
WELCOME TO OUR

Monthly Newsletter

Making Payroll Personal



KEY THINGS TO REMEMBER ABOUT PAYROLL AS A NEWER Business Owner

Millions of people open new businesses each year in the US. Sometimes, the beginning stages of paying employees or even yourself is difficult to keep up with. Knowing all the in's & out's of payroll is overwhelming. That's why PSS is here for your business. Here's some key tips to try and remember as a business owner in the beginning stages.

Key Tips

-STAY ORGANIZED AND TRACK EVERYTHING

Keep track of all your Tax ID #'s, Tax Rates, W-4's, W-2's, 1099's, Payroll Reports, Etc. This will help when your business is being audited, or if you need to make changes, or ever receive tax notices.

-KEEP IT SIMPLE

The simpler the better. For example, paying your employees via direct deposit is the fastest, most efficient form of pay. Also, if you prefer a paperless option - we offer online access to your reports at your finger tips so you don't have a mess of paperwork.

-KNOW BENEFITS + PAYROLL GO HAND IN HAND

Payroll and benefits go hand in hand because these voluntary deductions can be withheld on payroll and documented each pay. This includes payroll reports, tax returns, and all information regarding your benefits.

-UNDERSTANDING WORKERS' COMP & PAYROLL

When it comes to workers' compensation insurance, many things are considered in your premium calculations. Your rates depend on prior claims, risk involved of job performed and other factors. It is important to classify employees properly. These details are good to know to ensure proper handling and reporting. By using PSS's Pay-As-You-Go we will report your true payroll wages each payroll cycle so that you don't have to estimate.



2023 Payroll Changes

PLEASE TAKE NOTICE OF THE 2023 BUSINESS UPDATES

SEE BELOW



Retirement Savings

UPDATES

For 2023, the 401(k) contribution limit will increase to \$22,500. If you are 50 years old the limit increases to \$30,000. The IRA contribution limit for 2023 will increase to \$15,500. If you are 50 years old the limit increases to \$19,000.



Social Security

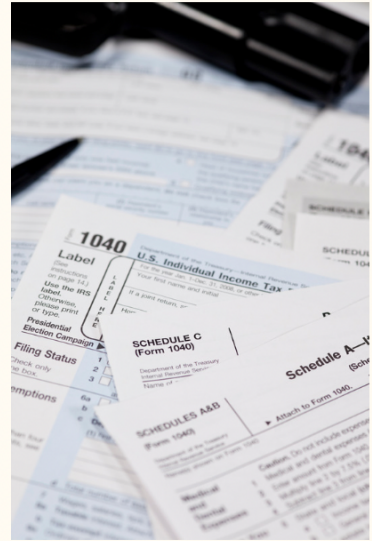
UPDATE

The Social Security Administration announced that the 2023 Social Security wage base will be \$160,000, an increase of \$13,000 from 2022.

Continued...

U/C UPDATES

On January 1, 2023 the PA Employee contributions (UC withholding) is 0.07 percent (70 cents per \$1,000 gross wages), up from 0.06 percent in 2022. This applies to all employees. There is no cap on the gross wages upon which employee withholding is calculated. Visit <https://www.uc.pa.gov/employers-uc-services-uc-tax/uc-tax-rates> for more information.



On January 1, 2023 New Jersey FLI reduces to 0.0006. Employee disability goes from .14 to 0.00. The taxable wage base for unemployment is \$41,100 and the taxable wage base for workers only is \$156,800.



Have any questions?

CALL US ABOUT IT TODAY!

215-624-0922

LET'S CHAT!

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WWW.PAYROLL-SOLUTION.COM

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On January 1, 2023, the New Jersey minimum wage increases to \$14.13 per hour. For seasonal and small employers (five or fewer employees) the minimum wage will increase to \$12.93 per hour. The minimum base wage for tipped employees will increase to \$5.26 per hour. Note that if you are a small or seasonal employer, you can only take a tip credit if the base wage and tips bring the employee to \$14.00 per hour.

Starting January 1 st New York institutes Paid Family Leave, COVID Vaccination Leave, and Minimum Wages and Salaries. This includes Paid Family Leave expanded to cover siblings, Covid Vaccination leave extended another year, and changes to wage and salary thresholds. Please visit <https://paidfamilyleave.ny.gov/2023> for more information.

PA REMINDER – e-Tides moved to their new online portal myPATH. Employer Withholding tax returns and payment services are moving to myPATH. Taxpayers will see both withholding tax account and the withholding reconciliation account. What you need to do- To file electronically, view letters, update names and addresses, send messages directly to the department, allow other users to file and pay on your behalf and more, you are required to sign up for a myPATH profile.

The last day to file an Employer Withholding Tax return or make a related payment via e-TIDES is on February 24, 2023. The department encourages you to start the transition to myPATH now. For more information visit revenue.pa.gov/mypathinformation

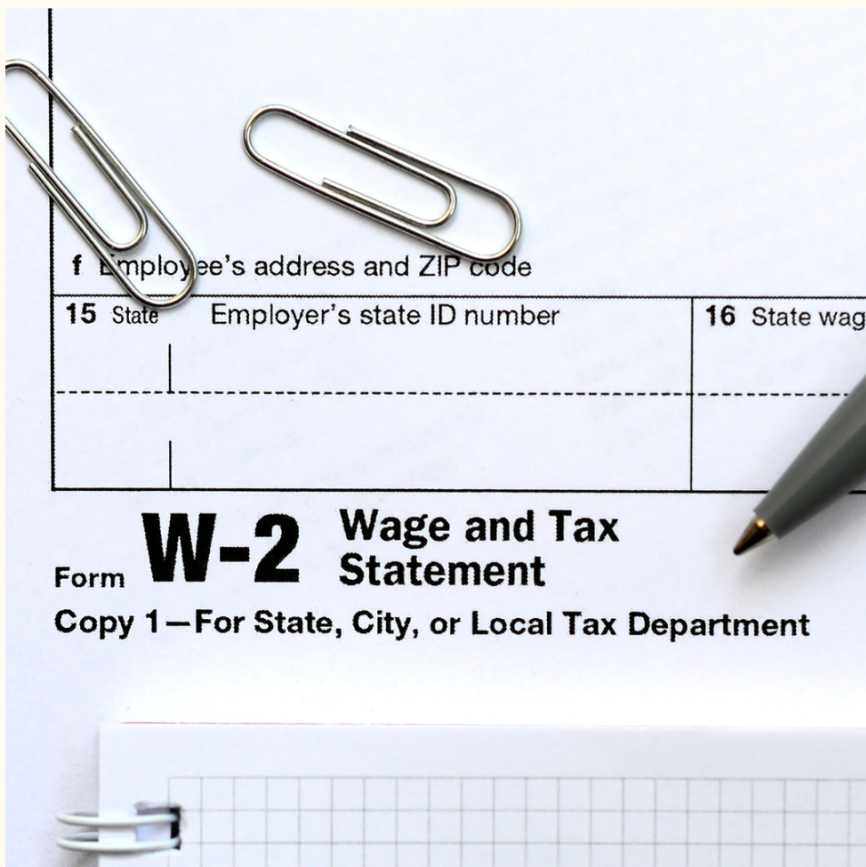


2023 Bank Holidays

New Year's Day January 1 st**
Martin Luther King Day January 16 th
Washington's Birthday February 20 th
Memorial Day May 29 th
Juneteenth National Independence Day June 19 th **
Independence Day July 4 th
Labor Day September 4 th
Columbus Day October 9 th
Veterans Day November 11 th*
Thanksgiving Day November 23 rd
Christmas Day December 25 th

*For holidays falling on a Saturday, the Federal Reserve Bank will be open the preceding day.

**For holidays falling on a Sunday, the Federal Reserve will be closed the following Monday.



Are you using your correct filing status?

The New Year is a perfect time to review your filing status. Life events can often cause your tax status to change. Making changes at the start of the year can avoid any surprises when filing your personal taxes.

Completing a W4 tells your employer how much tax to withhold from each check. You are not required to complete a new W4 each year. You should only do this if you want to adjust your filing status. If you are unsure which filing status is best for you, talk to your tax preparer.





#funfact

Times Square first hosted a New Year's Eve celebration in 1904 with a giant fireworks show but when city leaders banned fireworks a few years later, the ball drop tradition was born in 1907.

The ball has been lowered every year since 1907, with the exceptions of 1942 and 1943, when the ceremony was suspended due to the wartime "dimout" of lights in New York City.