

IRS News: New January 31 Deadline for W-2 Filing

A reminder to all employers – With an objective to detect errors on returns and reduce fraud, the Internal Revenue Service (IRS) has accelerated the deadline for filing W-2 and certain Form 1099-MISC to **January 31st**. What this means is that you now need to distribute the copies of Form W-2 and 1099 statements to your employees and independent contractors by January 31st (this is unchanged) **and** file them with the IRS and Social Security Administration (SSA) by January 31st.

The tax team at **Lindquist, von Husen & Joyce LLP (LvHJ)** would like to go over some of the changes to help you take necessary actions now to meet this new deadline and avoid penalties.

1) Form W-2

You no longer have until February (paper filing) or March (e-filing) to submit copies of Form W-2 to SSA. Both versions are now due by January 31st.

- You are allowed one 30-day extension to file Form W-2 is available, but you will need to complete and file a **Form 8809, Application for Extension of Time to File Information Returns, by January 31st**.
- The SSA's **Business Services Online** is expected to open the tax year 2016 W-2/W-2c filing season on **December 12, 2016**.

2) Form 1099-MISC

The new January 31 filing deadline also applies to certain 1099-MISC forms reporting non-employee compensation, such as payments to independent contractors.

3) Penalties for late filings and non-filing

Please be aware that new penalties listed below apply **per form** and can double if you don't send the form to the payee or if it is not submitted to the IRS.

- **\$50:** Filing only 30 days late (previously \$30)
- **\$100:** Filing 31 days until August 1st \$100 (previously \$50)
- **\$260:** Filing with missing or incorrect TIN or filing after August 1st (previously \$100)
- **\$530:** Intentional disregard of filing requirements (previously \$250)

4) What you can do now

- Review, mail employees' forms and have your authorization back to your accountant (before January 31st).
- Ensure you have W-9s for all contractors and vendors paid more than \$600 in 2016. After the final payment in 2016, print those vendor ledgers and employee year-to-date registers, or copy the check register pages and get them to your accountant.

Proactive planning and preparation will save time for both you and your accountant during the upcoming tax season.



If you have any questions regarding the new filing deadline or need assistance with your tax return filing, please feel free to contact **Alexis Wong, Partner** at awong@lvhj.com or 415-905-5426.

[Click here to read more about Alexis Wong.](#)

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