

## 2020 End of Year Memo

**Date:** December 1<sup>st</sup> 2020

**To:** Palco Participants, Common Law Employers and Caregiver Employees

**RE:** 2020 Financial Management Services End of Year Memo

This memo will answer some frequently asked end of year questions as well as tell you what you can expect from Palco as we close out 2020.

### **W2 Forms**

The IRS requires that all 2020 W-2s be mailed to employees no later than January 31, 2021. Palco will mail all W-2s through the United States Postal Service. If you do not receive your W-2 by February 15<sup>th</sup> 2021, please contact our customer service team and they will assist you with reissuing.

### **Payroll Schedules**

Programs that require an updated payroll schedules will be published in December of 2020 for the 2021 calendar year. Please visit your program page on the Palco website to download a copy.

### **Minimum Wage**

Did minimum wage change in your state? If you live in Arkansas, Colorado (The City of Denver increased the standard minimum wage for all citywide workers), Nevada, or New Mexico your minimum wage standards will increase in 2021. Make sure you review your employee wages and take the necessary steps to ensure you are in compliance with your states minimum wage practices.

### **Tax Rates**

Palco calculates your employer tax rate on an individual bases to give you the best rate possible. Your State Unemployment (SUTA) rate may fluctuate in the new





year depending on your record as an employer. Please watch for updates on your monthly reports / statements during the new year.

### **FICA Refunds**

If you are an employee who did not meet the annual FICA (Social Security and Medicare) threshold for 2020, Palco will file all required amended payroll tax returns and issue payments for instances where there have been over collected taxes from employees' compensation. The employee will receive refunds of over collected Social Security and Medicare taxes directly from Palco. These refunds will be paid to the employee in January immediately following year-end. The employee should not file a claim for refund of over collected Medicare or Social Security with the IRS. For more information about this please contact the IRS or go online to review Publication 15, Circular E-  
<https://www.irs.gov/publications/p15>

### **Change of Information**

If you or your employees have changed any of your information in 2020, we need to hear about it!! Please update Palco immediately for any changes in your address, phone numbers, emails or other important details. You can find a change of information form on our website or request one by contacting our customer service team.

### **PS- Have you checked out our new website?!?**

Palco is excited to launch our new website on December 1<sup>st</sup>! Our new website features new capabilities for communication and sharing. We are also proud to add accessibility features to our site to help stakeholders with all abilities access the information they need to self-direct. Visit [www.PalcoFirst.com](http://www.PalcoFirst.com) to check it out!

**We hope you have a happy holiday season and amazing 2021 year!**

