

2025 YEAR-END GUIDE

Support@Checkwriters.com

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IMPORTANT YEAR-END CHECKLIST

Please utilize this checklist to ensure that you have taken all necessary steps for a successful 2025 Year-End Filing. Please see the Action Notes for more information on each Checklist Item. If you would like to schedule a time to review this list or have questions, please contact Support@Checkwriters.com with the reference "Year-End Processing"

Payroll - Support@Checkwriters.com

- ☐ **Verify Employee and Employer Information**
- ☐ **Review your Earning/Deduction Codes W2 boxes**
- ☐ **Review all Retirement Contribution limits to ensure employees have not exceeded the standard annual or catch-up cap**
- ☐ **Send Checkwriters year-to-date Third-Party Sick Payment Reports - must be processed by your last payroll in 2025**
- ☐ **Post Fringe Benefits by your last payroll in 2025**
- ☐ **Post Employer Health Care Costs (ERHCC). Only applicable for employers who issued 250+ W2s in 2024**
- ☐ **Post Employer & Employee Health Savings Account (HSA) contributions**
- ☐ **Post Manual and Voided Checks into Checkwriters**
- ☐ **Post Form 1099 payments by 12/31/25**
- ☐ **Review and submit Affordable Care Act (ACA) records by 1/9/26**
- ☐ **Bonus Payrolls**
- ☐ **Add your Holidays for the upcoming year (if you utilize the time off calendar)**
- ☐ **Review 2026 minimum wage increases and update any applicable employees**

Tax - TaxDepartment@Checkwriters.com

- ☐ **Send all tax rate and frequency update notices to Checkwriters**
- ☐ **Register for any "applied for" tax accounts and send the account number(s) to Checkwriters**
- ☐ **Notify Checkwriters of Paid Family Leave changes by 12/12/25**

ACTION NOTES

The following Action Notes contain more details in regard to the Important Year-End Checklist items. Please review the additional information provided and complete the necessary steps for a successful 2025 Year-End Filing. The Action Notes below are related to **PAYROLL**. If you have any questions, please contact **Support@Checkwriters.com** with the reference "Year-End Processing"

Verify Employee and Employer Information

For year-end filings, it is imperative to confirm that all employee and employer information is accurate and up to date **prior to December 31st**.

- Run the W2 Edit List located in the Reporting Module > Reporting > Custom Reports > W2 Edit List
 - Social Security number changes need to be made by Checkwriters.
- Confirm that any employee name or address changes have been updated.
- Confirm the employer's W2 delivery address is correct.
 - Please see [this knowledge base article](#) for guidance on how to verify your company information.

Review your Earning/Deduction Codes W2 boxes

- Avoid future corrections to your employees Form W2s by reviewing that all deductions & earnings are being reported correctly.
- Please see [this knowledge base article](#) for guidance on how to review your earning and deduction codes and which boxes the specific codes will be reported on the Form W2.
- Review the [General Instructions for Forms W2 and W3](#) from the IRS.

Review all Retirement Contribution limits to ensure employees have not exceeded the standard annual or catch-up cap

- 401(k), 403(b) and 457(b) Plans - \$23,500
 - age 50-59 and 64+ can contribute an additional \$7,500
 - age 60-63 can contribute an additional \$11,250
 - 403(b) Only - 15 year rule may allow an additional \$3,000
- SIMPLE Plans - \$16,500
 - age 50-59 and 64+ can contribute an additional \$3,500
 - age 60-63 can contribute an additional \$5,250
- SECURE 2.0 Enhanced SIMPLE Plans - \$17,600
 - age 50-59 and 64+ can contribute an additional \$3,850
 - age 60-63 can contribute an additional \$5,250
 - *Cannot leverage the \$1,100 additional nonelective contribution, keeping their annual limit at \$21,750*
- IRA - Traditional and Roth - \$7,000
 - age 50 or older can contribute an additional \$1,000
- **SECURE 2.0 Act - 2026 Update**
 - Beginning in 2026, our system will automatically update employees age 50+ who exceeded the \$145,000 wage cap the prior year, ensuring their catch-up contributions are directed into a Roth account.
 - Stay tuned for a follow-up email with more detailed information on this change.

ACTION NOTES

Send Checkwriters year-to-date Third-Party Sick Payment Reports - must be processed by your last payroll in 2025

If your employee(s) received any third-party sick payments (3PSP) this year, determine from your insurance company who is issuing the W2(s) to the employee for those payments. This would include any payments for short- or long-term disability or private paid family and medical leave plans.

Insurance Company is responsible for issuing the W2(s):

- Check with them to see if you can change your election for this year to have Checkwriters issue the Form W2. If you make the change, follow the directions below for employer responsibility.
 - If you cannot make the change, you may still be responsible for remitting the employer FICA tax match and filing Form 8922. If you would like Checkwriters to do this on your behalf:
 - Email Support@Checkwriters.com and specify that your insurance company is issuing the Form W2(s). Include the 3PSP report from your insurance company, and the insurance company's FEIN.

Employer is responsible for issuing the W2(s):

- Email Support@Checkwriters.com and specify that your company is issuing the Form W2(s). Include the 3PSP report from your insurance company. These are typically sent on a monthly or quarterly basis.
- All 3PSP from January – November 2025 should be posted in Checkwriters by early December. Email a YTD report to Support@Checkwriters.com
- If any of your employees will receive 3PSP in December, or your insurance company cannot provide you with a report sooner than January, notify Checkwriters by 12/19/2025 and you will have until 1/7/26 to send the 3PSP report to be included on the original W2(s) and tax returns.
 - Any 3PSP posting received after 1/7/26 will be processed as a Form W2c along with amended tax returns.

Post Fringe Benefits by your last payroll in 2025

Examples include S-Corp health insurance, personal use of company vehicle, Group Term Life (GTL), deferred compensation, and moving expenses. Please see the [fringe benefits form](#) here.

Post Employer Health Care Costs (ERHCC). Only applicable for employers who issued 250+ W2s in 2024

- This is the employee and employer cost combined. This can be imported. Please contact Support@Checkwriters.com for more information.
- Review the [Form W2 reporting of employer-sponsored health coverage](#) from the IRS.

Post Employer & Employee Health Savings Account (HSA) contributions

This can be imported. Please contact Support@Checkwriters.com for more information.

Post Manual and Voided Checks into Checkwriters

- It is important to properly record any employee payments that were made outside of Checkwriters and need to be reported on Form W2s. These items should be entered into Checkwriters as a "manual check," please utilize [this knowledge base article](#) for guidance. Failure to make these adjustments is the leading cause of W2cs, amended returns, and correction fees.
- Any erroneous payments made to employees must be voided in Checkwriters to ensure accurate wage reporting on Form W2.

ACTION NOTES

Post Form 1099 payments by 12/31/25

Checkwriters will continue to process and file your 1099s if we have done so in prior years. If you recently started paying 1099 payments and would like Checkwriters to produce and file your Form 1099s, please notify Client Support by **December 31, 2025**.

- The reporting requirement for 2025 is \$600.00. This will change in 2026 to \$2,000.00.
- Corrections and postings after the December 31 deadline will incur additional fees.
- Note: Form 1099 MISC/NECs are processed electronically federally and on the state level where required.

Review and submit Affordable Care Act (ACA) Records by 1/9/26

If you are an Applicable Large Employer (ALE), during the prior calendar year (2024), and you employed at least 50 full-time or full-time equivalent employees, you are subject to the Employer Shared Responsibility provisions of the Affordable Care Act (ACA):

- **Affordable Care Act Tax Provisions**
 - Companies with a common owner, or that are otherwise related under certain IRS rules, are generally combined, and treated as a single employer for determining if they are an Applicable Large Employer (ALE) and subject to ACA
- **ACA Information Center for Applicable Large Employers (ALEs)**
 - Checkwriters has set **January 9, 2026** as the deadline to validate and submit your ACA records. ACA Form 1095-Cs will be printed and delivered to employers by Mid-February 2026 and must then be distributed to your employees by **March 2, 2026**. ACA Form 1094-C will be submitted to the IRS electronically.

It is important that you start this process as soon as possible, especially with regards to your Cost and Compliance record(s). Please see this [ACA Maintenance Steps guide](#) to assist you.

Please contact our ACA Team with any questions: ACATeam@Checkwriters.com

Bonus Payrolls

All bonus payrolls need to be submitted 2 business days prior to the check date.

If your federal tax liability exceeds \$100,000 for a given period end date, the IRS requires Next Day tax deposits. Note that the federal tax liability is combined if you are processing a bonus payroll in addition to a regularly scheduled payroll.

If this situation occurs, the total payroll liability will need to be wired to Checkwriters no later than 10:00 am EST one business day prior to your check date.

Follow [this guide](#) to help determine what your federal tax liability will be prior to processing payroll. Contact Client Support for further assistance.

Add your Holidays for the upcoming year (if you utilize the time off calendar)

Utilize [this knowledge base article](#) for maintaining your holidays for the upcoming year.

Review and update applicable employees for 2026 minimum wage increases

Please see the [2026 minimum wage guide](#) for more information by state.

ACTION NOTES

The following Action Notes contain more details in regard to the Important Year-End Checklist items. Please review the additional information provided and complete the necessary steps for a successful 2025 Year-End Filing. The Action Notes below are related to **TAX**. If you have any questions, please contact **TaxDepartment@Checkwriters.com** with the reference "Year-End Processing"

Send all tax rate and frequency update notices to Checkwriters

Tax notices - federal, state, and local - should always be immediately emailed to the Checkwriters Tax Department at: **TaxDepartment@Checkwriters.com** or faxed to **877-268-3110**. The most common types of notices at year-end include unemployment rate updates and tax deposit frequency changes.

Register for any "applied for" tax accounts and send the account number(s) to Checkwriters

If you requested to add any new state or local taxes this year and have not yet registered with the agency or sent the account numbers and assigned applicable TPA access to Checkwriters, please do so as soon as possible. Delays in providing account numbers and TPA access will result in late filings and payments, and penalty and interest charges will apply. Employees may also experience delays when filing their personal state income tax returns if withholding tax has not been remitted to the state by the employer due to an unregistered account.

Notify Checkwriters of Paid Family Leave changes by 12/12/25

States are actively implementing Paid Leave Laws, some of which allow employers to choose a private plan option or adjust their contribution responsibilities each year. MD and MN are implementing PFML taxes in January 2026 and we will work with impacted clients directly on the setup of those taxes. If you are making any changes to your existing paid family medical leave taxes for 2026, please inform Checkwriters as soon as possible before **December 12, 2025** using the **Paid Family and Medical Leave Data Form**.

For example, if you currently have a private plan for a certain state and you need to switch to the state tax plan or vice versa, or if you use custom rates for your taxes or private plan deductions and need to make changes to those, you must inform Checkwriters of these changes.

Failure to submit the form by **December 12, 2025**, will result in no changes to your paid leave taxes and deductions.

Please note: **IRS guidance** under **Rev. Rul 2025-4** indicates that an "employer pick-up of employee contributions is additional compensation to employee and is included in employee's Federal gross income as wages." This means, for employers who are paying any or all of the employee's share of the PFML tax, it needs to be taxed in 2026. Please contact Client Support to discuss setting up the taxation of this if it applies to you.

NOVEMBER 2025

SUN	MON	TUE	WED	THU	FRI	SAT
						1
2	3	4	5	6	7	8
9	10	11 Holiday - Banks CLOSED	12	13	14 Start to Verify Employee and Employer Info for Year-end Filing(s)	15
16	17	18	19	20	21 Notify Checkwriters if we are filing / preparing 1099s	22
23	24	25	26	27 Holiday - Banks + Checkwriters CLOSED	28 Checkwriters providing limited phone support 9am - 3pm EST	29
30						

NOTES:

November 11th - Veterans Day - Banks CLOSED

Checkwriters has moved all Tuesday, 11/11 check dates to Monday, 11/10. Consider processing payroll 1 to 2 business days earlier than usual to avoid potential delivery delays.

November 27th - Thanksgiving Day - Banks + Checkwriters CLOSED

Checkwriters has moved all Thursday, 11/27 check dates to Wednesday, 11/26. Consider processing payroll 1 to 2 business days earlier than usual to avoid potential delivery delays.

November 28th - Checkwriters Limited Phone Support

Checkwriters will provide limited phone support from 9 AM to 3 PM EST. No on-site client visits/pick-ups permitted.

DECEMBER 2025

SUN	MON	TUE	WED	THU	FRI	SAT
	1	2	3	4	5 All YTD 3PSP should be posted	6
7	8	9	10	11	12 Notify Checkwriters of any state paid family medical leave changes	13
14	15	16	17	18	19 Notify Checkwriters if employees are receiving 3PSP in December	20
21	22	23	24 Checkwriters closing early	25 Holiday - Banks and Checkwriters CLOSED	26	27
28	29 Last day to process 2025 payroll and adjustments*	30	31 Last day to make 2025 W2 changes* and post 1099 payments			

NOTES:

December 24th - Christmas Eve - Checkwriters Early Closure

Phone support available until 1 PM EST. Checkwriters office closes at 3 PM EST.

December 25th - Christmas Day - Banks + Checkwriters CLOSED

Checkwriters has moved all Thursday, 12/25 check dates to Wednesday, 12/24. Consider processing payroll 1 to 2 business days earlier than usual to avoid potential delivery delays.

December 29th - Payroll Adjustment Deadline

*Last day to process payroll adjustments to allow time to review before December 31st, 2025.

December 31st - W2 Adjustment Deadline

*Last day to post and make any W2 changes without amendments, W2cs, and incurring correction fees.

December 31st - New Year's Eve - Checkwriters Early Closure

Phone support available until 3 PM EST. Checkwriters office closes at 5 PM EST.

JANUARY 2026

SUN	MON	TUE	WED	THU	FRI	SAT
				1  Holiday - Banks and Checkwriters CLOSED	2	3
4	5	6	7 Last day to make 1099 changes without corrected returns/fees	8	9 Last day to submit ACA data	10
11	12	13	14	15	16 Quarter 4 Tax packages available in the report vault	17
18	19 Holiday - Banks CLOSED	20	21	22	23	24
25	26 W2 & 1099 packages shipped to employers	27	28	29	30	31
1	2 Deadline for employers to postmark or distribute W2 and 1099 forms					

NOTES:

January 1st - New Year's Day - Banks + Checkwriters CLOSED

Checkwriters has moved all Thursday, 1/1 check dates to Wednesday, 12/31. Consider processing payroll 1 to 2 days in advance to avoid potential delivery delays.

January 9th - ACA Data Deadline

See Action Items for detailed information regarding ACA records.

January 19th - Martin Luther King Jr. Day - Banks CLOSED

Checkwriters has moved all Monday, 1/19 check dates to Friday, 1/16. Consider processing payroll 1 to 2 days in advance to avoid potential delivery delays.

February 2nd - Postmark Deadline

Deadline for employers to postmark or distribute W2 and 1099 forms.

YEAR-END PRICING

Year-End Item	Fee
Employee W2s	\$73.50 base charge + \$7.55 per form
Individual 1099s	\$73.50 base charge + \$7.55 per form
UPS/FedEx Ground	\$20.00 minimum (based on location)
US Mail	\$10.00 minimum (based on location)
Amended Returns & W2cs	\$100.00 per return (+ cost of adjustment payroll)
W2 or 1095-C Reprint	\$30.00 per form (+ delivery)
NSF banking fees or returned banking items	\$90.00 per item
ACA module (1095s)	\$73.50 base charge + \$7.55 per form
Form 8922 Preparation & Filing	\$200.00 per form

**** PLEASE NOTE - Failure to submit information by deadlines can incur reprocessing fees for Quarterly/W2/1099 filings ****