

VOLUME 27 • ISSUE 3
Fall 2018

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Renew TODAY!

New PenSoft Website Launched!

Everything is just around the corner, and with it comes a renewed energy and focus on what's important. For the last six months PenSoft's focus has been dedicated to redesigning the website and creating additional "no cost" seminars that target our customers and provide the resources you need to be successful in processing payroll for your organization.

PenSoft's new website is all about **YOU**, our customer! It's more than a refreshed look, streamlined navigation, or easy to find resources. We focused on simplifying the process for current customers to access their account information in a secure environment and created a warm welcome for visitors. All this was accomplished through simplifying our content, increasing visibility of our products and services, streamlining menus, clear navigation, and responsive layouts for all platforms.

Customer Focused Website Update

Website Highlights

Instant Access

Current PenSoft customers can access login, download updates, refer a friend, renew their software, and purchase forms all from the home page.

Important Links

Slide out menu available on all pages that provides easy access to important links as the feature chart,

edition, customer referrals, Program Support and the online store just to name a few.

Customer Support

User informational resources at your fingertips, easy search function to locate technical documents, and informational updates.

See [Website](#), page 4

Upcoming Year-End Webinars

Is your company ready for 2019? It is just a few short months away! Prepare yourself and your team by signing up to attend our popular year-end webinars for only \$49 per phone connection!

Topic Specific Webinars

NEW! Join us as we teach year-end in a new way this year! We are covering the major year-end topics individually to give each topic the coverage it deserves **AND** to give each participant the knowledge they need.

Each topic is available at two times on each date. Attend either the 11am or 2pm Eastern time session. Topics and dates are listed below:

November 6
Reconciliation & Wage Reporting

November 8
Error Corrections

November 13
E-filing Wage Reports & W-2s

November 15
Special Payments

November 20
Processing Year-End Payroll Data for a Merger or Acquisition

November 29
ACA Reporting

HURRY! Space is limited, and seats fill up quickly. Call 888-PENSOFT (888-736-7638). Each phone connection is \$49.00.

BONUS WEBINARS!

We are offering **TWO FREE** webinars to our customers!

Attend our **FREE** webinar on October 31st to learn all about the Basics of Year-End Reporting. Also, learn more about year-end communication by attending our **FREE** Communicating Annual Changes Enterprise-Wide on December 4th. Two **FREE** bonus webinars available for our customers!

In observance of Thanksgiving, PenSoft will be closed Thursday & Friday, November 22nd & 23rd.



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Leroy Newman
President & CEO

President's Corner

The wild summer of 2018 is over. We hope you and your families survived the severe weather - fires in the West and floods in the Plains and East. PenSoft has been fortunate to only have been on the edge of the excessive rain.

New Website

PenSoft recently rolled out our completely new website. Not only is it modern but it's also designed to be easier for customers to access the pages important to them - download updates, contact information, blog, forum, etc. Check out the new website at www.pensoft.com

2018 Annual APA Congress

Three PenSoft CPPs attended the 36th Annual Congress at the National Harbor in Maryland recently. Stephanie Salavejus, Melinee' Cody and Jasmine Jones took advantage of the educational sessions throughout the conference. Additionally, Stephanie Salavejus taught the following workshops:

- Data Breach Risk Assessment
- Emerging Technology
- DOL Investigations - How Would You Stack Up
- Payroll Fraud - Detect, Deter and Defend

2018 Annual Virginia Statewide Payroll Conference

The conference will be on October 11th in Williamsburg, Virginia. This year's theme is "Payroll Revolution". This is one of the area's largest annual educational payroll conferences - www.vspc-apa.com. The conference is an exciting opportunity for PenSoft to showcase our products and services to payroll professionals throughout Virginia, Maryland and Washington DC. If you are attending be sure to stop by our booth and say hello!

Employees

Stephanie Salavejus, VP & COO, celebrated 25 years with PenSoft on August 23rd. As COO she is responsible for PenSoft daily activities, is supervisor of the three department directors, and works with me in overall management and future direction of the company. In 1993 Stephanie came to us with a degree in accounting and experience at an accounting firm to work in PenSoft Program Support. In 2000 she was named the Support and Training Department director and in the same year passed the American Payroll Association (APA) CPP exam. As result of her professionalism and leadership, in 2004 she was promoted to Vice President and again in 2006 to COO. In 2009 Stephanie became a partner in the PenSoft ownership.

Stephanie excels in leadership and the management of our three departments (Information Systems, Support and Training, and Sales and Administration) encouraging each and every member of the PenSoft family to do their best and to strive for excellence. She has spearheaded many companywide initiatives including being instrumental in developing an extensive test program for our products and services, and leading the PenSoft website redesign.

Stephanie is very active in the American Payroll Association (APA) at the national, state and local levels and was selected to be a Vice President of the national association. Additionally she writes articles and teaches educational workshops for them. Stephanie is also active on Internal Revenue Service committees. She offers a unique perspective of not only being a payroll professional, but also a manager and a business owner of a company in the business of producing payroll software and services.

Congratulations Stephanie on 25 outstanding years with the PenSoft family!

Tim Braden, Hardware Technician, became a full-time employee after working part-time with PenSoft equipment and networks while attending college. Tim applies his education to our equipment needs to enhance our employee experiences. Welcome Tim!

2019 is Right Around the Corner!

2019 PenSoft Payroll will be available for download December 17, 2018! Renew TODAY and be ready for 2019. A renewal notice is enclosed with your newsletter. Take a moment and verify all the information is correct - especially the e-mail address(es)!

All necessary information required to download, install, and register 2019 PenSoft Payroll will be included in the e-mail notifications sent on December 17th!

2018 Tax Forms

Also, don't forget your tax forms! Our tax form packages are GUARANTEED compatible with PenSoft Payroll! Prepaid tax forms will ship on or before November 12, 2018. Order TODAY! Please check your tax form package as soon as you receive it!

Please note, there are no returns or exchanges on tax forms.

The Internal Revenue Service (IRS) recommends employers and payroll service providers encourage employees to verify their 2018 withholding by using the IRS calculator.

Access the calculator at www.irs.gov/individuals/irs-withholding-calculator

Q&A

Q. Payroll needs to record imputed income for an employee's unsubstantiated medical health claims. It is reportable on their W-2, taxable for Federal, State, and Social Security/Medicare Taxable wages. How do I setup a custom payment without creating a monetary net check amount?

A. PenSoft Payroll supports the ability to setup non-monetary incomes. To create the user-defined income in the company list:

- Click Company on the toolbar
- Highlight the desired company
- Click Setup
- Click Payroll Incomes
- Click Add
- Enter the title and abbreviation
- Remove checkmark for "To count towards minimum wage"
- Check "Non-monetary income"
- We recommend checking "Include in Form W-2, Box 14" box
- In the calculation drop down menu select Variable Amount
- Enter 0.00 in the rate box
- Click OK
- Click Close
- Add income to applicable employees

Q. How do I include the client's SSN as the Tax ID on the Form 1099-MISC?

A. To add the recipient's SSN as the Tax ID on the Form 1099-MISC:

- Click Personnel on toolbar
- Click Form 1099-MISC
- Highlight the desired recipient
- Click Setup
- Click Identification
- Place the cursor in the Social Security Number field
- Enter the recipient's Social Security Number
- Click OK
- Click Close

Q. How do I setup housing allowance to exclude the allowance from the chaplain's gross income and add in Box 14 of the W-2?

A. To create a user-defined income for housing allowance:

- Click Company
- Highlight the desired company
- Click Setup
- Click Payroll Incomes
- Click Add
- Enter in the title and abbreviation - Housing Allowance
- Remove checkmark for "To count towards minimum wage"
- Check "Include in Form W-2, Box 14" box
- In the calculation drop down menu select Variable Amount
- Enter 0.00 in the rate box
- Uncheck the tax items the income is NOT subject to
- Click OK
- Click Close
- Add income to applicable employees

Q. How do we process benefit payments of our IRS qualified defined contribution plan? The benefit payments are non-periodic, subject to a mandatory 20% withholding for Federal taxes and mandatory state tax withholding but not subject to social security or Medicare taxes.

A. PenSoft Payroll supports the ability to create the user-defined income and setup the tax configuration to withhold 20% federal, mandatory state income tax withholding (SITW), and not have the payment subject to social security or Medicare taxes.

The complexity of setting up the income per your specifications makes it complicated to explain in a newsletter. When creating user-defined incomes/payments with "special" tax configuration, call Program Support for a Program Consultant to walk you through the process, step by step.

Prior to contacting Program Support, speak with your tax consultant to obtain the details of the tax implications for the federal and state taxes including unemployment taxes.

Website, continued from page 1

Start a Free Trial

Right on the home page. The site has visibly clear and understandable descriptions for each edition so visitors know which trial edition to download.

Transparent Pricing

Visitors have a clear and detailed description of cost for the edition selected with immediate access to buy now.

Contact Information

Customers can easily locate contact information on every page.

Blog

Our blog has received a much-needed face lift enabling you to sign up for weekly updates right on the home page, and access the articles that matter to you through smart topic filters.

Going forward, we will continue to communicate regularly through our blog and provide new articles and notifications. We also plan to continue adding more video content and product information to provide you with all of the information you need to evaluate our products and services.

We are excited to have put in place the infrastructure to build upon that will allow us to reach a broader demographic and create a road map for future success.

We're really proud of the new website and feel it will create the experience you're looking for when you pay us a visit.

Check out our new site at www.pensoft.com

Blockchain

You may have heard about a technology called "blockchain", and may wonder what impact it will have on you and how you do payroll. While there are a number of articles on the Internet that go into more depth, let's take a quick look at what blockchain is, how it works, and what it can do for us.

First, blockchain is a concept that allows the creation of what amounts to a distributed ledger – just like the ledger you might keep for your organization, except that everyone participating in the blockchain has an identical copy of the ledger. Since everyone has a copy, no one can cheat, or modify the contents.

Blockchains record the result of transactions, whether it's money moving from one person to another, or an employee punching in to work at a particular time. Any time a transaction takes place a new "block" is added to the "chain", a "hash" or signature of all the previous blocks is added to the new block so they can't be modified, and the new blockchain is distributed to all the participants. Everyone has the same, unalterable information all the time.

You may have heard of Bitcoin, or other "cryptocurrencies" that actually assign monetary value for work done to maintain a blockchain. While it's uncertain if or when employees would ever be paid in cryptocurrency, the possibility exists. More foreseeable scenarios include using blockchain to track payments between businesses, and between businesses and government agencies; tracking employee HR information; employee work history. The nature of blockchain is that no one entity owns the chain, so there's no middleman that has to coordinate transactions, or with whom a transaction could go awry.

The Internal Revenue Service (IRS) reported tax related data thefts had increased 30% over the same period last year. Protect your company or clients' sensitive data in PenSoft Payroll by establishing user login and passwords for authorized personnel.

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