

January 2023

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Happy New Year and we hope you are off to a great start!

Our topics for this newsletter include:

- Unemployment Rate Updates
- Tax ID Registrations and Power of Attorney packages
- Lone Oak Payroll & Funding Client:
- Added E-Pay Only Proofing Error
- How to manage Employee Taxes (Updated W4)
- Best Practices for Payroll Assistance

Unemployment Rate Updates:

Unemployment rates are updated typically on the first of the year, but there are a handful of states that update throughout the year and ask to be back dated to January 1st. We have started working directly with some states to download the rates on a schedule from the state to keep your payroll and tax filing systems up to date with accurate rates, but not all states have these programs.

It is extremely important that we are still notified of any rate information sent directly to you. Inaccurate unemployment rates create inaccurate cost of payroll for your company and generate notices from the states when filings are completed. They can result in large penalties and interest payments if the rates in our systems are lower than those on record with the state.

What does this mean for you?

- It is imperative that we are listed as your filing Agent for all states in which you do business.
- We need your help ensuring you have designated ARA Inc, dba Lone Oak Payroll as your Agent.
- Your payroll system will calculate cost of payroll more accurately with updated rates from the states being pulled on a schedule.
- You should see fewer notices resulting from inaccurate rates being used during filings, especially the 1st quarter of each year.
- You will see fewer YTD corrections in your TempWorks system, but they will be done on the state's schedule, not necessarily when you send directly to TempWorks.
- YTD corrections result in credits or debits to cost of payroll on financial reporting in the week in which they were ran, also known as UFixSuta credits/debits.
- In order to help manage back dated rate updates from the state, we have created a Unemployment Correction Detail report for you and your accounting teams to use to track details of tax liabilities by week.
- Please contact your Account Manager to advise who on your team should have access to this report.
- We would like you to continue sending your Unemployment Rate Updates statements from the states to twtaxes@tempworks.com as not all states are enrolled in the Rate Exchange programs.

Phase 2 of this project is to automate not only the rates, but also IDs and active statuses of withholding and unemployment accounts to your payroll system. This will ensure accurate W2 information in boxes 15-20 as well as a QA against active states prior

to monthly billing for tax only LOP customers.

ID Registrations and Power of Attorney packages:

States are continually updating their policies and web options/requirements. In today's world, there is very little option for Lone Oak Payroll to assist with any tax filings, payments, or questions for your company without proper registrations and power of attorney on file. In years past, it was easier to send through your filings with a FEIN when IDs were missing, but this is no longer the case.

We have hired a full time person to help manage IDs and forms needed to be compliant by state. We will continue to update our signed documents and/or ask to provide more information on state setups. We are registered as an agent in all states who allow agent registration. We need your help getting ARA, Inc, dba Lone Oak Payroll added as your agent for all state, unemployment, and locality tax jurisdictions.

Year End Resources:

All Year End resources can be found on our Knowledge Base, to contact the TempWorks Year End Team for your questions - [navigate here](#).

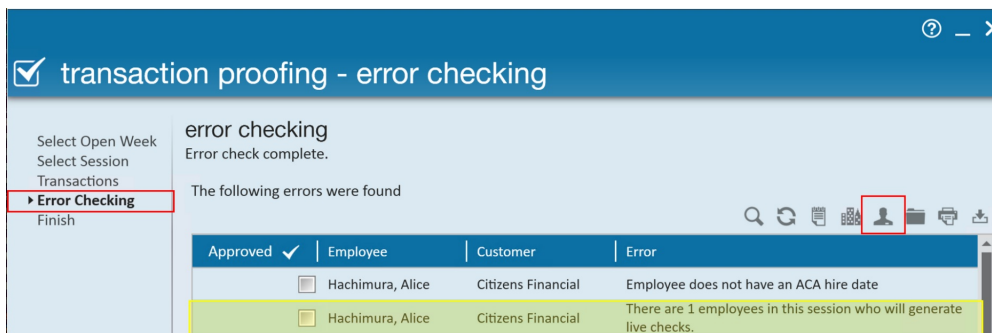
Lone Oak Payroll & Funding Client

E-Pay Only Proofing Error:

We have put in a new **proofing error** for all clients that have requested to be E-Pay Only. This new proofing error will populate during your **proofing session** to notify you that the employee is not set up for e-pay and a live check will generate if you proceed. At this time, you would then navigate to the employee's record and complete the **e-pay set up** or if you would like the live check to generate you would approve the error and the LOP payroll team will process the live check. This will help alleviate the back-and-forth communication and payroll processing will not be delayed for this reason.

Example of Error:

"There are # employees in this session who will generate live checks."



***LOP Payroll Team will be sending out additional communication if this error is being implemented for you on 1/9/23.**

How to manage Employee Taxes (Updated W4):

This is the time of year that employees may want to update their tax withholdings. It is important that the information is inputted in the correct spaces to generate accurately.

- "Dependent Allowance" is where you enter Step 3 from Form W-4 total
- "Extra Withholding" is where you enter Step 4(c) from Form W-4 total

Knowledge Base Articles:

[How to Manage Employee Taxes](#)

[How to Help Employees with W-4 Form](#)

2023 FORM W-4

Best Practices for Payroll Assistance:

The LOP Payroll Team works hard to ensure they are timely and accurate with your requests on needing checks voided, reversed, stop payment etc. For the team to act quickly we ask that you provide two or more of the below information to verify we are acting on the right request:

- Employee Name or Employee ID
- Check Number
- Check Date
- Amount
- Screenshot from check register in Enterprise

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