

Payroll Responsibilities for Churches

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Which Forms Must Be Completed?

Federal

- Form I-9 - Employment Eligibility Verification
- Form W-4 - Employee's Withholding Allowance Certificate

State

- DE 34 - Report of New Employees
- DE 4 - Employee's Withholding Allowance
If status/allowances claimed differ from Form W-4

What Must I Provide to Employees?

Federal

- Information on Earned Income Tax Credit (EIC/EITC)
 - Federal and California (AB 650) mandates
 - Form W-2 – Wage and Tax Statement

State

- DE 35 - Notice to Employees
- Written notice to employees upon separation

What Must I Post?

- Federal and state laws require that employers post complete, up-to-date, versions of labor notices and other required posters
- Current posting requirements are available at:
www.taxes.ca.gov/Payroll_Tax/postingreqbus.shtml

Payroll Recordkeeping

- Maintain wage, earning, deduction, and withholding records on every employee
- Provide earning statements (pay stubs) to each employee, every payday
- Retain records and returns for at least four years

Definition of Wages

Payments, cash, and non-cash,
made to an employee for
services performed

Wages and Other Compensation

- Salaries, overtime, and back pay
- Bonuses and awards
- Advances
- Sick, holiday, and vacation pay
- Reimbursed employee business expenses (non-accountable plans)

Reporting Methods

- Electronic

- e-file 

- e-Services  (State)

- Form W-2 e-file

- SSA due date extended to March 31
 - File up to 20 Forms W-2 online
 - Visit www.ssa.gov/employer

- Paper