lasinja
PAYROLL SERVICE

YEAR-END PAYROLL IN THE USVI

A 30-DAY COUNTDOWN CHECKLIST FOR W-2S, W-3S, AND 1099S

KEY YEAR-END DEADLINES

DEADLINE	WHAT'S DUE
January 31	W-2s to employees; 941VI Q4 filed; 1099-NECs to contractors
February 28	Paper W-3 and W-2 copies filed with SSA (if not e-filing)
February 28	Paper 1099s filed with IRS
March 31	Electronic W-2/W-3 filing with SSA
March 31	Electronic 1099 filing with IRS

THE 30-DAY COUNTDOWN

December 1–7: Audit Your Payroll Records

- [ ] Pull your YTD payroll register and verify total gross wages for every employee
- [ ] Confirm all pay periods for the year have been processed — no missing runs
- [ ] Check that terminated employees are still in the system with correct final pay dates
- [ ] Verify all bonus and commission payments are captured and correctly classified
- [ ] Confirm that VIESA withholding has been applied consistently throughout the year

December 8–14: Reconcile Against Your 941VI Filings

This is the step most employers skip, and it's the one that causes W-2 correction headaches in February. Your four quarterly 941VI filings should add up to your annual payroll totals. Check these specifically:

- [ ] Total wages on W-3 must match total wages across all four 941VIs
- [ ] Total VI income tax withheld on W-3 must match the sum of Line 3 across all four quarters
- [ ] Total Social Security and Medicare wages must reconcile with Lines 5a–5c across all quarters
- [ ] If you find discrepancies, file an amended 941VI now — before W-2s go out

December 15–21: Verify Employee Information

- [ ] Confirm every employee's legal name matches their Social Security card exactly. SSA rejects W-2s with name/SSN mismatches.
- [ ] Verify all Social Security numbers are correct
- [ ] Confirm current mailing addresses for employees receiving paper W-2s
- [ ] Check that employees who moved during the year have updated their address
- [ ] Make sure new hires from the second half of the year have complete records

December 22–28: Contractor Sweep

- [ ] Pull all contractor payments — anyone paid $600 or more needs a 1099-NEC
- [ ] Confirm you have a completed W-9 on file for every contractor
- [ ] Note any contractors paid as corporations — they generally don't require a 1099 except for legal or medical services

December 29–31: Final Pay Period

- [ ] Process your final pay period of the year and confirm the date falls within the calendar year
- [ ] Don't advance any January pay periods into December for convenience — it creates year-end complications
- [ ] Confirm your Q4 941VI figures are accurate before the January 31 deadline
- [ ] Make your final 501VI deposit for Q4 taxes

January 1–15: Generate and Review W-2s and 1099s

- [ ] Generate all W-2s and do a final review before distribution — check Box 1 (wages), Box 2 (federal withholding), Box 16 (VI wages), and Box 17 (VI tax withheld)
- [ ] Verify VIESA withheld is reflected in the appropriate box
- [ ] Generate 1099-NECs for all qualifying contractors
- [ ] Cross-reference W-3 totals against your reconciled 941VI YTD one more time

January 16–31: Distribute and File

- [ ] Distribute W-2s to all employees by January 31
- [ ] Distribute 1099-NECs to contractors by January 31
- [ ] File Q4 941VI by January 31
- [ ] File 1099-NECs with the IRS by January 31
- [ ] Begin W-3 and SSA filing preparation (due February 28 paper / March 31 electronic)

THE MOST COMMON W-2/941VI MISMATCHES

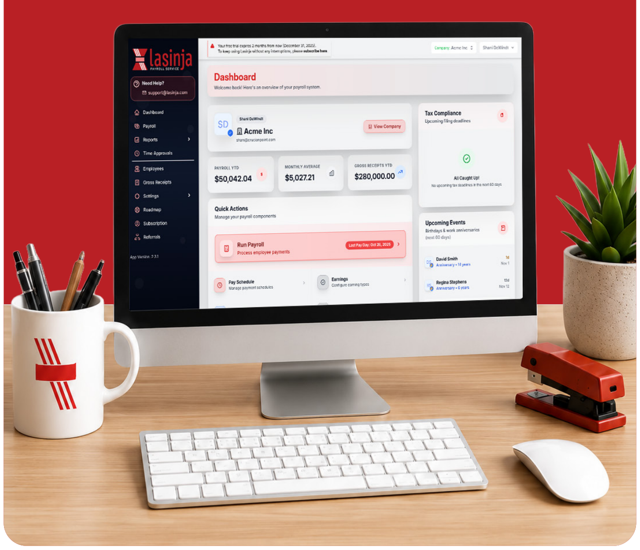
The BIR and SSA cross-reference your W-3/W-2 totals against your quarterly 941VI filings. These mismatches trigger notices most often:

1. Mid-year bonuses processed separately from regular payroll and missed on the 941VI
2. Termination pay recorded in a different quarter than when it was actually paid
3. VIESA discrepancies — withheld all year but not accurately reflected on the W-2
4. Name/SSN mismatches — SSA rejects the W-2 and sends a notice back to you
5. Rounding errors accumulated across four quarters producing a W-3 total that's a few dollars off

HOW LASINJA MAKES YEAR-END SIMPLE

Because Lasinja tracks every payroll run, every tax withholding, and every VIESA deduction in real time, your year-end numbers are always ready. W-2s are generated automatically from your payroll data. Your 941VI quarterly totals already reconcile with your annual W-3 figures because they come from the same source.

What used to take two weeks of prep work takes a few hours.



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