

CHECKLIST

Year-End Payroll Checklist

Close out the year clean — verify data, file forms on time, and set up the new year with confidence.

SPIRIT HR · RESOURCE CHECKLIST

Year-end is the most error-prone stretch of the payroll calendar. Work through this checklist before your final payroll to avoid corrections, penalties, and W-2 headaches.

Before your final payroll

- ☐ Verify employee legal names, addresses, and SSNs.
- ☐ Confirm all new hires and terminations are recorded.
- ☐ Reconcile wages, tax withholdings, and deductions year-to-date.
- ☐ Process outstanding bonuses, commissions, and off-cycle checks.
- ☐ Account for taxable fringe benefits (group-term life, personal use of company vehicle, etc.).
- ☐ Confirm retirement-plan contributions and any employer match.

W-2 & 1099 preparation

- ☐ Review W-2 data for accuracy before printing/filing.
- ☐ Confirm contractor totals and issue **1099-NEC** where required.
- ☐ Distribute W-2s and 1099s to recipients by the January deadline.
- ☐ File W-2s with the SSA and 1099s with the IRS on time.

Tax deposits & filings

- ☐ Final federal deposits (**941**) reconciled and paid.
- ☐ Annual **FUTA (940)** and state unemployment filings prepared.
- ☐ State and local withholding reconciliations completed.

ACA reporting

- ☐ Applicable large employer? Prepare **1095-C / 1094-C**.
- ☐ Furnish 1095-C forms to employees by the deadline.

Set up the new year

- ☐ Update tax rates, wage bases, and contribution limits.
- ☐ Confirm new state unemployment (SUTA) rate.
- ☐ Set the payroll calendar and holiday schedule.
- ☐ Refresh benefit deductions for the new plan year.
- ☐ Communicate any pay-date or benefit changes to employees.

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