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The deadline has changed for the submission of W-2 forms. The forms are due to the Social Security Administration on or before January 31, 2017. Form 1099's must be sent to the IRS by the same date if amounts are reported in Box 7.

## W-2 REPORTING

There has been an important change in the due dates of the W-2 forms. Please make sure you adhere to this new date. It would be a good idea to have all employees carefully verify their names, addresses, and social security numbers to make sure there are no errors in personal data. Errors on the W-2 forms could subject the parish to penalties. Instructions on completing 2016 W-2 forms can be found on the IRS website at [www.irs.gov](http://www.irs.gov). There is a 32 page reference document available in PDF format that is very helpful in understanding the process of completing and filing a W-2 form.

## 1099 TAX REPORTING

Parishes and Schools who pay a non-incorporated vendor \$600 or more in a calendar year for services or services with merchandise, are REQUIRED to issue that vendor an IRS Form 1099-Misc at the end of the calendar year. All parishes, schools, and affiliated organizations should be collecting Form W-9 from their vendors in order to determine which vendors will need to be issued Form 1099. It is a good time to review your vendor lists and make sure vendors that need to give you a W-9 have done so. Please make sure the W-9 is fully completed. Payments from all accounts must be aggregated to determine which vendors will be issued Form 1099. Issue Form 1099 before the new due date. Filing must only be completed by the parish (or merged/stand alone school). The parish's school and affiliated organizations may not file returns on their own. Do not forget to file 1099s for rental payments made to landlords in Box 1.

### DECEMBER 31, 2016

- Last day to record contributions for the 2016 calendar year
- Reconcile designated collections and remit as required
- File quarterly unemployment report for October, November, December
- File semi-annual Workers' Comp wage report for July-December

### JANUARY 31, 2017

- Deadline for submission of W-2 & 1099s
- Send copies of wage and tax registers or W-2 forms to the Pension Office
- Quarterly financial report due to the Finance Office

Make sure taxable group life insurance amounts are processed through payroll before year end

## CHRISTMAS GIFTS AND BONUSES

Many parishes take the time to say thank you to their employees and volunteers. Any cash gift, gift card, or any cash equivalent item **MUST** be processed through payroll for EMPLOYEES. You are permitted to give a non-cash gift to an EMPLOYEE as long as it is of minimal value with no tax reporting obligation. The parish or school is permitted to give a cash gift or gift card to a VOLUNTEER as long as it is reasonable and does not appear to be compensation (i.e. \$50-\$100 is typically a reasonable amount to demonstrate a gift). Any gift to a volunteer that would exceed \$600 would require tax reporting.



## CERTIFICATES OF INSURANCE

There are many instances where the parish is required to obtain a certificate of liability insurance coverage. This would include vendors doing work on the parish property as well as individuals or organizations that rent, lease, or use parish facilities. The Diocesan Insurance Plan book is available online at [www.discplan.org](http://www.discplan.org). You are strongly encouraged to review the requirements when a certificate of insurance is required and follow the directives in the DISC book. If there is ever a question regarding insurance requirements, please contact Kathy Pierce in the Diocesan Insurance Office at extension 3400 or John Gibbs in the DISC Office at 216-621-7183. Vendors may also be required to provide the parish proof that employees are covered by Workers' Compensation Insurance.

## CHARITABLE CONTRIBUTION REMINDERS

- ◇ Most importantly, the documentation issued to your donors must contain the phrase that “no goods or services were exchanged for the contribution”. If goods or services were exchanged, the fair market value of the exchange must be noted.
- ◇ The cutoff date for contributions is December 31, 2016. Contributions received by the parish on or before this date will be recorded on the 2016 contribution statement. Contributions received after this date will be recorded as a 2017 contribution. If a contribution arrives in the mail, special examination is needed. If it is postmarked December 31, 2016 or earlier, then it is recorded as a 2016 contribution. If the postmark is in 2017, then it is recorded as a 2017 contribution. For a mail contribution, the date of the postmark is most important, not the date on the check. It is advisable to save the postmarked envelope for mailed contributions received at the end of the year.
- ◇ This year, December 31<sup>st</sup> is a Saturday. Contributions received on Saturday, December 31<sup>st</sup> should be recorded as a 2016 contribution. Contributions received on Sunday, January 1, 2017 will be reflected as a 2017 contribution. It is strongly encouraged to segregate the collections received on Saturday from the collections received on Sunday so that the timing and recording of contributions can be properly accomplished.
- ◇ Contribution statements must show the date and amount of each gift. Statements that show aggregate contributions may not be sufficient documentation for a donor to claim a deduction and if reviewed, may result in a loss of an otherwise deductible contribution. Please make sure the acknowledgement meets all of these requirements so that your donors' contributions are protected.

## UNCLAIMED FUNDS

All parishes must file with the State of Ohio an unclaimed funds report. The unclaimed funds report is due by November 1, 2016 for funds outstanding as of June 30, 2016. After reviewing the financial ledger, if the parish finds they do not have funds that meet the requirements to be sent to the state, you still need to file a “negative report” to let the state know you have checked the records and do not have any funds to remit. The Finance Office website has more information on Unclaimed Funds as well as a link to the State of Ohio website where you will find instructions and the forms needed to file. Remember, every parish **MUST** file an unclaimed funds report prior to November 1, 2016.