

Horizon Payroll

2024 Year End Checklist

There's never a dull moment for small businesses, especially at the end of the calendar year. As 2025 quickly approaches, stay on top of your payroll and HR tasks with Horizon's handy year end checklist, updated for 2024.

We hope this list helps you cover all the bases as you wrap up 2024. However, if you have any questions or simply need more assistance, please contact us!

BENEFITS

- ☐ Finalize all benefit (e.g., medical, dental, vision) open enrollment changes (open enrollment is the period when employees may make changes to their insurance coverages)
 - ☐ Confirm employee cost-sharing premiums
 - ☐ Review plan changes with employees and your insurance carriers
 - ☐ Verify names, addresses, dates of birth, Social Security numbers and any changes in dependents
- ☐ Calculate carry over and/or payout for paid time off (PTO) or other paid leave program
- ☐ Notify employees of [health care FSA](#) and/or [HSA limits](#)
 - ☐ The HSA contribution limits for 2025 are \$4,300 for self-only coverage, \$8,550 for family coverage, and those 55 and older can contribute an additional \$1,000 as a catch-up contribution
 - ☐ The FSA contribution limit for 2025 is \$3,300. If your plan allows, determine how much of leftover FSA funds you will permit employees to carry over which is \$640 for 2024 into 2025
- ☐ Notify employees of [2025 limits on 401\(k\) and IRA contributions](#):
 - ☐ \$23,500 for a 401(k), \$7,000 for an IRA; catch up limits for those over 50 are \$7,500 for 401(k) and \$1,000 for IRA
 - ☐ Check that new hires are aware their total annual contributions should [stay under the limit collectively amongst all employment during the year](#)
- ☐ Review your employee retirement plan options and check compliance with new [SECURE 2.0 Act requirements](#).
 - ☐ If you do not already have a 401(k) plan, learn more about your options with Horizon's pooled employer plan (PEP) and 401(k) plans
- ☐ Prepare Affordable Care Act (ACA) reporting
 - ☐ Form 1095-C is due to employees by March 3, 2025

- ☐ Review employee premium contributions for employer-sponsored plans
- ☐ Filings for annual employer reporting due to the IRS: Paper by February 28, 2025 & Electronic by March 31, 2025

NOTE: Any company with 10 or more forms to file – including W2s and 1099s – must file electronically

PAYROLL

- ☐ Review employee eligibility for Work Opportunity Tax Credits and other [2025 small business tax credits](#)
- ☐ Confirm 2025 payroll schedule
 - ☐ Include holidays and bank-closing days and [verify the number of pay periods](#)
 - ☐ Prepare the first payroll of new year
- ☐ Validate employee information
 - ☐ Check names, dates of birth, Social Security Numbers, addresses and withholding
 - ☐ Prepare employee statements of [benefits showing full compensation](#)
- ☐ Confirm all Social Security numbers or federal employer identification numbers (FEIN) for 1099 contractors
- ☐ Remind employees to [review their tax withholdings](#)
- ☐ Calculate and issue holiday or other year-end bonuses
- ☐ Review hourly wages and salaries for cost-of-living increases and prepare for [2025 minimum wage changes](#)
- ☐ Prepare W-2 and 1099 data and distribute to employees by Jan. 31, 2025
 - ☐ Verify W-4 data
- ☐ Prepare tax filings
 - ☐ Annual Federal Unemployment Tax Act (FUTA) tax filing form 940 and deposit due by Jan. 31, 2025
 - ☐ Submit quarterly federal income tax form 941 and deposits by due date (varies)
 - ☐ Prepare state and local tax filings
- ☐ Adjust Social Security calculations to [2025 maximum taxable earnings of \\$176,100](#)

COMPLIANCE

- ☐ Prepare for external audits, both financial and retirement
- ☐ Review independent contractor, exempt, and non-exempt [employee statuses](#) and be sure that you head into the new year with everyone classified correctly
 - ☐ [Review all new hire reporting](#) from the past year
- ☐ Review federal, state and local labor laws for changes
 - ☐ [Post labor law info as required](#)

- ☐ Prepare [OSHA annual reporting](#)
 - ☐ Form 300A may need to be posted in your depending on your organization's reporting requirements
 - ☐ Other organizations may need to file directly to OSHA
- ☐ Prepare for retirement plan filing & discrimination compliance testing
 - ☐ Form 5500
 - ☐ 401k plan required notifications
- ☐ Prepare for insurance audits secured through third party insurance providers (e.g., workers compensation)
- ☐ Review [FMLA requirements](#) to avoid common mistakes
- ☐ Distribute annual notices
 - ☐ Including: HIPAA Notice of Special Enrollment Rights; Women's Health and Cancer Rights Act (WHCRA); Employer CHIP Notice; Uniform Summary of Benefits Coverage (SBC); Medicare Part D Creditable/Non Creditable Coverage Notice; Newborns and Mothers Health Protection Act
- ☐ Review FinCEN (Financial Crimes Enforcement Network) BOI (Beneficial Ownership Information) [information and reporting requirements](#)
 - ☐ Determine if your company is a "[reporting company](#)" according to FinCEN
 - ☐ If applicable, determine [your reporting deadline](#):
 - ☐ A reporting company created or registered to do business before January 1, 2024, will have until January 1, 2025, to file its initial BOI report.
 - ☐ A reporting company created or registered in 2024 will have 90 calendar days to file after receiving actual or public notice that its creation or registration is effective.

HR & WORKFORCE MANAGEMENT

- ☐ Review hiring processes
 - ☐ [Rehire policies and procedures](#)
 - ☐ Seasonal hiring policies and procedures
- ☐ Recruiting and [onboarding procedures](#)
 - ☐ Ensure your electronic onboarding system is ready for 2025
 - ☐ If you still use a paper-based system, ensure you have the latest new hire paperwork
- ☐ Review company handbook and policies
 - ☐ Social media
 - ☐ COVID-19-related sick time
 - ☐ [Work-from-home](#)
- ☐ Contact department heads for insight on future staffing needs or changes
- ☐ Review past job postings to determine if the past year's recruiting efforts were considered successful

- ☐ Review job descriptions for accuracy and to ensure they are enticing
- ☐ Review how you are promoting job openings to maximize visibility on the correct job boards
- ☐ Compare your compensation package for [listed salary and benefits](#) to make sure it is competitive
- ☐ Evaluate your [timekeeping processes and systems](#) for accuracy, reliability, and security
- ☐ Prepare and post a calendar of workforce meetings, events, and important dates planned for 2025
 - ☐ Include dates for training, company- or department-wide meetings, holidays, and planned closures
 - ☐ Include dates for training, licensure and certification needs/expiration, new employee probation periods, employee evaluations, and vendor contracts
 - ☐ Set up notifications on your 2025 calendar

DATA PRIVACY & SECURITY

- ☐ Review your [records retention schedule](#)
 - ☐ Discard / destroy appropriate files
- ☐ Backup electronic data and make sure cloud-based storage is secure
 - ☐ Create a backup of your website and consider automated website backups
 - ☐ Create a backup of your computers and devices
- ☐ Plan for and review security procedures and best practices with remote employees where applicable
 - ☐ [Stay vigilant about email phishing](#) and other HR-related scams, and learn how to protect yourself
 - ☐ Train your employees to be smart about data security and [follow best practices](#)
 - ☐ Consider an annual audit of workforce property/devices, computer and system access, and login/password security
 - ☐ Consider obtaining a Cyber Security insurance policy if you don't have one already
- ☐ Ensure the vendors you work with comply with [HIPAA requirements for data security](#), such as using firewalls or virtual private networks (VPN), encryption, safe cloud storage policies, and backup and recovery plans

BUSINESS PLANNING

- ☐ Make sure all of your bookkeeping records and accounts are up-to-date and reconciled
 - ☐ Review bank accounts, accounts receivable, and accounts payable
- ☐ Talk to your accounting team or CPA about last-minute opportunities to lower your taxable income and improve your business's tax position before the year ends

- ☐ Review last year's revenue and company goals and determine what worked and didn't work
- ☐ Set SMART goals for 2025
- ☐ Identify and allocate the resources and financial budgets needed to accomplish your 2025 business goals

Questions? If you have a Payroll or HR need, we can help – please contact us today!

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