

# THE BLUE PAGES

PAYMASTER PRO LLC  
501 CHURCH ST NE SUITE 306 VIENNA VA 22180 | 703-281-7486

## W-2 Season is Fast Approaching!

### Don't Wait Until the Last Minute to Order Your W-2 Forms.

For all of us who work with payroll, the falling leaves of autumn signify not just a change of seasons but the approach to our busiest time of year.

Ordering your W-2 forms now means you'll be able to take advantage of the discount, and you won't have to worry about it at the last minute.

Of course, when you order your W-2s forms from PayMaster Pro, you can be assured that they will work with PayMaster.

The IRS has announced that W2 forms will have a slight change to the paper format for tax year 2011. The electronic format EFW2 has changed as well for tax year 2011.

PayMaster for Windows will have an update as soon as the specifications becomes final .

Be sure to keep your support contract current so that you can receive these updates.

Fill out the enclosed order forms and fax them back today for the largest savings.



All orders must be **prepaid** and availability is not guaranteed after 12/15/11 .

Order your forms today and get a **10% discount if received by 10/31/11** **5% discount if received by 11/30/11**, and receive the added bonus of having that task out of the way before the busy holiday season starts!

## Payroll Tax Cuts Included in President's American Jobs Act

President Obama has sent legislation to Congress called the "American Jobs Act." The legislation includes the following provisions:

- *Payroll tax relief for employers.* The legislation would reduce the tax rate on the employer portion of the Social Security tax rate from 6.2% to 3.1%. **The reduction would only apply to the first \$5 million of wages that employers pay.**
- *Temporarily eliminate employer payroll taxes on wages for new workers, or raises for existing workers.* The legislation would temporarily eliminate the 6.2% Social Security tax on wages for employers who increase their payroll by over \$50 million from the prior year, whether driven by new hires, increased wages, or both.
- *Payroll tax relief for employees.* The legislation would reduce the employee Social Security **withholding tax rate on wages from 6.2% to 3.1% in 2012.** The employee Social Security withholding tax rate on wages was temporarily reduced from 6.2% to 4.2% in 2011. This provision would provide a tax cut of over \$1,500 to the typical family earning \$50,000 a year (i.e., 3.1% × \$50,000).

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## Federal News

- *Unemployment benefits.* The legislation would extend unemployment benefits to six million people who will otherwise lose their benefits by the end of the year.
- *Income tax credit for hiring the long-term unemployed.* The legislation includes an income tax credit of up to \$4,000 for hiring workers who have been looking for a job for over six months.
- *Income tax credit for hiring veterans.* The legislation includes a Returning Heroes Tax Credit of up to \$5,600 for hiring unemployed veterans who have been looking for a job for more than six months, and a Wounded Warriors Tax Credit of up to \$9,600 for hiring unemployed workers with service-connected disabilities who have been looking for a job for more than six months.



IRS

### IRS Issues Draft Version of 2011 Unemployment Tax Return

The IRS has issued a draft version of 2011 Form 940, *Employer's Annual Federal Unemployment (FUTA) Tax Return*. The draft version of the form takes into account the elimination of the 0.2% federal unemployment tax (FUTA) surtax, effective *beginning with wages paid on July 1, 2011*. The surtax was part of the 6.2% gross unemployment tax rate that employers paid on the first \$7,000 of wages paid annually to each employee (6% permanent tax rate, 0.2% temporary surtax). The FUTA tax rate, before consideration of state unemployment tax credits, is 6.0%, *effective with wages paid beginning July 1, 2011*. Most employers are allowed to claim 5.4% in state unemployment tax credits against the FUTA tax rate if they timely pay their state unemployment taxes, making the net FUTA rate 0.6% beginning with wages paid on July 1 (0.8% on wages paid from January 1 to June 30, 2011).

In 2011, employers in up to 25 states face FUTA "Credit Reduction" surtaxes to repay outstanding federal loans. Many employers remain unaware of these potential surtaxes, because they will not be finalized until November 2011.

The President's Fiscal Year 2012 budget proposal, includes several provisions affecting UI.

- Defer the FUTA Credit Reduction in 2011 and 2012.
- Increase the FUTA taxable wage base to \$15,000 in 2014, while reducing the net FUTA tax rate to .38%
- Index the taxable wage base after 2014
- Extend the interest waiver for states with outstanding loans for 2011 and 2012
- Extend the .2% FUTA Surtax through 2013

**2011 W2 Order Form**

Name : \_\_\_\_\_  
 Street Address : \_\_\_\_\_  
 City / State / Zip : \_\_\_\_\_  
 Phone : \_\_\_\_\_  
 Fax : \_\_\_\_\_

Check / Credit Card (circle one) VISA MasterCard American Express Discover  
 COD (Add \$25.00)

Credit Card Number: \_\_\_\_\_ CSV \_\_\_\_\_ Exp Date: \_\_\_\_\_

Name as it appears on card: \_\_\_\_\_

Billing Addr ( if different ) \_\_\_\_\_

Billing City / State / Zip \_\_\_\_\_

Quantity	Order #	Description	Unit Price	Total

**Special Printing Instructions:**

<b>Subtotal A</b>	
Shipping 15% of Subtotal A <b>(\$10 Min)</b>	
+ COD \$25	
Subtract Discount By 10/31/11 10% of Subtotal A By 11/30/11 5%	
<b>SubTotal B</b>	
VA add sales tax 5.0%	
Printing Fee (\$150/hr)	
<b>Balance Due</b>	

Circle here if Computer Aid will be printing your W2s this season

**PayMaster Pro LLC**  
**2011 W-2 Pricing Chart**  
**Fax ( 703) 281-3461**

**10% Off before 10/31/11**  
**5% Off before 11/30/11**

Description	Order By:	50	100	200	300	500	1000	2000	4000	5000
Perforated Paper 2UP Laser	PP2	\$8.00	\$16.00	\$32.00	\$48.00	\$80.00	\$160.00	\$320.00	\$640.00	\$800.00
Perforated Paper 3UP Laser	PP3	\$8.00	\$16.00	\$32.00	\$48.00	\$80.00	\$160.00	\$320.00	\$640.00	\$800.00
Perforated Paper 4UP Laser	PP4	\$8.00	\$16.00	\$32.00	\$48.00	\$80.00	\$160.00	\$320.00	\$640.00	\$800.00
<b>Laser preprinted: Copy A only</b>	<b>Copy A</b>	<b>\$9.00</b>	<b>\$18.00</b>	<b>\$36.00</b>	<b>\$54.00</b>	<b>\$90.00</b>	<b>\$180.00</b>	<b>\$355.00</b>	<b>\$710.00</b>	<b>\$900.00</b>
W3 Laser	W3L	<b>COST PER SHEET \$1.00</b>								
Laser 2UP Envelopes	2UPENV	\$8.00	\$16.00	\$32.00	\$48.00	\$80.00	\$160.00	\$320.00	\$640.00	\$800.00
Laser 3UP Envelopes	3UPENV	\$8.00	\$16.00	\$32.00	\$48.00	\$80.00	\$160.00	\$320.00	\$640.00	\$800.00
Laser 4UP Envelopes	4UPENV	\$8.00	\$16.00	\$32.00	\$48.00	\$80.00	\$160.00	\$320.00	\$640.00	\$800.00
<b>Limited Quantity Available of Preprinted Forms (Will not be DOS compatible)</b>										
Laser Preprinted Forms (Copy 1,D,employee)		\$9.00	\$18.00	\$36.00	\$54.00	\$90.00	\$180.00	\$355.00	\$710.00	\$900.00
1099 Laser Forms	1099L	\$15.00	\$30.00	\$60.00	\$90.00	\$150.00	\$300.00	\$600.00	\$1200.00	\$1500.00
1099 Env	1099ENV	\$8.00	\$16.00	\$32.00	\$48.00	\$80.00	\$160.00	\$320.00	\$640.00	\$800.00

## State News

### Oklahoma — Unemployment.

The Oklahoma Employment Security Commission (OESC) has reported that the taxable wage base will increase from \$18,600 to \$19,100 in the 2012 tax year.

### Arizona — Unemployment

All employers (except reimbursable employers) must pay a special assessment to help Arizona pay the interest on its federal unemployment insurance loans. The special assessment for the first three quarters of 2011 must be paid by *Oct. 31, 2011*. The third quarter assessment is included on the unemployment tax return due on October 31. The assessment for the first two quarters of 2011 may either be paid with the third quarter return, or paid separately.



**California— Unemployment.** UI tax rates will continue to be determined under Schedule F+ (Schedule F plus a 15% surcharge) in the 2012 tax year, and employers will see a 0.3% reduction in available state unemployment tax credits on their 2011 federal unemployment tax return because California has had an outstanding federal loan for two consecutive years.

**Florida.** Effective *Oct. 1, 2011*, the living wage rate in Miami-Dade County is \$11.70 per hour with health benefits; \$13.41 per hour without health benefits (previously, \$11.32 per hour with health benefits; \$12.97 per hour without health benefits).

### MICHIGAN

**Withholding.** The tax rate reduction that was scheduled to take place on Oct. 1, 2011 was repealed by L. 2011, Public Act 38. The tax rate is now scheduled to remain at 4.35% through 2012.

### SOUTH CAROLINA

**Unemployment.** Recent legislation will lower unemployment tax rates for many employers, retroactive to Jan. 1, 2011. South Carolina businesses were scheduled to receive final notification of their revised unemployment insurance tax rate around *Sept. 23, 2011*. Overpayments from the second quarter will be refunded upon request

### **Don't Let Your Auto-Update and Support Expire !**

With end of year fast approaching it's a good time to check if your support contract is up to date. Without a current support contact you will miss :

**important year end updates ,  
modules to make your job easier and  
procedures that help you stay compliant.**

Your continued support allows PayMaster Pro to:

**keep on top of the ever changing tax laws and  
requirements so you do not have to,  
and develop new reports and procedures to  
keep your company in compliance.**

**PayMaster Support Hours**  
*Monday-Friday 9AM-5PM EST*  
*(800) 327-4243*

### **We will be closed on the following Holidays.**

Thanksgiving	Nov 24,25 2011
Christmas	Dec 26 2011
New Years	Jan 2 2012

**PAYMASTER PRO LLC**  
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*“Helping Employers Do Payroll Right”*

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**W2 Order Form Inside!**  
Order Today and Save!  
**10% Off before 10/31/11**  
**5% Off before 11/30/11**

**TO :**

It pays to know your business  
501 Church St. Suite 306  
Vienna VA 22180  
Payroll the Right Way since 1983  
We Value Your Business, Thanks Again!

**PAYMASTER**  
*Hospitality*