

Updates (cont.)

Affordable Care Act (ACA)

There has been no repeal and replace of the Affordable Care Act (ACA). Your applicable large employer (ALE) clients still have coverage guidelines to meet to avoid potential assessment. ALEs must file the associated information returns accurately and in a timely manner to avoid significant penalties.

Your ALE clients should be mindful that **the IRS has been enforcing information reporting requirements** by issuing proposed penalty notices for late filing, paper filing returns 250 or more, and incorrect Taxpayer Identification Numbers.

The 2019 deadlines for ACA tax reporting are:

Deadline	Forms
January 31, 2020	Furnish employees with Form 1095-C
February 28, 2020	File copies of Forms 1094-C and 1095-C (if filing on paper)
March 31, 2020	File copies of Forms 1094-C and 1095-C (if filing electronically)

Paychex can help

As your partner, Paychex is uniquely positioned to help your clients stay in compliance with ACA provisions.

To learn more about Paychex employer shared responsibility (ESR) services, please contact our dedicated ESR team at **844-802-2248**, or visit payx.me/yend-esr.



Final Overtime Rule Announced

On September 24, 2019, the Department of Labor issued a rule to extend mandatory overtime. The final rule updates the earnings thresholds necessary to exempt executive, administrative, or professional employees from the Fair Labor Standards Act's (FLSA) minimum wage and overtime pay requirements and allows employers to count a portion of certain bonuses (and commissions) toward meeting the salary level. In the final rule, the Department is:

- raising the "standard salary level" from the currently enforced level of \$455 to \$684 per week (equivalent to \$35,568 per year for a full-year worker);
- raising the total annual compensation level for "highly compensated employees (HCE)" from the currently-enforced level of \$100,000 to \$107,432 per year;
- allowing employers to use nondiscretionary bonuses and incentive payments (including commissions) that are paid at least annually to satisfy up to 10 percent of the standard salary level; and
- revising the special salary levels for workers in U.S. territories and in the motion picture industry.

The rule is effective as of January 1, 2020. Additional details and information about the rule are available at: www.dol.gov/whd/overtime2019. If your Paychex clients would like to make any changes to their employees' wage rates or salaries, they should report this to their Paychex payroll representative.

New offering for self-employed clients

Enhance your strategies to help support your self-employed clients' long-term goals. **Paychex Solo**, a new offering, is designed specifically for self-employed clients to help minimize their taxable liability, save for a dignified retirement, and provides start-up and incorporation services.

Learn more about the benefits of Paychex Solo at payx.me/yend-solo.