant in 1993. As PenSoft grew Program Support was the first named Department in 2000. Because of her expertise and professionalism, Stephanie was selected as the Director. Later the same year she sat for and passed the Certified Payroll Professional (CPP) exam. By 2004 PenSoft had three Departments. A new Vice President position was established and Stephanie was again promoted to fill it. Two years later in 2006 Stephanie was named the PenSoft Chief Operating Officer (COO) and in 2009 she became a partner in the company. Her drive and abilities to manage many projects and lead people have been truly outstanding and instrumental in PenSoft's continued growth. Congratulations Stephanie!

Susan Dwyer, Librarian and Technical Writer, celebrated 10 years of loyal service with PenSoft. She was presented with the 10-year wooden clock. Initially hired in 2003 as a Program Consultant, Sue displayed her knowledge and expertise in testing and technical writing. In 2005 a new position was established as Librarian and Technical Writer and Sue was selected for it. She continually displays her ability to maintain the tax information for all 50 States as well as the IRS and to keep the programming staff appraised of changes. Sue has been instrumental in keeping PenSoft Payroll current. Thanks and congratulations Sue.

Andrea Duenaz, Program Consultant, became our employee after working with us for four (4) months as a temporary employee. She comes to PenSoft with several years of payroll processing experience and management. In a short time she has mastered PenSoft Payroll and is an asset to Program Support. Welcome Andrea.

2014 PenSoft Payroll

The 2014 PenSoft Payroll will ship to all prepaid customers on December 16, 2013. If you haven't already done so, renew today to ensure you receive the software in time to prepare your first payroll for 2014. The new software will include a conversion program to facilitate duplicating company and employee information from 2013.

Year-End Seminars

PenSoft offers a number of webinars to review end of year procedures. They are designed to help you reconcile all your payroll reports ensuring everything agrees prior to sending your final reports to the taxing agencies. *See page three for dates available.*

Payroll Checks

This is a good time of the year to inventory your payroll check supply and to order a new supply for the new year. As always, we guarantee our checks 100% compatible with PenSoft Payroll.

Don't Forget to Turn Your Clocks Back on November 3rd!

EFTPS, continued from page 1

Though PenSoft does not maintain enrollment information, the software does allow business taxpayers to add or modify Registrations, the Master PIN, and the individual taxpayer assigned PIN's. If a new Enrollment is established in EFTPS, the user must update PenSoft Payroll to include the new PIN. The fastest way to accomplish this is to modify an existing 941 deposit:

- Click Deposits on the toolbar.
- Highlight an existing 941 deposit.
- Click Modify.
- Click EFTPS Batch.
- Update the Taxpayer PIN.
- Click Close.

With PenSoft Payroll business taxpayers can save time and minimize errors by maintaining registration and taxpayer PIN information in the software. Users creating electronic files in PenSoft Payroll for use with the EFTPS Batch Provider Software can then upload those files with complete data to ensure accurate deposit payments.

Q&A

Q. I have signed up for direct deposit using NatPay, but I cannot find the NatPay button to send the file. Where is it?

A. The NatPay button is found on the same window used to create the ACH file.

- Click Activities the menu.
- Click Process Direct Deposit.
- Select the originator in the drop down list.
- Click OK.
- The NatPay button is located in the bottom right hand corner.

Q. I've entered pay records for a work period in September but the check date is in October. My 3rd quarter 941 Schedule B does not display the liability for this pay period. Why?

A. The liability is calculated based on the actual pay date rather than the work period. Check the 4th quarter Schedule B form to find the liability.

Q. Can I change an employee's pay frequency for a one-time bonus check?

A. Yes. While entering payroll data for the affected employee bonus check, choose Unlock to modify the pay frequency option located near the top left of the data entry window. Use the drop down arrow to select a different frequency and click Lock to Save.

Q. My employer hired several students who have provided Form W-4's claiming exempt from tax withholding. The Tax Status tab within the employee setup does not have an "exempt" tax status option. How do I prompt the system to prevent federal income tax withholding for these employees?

A. To disable the federal income tax withholding:

- Click Employees on the toolbar.
- Highlight the desired employee.
- Click Modify.
- Click Taxes.
- Uncheck the desired tax withholdings on the right.
- Click OK.

Don't Forget to Renew For 2014!

Prepaid 2014 orders ship December 16th via UPS Next Day Air Saver. Customers who select $0 shipping option will be able to download on December 13th.

Year-End Webinars Available

Companies across America are finding themselves on the wrong end of lawsuits and audits for payroll regulation violations. As a payroll professional, you know how important it is to maintain your company's compliance by keeping up with the constantly changing procedures and legislative updates. Staying current is as important to your company's bottom line as it is to your career. Payroll law has become so complex and ever-changing in the past few years it's easy to make mistakes. This is why PenSoft developed the Year-End Webinar, a one hour workshop designed for all levels of payroll administration.

There are several federal payroll-related tax changes potentially affecting you as an employer for tax year ending 2013 and tax year beginning 2014. Being aware of these constant changes can help you plan and prepare for the upcoming tax season.

NOTE: Year-End webinars begin at 2:00 pm eastern and are 60 minutes long.

- November 5th
- November 7th
- November 12th
- November 14th
- November 19th
- November 21st
- November 26th
- December 3rd

This webinar has been approved by the American Payroll Association for 1 Recertification Credit Hour (RCH). This course cannot be repeated within one year from the original webinar date for credit.

SIGN UP TODAY!

HURRY! Space is limited and seats fill-up quickly.

Call 888-PENSOFT (888-736-7638) to sign up. Training is $99 per phone connection.

Sorry, no refunds are available for the year-end webinars. We require a 72-hour advance notice to reschedule webinar dates for participants.

Contact Information

Verify we have your correct contact information. Included with your newsletter is a mailing sheet with all your contact information. Please take a moment to verify this information is correct prior to December! If it is not, make the changes directly on the sheet, sign next to “Authorized Signature”, and fax to 757-873-1733.

Tips

New Computer

When moving PenSoft Payroll to a new computer using the CD, only a backup of the data file and the latest update disk is needed. Each CD contains a full copy of PenSoft Payroll, complete with all released updates.

Form 940

Looking for your Quarterly Federal Unemployment Tax liability figure? Users can generate the Tax Status, Tax Liability by Deposit Type and/or Tax Liability by Tax reports to determine the tax liability for any report period.

Weeks Worked

Weeks worked information is required in some instances for reporting purposes to state agencies. The number of weeks recorded is usually found in the individual payroll records and can be modified for employees who work part time or for shorter payroll periods. The calculation is based on the pay frequency of each employee.

Unemployment Tax Rates

PenSoft researches and maintains the state unemployment wagebase located in the company setup each year to ensure accuracy. Unemployment tax rate fields are also available for users to enter the assigned experience rates provided by the state each year as well as any additional surcharge rates.

ACA, continued from page 1

October 1, 2013. Personnel hired after the deadline must be provided notice within 14 days from the start of employment. Employers can use the Department of Labor’s model notices or develop their own. For employers providing coverage visit **www.dol.gov/ebsa/pdf/FLSAwithplans.pdf** to view the DOL’s notice. For employers not offering coverage visit **www.dol.gov/ebsa/pdf/FLSAwithoutplans.pdf** to view the DOL’s notice. Employers sending applications to determine if they qualify to provide coverage for their employees through a state’s small-business health options program (SHOP) must do so by October 1, 2014.

How does this affect PenSoft and our customers? PenSoft Payroll customers wishing to begin reporting requirements in 2014 are provided with the ability to track both employer and employee premiums for health insurance on Form W2. Special deductions and W-2 codes allow users to ensure the information will flow correctly to the appropriate annual forms with ease. PenSoft Employee Tracker allows users to easily update or expand benefit tracking. Employers can seamlessly update deduction rates within both PenSoft Employee Tracker and PenSoft Payroll. When legislative updates occur throughout the year, trust PenSoft to provide our customers with minimal disruption while implementing new governmental changes.

Leroy Newman
President & CEO

Stephanie Salavejus, CPP
Vice President & COO

Melineé Cody, CPP
Director of Support & Training

Heidi Heretick
Director of Sales & Marketing

Paul MacDonald, MCSE
Director of Information Systems

Contributing Writers
Program Support Department
Sales Department

PenSoft
151 Enterprise Drive
Newport News, VA 23603

Info: 757-873-2976
Support: 757-873-1199
Fax: 757-873-1733

info@pensoft.com
support@pensoft.com
www.pensoft.com

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