



INFORMATION REQUIRED FOR YEAR 2011 W-2'S

Employee W-2's provide Federal and state government information about gross wages paid and taxes withheld. Important additional information, if it applies, should also appear on employee W-2's. We are ready to assist you in making sure your employees' W-2's include this additional required information. **This year you will be able to access all necessary forms by visiting our website at www.accupay.com under Forms and Downloads/AccuPay forms. If you do not have internet access, or prefer hard copies, please contact your Payroll Specialist and she will be glad to send them to you!**

- Please review and return the "Employee W-2 Verification Report" to us so we can report correct names, social security #s and addresses on your 2011 employee W-2 forms;
- Please return the "personal use of company vehicle" questionnaire for every employee who was provided use of an employer-vehicle during 2011 (**copy available online**);
- Please send us a copy of your Section 125 cafeteria plan document if we do not already have on file. This document will help us correctly process your pre-tax employee fringe benefit withholdings;
- Please provide us with amounts of sickness or injury (disability) payments paid to your employees by third party agents (i.e. insurance companies) during 2011;
- Please provide us with the 2011 amounts of Medical Savings Account (MSA) and/or Health Saving Account (HSA) contributions **you paid** on behalf of your employees;
- Please provide us with year 2011 group-term life insurance coverage data (**Online Form A**);
- If you are an "S" corporation, please provide us with amounts of health and disability insurance premiums paid in 2011 on behalf of 2%-or-more shareholder employees. (**Online Form B**);
- Please provide us with retirement plan information for years 2011 and 2012. (**Online Form C**).

Preparation of accurate and complete W-2's is a "team" effort between AccuPay and your Company. As always, we appreciate you as a client and thank you in advance for your assistance! Please call any of our CPP's or CPA's if you have questions as you compile this information.

Sincerely,
AccuPay, Inc.
ACCUPAY, INC.

If none of the above applies to your organization, please check the box and FAX this page back to us at (317) 885-7591. Thank you!

**Taxable Amount of Group-Term Life Insurance Coverage
To Include in Employee's Income For 2011
(Not applicable to 2% or more "S" corporation shareholder-employees)**

Employee Name _____

Employee's Age as of 12/31/11 (or date of birth) _____

- 1. Life insurance coverage amount provided to employee during 2011 \$ _____
- 2. Less nontaxable coverage _____ (50,000)
- 3. **Taxable coverage (if zero or less, STOP - no taxable income to employee)** \$ _____
- 4. Divide Line 3 by \$1,000 to the nearest tenth of \$1,000 (i.e., \$75,250 rounds to 75.3) _____
- 5. Cost per \$1,000 of coverage for 1 month (See IRS table below based on employee's age at 12/31/11) \$ _____
- 6. Multiply Line 4 x Line 5 to determine monthly cost of excess coverage over \$50,000 \$ _____
- 7. Number of months the employee had this level of coverage in 2011 _____
- 8. Year 2011 cost of excess coverage over \$50,000 - multiply Line 6 x Line 7 _____
- 9. Less amount employee paid for coverage with after-tax dollars (_____)
- 10. Taxable cost of excess group-term life insurance coverage in 2011 – Line 8 Less Line 9 \$ _____ *

*This amount is taxable income to the employee on Form W-2 and is subject to FICA and Medicare taxes (both employee withholding and the employer match). No income tax withholding is required. Additionally, this amount is not subject to federal or state unemployment taxes.

5-Year Age Bracket	Cost per \$1,000 for One Month
Under 25	\$0.05
25-29	.06
30-34	.08
35-39	.09
40-44	.10
45-49	.15
50-54	.23
55-59	.43
60-64	.66
65-69	1.27
70 and above	2.06

Important Note - Please provide us this information before your last payroll of 2011 so we can withhold the appropriate taxes for this year.

**Employer Retirement Plan Information
For Calendar Year 2011**

**Planning For 2012 Funding
By Employees**

Form W-2 requires that we check certain boxes to identify which of your employees were “active participants” in retirement plans during 2011. “Active participation” implies that an employee received an economic benefit (contributions, plan allocations, etc.) from a retirement plan during 2011. **Accurate presentation of this information is important since it affects your employees’ eligibility for tax-deductible IRA’s on their 2011 personal income tax returns.**

Please check all of the following types of retirement plans you sponsored during 2011 which included employer contributions for the benefit of employees:

- Defined benefit plan with calculations made by an actuary;
- SEP-IRA plan;
- Profit-Sharing plan;
- Money Purchase Pension Plan;
- SIMPLE plan which involved employer contributions;
- SARSEP plan which involved employer contributions;
- 401(K) plan which involved employer contributions;
- 403(b) plan which involved employer contributions.

NOTE - Provide us a listing of all employees for whom your company made 2011 employer contributions or who otherwise benefited from a retirement plan during 2011 (i.e., perhaps their only benefit was an allocation of 2011 retirement plan income). We will check boxes for only those employees who “actively participated” in retirement plans during 2011.

IMPORTANT!
PLANNING FOR 2012 FUNDING BY EMPLOYEES

Please let us know which employees you want us to calculate and withhold the maximum 2012 retirement plan funding for any of the following plans:

<u>Type of Plan</u>	<u>MAXIMUM 2011 EMPLOYEE FUNDING</u>	
	<u>Under Age 50</u>	<u>At Least 50 by 12/31/12</u>
401(k) and 403(b) retirement plans	\$ 16,500	\$ 22,000
SIMPLE-IRA retirement plan	\$ 11,500	\$ 14,000