



Your Advantage

News and information to help you and your business succeed

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Employer Advantage announces

Holiday Hours

Please be advised that our offices will be closed Thursday, December 23rd and Friday, December 24th in observance of the Christmas holiday. We will close on Friday, December 31st in observance of the New Year holiday. If possible, please transmit payroll data to us as soon as possible during the holiday weeks to ensure prompt delivery. Our fax lines will be fully operational through the holiday season. **Please let your Payroll Specialist know if you require special delivery arrangements.**

Updated Employee Information

Please ask your employees to verify their name and mailing address displayed on their paycheck for accuracy. Contact your Payroll Specialist as soon as possible for corrections.

End of the Year Notes

Please submit any mileage or group-term life insurance income to be included in 2010 income by December 15th. If you provide year-end bonuses to employees, please consider providing the information to the payroll department as soon as possible. All payroll data for 2010 must be entered into the payroll system by December 31st.

Tax Incentives Continue for 2011

Employers participating in the HIRE (Hiring Incentives to Restore Employment) Act of 2010 will see the 6.2% payroll tax credit come to an end on December 31, 2010 unless Congress votes to extend the program into 2011. Employer Advantage will continue to track the employees who qualified for the credit and if they remain employed for at least one year from the date employed, their employers will be entitled to a \$1,000 retention tax credit which can be taken against the 2011 income tax return.

Even if the HIRE Act isn't extended, employers may take advantage of the WOTC (Work Opportunity Tax Credit) program through August 31, 2011.

In a nutshell, the WOTC allows employers to receive tax credits for hiring employees from the following groups of job seekers:

- TANF recipients
- Veterans
- 18-39 year old food stamps recipients
- 18-39 year olds living within Empowerment Zones, (EZ) Renewal Communities, (RC) or Rural Renewal Counties (RRC)
- 16-17 year old summer youths living in an EZ or RRC
- Vocational rehabilitation referrals
- Ex-felons
- Individuals receiving Supplemental Security Income (SSI) benefits

According to the Department of Labor, "The Work Opportunity Tax Credit reduces an employer's cost of doing business and requires little paperwork." The forms necessary to be considered for the tax credit are:

- IRS Form 8850 Pre-Screening Notice and Certification
- Work Opportunity Tax Credit Questionnaire
- Youth Self-Attestation Form (if applicable)

These forms should be completed by the date of the job offer to the applicant and the originals sent to Employer Advantage as soon as possible.

Each quarter, Employer Advantage will send participating clients their share of the tax credits received for that time period.

If you have any questions about the HIRE Act or WOTC, please contact Employer Advantage Accounting Department for more information.

IRS Increases Business Mileage Rate to 51 Cents for 2011

The IRS has announced that the business standard mileage rate for transportation expenses paid or incurred beginning January 1, 2011, will be 51 cents per mile, up from the 50 cents-per-mile rate in effect during 2010. (IRS news release can be found at www.irs.gov/pub/irs-news/ir-10-119.pdf.)

The mileage rate may be used to compute the deductible cost of operating a passenger car (also vans, pickups, or panel trucks) for business purposes. It may also be used by employers that elect to use the "cents-per-mile" valuation method for purposes of determining the amount that needs to be imputed to an employee's income for personal use of certain company-owned or leased nonluxury vehicles.

Sign Up Now for Your Electronic W-2

If you haven't signed up in the past to receive your W-2 electronically, now is the time to do so. Go to <https://www.paperlessemployee.com/employeradvantage> and follow the simple directions to receive your W-2 in January.

Some great reasons to sign up for an E-W2:

- The E-W2s arrive sooner than by snail mail.
- They are able to be downloaded into many tax programs.
- Less chance of the W-2 being lost

If you signed up last year, you do NOT need to sign up again. However, now is a good time to make sure that your information is still correct.

State Minimum Wage Increases

Several states have announced minimum wage increases effective January 1, 2011:

Arizona – Regular minimum wage increases from \$7.25 to \$7.35 an hour.

Montana – Minimum wage increases from \$7.25 to \$7.35 an hour.

Ohio – Regular minimum wage increases from \$7.30 to \$7.40 an hour.

Oregon – Minimum wage increases from \$8.40 to \$8.50 an hour.

Vermont – Regular minimum wage increases from \$8.06 to \$8.15 an hour.

Washington – Minimum wage increases from \$8.55 to \$8.67 an hour.

Employers who have employees in these states will begin paying the new minimum wage as of January 1, 2011. Employer Advantage can assist with a payroll audit to ensure that companies are in compliance.



Employer Advantage Closed on December 10th

Employer Advantage will be closed Friday, December 10th in order to move our offices to our new location at 1027 South Main Street, Suite 401, Joplin, Missouri 64801.

We look forward to serving you on Monday, December 13th from our new location in the Gryphon Building. Please note, our address will change to **1027 South Main Street, Suite 401, Joplin, Missouri 64801**. Our phone numbers and fax numbers will remain the same.

Christmas Ornaments

It's amazing how many Christmas ornaments you can amass over the years. I'm usually not the keeper or the procurer of the ornaments, but each year I enjoy them as we decorate the tree and talk about different ones.

If your box of ornaments is like ours, there are old and new ornaments, ornaments that were gifts and ornaments that were purchased, and of course, the ornaments that were made by sticky fingered kids with slightly askew school pictures pasted on them. I have my individual favorites (which I will not divulge) but it's the blending all the different types of ornaments on the tree which amazes me. How can you mix old, new, store bought and sticky all together and make a beautiful tree?



I think the services we offer our clients are a lot like the ornaments. We offer human resources, payroll, loss prevention assistance, benefits administration, accounting, workers' compensation management, unemployment claims management and timekeeping. The services can seem very different and some clients prefer some services over others, but in the end, all the departments work together to make one amazing service for our clients. I encourage you not leave any of our services "in the box" and miss out on something that can help your company.

In the New Year, look for the new services that we continue to add to our company. Newly offered Lead Abatement Training continues to help clients become compliant with recently enacted laws. Management training online is growing as employers realize the importance of educating supervisory and management staff.

So, this Christmas season, take a moment and appreciate all the ornaments on a tree and make a promise to check out our "ornaments" that we can offer you all year long in 2011.

Have a Merry Christmas,

A handwritten signature in cursive script that reads "N. Lee Allphin".

Lee Allphin