



Time for 4th Quarter Federal 941 and W-2 and W-3 Prep!

There are important steps BEFORE preparing the 4th quarter 941 and W-2 forms. Do you know what they are?

The end of the year is almost here! That means 4th quarter payroll tax returns along with W-2 and W-3 form preparation are added to your "To Do" list. Don't make the common mistake of allowing

PowerChurch to print the 4th quarter federal 941 and W-2 forms without doing the following:

1. Determine if there is additional taxable income that should be manually added to the 4th quarter 941 and W-2 forms.
 - a. Common additions include, but are not limited to:
 - Cash or non-cash gifts to employees
 - Non-accountable reimbursements to employees
 - Taxable moving expense reimbursements
 - Personal use of a church owned vehicle
 - Taxable life insurance
 - Taxable health insurance
 - Gifts to volunteers...if the annual total per volunteer is \$100 or more
1. Print payroll reports from PowerChurch to prove out the amounts showing on the federal 941 and W-2 forms.
 - a. Tip: If the payroll items are not set up correctly, they may not flow to the federal 941 or W-2 forms correctly.

NOTE: In our experience, 90% of church payrolls would **not** pass an IRS audit. It is very important to:

1. Understand IRS rules related to church payroll
2. Make sure payroll is set up properly

Have questions? Feel overwhelmed or need assistance?

WE CAN HELP

Our trainers, knowledgeable in accounting practices as well as PowerChurch Plus, can provide the help you need. Call us at 217-877-6766!

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