

OHIO EDUCATION ASSOCIATION

FISCAL FITNESS AWARD PROGRAM

FISCAL YEAR 2021-2022

PROGRAM CRITERIA & EXAMPLES

FISCAL FITNESS INFORMATION SHEET

LOCAL NAME _____ LOCAL ID # _____

District – Circle One

CENTRAL	ECOEA	EOEA	NCOEA	NEOEa
NWOEA	SEOWA		SWOEA	WOEA

LOCAL PRESIDENT _____

Phone Number: _____ Email Address: _____

LOCAL SECRETARY _____

Phone Number: _____ Email Address: _____

LOCAL TREASURER _____

Phone Number: _____ Email Address: _____

Who do we contact regarding questions on this submission?

Name: _____ Position: _____

Phone Number: _____ Email Address: _____

If different from above

This sheet must be included in your packet. It is suggested that your material be submitted in a 3-ring binder, with each criterion separated with a tab.

2021-2022 Fiscal Fitness Award

Fiscal year 2021-2022 marks the nineteenth year of the OEA Fiscal Fitness Award Program. OEA is excited to continue this program which is designed to increase the Association's financial performance at both the state and local levels. The award consists of ten criteria of best financial practices. This booklet includes the form that must be completed for Criterion 1 and Criterion 2 along with examples of all ten criteria that must be submitted.

Along with the promotion of best financial practices for their own sake, the OEA intends to provide financial incentives for locals that establish and maintain these practices. Additionally, clear communication of these practices provides guidelines for all locals to follow. The establishment of best practices and criteria by which to measure them makes this program an example of OEA's commitment to continuous improvement.

As an incentive to promote best financial practices, \$500 will be awarded to individual local treasurers who apply for the Fiscal Fitness Award and their local meets all the criteria! This is in addition to the existing 1st time award of a check for \$2,000 and a plaque to the local for their accomplishment. Locals meeting all criteria on a continuing annual basis will receive \$500 for as long as they meet the criteria. The \$2,000 award can be earned only once every five years. (Note: Award amounts are subject to the annual OEA approved budget) The Fiscal Fitness Awards will be given at the May 2023 Representative Assembly, where locals will be recognized for their financial performance in 2021-2022.

As a further incentive to promote best financial practices by local associations, OEA will continue the giveaway started in the summer of 2008 by having a drawing at each OEA District Treasurer's Workshop. With two winners of a full year of OEA 2022-2023 dues, eligible only to participants present. (Note: Giveaway amounts are subject to the annual OEA approved budget)

Locals have the opportunity to meet the criteria for the award during the 2021-2022 fiscal year and the submission of applications for the award are due no later than January 31, 2023. This timeline has been adopted so that there is the greatest opportunity for all locals to be involved.

Completed applications and accompanying award criteria should be submitted to:

Ohio Education Association
Office of the Secretary-Treasurer
Fiscal Fitness Award
P.O. Box 2550
Columbus, OH 43216

Additional information or guidance can be provided by the office of the OEA Secretary-Treasurer.

OEA Fiscal Fitness Information Chart

<u>Treasurer Workshops</u>	<u>School Fiscal Year</u>	<u>Submission Due Date</u>	<u>Award Date</u>
July - September 2021	2021-2022	January 31, 2023	Spring 2023 OEA RA
July - September 2022	2022-2023	January 31, 2024	Spring 2024 OEA RA
July - September 2023	2023-2024	January 31, 2025	Spring 2025 OEA RA
July - September 2024	2024-2025	January 31, 2026	Spring 2026 OEA RA
July - September 2025	2025-2026	January 31, 2027	Spring 2027 OEA RA

**Ohio Education Association
Fiscal Fitness Award Criteria
Fiscal Year 2021-2022**

1) Membership criteria:

- A. The treasurer meets the criteria for Outstanding Local Treasurer.
 - The dues transmittal contract or letter outlining the local procedure for collecting and transmitting dues money to OEA must be postmarked to OEA headquarters no later than September 30th, 2021.
 - All membership forms for enrollment (initial, continuous or renewal), as well as a list of agency fee payers, must be postmarked to OEA headquarters by October 15th, 2021.
 - The **OEA Confirmation Form** verifying completion of Form 990 and include either a copy of the **IRS acceptance of the Form 990-N e-postcard or the signature page of the 990EZ or 990 long form filed**. Both must be postmarked to OEA headquarters by January 20th, 2022.
 - The local must not have incurred an interest penalty on outstanding billing statements due from the local association to OEA during the fiscal year.
- B. Reconcile annual and monthly membership reports and submit changes to the OEA as needed.

Completion of the “Fiscal Fitness Award Criteria – Membership” form required.

2) Financial criteria:

- A. Deposits are made within one week of receipt.
- B. All invoice and financial obligations are paid timely. (2 weeks suggested)
- C. No acts of fraud or dishonesty by the treasurer or any other officer.
- D. Compensation paid to officers or staff has been disclosed

Completion of the “Fiscal Fitness Award Criteria – Financial” form required.

- 3) The treasurer must attend an OEA-sanctioned Treasurer’s Workshop on an annual basis during his/her term in office. Treasurers with more than 2 years of experience have the option of sending another local officer or executive board member to a Treasurer’s Workshop once every 3 years. If attended by a person other than the treasurer, please provide the name and title of the alternate along with confirming the current treasurer has been in office two years and has attended the last two Treasurer’s Workshops. Local treasurers have the option of serving as an OEA-sanctioned trainer for a workshop to satisfy this criterion.

Submission of the OEA issued certificate. (Please contact the OEA Secretary-Treasurer’s office to obtain if necessary)

- 4) Present annual budgets. It is important not only to create annual budgets but also to involve the local in the development of the budgets so leaders understand the basis for the budgets. It is also important that local budgets are presented in a question and answer based forum which is open to any interested parties. The motion to approve or accept the annual budget is to be clearly stated in the minutes with passage of the motion highlighted.
(Budgets for FY 21-22 and FY 22-23 required)

Submission of the budgets and minutes documenting budget planning and approval of both budgets required. Motion to approve or accept the annual budget must be highlighted in the minutes.

- 5) Present monthly and annual financial reports to the governing body of the local association. Criterion #5 must begin with a statement of the period of the local's fiscal year and list each month that the governing body of the local meets. **The monthly financials need to include Revenue, Expenses and Fund Balances as well as including a comparison of actual financial results for the period to the budget for the period.** Submission of all monthly financials must be in chronological order by month with the corresponding minutes immediately following which documents the **approval, acceptance, or filed for audit** status of the financials at the local association meetings. The motion to approve or accept the monthly financial reports must be highlighted in the minutes. The minutes should include any discussion of variances from the budget and the reasons for the budget being favorable or unfavorable. The minutes should also include any discussions on projected year-end variances and any issues or areas of financial concern. (Financials for FY 21-22 required)

Submission of all monthly financials including all monthly minutes documenting approval at local association meetings required. The monthly financials with approval for each month must be presented in chronological order. Motion to approve or accept the monthly financial reports must be highlighted in the minutes.

- 6) Participate in an annual audit. It is preferable that locals establish an audit subcommittee that is comprised of two or more persons when possible. Members of the Audit Committee should be rank and file members who do not have bank signatory abilities. The local is required to submit a list of subcommittee members and their roles. Suggestions for an auditor include a business community CPA, retired CPA, or an accountant who would volunteer. An audit can be performed by any independent person(s). An example would be a math teacher. **Please see Chapter 2 of the OEA Treasurer's Handbook for tips on how to conduct a Do-It-Yourself audit.** (FY 21-22 audit required)

Submission of audit documentation is required. The documentation must indicate a favorable opinion by the auditor.

- 7) Maintain an itemized record of all receipts and expenditures. The itemized list could be a check register, a computer worksheet or computer program, such as Quicken, Quickbooks, or a manual green ledger sheet. (FY 21-22 required)

Submission of itemized record of receipts and expenditures required. This must be organized and presented in a chronological, user-friendly manner.

- 8) Submit proof of proper payroll tax withholdings for paid officers and staff working on behalf of association. Regardless of what the compensation is called e.g. salary, stipends, honorariums, paid dues, grants, etc. Instead of paying officers directly or through paying their dues which are taxable, locals can establish an accountable expense plan to reimburse officers for legitimate business expenses such as cell phone reimbursement. **Please see Accountable Plan Practical Advice in Chapter 2 of the OEA Treasurer's Handbook for information related to this requirement.**

Submission of copy of payroll withholding forms filed with appropriate governmental agencies. (e.g. Federal Form 941, Ohio Form IT941)
Proof can also include a copy of a TPO agreement with the local school district or an invoice from a third party payroll processor. Submit proof of the accountable plan, evidence can be the minutes of Executive Committee approving the plan or the local's C&B where documented.

- 9) Maintain IRS tax exempt status and supporting documentation.

Submission of tax-exempt determination letter from the IRS, or other proof from the IRS such as 990 submission confirmation, that the local has tax exempt status with the IRS.

- 10) Use of dual signatories on all local association checks.

Submission of a copy of a cancelled check indicating dual signatures used dated within the Fiscal Fitness Award filing year.

Note: The award criteria documentation must be submitted in an organized manner with each criterion clearly separated and identifiable using a tab system and notebook(s). Criteria documentation will not be returned to the local.

**Fiscal Fitness Award
Criteria 1 & 2 Form
Fiscal Year 2021-2022**

Local Association Name: _____ Local ID: _____

Criterion 1 - Membership:

Local Association - Date **Dues Transmittal Agreement** sent to OEA. _____ / _____ / _____
- Postmark date on or before September 30th.

Local Association - Date **Membership Enrollment Materials** sent to OEA
including applicable list of Agency Fee Payers. _____ / _____ / _____
- Postmark date on or before October 15th.

Local Association - Date **990 - Filing Confirmation Form** sent to OEA _____ / _____ / _____
- Postmark date on or before January 20th, 2021.
- Provided copy of **990-N (e-Postcard) IRS acceptance form**
- **or** signature page of **990 Long\EZ form** filed.

Local Association - **Initial** to verify **No Interest Penalty** was incurred on
any billing statement for the local association during the
membership year. _____

Local Association - **Initial** to verify that all **Memberships are Correct** and
recorded with the OEA, and that all membership dues are
paid in full. _____

Note: There are a total of ten criteria the local must meet for the Fiscal Fitness Award.

EXAMPLE
Fiscal Fitness Award
Criteria 1 & 2 Form
Fiscal Year 2021-2022

Local Association Name: ABC Education Association Local ID: Eight Digits

Criterion 1 - Membership:

Local Association - Date **Dues Transmittal Agreement** sent to OEA. XX / XX / XX
- Postmark date on or before September 30th.

Local Association - Date **Membership Enrollment Materials** sent to OEA XX / XX / XX
including applicable list of Agency Fee Payers.
- Postmark date on or before October 15th.

Local Association - Date **990 - Filing Confirmation Form** sent to OEA XX / XX / XX
- Postmark date on or before January 20th, 2022.
- Provided copy of **990-N (e-Postcard) IRS acceptance form**
- or signature page of **990 Long\EZ form** filed.

Local Association - **Initial** to verify **No Interest Penalty** was incurred on
any billing statement for the local association during the
membership year. Treasurer Signature

Local Association - **Initial** to verify that all **Memberships are Correct** and
recorded with the OEA, and that all membership dues are
paid in full. Treasurer Signature

Note: There are a total of ten criteria the local must meet for the Fiscal Fitness Award.

Examples for Part III of Criterion 1



[Home Security Profile Logout](#)

Your Form 990-N(e-Postcard) has been submitted to the IRS

- **Organization Name:** ABC EDUCATION ASSOCIATION
- **EIN:** 123456789
- **Tax Year:** 2021
- **Tax Year Start Date:** 09-01-2021
- **Tax Year End Date:** 08-31-2022
- **Submission ID:** 10065520163230639300
- **Filing Status Date:** 11-18-2022
- **Filing Status:** Accepted
-

[MANAGE FORM 990-N SUBMISSIONS](#)

Return of Organization Exempt From Income Tax**2021**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form, as it may be made public.

▶ Go to www.irs.gov/Form990EZ for instructions and the latest information.

Open to Public Inspection

Department of the Treasury
Internal Revenue Service**A For the 2021 calendar year, or tax year beginning****, 2021, and ending****, 20****B** Check if applicable:

- ☐ Address change
☐ Name change
☐ Initial return
☐ Final return/terminated
☐ Amended return
☐ Application pending

C Name of organization

Number and street (or P.O. box if mail is not delivered to street address)

Room/suite

City or town, state or province, country, and ZIP or foreign postal code

D Employer identification number**E** Telephone number**F** Group Exemption Number ▶**G** Accounting Method: ☐ Cash ☐ Accrual Other (specify) ▶**I** Website: ▶**J** Tax-exempt status (check only one) -- ☐ 501(c)(3) ☐ 501(c) () ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527**H** Check ☐ if the organization is not required to attach Schedule B (Form 990).**K** Form of organization: ☐ Corporation ☐ Trust ☐ Association ☐ Other**L** Add lines 5b, 6c, and 7b to line 9 to determine gross receipts. If gross receipts are \$200,000 or more, or if total assets

(Part II, column (B)) are \$500,000 or more, file Form 990 instead of Form 990-EZ. ▶ \$

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (see the instructions for Part I)Check if the organization used Schedule O to respond to any question in this Part I ☐

Revenue	1	Contributions, gifts, grants, and similar amounts received	1	
	2	Program service revenue including government fees and contracts	2	
	3	Membership dues and assessments	3	
	4	Investment income	4	
	5a	Gross amount from sale of assets other than inventory	5a	
	b	Less: cost or other basis and sales expenses	5b	
	c	Gain or (loss) from sale of assets other than inventory (subtract line 5b from line 5a)	5c	
	6	Gaming and fundraising events:		
	a	Gross income from gaming (attach Schedule G if greater than \$15,000)	6a	
	b	Gross income from fundraising events (not including \$ of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000)	6b	
c	Less: direct expenses from gaming and fundraising events	6c		
d	Net income or (loss) from gaming and fundraising events (add lines 6a and 6b and subtract line 6c)	6d		
7a	Gross sales of inventory, less returns and allowances	7a		
b	Less: cost of goods sold	7b		
c	Gross profit or (loss) from sales of inventory (subtract line 7b from line 7a)	7c		
8	Other revenue (describe in Schedule O)	8		
9	Total revenue. Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8	9		
Expenses	10	Grants and similar amounts paid (list in Schedule O)	10	
	11	Benefits paid to or for members	11	
	12	Salaries, other compensation, and employee benefits	12	
	13	Professional fees and other payments to independent contractors	13	
	14	Occupancy, rent, utilities, and maintenance	14	
	15	Printing, publications, postage, and shipping	15	
	16	Other expenses (describe in Schedule O)	16	
17	Total expenses. Add lines 10 through 16	17		
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 9)	18	
	19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	19	
	20	Other changes in net assets or fund balances (explain in Schedule O)	20	
	21	Net assets or fund balances at end of year. Combine lines 18 through 20	21	

Part V Other Information (Note the Schedule A and personal benefit contract statement requirements in the instructions for Part V.) Check if the organization used Schedule O to respond to any question in this Part V ☐

	Yes	No
33 Did the organization engage in any significant activity not previously reported to the IRS? If "Yes," provide a detailed description of each activity in Schedule O	33	
34 Were any significant changes made to the organizing or governing documents? If "Yes," attach a conformed copy of the amended documents if they reflect a change to the organization's name. Otherwise, explain the change on Schedule O. See instructions	34	
35a Did the organization have unrelated business gross income of \$1,000 or more during the year from business activities (such as those reported on lines 2, 6a, and 7a, among others)?	35a	
b If "Yes" to line 35a, has the organization filed a Form 990-T for the year? If "No," provide an explanation in Schedule O	35b	
c Was the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization subject to section 6033(e) notice, reporting, and proxy tax requirements during the year? If "Yes," complete Schedule C, Part III	35c	
36 Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If "Yes," complete applicable parts of Schedule N	36	
37a Enter amount of political expenditures, direct or indirect, as described in the instructions ▶ 37a		
b Did the organization file Form 1120-POL for this year?	37b	
38a Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee; or were any such loans made in a prior year and still outstanding at the end of the tax year covered by this return?	38a	
b If "Yes," complete Schedule L, Part II, and enter the total amount involved	38b	
39 Section 501(c)(7) organizations. Enter:		
a Initiation fees and capital contributions included on line 9	39a	
b Gross receipts, included on line 9, for public use of club facilities	39b	
40a Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under: section 4911 ▶ ; section 4912 ▶ ; section 4955 ▶		
b Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year, or did it engage in an excess benefit transaction in a prior year that has not been reported on any of its prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	40b	
c Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶		
d Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax on line 40c reimbursed by the organization ▶		
e All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If "Yes," complete Form 8886-T	40e	
41 List the states with which a copy of this return is filed ▶		
42a The organization's books are in care of ▶ Telephone no. ▶		
Located at ▶ ZIP + 4 ▶		
b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country ▶ See the instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).	42b	
c At any time during the calendar year, did the organization maintain an office outside the United States? If "Yes," enter the name of the foreign country ▶	42c	
43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041 —Check here ▶ and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 43		
44a Did the organization maintain any donor advised funds during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ	44a	
b Did the organization operate one or more hospital facilities during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ	44b	
c Did the organization receive any payments for indoor tanning services during the year?	44c	
d If "Yes" to line 44c, has the organization filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	44d	
45a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	45a	
b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," Form 990 and Schedule R may need to be completed instead of Form 990-EZ. See instructions	45b	

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2021

Open to Public Inspection

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Do not enter social security numbers on this form as it may be made public.

Go to www.irs.gov/Form990 for instructions and the latest information.

Department of the Treasury
Internal Revenue Service

For the 2021 calendar year, or tax year beginning		, 2021, and ending		, 20	
Check if applicable: Address change Name change Initial return Final return/terminated Amended return Application pending	C Name of organization			D Employer identification number	
	Doing business as				
	Number and street (or P.O. box if mail is not delivered to street address)		Room/suite	E Telephone number	
	City or town, state or province, country, and ZIP or foreign postal code				
F Name and address of principal officer:			G Gross receipts \$		
Tax-exempt status: <input type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input type="checkbox"/> No		
			H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No		
			If "No," attach a list. See instructions.		
Website: ▶			H(c) Group exemption number ▶		

Form of organization: <input type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶	L Year of formation:	M State of legal domicile:
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Part I Summary

1 Briefly describe the organization's mission or most significant activities:		
2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
3	Number of voting members of the governing body (Part VI, line 1a)	
4	Number of independent voting members of the governing body (Part VI, line 1b)	
5	Total number of individuals employed in calendar year 2021 (Part V, line 2a)	
6	Total number of volunteers (estimate if necessary)	
7a	Total unrelated business revenue from Part VIII, column (C), line 12	
7b	Net unrelated business taxable income from Form 990-T, Part I, line 11	
		Prior Year
8	Contributions and grants (Part VIII, line 1h)	
9	Program service revenue (Part VIII, line 2g)	
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	
14	Benefits paid to or for members (Part IX, column (A), line 4)	
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	
16a	Professional fundraising fees (Part IX, column (A), line 11e)	
16b	Total fundraising expenses (Part IX, column (D), line 25) ▶	
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	
18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	
19	Revenue less expenses. Subtract line 18 from line 12	
		Beginning of Current Year
20	Total assets (Part X, line 16)	
21	Total liabilities (Part X, line 26)	
22	Net assets or fund balances. Subtract line 21 from line 20	
		End of Year

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature of officer	Date		
	Type or print name and title		
Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed
Firm's name ▶	Firm's EIN ▶		
Firm's address ▶	Phone no.		

Do you agree the IRS discuss this return with the preparer shown above? See instructions ☐ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 11282Y

Form 990 (2021)

Criterion 3

TREASURER'S WORKSHOP ATTENDANCE

Workshop(s) Attended:

SEOEA Treasurer's Workshop; July 22nd, 2021; OU-Inn in Athens 331 Richland Ave, Athens Ohio 45701; Presenter – Mark Hill - OEA Secretary-Treasurer

2021-2022 Treasurers' Workshop Dates

- June 14, 2021** **CENTRAL Virtual Treasurers' Workshop**
Novice Treasurer Training: 1:00pm – 2:30pm
Experienced Treasurer Training: 2:45pm – 3:45pm
Registration: www.centraloeanea.org
- July 14, 2021** **WOEA Virtual Treasurers' Workshop**
Novice Treasurer Training: 9:00am – 10:30am
Experienced Treasurer Training: 11:00am – 12:00pm
Registration: www.woea.org
- July 15, 2021** **ECOE Virtual Treasurers' Workshop**
Novice Treasurer Training: 10:30am – 12:00pm
Experienced Treasurer Training: 9:00am – 10:00am
Registration: www.ecoea.ohea.us
- July 20, 2021** **NWOEA Virtual Treasurers' Workshop**
Treasurer Training: 9:00am – 11:00am
Registration: <http://nwoea.ohea.us> Deadline for registration is July 13th
- July 21, 2021** **NEOE Virtual Treasurers' Workshop**
Experienced Treasurer Training: 12:00pm – 1:15pm
Novice Treasurer Training: 2:30pm – 4:30pm
Registration: Form will be available online at www.neoea.org/files/SCL2021.pdf
- July 22, 2021** **SEOE Virtual Treasurers' Workshop – OU Inn**
Registration/Continental Breakfast: 8:30am
Novice Treasurer Training: 9:00am – 10:30am
Experienced Treasurer Training: 11:00am – 12:00pm
Registration: Forms available at www.seoea.org. Deadline July 15th to southeastoea@gmail.com or to Greg Potter, 4386 C H and D Road, Oak Hill, OH 45656
- July 29, 2021** **NCOE Virtual Treasurers' Workshop**
Novice Treasurer Training: 9:00am – 10:30am
Experienced Treasurer Training: 11:00am – 12:00pm
Registration: Becky Cashell at ncoeabecky@gmail.com
- August 3, 2021** **EOEA Virtual Treasurers' Workshop**
Novice Treasurer Training: 1:00pm – 2:30pm
Experienced Treasurer Training: 2:45pm – 3:45pm
Registration: Jack Boyd at (740) 453-2186 or jboyd.eoea@gmail.com
- August 5, 2021** **SWOEA Virtual Treasurers' Workshop**
Experienced Treasurer Training: 1:00pm – 2:00pm
Novice Treasurer Training: 3:00pm – 4:30 pm
Registration: Veria Maxberry at sec-swoea@cinci.rr.com

EXAMPLE

ABC Education Association Budget - Fiscal Year 2021-22

Revenue

Membership dues	3,500.00	
Interest Income	125.00	
Donations	<u>750.00</u>	
Total Revenue		4,375.00

Expenses

Governance Expenses

Administration Expenses:		
Officer	1,000.00	
Executive Council	250.00	
Association Representation	<u>300.00</u>	
Subtotal		1,550.00
Leadership Training:		
Workshops	180.00	
Leadership Academy	0.00	
Workshop Mileage	<u>75.00</u>	
Subtotal		255.00
Representative Assemblies:		
Uniserv Mileage	30.00	
OEA Fall R/A	120.00	
OEA Spring R/A	<u>150.00</u>	
Subtotal		300.00
Total Governance		2,105.00

Collective Bargaining

Negotiation Sessions/Meals	125.00	
Training/Materials	<u>150.00</u>	
Subtotal		275.00
Total Collective Bargaining		275.00

Grievance/Contract Enforcement

Arbitration Expenses	350.00	
Training/Materials	<u>150.00</u>	
Subtotal		500.00
Total Grievance/Contract Enforcement		500.00
Total Office Expenses		275.00
Total Gifts and Awards		500.00
Total Contingency Fund		87.50
Total Miscellaneous		<u>100.00</u>

Total Expenses 3,842.50

Excess Revenue over Expenses 532.50

EXAMPLE

ABC Education Association Budget - Fiscal Year 2022-23

Income

Membership dues	3,800.00	
Interest Income	130.00	
Donations	<u>800.00</u>	
Total Income		4,730.00

Expenses

Governance Expenses

Administration Expenses:		
Officer	1,000.00	
Executive Council	250.00	
Association Representation	<u>300.00</u>	
Subtotal		1,550.00
Leadership Training:		
Workshops	400.00	
Leadership Academy	80.00	
Workshop Mileage	<u>75.00</u>	
Subtotal		555.00
Representative Assemblies:		
Uniserv Mileage	30.00	
OEA Fall R/A	120.00	
OEA Spring R/A	<u>150.00</u>	
Subtotal		300.00
Total Governance		2,405.00

Collective Bargaining

Negotiation Sessions/Meals	250.00	
Training/Materials	<u>150.00</u>	
Subtotal		400.00
Total Collective Bargaining		400.00

Grievance/Contract Enforcement

Arbitration Expenses	350.00	
Training/Materials	<u>250.00</u>	
Subtotal		600.00
Total Grievance/Contract Enforcement		600.00
Total Office Expenses		275.00
Total Gifts and Awards		500.00
Total Contingency Fund		94.60
Total Miscellaneous		<u>100.00</u>

Total Expenses **4,374.60**

Excess Income over Expenses **355.40**

**ABC Education Association
September 15, 2022
Meeting Minutes**

Attendees:

Patrick President
Vicki Vice-President
Sally Secretary
Tom Treasurer

The meeting convened, etc.

OFFICERS REPORTS

OLD BUSINESS

NEW BUSINESS

Budget:

Tom Treasurer presented the FY 2021--2022 budget during the meeting for review. Tom's presentation of the budget included a listing of all the items discussed at previous meetings that were incorporated in the final budget. After several questions were answered, Sally Secretary motioned to accept the budget. John Smith seconded the motion. Motion was passed.

Upcoming Bake Sale:

OTHER TOPICS

(Note: Two fiscal year budgets must be submitted. See explanation in Criteria # 4.)

EXAMPLE

ABC Education Association
Statement of Revenues Collected,
Expenses Paid, and Change in Fund Balance
Fiscal Year Ended August 31, 2022
Unaudited

(Note: Annual & Monthly Reports Must Be Submitted)

<u>Revenue</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Fav (Unfav)</u>
Membership dues	3,500.00	3,600.00	100.00
Interest Income	125.00	135.00	10.00
Donations	750.00	680.00	(70.00)
Total Revenue	4,375.00	4,415.00	40.00

Expenses

Governance Expenses

Administration Expenses:			
Officer	1,000.00	950.00	50.00
Executive Council	250.00	210.00	40.00
Association Representation	300.00	295.00	5.00
Subtotal	1,550.00	1,455.00	95.00
Leadership Training:			
Workshops	180.00	175.00	5.00
Leadership Academy	0.00	0.00	0.00
Workshop Mileage	75.00	70.00	5.00
Subtotal	255.00	245.00	10.00
Representative Assemblies:			
Uniserv Mileage	30.00	25.00	5.00
OEA Fall R/A	120.00	135.00	(15.00)
OEA Spring R/A	150.00	149.00	1.00
Subtotal	300.00	309.00	(9.00)
Total Governance	2,105.00	2,009.00	96.00

Collective Bargaining

Negotiation Sessions/Meals	125.00	123.00	2.00
Training/Materials	150.00	151.00	(1.00)
Subtotal	275.00	274.00	1.00
Total Collective Bargaining	275.00	274.00	1.00

Grievance/Contract Enforcement

Arbitration Expenses	350.00	295.00	55.00
Training/Materials	150.00	145.00	5.00
Subtotal	500.00	440.00	60.00
Total Grievance/Contract Enf.	500.00	440.00	60.00
Total Office Expenses	275.00	250.00	25.00
Total Gifts and Awards	500.00	450.00	50.00
Total Contingency Fund	87.50	88.30	(0.80)
Total Miscellaneous	100.00	90.00	10.00
Total Expenses	3,842.50	3,601.30	241.20
Excess Revenue over Expenses	532.50	813.70	281.20

Change in Fund Balance

Excess Revenue over Expenses - FY 2021-22	813.70
Fund Beginning Balance - 09/01/21	1,200.00
Fund Ending Balance - 08/31/22	2,013.70

**ABC Education Association
September 15, 2022
Meeting Minutes**

Attendees:

Patrick President
Vicki Vice-President
Sally Secretary
Tom Treasurer

The meeting convened, etc.

OFFICERS REPORTS

OLD BUSINESS

NEW BUSINESS

Financials:

Tom Treasurer presented financials for the twelve months ended August 31, 2022 during the meeting for review. After several questions were answered, Sally Secretary motioned for approval of the financials. Patrick President seconded the motion. Motion was passed.

Upcoming Bake Sale:

OTHER TOPICS

MEMORANDUM

To: Tom Treasurer

From: Roberta Smart, Math Instructor, ABC High School

Date: September 15, 2022

Subject: Review of ABC Education Association Financial Records as of August 31, 2022

I have reviewed the financial records of the ABC Education Association and found they were prepared in accordance with financial best practices and within generally accepted accounting principles.

In my opinion, the Treasurer's records and accompanying financial reports present fairly the financial position of the association.

Signed,

Roberta Smart

EXAMPLE

ABC Education Association
Itemized Receipts & Expenditures
Fiscal Year Ended August 31, 2022

Date	Check Number	Transaction Description	Payment Amount	Deposit Amount	Reconciled to Bank	Balance
09/01/21		Beginning Balance			X	1,200.00
09/05/21		Membership Dues		1,000.00	X	2,200.00
09/10/21		Donations - Bake Sale		500.00	X	2,700.00
09/11/21	2585	All In Good Taste; Food - Local Meeting	51.00		X	2,649.00
09/13/21	2586	Ohio Education Association; Dues	400.00		X	2,249.00
9/13/21-8/31/22		etc, etc.	3,150.30	2,915.00	X	2,013.70
		Ending Balance	3,601.30	4,415.00		2,013.70

Options available to local associations who provide compensation to employees are the following:

- 1) Bargain a Teacher Professional Organization (TPO) provision to assist in dealing with tax obligations. (See page 2-58 of the Treasurers Handbook for more information on TPOs)
- 2) Hire a local CPA to process payroll/compensation and to file an annual Form W-2 for each employee.
- 3) Process payroll using an online payroll processing software like Paychex, ADP, Intuit or others. These are internet-based payroll services that have various costs depending on the number of payees and services required. They provide paychecks or direct deposits along with electronic tax filings.

For more information google: small business payroll services

- 4) Manually create paychecks and submit tax filings using the information and guidelines provided by federal, state and local taxing authorities. An example is using the form and instructions for the Federal Form 941, Employer's Quarterly Federal Tax Return to create paychecks including preparing and submitting filings. Below is a list of all applicable tax obligations for a local association with employee compensation.
- 5) Provide a reimbursement for association expenses up to the amount you would have normally paid the officer. Cell phone and mileage are good examples of local association business that are acceptable forms of reimbursements. **You must keep copies of cell invoices, mileage logs and detail receipts for reimbursements.**

Sample Collectively Bargained Contract Language for a TPO Provision:

Upon written request of the Local Association/TPO (TPO) to the Board, the following TPO officers, not to exceed four (4) in number, shall be reassigned without pay, except as hereinafter recited, for the purpose to conduct TPO business. (Note: TPO compensation can be for non-release time work depending on the specifics of your local contract) The written request for reassignment shall include the number of hours/days per school year. The assigned officers will be paid on an hourly basis based on the daily contract rate for actual teaching. The amount of hours for TPO compensation will be communicated in writing to the Board by the TPO and the Board will perform all administration within applicable laws and regulations (including STRS regulations and reporting) related to the TPO compensation including payment no later than one month after such communication of the amount of compensation due to the TPO officers. The TPO will comply with completing all applicable forms and documents requested of the Board. The TPO shall reimburse the Board for TPO compensation no later than two weeks prior to the pay date of the TPO compensation. The TPO reimbursement shall include salary and all applicable benefits of such officers, retirement contributions paid on their behalf and any other expenses related to salary and fringe benefits. The reimbursement by the TPO shall include a 2% (this percentage is bargainable) processing fee of the gross compensation amount processed.

1. President
2. Vice President
3. Treasurer
4. Secretary

Employer identification number (EIN) -

Name (not your trade name)

Trade name (if any)

Address

Number Street Suite or room number

City State ZIP code

Foreign country name Foreign province/county Foreign postal code

Report for this Quarter of 2022
(Check one.)

- ☐ 1: January, February, March
☐ 2: April, May, June
☐ 3: July, August, September
☐ 4: October, November, December

Go to www.irs.gov/Form941 for instructions and the latest information.

Read the separate instructions before you complete Form 941. Type or print within the boxes.

Part 1: Answer these questions for this quarter.

1	Number of employees who received wages, tips, or other compensation for the pay period including: Mar. 12 (Quarter 1)	1	<input type="text"/>
2	Wages, tips, and other compensation	2	<input type="text"/>
3	Federal income tax withheld from wages, tips, and other compensation	3	<input type="text"/>
4	If no wages, tips, and other compensation are subject to social security or Medicare tax	<input type="checkbox"/>	Check and go to line 6.

	Column 1		Column 2
5a	Taxable social security wages*	<input type="text"/> × 0.124 =	<input type="text"/>
5a (i)	Qualified sick leave wages*	<input type="text"/> × 0.062 =	<input type="text"/>
5a (ii)	Qualified family leave wages*	<input type="text"/> × 0.062 =	<input type="text"/>
5b	Taxable social security tips	<input type="text"/> × 0.124 =	<input type="text"/>
5c	Taxable Medicare wages & tips	<input type="text"/> × 0.029 =	<input type="text"/>
5d	Taxable wages & tips subject to Additional Medicare Tax withholding	<input type="text"/> × 0.009 =	<input type="text"/>
5e	Total social security and Medicare taxes. Add Column 2 from lines 5a, 5a(i), 5a(ii), 5b, 5c, and 5d		5e <input type="text"/>
5f	Section 3121(q) Notice and Demand—Tax due on unreported tips (see instructions)		5f <input type="text"/>
6	Total taxes before adjustments. Add lines 3, 5e, and 5f		6 <input type="text"/>
7	Current quarter's adjustment for fractions of cents		7 <input type="text"/>
8	Current quarter's adjustment for sick pay		8 <input type="text"/>
9	Current quarter's adjustments for tips and group-term life insurance		9 <input type="text"/>
10	Total taxes after adjustments. Combine lines 6 through 9		10 <input type="text"/>
11a	Qualified small business payroll tax credit for increasing research activities. Attach Form 8974		11a <input type="text"/>
11b	Nonrefundable portion of credit for qualified sick and family leave wages for leave taken before April 1, 2021		11b <input type="text"/>
11c	Reserved for future use		11c <input type="text"/>

*Include taxable qualified sick and family leave wages paid in 2022 for leave taken after March 31, 2021, and before October 1, 2021, on line 5a. Use lines 5a(i) and 5a(ii) only for taxable qualified sick and family leave wages paid in 2022 for leave taken after March 31, 2020, and before April 1, 2021.

➤ You MUST complete all three pages of Form 941 and SIGN it.

Next ➤

Name (not your trade name)

Employer identification number (EIN)

Part 3: Tell us about your business. If a question does NOT apply to your business, leave it blank.

- 17 If your business has closed or you stopped paying wages ☐ Check here, and enter the final date you paid wages / / ; also attach a statement to your return. See instructions.
- 18 If you're a seasonal employer and you don't have to file a return for every quarter of the year . . . ☐ Check here.
- 19 Qualified health plan expenses allocable to qualified sick leave wages for leave taken before April 1, 2021 19
- 20 Qualified health plan expenses allocable to qualified family leave wages for leave taken before April 1, 2021 20
- 21 Reserved for future use 21
- 22 Reserved for future use 22
- 23 Qualified sick leave wages for leave taken after March 31, 2021, and before October 1, 2021 23
- 24 Qualified health plan expenses allocable to qualified sick leave wages reported on line 23 24
- 25 Amounts under certain collectively bargained agreements allocable to qualified sick leave wages reported on line 23 25
- 26 Qualified family leave wages for leave taken after March 31, 2021, and before October 1, 2021 26
- 27 Qualified health plan expenses allocable to qualified family leave wages reported on line 26 27
- 28 Amounts under certain collectively bargained agreements allocable to qualified family leave wages reported on line 26 28

Part 4: May we speak with your third-party designee?

Do you want to allow an employee, a paid tax preparer, or another person to discuss this return with the IRS? See the instructions for details.

☐ Yes. Designee's name and phone number

Select a 5-digit personal identification number (PIN) to use when talking to the IRS.

 ☐ No.**Part 5: Sign here. You MUST complete all three pages of Form 941 and SIGN it.**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign your name here

Print your name here

Print your title here

Date

 / /

Best daytime phone

Paid Preparer Use OnlyCheck if you're self-employed ☐

Preparer's name

PTIN

Preparer's signature

Date

 / /

Firm's name (or yours if self-employed)

EIN

Address

Phone

City

State

ZIP code

Form 941-V, Payment Voucher

Purpose of Form

Complete Form 941-V if you're making a payment with Form 941. We will use the completed voucher to credit your payment more promptly and accurately, and to improve our service to you.

Making Payments With Form 941

To avoid a penalty, make your payment with Form 941 **only if**:

- Your total taxes after adjustments and nonrefundable credits (Form 941, line 12) for either the current quarter or the preceding quarter are less than \$2,500, you didn't incur a \$100,000 next-day deposit obligation during the current quarter, and you're paying in full with a timely filed return; or

- You're a monthly schedule depositor making a payment in accordance with the Accuracy of Deposits Rule. See section 11 of Pub. 15 for details. In this case, the amount of your payment may be \$2,500 or more.

Otherwise, you must make deposits by electronic funds transfer. See section 11 of Pub. 15 for deposit instructions. Don't use Form 941-V to make federal tax deposits.



Use Form 941-V when making any payment with Form 941. However, if you pay an amount with Form 941 that should've been deposited, you may be subject to a penalty. See Deposit Penalties in section 11 of Pub. 15.

Specific Instructions

Box 1—Employer identification number (EIN). If you don't have an EIN, you may apply for one online by visiting the IRS website at www.irs.gov/EIN. You may also apply for an EIN by faxing or mailing Form SS-4 to the IRS. If you haven't received your EIN by the due date of Form 941, write "Applied For" and the date you applied in this entry space.

Box 2—Amount paid. Enter the amount paid with Form 941.

Box 3—Tax period. Darken the circle identifying the quarter for which the payment is made. Darken only one circle.

Box 4—Name and address. Enter your name and address as shown on Form 941.

- Enclose your check or money order made payable to "United States Treasury." Be sure to enter your EIN, "Form 941," and the tax period ("1st Quarter 2022," "2nd Quarter 2022," "3rd Quarter 2022," or "4th Quarter 2022") on your check or money order. Don't send cash. Don't staple Form 941-V or your payment to Form 941 (or to each other).

- Detach Form 941-V and send it with your payment and Form 941 to the address in the Instructions for Form 941.

Note: You must also complete the entity information above Part 1 on Form 941.

✂ **Detach Here and Mail With Your Payment and Form 941.** ✂

Form **941-V**

Department of the Treasury
Internal Revenue Service

Payment Voucher

OMB No. 1545-0029

2022

▶ Don't staple this voucher or your payment to Form 941.

1 Enter your employer identification number (EIN).		2 Enter the amount of your payment. ▶ Make your check or money order payable to "United States Treasury"		Dollars	Cents
3 Tax Period		4 Enter your business name (individual name if sole proprietor).			
<input type="radio"/> 1st Quarter	<input type="radio"/> 3rd Quarter	Enter your address.			
<input type="radio"/> 2nd Quarter	<input type="radio"/> 4th Quarter	Enter your city, state, and ZIP code; or your city, foreign country name, foreign province/county, and foreign postal code.			

Instructions for Form 941

(Rev. March 2022)

Employer's QUARTERLY Federal Tax Return



Department of the Treasury
Internal Revenue Service

Section references are to the Internal Revenue Code unless otherwise noted.

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Future Developments

For the latest information about developments related to Form 941 and its instructions, such as legislation enacted after they were published, go to [IRS.gov/Form941](https://www.irs.gov/Form941).

What's New

Social security and Medicare tax for 2022. The rate of social security tax on taxable wages, including qualified sick leave wages and qualified family leave wages paid in 2022 for leave taken after March 31, 2021, and before October 1, 2021, is 6.2% each for the employer and employee or 12.4% for both. Qualified sick leave wages and qualified family leave wages paid in 2022 for leave taken after March 31, 2020, and before April 1, 2021, aren't subject to the employer share of social security tax; therefore, the tax rate on these wages is 6.2%. The social security wage base limit is \$147,000.

The Medicare tax rate is 1.45% each for the employee and employer, unchanged from 2021. There is no wage base limit for Medicare tax.

Social security and Medicare taxes apply to the wages of household workers you pay \$2,400 or more in cash wages in 2022. Social security and Medicare taxes apply to election workers who are paid \$2,000 or more in cash or an equivalent form of compensation in 2022.

The COVID-19 related credit for qualified sick and family leave wages is limited to leave taken after March 31, 2020, and before October 1, 2021. Generally, the credit for qualified sick and family leave wages, as enacted under the Families First Coronavirus Response Act (FFCRA) and amended and extended by the COVID-related Tax Relief Act of 2020, for leave taken after March 31, 2020, and before April 1, 2021, and the credit for qualified sick and family leave wages under sections 3131, 3132, and 3133 of the Internal Revenue Code, as enacted under the American Rescue Plan Act of 2021 (the ARP), for leave taken after March 31, 2021, and before October 1, 2021, have expired. However, employers that pay qualified sick and family leave wages in 2022 for leave taken after March 31, 2020, and before October 1, 2021, are eligible to claim a credit for qualified sick and family leave wages in 2022. For more information, see the instructions for [line 11b](#), [line 11d](#), [line 13c](#), and [line 13e](#), later.

Use [Worksheet 1](#) to figure the credit for leave taken after March 31, 2020, and before April 1, 2021. Use [Worksheet 2](#) to figure the credit for leave taken after March 31, 2021, and before October 1, 2021. For more information about the credit for qualified sick and family leave wages, go to [IRS.gov/PLC](https://www.irs.gov/PLC).

The COVID-19 related employee retention credit has expired. The employee retention credit enacted under the Coronavirus Aid, Relief, and Economic Security (CARES) Act and amended and extended by the Taxpayer Certainty and Disaster Tax Relief Act of 2020 was limited to qualified wages paid after March 12, 2020, and before July 1, 2021. The employee retention credit under section 3134 of the Internal Revenue Code, as enacted by the ARP and amended by the Infrastructure Investment and Jobs Act, was limited to wages paid after June 30, 2021, and before October 1, 2021, unless the employer was a recovery startup business. An employer that was a recovery startup business could also claim the employee retention credit for wages paid after September 30, 2021, and before January 1, 2022.

Credit for COBRA premium assistance payments is limited to periods of coverage beginning on or after April 1, 2021, through periods of coverage beginning on or before September 30, 2021. Section 9501 of the ARP provides for COBRA premium assistance in the form of a full reduction in the premium otherwise payable by certain individuals and their families who elect COBRA continuation coverage due to a loss of coverage as the result of a reduction in hours or an involuntary termination of employment (assistance eligible individuals). This COBRA premium assistance is available for periods of coverage

share of social security tax for the third quarter of 2020 was \$20,000 and you deposited \$15,000 of the \$20,000 during the third quarter of 2020 and you deferred \$5,000 on Form 941, line 13b, then you didn't need to pay any deferred amount by December 31, 2021, because 50% of the amount that could have been deferred (\$10,000) was already paid and was first applied against your payment that was due on December 31, 2021. Accordingly, you must pay the \$5,000 deferral by December 31, 2022. Payment of the deferral isn't reported on Form 941. For additional information, go to [IRS.gov/ETD](https://www.irs.gov/ETD).

Paying the deferred amount of the employee share of social security tax. The due date for the withholding and payment of the employee share of social security tax was postponed until the period beginning on January 1, 2021, and ending on December 31, 2021. The employer was required to withhold and pay the total deferred employee share of social security tax ratably from wages paid to the employee between January 1, 2021, and December 31, 2021. If necessary, the employer was allowed to make arrangements to otherwise collect the total deferred taxes from the employee. The employer was liable to pay the deferred taxes to the IRS and was required to do so before January 1, 2022, to avoid interest, penalties, and additions to tax on those amounts. Because January 1, 2022, was a nonbusiness day, payments made on January 3, 2022, were considered timely. Payment of the deferral isn't reported on Form 941. For more information about the deferral of the employee share of social security tax, see [Notice 2020-65](https://www.irs.gov/etd) and [Notice 2021-11](https://www.irs.gov/etd).

How to pay the deferred amount of the employer and employee share of social security tax. You may pay the amount you owe electronically using the Electronic Federal Tax Payment System (EFTPS), by credit or debit card, or by a check or money order. The preferred method of payment is EFTPS. For more information, go to [EFTPS.gov](https://www.irs.gov/eftps), or call 800-555-4477 or 800-733-4829 (TDD). To pay the deferred amount using EFTPS, select Form 941, the calendar quarter in 2020 to which the payment relates, and the option to pay the deferred amount.

To pay by credit or debit card, go to [IRS.gov/PayByCard](https://www.irs.gov/paybycard). If you pay by check or money order, include a 2020 Form 941-V, Payment Voucher, for the quarter in which you originally deferred the deposit and payment. Darken the circle identifying the quarter for which the payment is being made. The 2020 Form 941-V is on page 5 of Form 941 and is available at [IRS.gov/Form941](https://www.irs.gov/form941) (select the link for "All Form 941 Revisions" under "Other Items You May Find Useful"). Make the check or money order payable to "United States Treasury." Enter your EIN, "Form 941," and the calendar quarter in which you originally deferred the deposit and payment (for example, "2nd Quarter 2020").

Payments should be sent to:

Department of the Treasury
Internal Revenue Service
Ogden, UT 84201-0030

or

Department of the Treasury
Internal Revenue Service
Kansas City, MO
64999-0030

Send your payment to the address above that is in the same state as the address to which you would mail returns filed without a payment, as shown under [Where Should You File](https://www.irs.gov/eftps), later. For more information about the deferral of social

security tax, go to [IRS.gov/ETD](https://www.irs.gov/etd) and see [Notice 2020-65](https://www.irs.gov/etd) and [Notice 2021-11](https://www.irs.gov/etd).

2022 withholding tables. The federal income tax withholding tables are included in Pub. 15-T, Federal Income Tax Withholding Methods.

Qualified small business payroll tax credit for increasing research activities. For tax years beginning after 2015, a qualified small business may elect to claim up to \$250,000 of its credit for increasing research activities as a payroll tax credit against the employer share of social security tax. The payroll tax credit election must be made on or before the due date of the originally filed income tax return (including extensions). The portion of the credit used against the employer share of social security tax is allowed in the first calendar quarter beginning after the date that the qualified small business filed its income tax return. The election and determination of the credit amount that will be used against the employer share of social security tax are made on Form 6765, Credit for Increasing Research Activities. The amount from Form 6765, line 44, must then be reported on Form 8974, Qualified Small Business Payroll Tax Credit for Increasing Research Activities. Form 8974 is used to determine the amount of the credit that can be used in the current quarter. The amount from Form 8974, line 12, is reported on Form 941, line 11a. If you're claiming the research payroll tax credit on your Form 941, you must attach Form 8974 to that Form 941. For more information about the payroll tax credit, see [Notice 2017-23](https://www.irs.gov/irb/2017-23), 2017-16 I.R.B. 1100, available at [IRS.gov/irb/2017-16](https://www.irs.gov/irb/2017-16) [IRB#NOT-2017-23](https://www.irs.gov/irb/2017-23); and [IRS.gov/ResearchPayrollITC](https://www.irs.gov/ResearchPayrollITC). Also see [Adjusting tax liability for nonrefundable credits claimed on lines 11a, 11b, 11d, and 11e](https://www.irs.gov/irb/2017-16), later.

Certification program for professional employer organizations (PEOs). The Stephen Beck, Jr., ABLE Act of 2014 required the IRS to establish a voluntary certification program for PEOs. PEOs handle various payroll administration and tax reporting responsibilities for their business clients and are typically paid a fee based on payroll costs. To become and remain certified under the certification program, certified professional employer organizations (CPEOs) must meet various requirements described in sections 3511 and 7705 and related published guidance. Certification as a CPEO may affect the employment tax liabilities of both the CPEO and its customers. A CPEO is generally treated for employment tax purposes as the employer of any individual who performs services for a customer of the CPEO and is covered by a contract described in section 7705(e)(2) between the CPEO and the customer (CPEO contract), but only for wages and other compensation paid to the individual by the CPEO. To become a CPEO, the organization must apply through the IRS Online Registration System. For more information or to apply to become a CPEO, go to [IRS.gov/CPEO](https://www.irs.gov/cpeo).

CPEOs must generally file Form 941 and Schedule R (Form 941), Allocation Schedule for Aggregate Form 941 Filers, electronically. For more information about a CPEO's requirement to file electronically, see Rev. Proc. 2017-14, 2017-3 I.R.B. 426, available at [IRS.gov/irb/2017-03](https://www.irs.gov/irb/2017-03) [IRB#RP-2017-14](https://www.irs.gov/irb/2017-14).

Outsourcing payroll duties. Generally, as an employer, you're responsible to ensure that tax returns are filed and deposits and payments are made, even if you contract with a third party to perform these acts. You remain responsible if the third party fails to perform any required action. Before you

Work opportunity tax credit for qualified tax-exempt organizations hiring qualified veterans. Qualified tax-exempt organizations that hire eligible unemployed veterans may be able to claim the work opportunity tax credit against their payroll tax liability using Form 5884-C. For more information, go to [IRS.gov/WOTC](https://www.irs.gov/WOTC).

Correcting a previously filed Form 941. If you discover an error on a previously filed Form 941, or if you otherwise need to amend a previously filed Form 941, make the correction using Form 941-X. Form 941-X is filed separately from Form 941. For more information, see the Instructions for Form 941-X, section 13 of Pub. 15, or go to [IRS.gov/CorrectingEmploymentTaxes](https://www.irs.gov/CorrectingEmploymentTaxes).

Federal tax deposits must be made by electronic funds transfer (EFT). You must use EFT to make all federal tax deposits. Generally, an EFT is made using EFTPS. If you don't want to use EFTPS, you can arrange for your tax professional, financial institution, payroll service, or other trusted third party to make electronic deposits on your behalf. Also, you may arrange for your financial institution to initiate a same-day wire payment on your behalf. EFTPS is a free service provided by the Department of the Treasury. Services provided by your tax professional, financial institution, payroll service, or other third party may have a fee.

For more information on making federal tax deposits, see section 11 of Pub. 15. To get more information about EFTPS or to enroll in EFTPS, go to [EFTPS.gov](https://www.eftps.gov), or call 800-555-4477 or 800-733-4829 (TDD). Additional information about EFTPS is also available in Pub. 966.



For an EFTPS deposit to be on time, you must submit the deposit by 8 p.m. Eastern time the day before the date the deposit is due.

Same-day wire payment option. If you fail to submit a deposit transaction on EFTPS by 8 p.m. Eastern time the day before the date a deposit is due, you can still make your deposit on time by using the Federal Tax Collection Service (FTCS) to make a same-day wire payment. To use the same-day wire payment method, you will need to make arrangements with your financial institution ahead of time. Please check with your financial institution regarding availability, deadlines, and costs. Your financial institution may charge you a fee for payments made this way. To learn more about the information you will need to give your financial institution to make a same-day wire payment, go to [IRS.gov/SameDayWire](https://www.irs.gov/SameDayWire).

Timeliness of federal tax deposits. If a deposit is required to be made on a day that isn't a business day, the deposit is considered timely if it is made by the close of the next business day. A business day is any day other than a Saturday, Sunday, or legal holiday. The term "legal holiday" for deposit purposes includes only those legal holidays in the District of Columbia. Legal holidays in the District of Columbia are provided in section 11 of Pub. 15.

Electronic filing and payment. Businesses can enjoy the benefits of filing tax returns and paying their federal taxes electronically. Whether you rely on a tax professional or handle your own taxes, the IRS offers you convenient programs to make filing and paying easier. Spend less time worrying about taxes and more time running your business. Use e-file and EFTPS to your benefit.

- For e-file, go to [IRS.gov/efile](https://www.irs.gov/efile) for additional information. A fee may be charged to file electronically.

- For EFTPS, go to [EFTPS.gov](https://www.eftps.gov), or call EFTPS Customer Service at 800-555-4477 or 800-733-4829 (TDD) for additional information.

- For electronic filing of Forms W-2, Wage and Tax Statement, go to [SSA.gov/employer](https://www.ssa.gov/employer). You may be required to file Forms W-2 electronically. For details, see the General Instructions for Forms W-2 and W-3.



If you're filing your tax return or paying your federal taxes electronically, a valid employer identification number (EIN) is required at the time the return is filed or the payment is made. If a valid EIN isn't provided, the return or payment won't be processed. This may result in penalties. See [Employer identification number \(EIN\)](https://www.irs.gov/efile), later, for information about applying for an EIN.

Electronic funds withdrawal (EFW). If you file Form 941 electronically, you can e-file and use EFW to pay the balance due in a single step using tax preparation software or through a tax professional. However, don't use EFW to make federal tax deposits. For more information on paying your taxes using EFW, go to [IRS.gov/EFW](https://www.irs.gov/EFW).

Credit or debit card payments. You can pay the balance due shown on Form 941 by credit or debit card. Your payment will be processed by a payment processor who will charge a processing fee. Don't use a credit or debit card to make federal tax deposits. For more information on paying your taxes with a credit or debit card, go to [IRS.gov/PayByCard](https://www.irs.gov/PayByCard).

Online payment agreement. You may be eligible to apply for an installment agreement online if you can't pay the full amount of tax you owe when you file your return. For more information, see [What if you can't pay in full](https://www.irs.gov/onlinepayment), later.

Paid preparers. If you use a paid preparer to complete Form 941, the paid preparer must complete and sign the paid preparer's section of the form.

Where can you get telephone help? For answers to your questions about completing Form 941 or tax deposit rules, you can call the IRS at 800-829-4933 or 800-829-4059 (TDD/TTY for persons who are deaf, hard of hearing, or have a speech disability), Monday–Friday from 7:00 a.m. to 7:00 p.m. local time (Alaska and Hawaii follow Pacific time).

Photographs of missing children. The IRS is a proud partner with the [National Center for Missing & Exploited Children® \(NCMEC\)](https://www.ncmec.org). Photographs of missing children selected by the Center may appear in instructions on pages that would otherwise be blank. You can help bring these children home by looking at the photographs and calling 1-800-THE-LOST (1-800-843-5678) if you recognize a child.

General Instructions:

Purpose of Form 941

These instructions give you some background information about Form 941. They tell you who must file Form 941, how to complete it line by line, and when and where to file it.

If you want more in-depth information about payroll tax topics relating to Form 941, see Pub. 15 or go to [IRS.gov/EmploymentTaxes](https://www.irs.gov/employmenttaxes).

Federal law requires you, as an employer, to withhold certain taxes from your employees' pay. Each time you pay wages, you must withhold—or take out of your employees' pay—certain amounts for federal income tax, social security

new EIN. See Pub. 1635 and section 1 of Pub. 15 for more information.

Attach a statement to your return with:

- The new owner's name (or the new name of the business);
- Whether the business is now a sole proprietorship, partnership, or corporation;
- The kind of change that occurred (a sale or transfer);
- The date of the change; and
- The name of the person keeping the payroll records and the address where those records will be kept.

If Your Business Has Closed . . .

If you permanently go out of business or stop paying wages to your employees, you must file a final return. To tell the IRS that Form 941 for a particular quarter is your final return, check the box on line 17 and enter the final date you paid wages. Also attach a statement to your return showing the name of the person keeping the payroll records and the address where those records will be kept.

See *Terminating a business* in the General Instructions for Forms W-2 and W-3 for information about earlier dates for the expedited furnishing and filing of Forms W-2 when a final Form 941 is filed.

If you participated in a statutory merger or consolidation, or qualify for predecessor-successor status due to an acquisition, you should generally file Schedule D (Form 941), Report of Discrepancies Caused by Acquisitions, Statutory Mergers, or Consolidations. See the Instructions for Schedule D (Form 941) to determine whether you should file Schedule D (Form 941) and when you should file it.

When Must You File?

File your initial Form 941 for the quarter in which you first paid wages that are subject to social security and Medicare taxes or subject to federal income tax withholding. See the table titled *When To File Form 941*, later.

Then, you must file for every quarter after that—every 3 months—even if you have no taxes to report, unless you're a seasonal employer or are filing your final return. See *Seasonal employers* and *If Your Business Has Closed*, earlier.

File Form 941 only once for each quarter. If you filed electronically, don't file a paper Form 941. For more information about filing Form 941 electronically, see *Electronic filing and payment*, earlier.

When To File Form 941

Your Form 941 is due by the last day of the month that follows the end of the quarter.

The Quarter Includes . . .	Quarter Ends	Form 941 Is Due
1. January, February, March	March 31	April 30
2. April, May, June	June 30	July 31
3. July, August, September	September 30	October 31
4. October, November, December	December 31	January 31

For example, you must generally report wages you pay during the first quarter—which is January through March—by April 30. If you made timely deposits in full payment of your taxes for the quarter, you may file by the 10th day of the 2nd

month that follows the end of the quarter. For example, you may file Form 941 by May 10 if you made timely deposits in full payment of your taxes for the 1st quarter.

If we receive Form 941 after the due date, we will treat Form 941 as filed on time if the envelope containing Form 941 is properly addressed, contains sufficient postage, and is postmarked by the U.S. Postal Service on or before the due date, or sent by an IRS-designated private delivery service (PDS) on or before the due date. If you don't follow these guidelines, we will generally consider Form 941 filed when it is actually received. For more information about PDSs, see *Where Should You File*, later.

If any due date for filing falls on a Saturday, Sunday, or legal holiday, you may file your return on the next business day.

How Should You Complete Form 941?

Type or print your EIN, name, and address in the spaces provided. Also enter your name and EIN on the top of pages 2 and 3. Don't use your social security number (SSN) or individual taxpayer identification number (ITIN). Generally, enter the business (legal) name you used when you applied for your EIN. For example, if you're a sole proprietor, enter "Haleigh Smith" on the "Name" line and "Haleigh's Cycles" on the "Trade name" line. Leave the "Trade name" line blank if it is the same as your "Name."

If you use a tax preparer to fill out Form 941, make sure the preparer shows your business name exactly as it appeared when you applied for your EIN.

Employer Identification number (EIN). To make sure businesses comply with federal tax laws, the IRS monitors tax filings and payments by using a numerical system to identify taxpayers. A unique nine-digit EIN is assigned to all corporations, partnerships, and some sole proprietors. Businesses needing an EIN must apply for a number and use it throughout the life of the business on all tax returns, payments, and reports.

Your business should have only one EIN. If you have more than one and aren't sure which one to use, write to the IRS office where you file your returns (using the *Without a payment address* under *Where Should You File*, later) or call the IRS at 800-829-4933.

If you don't have an EIN, you may apply for one online by visiting [IRS.gov/EIN](https://www.irs.gov/ein). You may also apply for an EIN by faxing or mailing Form SS-4 to the IRS. If the principal business was created or organized outside of the United States or U.S. territories, you may also apply for an EIN by calling 267-941-1099 (toll call). If you haven't received your EIN by the due date of Form 941, file a paper return and write "Applied For" and the date you applied in this entry space.



CAUTION If you're filing your tax return electronically, a valid EIN is required at the time the return is filed. If a valid EIN isn't provided, the return won't be accepted. This may result in penalties.



TIP Always be sure the EIN on the form you file exactly matches the EIN the IRS assigned to your business. Don't use your SSN or ITIN on forms that ask for an EIN. If you used an EIN (including a prior owner's EIN) on Form 941 that is different from the EIN reported on Form W-3, see Box h—Other EIN used this year in the General Instructions for Forms W-2 and W-3. Filing a Form 941 with



Your filing address may have changed from that used to file your employment tax return in prior years. Don't send Form 941 or any payments to the SSA.

Depositing Your Taxes



You must deposit all depository taxes electronically by EFT. For more information, see Federal tax deposits must be made by electronic funds transfer (EFT) under Reminders, earlier.

Must You Deposit Your Taxes?

You may have to deposit the federal income taxes you withheld and both the employer and employee social security taxes and Medicare taxes.

- **If your total taxes after adjustments and nonrefundable credits (line 12) are less than \$2,500 for the current quarter or the prior quarter, and you didn't incur a \$100,000 next-day deposit obligation during the current quarter.** You don't have to make a deposit. To avoid a penalty, you must pay any amount due in full with a timely filed return or you must deposit any amount you owe by the due date of the return. For more information on paying with a timely filed return, see the instructions for line 14, later. If you're not sure your total tax liability for the current quarter will be less than \$2,500 (and your liability for the prior quarter wasn't less than \$2,500), make deposits using the semiweekly or monthly rules so you won't be subject to FTD penalties.

- **If your total taxes after adjustments and nonrefundable credits (line 12) are \$2,500 or more for the current quarter and the prior quarter.** You must make deposits according to your deposit schedule. See section 11 of Pub. 15 for information about payments made under the accuracy of deposits rule and for rules about federal tax deposits.

Reducing your deposits for COVID-19 credits.

Employers eligible to claim the credit for qualified sick and family leave wages paid in 2022 for leave taken after March 31, 2020, and before October 1, 2021, and/or the COBRA premium assistance credit can reduce their deposits by the amount of their anticipated credits. You may reduce your deposits of federal employment taxes in anticipation of the COBRA premium assistance credit with regard to a period of coverage as of the date you are entitled to the credit. Employers won't be subject to an FTD penalty for reducing their deposits if certain conditions are met. See the instructions for line 11b, line 11d, and line 11e, later, for more information on these credits. For more information on reducing deposits, see Notice 2020-22, 2020-17 I.R.B. 664, available at [IRS.gov/irb/2020-17_IRB#NOT-2020-22](https://www.irs.gov/irb/2020-17_IRB#NOT-2020-22); and Notice 2021-24, 2021-18 I.R.B. 1122, available at [IRS.gov/irb/2021-18_IRB#NOT-2021-24](https://www.irs.gov/irb/2021-18_IRB#NOT-2021-24). See the instructions for line 16, later, for information on adjusting tax liabilities reported on line 16 or Schedule B (Form 941) for nonrefundable credits.

Example. Reducing deposits for COBRA premium assistance. Maple Co. has a weekly payroll period. Sophie Rose elected COBRA premium assistance on January 7, 2022. Maple Co. becomes entitled to a COBRA premium assistance credit as of January 7, 2022, for the premiums not paid by Sophie (an assistance eligible individual) for part of the period of coverage from September 1, 2021, through September 30, 2021. Maple Co. may reduce its federal employment tax deposits as of January 7, 2022, in

anticipation of the credit to which Maple Co. has become entitled.

When Must You Deposit Your Taxes?

Determine if You're a Monthly or Semiweekly Schedule Depositor for the Quarter

The IRS uses two different sets of deposit rules to determine when businesses must deposit their social security, Medicare, and withheld federal income taxes. These schedules tell you when a deposit is due after you have a payday.

Your deposit schedule isn't determined by how often you pay your employees. Your deposit schedule depends on the total tax liability you reported on Form 941 during the previous 4-quarter lookback period (July 1 of the second preceding calendar year through June 30 of the preceding calendar year). See section 11 of Pub. 15 for details. If you filed Form 941 in either 2020 or 2021, your lookback period is the 2020 calendar year.

Before the beginning of each calendar year, determine which type of deposit schedule you must use.

- If you reported \$50,000 or less in taxes during the lookback period, you're a **monthly schedule depositor**.
- If you reported more than \$50,000 of taxes during the lookback period, you're a **semiweekly schedule depositor**.



If you're a monthly schedule depositor and accumulate a \$100,000 tax liability on any day during the deposit period, you become a semiweekly schedule depositor on the next day and remain so for at least the rest of the calendar year and for the following calendar year. See \$100,000 Next-Day Deposit Rule in section 11 of Pub. 15 for more information. The \$100,000 tax liability threshold requiring a next-day deposit is determined before you consider any reduction of your liability for nonrefundable credits. For more information, including an example, see frequently asked question 17 at [IRS.gov/ETD](https://www.irs.gov/ETD).

If you became a semiweekly schedule depositor for 2022 under the \$100,000 Next-Day Deposit Rule solely as a result of the relief provided in Notice 2021-65 regarding the early termination of the employee retention credit for the fourth quarter of 2021, you may be converted back to a monthly schedule depositor by contacting the IRS. You may continue to deposit in accordance with your status as a monthly schedule depositor, but you may receive a system-generated FTD penalty notice after you file your Form 941 for the first quarter of 2022. Contact the IRS at the toll-free number on your FTD penalty notice to request abatement of the FTD penalty and to be converted back to a monthly schedule depositor.

What About Penalties and Interest?

Avoiding Penalties and Interest

You can avoid paying penalties and interest if you do all of the following.

- Deposit or pay your taxes when they are due, unless you meet the requirements discussed in Notice 2020-22 and Notice 2021-24.
- File your fully completed Form 941 on time.
- Report your tax liability accurately.
- Submit valid checks for tax payments.
- Furnish accurate Forms W-2 to employees.

5a–5e. Taxable Social Security and Medicare Wages and Tips



Qualified sick leave wages and qualified family leave wages paid in 2022 for leave taken after March 31, 2020, and before April 1, 2021, are reported on lines 5a(i) and 5a(ii), respectively. Qualified sick leave wages and qualified family leave wages paid in 2022 for leave taken after March 31, 2021, and before October 1, 2021, are reported on line 5a.

5a. Taxable social security wages. Enter the total wages, including qualified sick leave wages and qualified family leave wages paid in 2022 for leave taken after March 31, 2021, and before October 1, 2021; sick pay; and taxable fringe benefits subject to social security taxes you paid to your employees during the quarter. Don't include the qualified sick leave wages paid in 2022 reported on line 5a(i) or qualified family leave wages paid in 2022 reported on line 5a(ii) for leave taken after March 31, 2020, and before April 1, 2021. For this purpose, sick pay includes payments made by an insurance company to your employees for which you received timely notice from the insurance company. See section 6 of Pub. 15-A for more information about sick pay reporting. See the instructions for [line 8](#) for an adjustment that you may need to make on Form 941 for sick pay.

Enter the amount before payroll deductions. Don't include tips on this line. For information on types of wages subject to social security taxes, see section 5 of Pub. 15.

For 2022, the rate of social security tax on taxable wages, except for qualified sick leave wages and qualified family leave wages paid in 2022 for leave taken after March 31, 2020, and before April 1, 2021, is 6.2% (0.062) each for the employer and employee or 12.4% (0.124) for both. Stop paying social security tax on and entering an employee's wages on line 5a when the employee's taxable wages, including qualified sick leave wages paid in 2022 that are reported on line 5a(i), qualified family leave wages paid in 2022 that are reported on line 5a(ii), and tips, reach \$147,000 for the year. However, continue to withhold income and Medicare taxes for the whole year on all wages, including qualified sick leave wages paid in 2022, qualified family leave wages paid in 2022, and tips, even when the social security wage base of \$147,000 has been reached.

For purposes of the credit for qualified sick and family leave wages, qualified sick leave and family leave wages are wages for social security and Medicare tax purposes, determined without regard to the exclusions from the definition of employment under sections 3121(b)(1)–(22), that an employer pays that otherwise meet the requirements of the Emergency Paid Sick Leave Act (EPSLA) or the Expanded Family and Medical Leave Act (Expanded FMLA), as enacted under the FFCRA and amended for purposes of the ARP. However, don't include any wages otherwise excluded under section 3121(b) when reporting qualified sick and family leave wages on lines 5a, 5a(i), 5a(ii), 5c, and, if applicable, 5d. See the instructions for [line 11d](#) for information about the credit for qualified sick and family leave wages paid in 2022 for leave taken after March 31, 2021, and before October 1, 2021.

$$\begin{array}{r} \text{line 5a (column 1)} \\ \times \quad 0.124 \\ \hline \text{line 5a (column 2)} \end{array}$$

EPSLA. Employers with fewer than 500 employees and, for leave taken after March 31, 2021, and before October 1, 2021, certain governmental employers without regard to number of employees (except for the federal government and its agencies and instrumentalities unless described in section 501(c)(1)) are entitled to a credit if they provide paid sick leave to employees that otherwise meets the requirements of the EPSLA. Under the EPSLA, as amended for purposes of the ARP, wages are qualified sick leave wages if paid to employees that are unable to work or telework before October 1, 2021, because the employee:

1. Is subject to a federal, state, or local quarantine or isolation order related to COVID-19;
2. Has been advised by a health care provider to self-quarantine due to concerns related to COVID-19;
3. Is experiencing symptoms of COVID-19 and seeking a medical diagnosis; or, for leave taken after March 31, 2021, and before October 1, 2021, is seeking or awaiting the results of a diagnostic test for, or a medical diagnosis of, COVID-19 (and the employee has been exposed to COVID-19 or the employee's employer has requested such test or diagnosis), or the employee is obtaining immunizations related to COVID-19 or recovering from an injury, disability, illness, or condition related to such immunization;
4. Is caring for an individual subject to an order described in (1) or who has been advised as described in (2);
5. Is caring for a son or daughter because the school or place of care for that child has been closed, or the childcare provider for that child is unavailable, due to COVID-19 precautions; or
6. Is experiencing any other substantially similar condition specified by the U.S. Department of Health and Human Services, which for leave taken after March 31, 2021, and before October 1, 2021, includes to accompany an individual to obtain immunization related to COVID-19, or to care for an individual who is recovering from any injury, disability, illness, or condition related to the immunization.

Son or daughter. A son or daughter must generally have been under 18 years of age or incapable of self-care because of a mental or physical disability. A son or daughter includes a biological child, adopted child, stepchild, foster child, legal ward, or a child for whom the employee assumes parental status and carries out the obligations of a parent.

Limits on qualified sick leave wages. The EPSLA, as amended for purposes of the ARP, provides different limitations for different circumstances under which qualified sick leave wages are paid. For paid sick leave qualifying under (1), (2), or (3) earlier, the amount of qualified sick leave wages is determined at the employee's regular rate of pay, but the wages may not exceed \$511 for any day (or portion of a day) for which the individual is paid sick leave. For paid sick leave qualifying under (4), (5), or (6), earlier, the amount of qualified sick leave wages is determined at two-thirds the employee's regular rate of pay, but the wages may not exceed \$200 for any day (or portion of a day) for which the individual is paid sick leave. The EPSLA also limits each individual to a maximum of up to 80 hours of paid sick leave in total for leave taken after March 31, 2020, and before April 1, 2021. The ARP resets this limit at 80 hours of paid sick leave for leave taken after March 31, 2021, and before October 1, 2021. Therefore, for leave taken after March 31, 2020, and before April 1, 2021, the maximum amount of paid sick leave wages can't exceed \$5,110 for an employee for

taxes by the amount of any uncollected employee share of social security and Medicare taxes on tips later on line 9; see *Current quarter's adjustments for tips and group-term life insurance*, later. Don't include service charges on line 5b. For details about the difference between tips and service charges, see Rev. Rul. 2012-18, 2012-26 I.R.B. 1032, available at [IRS.gov/irb/2012-26_IRB#RR-2012-18](https://www.irs.gov/irb/2012-26_IRB#RR-2012-18).

Your employee must report cash tips to you by the 10th day of the month after the month the tips are received. Cash tips include tips paid by cash, check, debit card, and credit card. The report should include charged tips (for example, credit and debit card charges) you paid over to the employee for charge customers, tips the employee received directly from customers, and tips received from other employees under any tip-sharing arrangement. Both directly and indirectly tipped employees must report tips to you. No report is required for months when tips are less than \$20. Employees may use Form 4070 (available only in Pub. 1244), or submit a written statement or electronic tip record.

Don't include allocated tips (described in section 6 of Pub. 15) on this line. Instead, report them on Form 8027. Allocated tips aren't reportable on Form 941 and aren't subject to withholding of federal income, social security, or Medicare taxes.

$$\begin{array}{r} \text{line 5b (column 1)} \\ \times \quad 0.124 \\ \hline \text{line 5b (column 2)} \end{array}$$

5c. Taxable Medicare wages & tips. Enter all wages, including qualified sick leave wages paid in 2022 and qualified family leave wages paid in 2022; tips; sick pay; and taxable fringe benefits that are subject to Medicare tax. Unlike social security wages, there is no limit on the amount of wages subject to Medicare tax.

The rate of Medicare tax is 1.45% (0.0145) each for the employer and employee or 2.9% (0.029) for both. Include all tips your employees reported during the quarter, even if you were unable to withhold the employee tax of 1.45%.

$$\begin{array}{r} \text{line 5c (column 1)} \\ \times \quad 0.029 \\ \hline \text{line 5c (column 2)} \end{array}$$

For more information on tips, see section 6 of Pub. 15. See the instructions for [line 8](#) for an adjustment that you may need to make on Form 941 for sick pay.

5d. Taxable wages & tips subject to Additional Medicare Tax withholding. Enter all wages, including qualified sick leave wages paid in 2022 and qualified family leave wages paid in 2022; tips; sick pay; and taxable fringe benefits that are subject to Additional Medicare Tax withholding. You're required to begin withholding Additional Medicare Tax in the pay period in which you pay wages in excess of \$200,000 to an employee and continue to withhold it each pay period until the end of the calendar year. Additional Medicare Tax is only imposed on the employee. There is no employer share of Additional Medicare Tax. All wages that are subject to Medicare tax are subject to Additional Medicare Tax withholding if paid in excess of the \$200,000 withholding threshold.

For more information on what wages are subject to Medicare tax, see the chart, *Special Rules for Various Types of Services and Payments*, in section 15 of Pub. 15. For more information on Additional Medicare Tax, go to [IRS.gov/ADMT](https://www.irs.gov/ADMT). See the instructions for [line 8](#) for an adjustment that you may need to make on Form 941 for sick pay.

Once wages and tips exceed the \$200,000 withholding threshold, include all tips your employees reported during the quarter, even if you were unable to withhold the employee tax of 0.9%.

$$\begin{array}{r} \text{line 5d (column 1)} \\ \times \quad 0.009 \\ \hline \text{line 5d (column 2)} \end{array}$$

5e. Total social security and Medicare taxes. Add the column 2 amounts on lines 5a–5d. Enter the result on line 5e.

5f. Section 3121(q) Notice and Demand—Tax Due on Unreported Tips

Enter the tax due from your Section 3121(q) Notice and Demand on line 5f. The IRS issues a Section 3121(q) Notice and Demand to advise an employer of the amount of tips received by employees who failed to report or underreported tips to the employer. An employer isn't liable for the employer share of the social security and Medicare taxes on unreported tips until notice and demand for the taxes is made to the employer by the IRS in a Section 3121(q) Notice and Demand. The tax due may have been determined from tips reported to the IRS on employees' Forms 4137, Social Security and Medicare Tax on Unreported Tip Income, or other tips that weren't reported to their employer as determined by the IRS during an examination. For additional information, see *Rev. Rul. 2012-18*.

Deposit the tax within the time period required under your deposit schedule to avoid any possible deposit penalty. The tax is treated as accumulated by the employer on the "Date of Notice and Demand" as printed on the Section 3121(q) Notice and Demand. The employer must include this amount on the appropriate line of the record of federal tax liability (Part 2 of Form 941 for a monthly schedule depositor or Schedule B (Form 941) for a semiweekly schedule depositor).

6. Total Taxes Before Adjustments

Add the total federal income tax withheld from wages, tips, and other compensation (line 3); the total social security and Medicare taxes before adjustments (line 5e); and any tax due under a Section 3121(q) Notice and Demand (line 5f). Enter the result on line 6.

7–9. Tax Adjustments

Enter tax amounts on lines 7–9 that result from current quarter adjustments. Use a minus sign (if possible) to show an adjustment that decreases the total taxes shown on line 6 instead of parentheses. Doing so enhances the accuracy of our scanning software. For example, enter "–10.59" instead of "(10.59)." However, if your software only allows for parentheses in entering negative amounts, you may use them.

Current quarter's adjustments. In certain cases, you must adjust the amounts you entered as social security and Medicare taxes in column 2 of lines 5a–5d to figure your

Any credit in excess of the remaining amount of the employer share of social security tax is refundable and reported on Form 941, line 13c. For more information on the credit for qualified sick and family leave wages, go to [IRS.gov/PLC](https://www.irs.gov/PLC).

Qualified health plan expenses allocable to qualified sick leave and family leave wages. The credit for qualified sick leave wages and qualified family leave wages is increased to cover the qualified health plan expenses that are properly allocable to the qualified leave wages for which the credit is allowed. These qualified health plan expenses are amounts paid or incurred by the employer to provide and maintain a group health plan but only to the extent such amounts are excluded from the employees' income as coverage under an accident or health plan. The amount of qualified health plan expenses generally includes both the portion of the cost paid by the employer and the portion of the cost paid by the employee with pre-tax salary reduction contributions. However, qualified health plan expenses don't include amounts that the employee paid for with after-tax contributions. For more information, go to [IRS.gov/PLC](https://www.irs.gov/PLC).



You must include the full amount (both the nonrefundable and refundable portions) of the credit for qualified sick and family leave wages in your gross income for the tax year that includes the last day of any calendar quarter in which a credit is allowed.

11d. Nonrefundable Portion of Credit for Qualified Sick and Family Leave Wages for Leave Taken After March 31, 2021, and Before October 1, 2021



*Complete line 11d **only** if qualified sick leave wages and/or qualified family leave wages were paid in 2022 for leave taken after March 31, 2021, and before October 1, 2021.*

Employers with fewer than 500 employees and certain governmental employers without regard to number of employees (except for the federal government and its agencies and instrumentalities unless described in section 501(c)(1)) are entitled to a credit if they provide paid sick leave to employees that otherwise meets the requirements of the EPSLA, as amended for purposes of the ARP, and/or provide paid family leave to employees that otherwise meets the requirements under the Expanded FMLA, as amended for purposes of the ARP, for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021. For purposes of this credit, qualified sick leave wages and qualified family leave wages are wages for social security and Medicare tax purposes, determined without regard to the exclusions from the definition of employment under sections 3121(b)(1)–(22), that an employer pays that otherwise meet the requirements of the EPSLA or Expanded FMLA, as enacted under the FFCRA and amended for purposes of the ARP. Enter the nonrefundable portion of the credit for qualified sick and family leave wages from Worksheet 2, Step 2, line 2p.

The credit for qualified sick and family leave wages consists of the:

- Qualified sick leave wages and/or qualified family leave wages;
- Qualified health plan expenses allocable to qualified sick leave and family leave wages;

- Collectively bargained defined benefit pension plan contributions, subject to the qualified leave wage limitations, allocable to the qualified sick and family leave wages;
- Collectively bargained apprenticeship program contributions, subject to the qualified leave wage limitations, allocable to the qualified sick and family leave wages; and
- Employer share of social security and Medicare tax allocable to the qualified sick and family leave wages.

The nonrefundable portion of the credit is limited to the employer share of Medicare tax reported on Form 941, line 5c. You can't claim the credit for leave taken after March 31, 2021, and before October 1, 2021, if, during the applicable quarter in which the leave was taken, you provided the leave in a manner that discriminates in favor of highly compensated employees, full-time employees, or employees on the basis of employment tenure when making qualified sick and/or family leave available to employees. See Highly compensated employee, later, for the definition.

For leave taken after March 31, 2021, and before October 1, 2021, the credit for qualified sick and family leave wages is reduced by the amount of the credit allowed under section 41 (for the credit for increasing research activities) with respect to wages taken into account for determining the credit for qualified sick and family leave wages; and any wages taken into account in determining the credit for qualified sick and family leave wages can't be taken into account as wages for purposes of the credits under sections 45A, 45P, 45S, and 51. For leave taken after March 31, 2021, and before October 1, 2021, qualified wages also don't include wages that were used as payroll costs in connection with a Shuttered Venue Operator Grant under section 324 of the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act; or a restaurant revitalization grant under section 5003 of the ARP. Employers can receive both a Small Business Interruption Loan under the Paycheck Protection Program (PPP) and the credit for qualified sick and family leave wages; however, employers can't receive both loan forgiveness and a credit for the same wages. The same wages can't be treated as both qualified sick leave wages and qualified family leave wages.



If you're a third-party payer of sick pay that isn't an agent (for example, an insurance company) and you're claiming the credit for qualified sick and family leave wages for amounts paid to your own employees, the amount of the employer share of Medicare tax reported on line 5c must be reduced by any adjustment you make on line 8 for the employer share of Medicare tax transferred to your client. If you received a Section 3121(q) Notice and Demand for tax due on unreported tips (Letter 3263 or Letter 4520) during the quarter, you report the amount for the employer share of social security tax and Medicare tax on Form 941, line 5f. Letter 3263 or Letter 4520 includes an attachment that shows the employer share of Medicare tax. This amount of the employer share of Medicare tax can also be reduced by the nonrefundable portion of the credit. See Worksheet 2 to figure your credit.

Any credit in excess of the remaining amount of the employer share of Medicare tax is refundable and reported on Form 941, line 13e. For more information on the credit for qualified sick and family leave wages, go to [IRS.gov/PLC](https://www.irs.gov/PLC).

Qualified health plan expenses allocable to qualified sick leave and family leave wages. The credit for qualified sick leave wages and qualified family leave wages is increased to cover the qualified health plan expenses that

11g. Total Nonrefundable Credits

Add lines 11a, 11b, 11d, and 11e. Enter the total on line 11g.

12. Total Taxes After Adjustments and Nonrefundable Credits

Subtract line 11g from line 10 and enter the result on line 12. The amount entered on line 12 can't be less than zero.

- **If line 12 is less than \$2,500 or line 12 on the prior quarterly return was less than \$2,500, and you didn't incur a \$100,000 next-day deposit obligation during the current quarter.** You may pay the amount with Form 941 or you may deposit the amount. To avoid a penalty, you must pay any amount you owe in full with a timely filed return or you must deposit any amount you owe before the due date of the return. For more information on paying with a timely filed return, see the instructions for line 14, later.

- **If line 12 is \$2,500 or more and line 12 on the prior quarterly return was \$2,500 or more, or if you incurred a \$100,000 next-day deposit obligation during the current quarter.** You must make required deposits according to your deposit schedule. See Notice 2020-22 and Notice 2021-24 for information on reducing deposits for certain credits. The amount shown on line 12 must equal the "Total liability for quarter" shown on line 16 or the "Total liability for the quarter" shown on Schedule B (Form 941). For more information, see the line 16 instructions, later.

For more information and rules about federal tax deposits, see Depositing Your Taxes, earlier, and section 11 of Pub. 15.



If you're a semiweekly schedule depositor, you must complete Schedule B (Form 941). If you fail to complete and submit Schedule B (Form 941), the IRS may assess deposit penalties based on available information.

13a. Total Deposits for This Quarter

Enter your deposits for this quarter, including any overpayment from a prior quarter that you applied to this return. Also include in the amount shown any overpayment that you applied from filing Form 941-X, 941-X (PR), 944-X, or 944-X (SP) in the current quarter. Don't include any amount that you didn't deposit because you reduced your deposits in anticipation of the credit for qualified sick and family leave wages, and/or the COBRA premium assistance credit, as discussed in Notice 2020-22 and Notice 2021-24.

13c. Refundable Portion of Credit for Qualified Sick and Family Leave Wages for Leave Taken After March 31, 2020, and Before April 1, 2021



*Complete line 13c **only** if qualified sick leave wages and/or qualified family leave wages were paid in 2022 for leave taken after March 31, 2020, and before April 1, 2021.*

Certain private employers with fewer than 500 employees that provide paid sick leave under the EPSLA and/or provide paid family leave under the Expanded FMLA are eligible to claim the credit for qualified sick and family leave wages. Enter the refundable portion of the credit for qualified sick and family leave wages from Worksheet 1, Step 2, line 2k. The credit for qualified sick and family leave wages consists of the qualified sick leave wages, the qualified family leave wages, the qualified health plan expenses allocable to those wages, and the employer share of Medicare tax allocable to

those wages. The refundable portion of the credit is allowed after the employer share of social security tax is reduced to zero by nonrefundable credits that are applied against the employer share of social security tax.

13e. Refundable Portion of Credit for Qualified Sick and Family Leave Wages for Leave Taken After March 31, 2021, and Before October 1, 2021



*Complete line 13e **only** if qualified sick leave wages and/or qualified family leave wages were paid in 2022 for leave taken after March 31, 2021, and before October 1, 2021.*

Employers with fewer than 500 employees and certain governmental employers without regard to number of employees (except for the federal government and its agencies and instrumentalities unless described in section 501(c)(1)) are entitled to a credit if they provide paid sick leave to employees that otherwise meets the requirements of the EPSLA, as amended for purposes of the ARP, and/or provide paid family leave to employees that otherwise meets the requirements under the Expanded FMLA, as amended for purposes of the ARP, for leave taken after March 31, 2021, and before October 1, 2021. Enter the refundable portion of the credit for qualified sick and family leave wages from Worksheet 2, Step 2, line 2q. The refundable portion of the credit is allowed after the employer share of Medicare tax is reduced to zero by nonrefundable credits that are applied against the employer share of Medicare tax.

13f. Refundable Portion of COBRA Premium Assistance Credit



*Complete line 13f **only** if an eligible individual elects coverage in the first quarter of 2022 for periods of coverage beginning on or after April 1, 2021, through periods of coverage beginning on or before September 30, 2021, due to the COBRA notice and election period requirements (generally, employers have 60 days to provide notice and assistance eligible individuals have 60 days to elect coverage).*

Enter the refundable portion of the COBRA premium assistance credit from Worksheet 3, Step 2, line 2f. The refundable portion of the credit is allowed after the employer share of Medicare tax is reduced to zero by nonrefundable credits that are applied against the employer share of Medicare tax.

13g. Total Deposits and Refundable Credits

Add lines 13a, 13c, 13e, and 13f. Enter the total on line 13g.

14. Balance Due

If line 12 is more than line 13g, enter the difference on line 14. Otherwise, see the instructions for line 15, later.

Never make an entry on both lines 14 and 15.

You don't have to pay if line 14 is under \$1. Generally, you should have a balance due only if your total taxes after adjustments and nonrefundable credits (line 12) for the current quarter or prior quarter are less than \$2,500, and you didn't incur a \$100,000 next-day deposit obligation during the current quarter. However, see section 11 of Pub. 15 for information about payments made under the accuracy of deposits rule.

Semiweekly schedule depositor. If you reported more than \$50,000 of taxes for the lookback period, you're a semiweekly schedule depositor. Check the third box on line 16.

You must complete Schedule B (Form 941) and submit it with your Form 941. Don't file Schedule B (Form 941) with your Form 941 if you're a monthly schedule depositor.

Don't change your tax liability on Schedule B (Form 941) by adjustments reported on any Forms 941-X.

Adjusting tax liability for nonrefundable credits claimed on lines 11a, 11b, 11d, and 11e. Monthly schedule depositors and semiweekly schedule depositors must account for nonrefundable credits claimed on lines 11a, 11b, 11d, and 11e when reporting their tax liabilities on line 16 or Schedule B (Form 941). The total tax liability for the quarter must equal the amount reported on line 12. Failure to account for the nonrefundable credits on line 16 or Schedule B (Form 941) may cause line 16 or Schedule B (Form 941) to report more than the total tax liability reported on line 12. Don't reduce your monthly tax liability reported on line 16 or your daily tax liability reported on Schedule B (Form 941) below zero.

Qualified small business payroll tax credit for increasing research activities (line 11a). The qualified small business payroll tax credit for increasing research activities is limited to the employer share of social security tax on wages paid in the quarter that begins after the income tax return electing the credit has been filed. In completing line 16 or Schedule B (Form 941), you take into account the payroll tax credit against the liability for the employer share of social security tax starting with the first payroll payment of the quarter that includes payments of wages subject to social security tax to your employees. The credit may be taken to the extent of the employer share of social security tax on wages associated with the first payroll payment, and then to the extent of the employer share of social security tax associated with succeeding payroll payments in the quarter until the credit is used. Consistent with the entries on line 16 or Schedule B (Form 941), the payroll tax credit should be taken into account in making deposits of employment tax. If any payroll tax credit is remaining at the end of the quarter that hasn't been used completely because it exceeds the employer share of social security tax for the quarter, the excess credit may be carried forward to the succeeding quarter and allowed as a payroll tax credit for the succeeding quarter. The payroll tax credit may not be taken as a credit against income tax withholding, Medicare tax, or the employee share of social security tax. Also, the remaining payroll tax credit may not be carried back and taken as a credit against wages paid from preceding quarters.

Example. Rose Co. is an employer with a calendar tax year that filed its timely income tax return on April 15, 2022. Rose Co. elected to take the qualified small business payroll tax credit for increasing research activities on Form 6765. The third quarter of 2022 is the first quarter that begins after Rose Co. filed the income tax return making the payroll tax credit election. Therefore, the payroll tax credit applies against Rose Co.'s share of social security tax on wages paid to employees in the third quarter of 2022. Rose Co. is a semiweekly schedule depositor. Rose Co. completes Schedule B (Form 941) by reducing the amount of liability entered for the first payroll payment in the third quarter of 2022 that includes wages subject to social security tax by the lesser of (1) its share of social security tax on the wages, or (2) the available payroll tax credit. If the payroll tax credit

elected is more than Rose Co.'s share of social security tax on the first payroll payment of the quarter, the excess payroll tax credit would be carried forward to succeeding payroll payments in the third quarter until it is used. If the amount of the payroll tax credit exceeds Rose Co.'s share of social security tax on wages paid to its employees in the third quarter, the excess credit would be treated as a payroll tax credit against its share of social security tax on wages paid in the fourth quarter. If the amount of the payroll tax credit remaining exceeded Rose Co.'s share of social security tax on wages paid in the fourth quarter, it could be carried forward and treated as a payroll tax credit for the first quarter of 2023.

Nonrefundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2020, and before April 1, 2021 (line 11b). The nonrefundable portion of the credit for qualified sick and family leave wages paid in 2022 for leave taken after March 31, 2020, and before April 1, 2021, is limited to the employer share of social security tax on wages paid in the quarter that is remaining after that share is first reduced by any credit claimed on Form 941, line 11a, for the qualified small business payroll tax credit for increasing research activities; any credit to be claimed on Form 5884-C, line 11, for the work opportunity credit for qualified tax-exempt organizations hiring qualified veterans; and/or any credit to be claimed on Form 5884-D for the disaster credit for qualified tax-exempt organizations. In completing line 16 or Schedule B (Form 941), you take into account the entire quarter's nonrefundable portion of the credit for qualified sick and family leave wages against the liability for the first payroll payment of the quarter, but not below zero. Then reduce the liability for each successive payroll payment in the quarter until the nonrefundable portion of the credit is used. Any credit for qualified sick and family leave wages paid in 2022 for leave taken after March 31, 2020, and before April 1, 2021, that is remaining at the end of the quarter because it exceeds the employer share of social security tax for the quarter is claimed on line 13c as a refundable credit. The refundable portion of the credit doesn't reduce the liability reported on line 16 or Schedule B (Form 941).

Example. Maple Co. is a semiweekly schedule depositor that pays employees every other Friday. In the first quarter of 2022, Maple Co. had pay dates of January 7, January 21, February 4, February 18, March 4, and March 18. Maple Co. paid qualified sick and family leave wages on January 7 and January 21 for leave taken after March 31, 2020, and before April 1, 2021. The nonrefundable portion of the credit for qualified sick and family leave wages for the quarter is \$10,000. On Schedule B (Form 941), Maple Co. will use the \$10,000 to reduce the liability for the January 7 pay date, but not below zero. If any nonrefundable portion of the credit remains, Maple Co. applies it to the liability for the January 21 pay date, then the February 4 pay date, and so forth until the entire \$10,000 is used.

Nonrefundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021 (line 11d). The nonrefundable portion of the credit for qualified sick and family leave wages paid in 2022 for leave taken after March 31, 2021, and before October 1, 2021, is limited to the employer share of Medicare tax on wages paid in the quarter. In completing line 16 or Schedule B (Form 941), you take into account the entire quarter's nonrefundable portion of the credit for qualified sick and family leave wages paid in 2022 against the liability for the first payroll payment of the quarter,



Complete lines 26, 27, and 28 **only** if qualified family leave wages were paid in 2022 for leave taken after March 31, 2021, and before October 1, 2021.

26. Qualified Family Leave Wages for Leave Taken After March 31, 2021, and Before October 1, 2021

Enter the qualified family leave wages you paid in 2022 to your employees for leave taken after March 31, 2021, and before October 1, 2021, including any qualified family leave wages that were above the social security wage base and any qualified family leave wages excluded from the definition of employment under sections 3121(b)(1)–(22). See the instructions for [line 11d](#), earlier, for more information about qualified family leave wages for leave taken after March 31, 2021, and before October 1, 2021. This amount is also entered on [Worksheet 2](#), Step 2, line 2g.

27. Qualified Health Plan Expenses Allocable to Qualified Family Leave Wages Reported on Line 26

Enter the [qualified health plan expenses](#) allocable to qualified family leave wages paid in 2022 for leave taken after March 31, 2021, and before October 1, 2021. This amount is also entered on [Worksheet 2](#), Step 2, line 2h.

28. Amounts Under Certain Collectively Bargained Agreements Allocable to Qualified Family Leave Wages Reported on Line 26

Enter the [collectively bargained defined benefit pension plan contributions](#) and [collectively bargained apprenticeship program contributions](#) allocable to qualified family leave wages paid in 2022 for leave taken after March 31, 2021, and before October 1, 2021. This amount is also entered on [Worksheet 2](#), Step 2, line 2i.

Part 4: May We Speak With Your Third-Party Designee?

If you want to allow an employee, a paid tax preparer, or another person to discuss your Form 941 with the IRS, check the “Yes” box in Part 4. Enter the name, phone number, and five-digit personal identification number (PIN) of the specific person to speak with—not the name of the firm that prepared your tax return. The designee may choose any five numbers as his or her PIN.

By checking “Yes,” you authorize the IRS to talk to the person you named (your designee) about any questions we may have while we process your return. You also authorize your designee to do all of the following.

- Give us any information that is missing from your return.
- Call us for information about processing your return.
- Respond to certain IRS notices that you’ve shared with your designee about math errors and return preparation. The IRS won’t send notices to your designee.

You’re not authorizing your designee to bind you to anything (including additional tax liability) or to otherwise represent you before the IRS. If you want to expand your designee’s authorization, see Pub. 947.

The authorization will automatically expire 1 year from the due date (without regard to extensions) for filing your Form 941. If you or your designee wants to terminate the authorization, write to the IRS office for your location using

the *Without a payment* address under *Where Should You File*, earlier.

Part 5: Sign Here (Approved Roles)

Complete all information and sign Form 941. The following persons are authorized to sign the return for each type of business entity.

- **Sole proprietorship**—The individual who owns the business.
- **Corporation (including a limited liability company (LLC) treated as a corporation)**—The president, vice president, or other principal officer duly authorized to sign.
- **Partnership (including an LLC treated as a partnership) or unincorporated organization**—A responsible and duly authorized partner, member, or officer having knowledge of its affairs.
- **Single-member LLC treated as a disregarded entity for federal income tax purposes**—The owner of the LLC or a principal officer duly authorized to sign.
- **Trust or estate**—The fiduciary.

Form 941 may be signed by a duly authorized agent of the taxpayer if a valid power of attorney has been filed.

Alternative signature method. Corporate officers or duly authorized agents may sign Form 941 by rubber stamp, mechanical device, or computer software program. For details and required documentation, see Rev. Proc. 2005-39, 2005-28 I.R.B. 82, available at [IRS.gov/irb/2005-28_IRB#RP-2005-39](#).

Paid Preparer Use Only

A paid preparer must sign Form 941 and provide the information in the *Paid Preparer Use Only* section of Part 5 if the preparer was paid to prepare Form 941 and isn’t an employee of the filing entity. Paid preparers must sign paper returns with a manual signature. The preparer must give you a copy of the return in addition to the copy to be filed with the IRS.

If you’re a paid preparer, enter your Preparer Tax Identification Number (PTIN) in the space provided. Include your complete address. If you work for a firm, enter the firm’s name and the EIN of the firm. You can apply for a PTIN online or by filing Form W-12. For more information about applying for a PTIN online, go to [IRS.gov/PTIN](#). You can’t use your PTIN in place of the EIN of the tax preparation firm.

Generally, don’t complete this section if you’re filing the return as a reporting agent and have a valid Form 8655 on file with the IRS. However, a reporting agent must complete this section if the reporting agent offered legal advice, for example, advising the client on determining whether its workers are employees or independent contractors for federal tax purposes.

How To Get Forms, Instructions, and Publications



You can view, download, or print most of the forms, instructions, and publications you may need at [IRS.gov/Forms](#). Otherwise, you can go to [IRS.gov/OrderForms](#) to place an order and have them mailed to you. The IRS will process your order for forms and publications as soon as possible. Don’t resubmit requests you’ve already sent us. You can get forms and publications faster online.

**Worksheet 2. Credit for Qualified Sick and Family Leave Wages
Paid in 2022 for Leave Taken After March 31, 2021, and Before
October 1, 2021**

Keep for Your Records



Determine how you will complete this worksheet. (If you're a third-party payer, you must complete this worksheet for each client for which it is applicable, on a client-by-client basis.)

If you paid qualified sick leave wages and/or qualified family leave wages this quarter for leave taken after March 31, 2021, and before October 1, 2021, complete Step 1 and Step 2. **Caution:** Use Worksheet 1 to figure the credit for qualified sick and family leave wages paid in 2022 for leave taken after March 31, 2020, and before April 1, 2021.

Step 1. Determine the employer share of Medicare tax

- | | | | |
|----|---|----|-------|
| 1a | Enter the amount of Medicare tax from Form 941, Part 1, <u>line 5c</u> , column 2 | 1a | _____ |
| 1b | Multiply line 1a by 50% (0.50) | 1b | _____ |
| 1c | If you're a third-party payer of sick pay that isn't an agent and you're claiming credits for amounts paid to your employees, enter the employer share of Medicare tax included on Form 941, Part 1, <u>line 8</u> (enter as a positive number) | 1c | _____ |
| 1d | Subtract line 1c from line 1b | 1d | _____ |
| 1e | If you received a Section 3121(q) Notice and Demand during the quarter, enter the amount of the employer share of Medicare tax from the notice | 1e | _____ |
| 1f | Employer share of Medicare tax. Add lines 1d and 1e | 1f | _____ |

Step 2. Figure the sick and family leave credit

- | | | | |
|---------|--|---------|-------|
| 2a | Qualified sick leave wages for leave taken after March 31, 2021, and before October 1, 2021 (Form 941, Part 3, <u>line 23</u>) | 2a | _____ |
| 2a(i) | Qualified sick leave wages included on Form 941, Part 3, line 23, that were not included as wages reported on Form 941, Part 1, lines 5a and 5c, because the qualified sick leave wages were excluded from the definition of employment under sections 3121(b)(1)–(22) | 2a(i) | _____ |
| 2a(ii) | Subtract line 2a(i) from line 2a | 2a(ii) | _____ |
| 2a(iii) | Qualified sick leave wages included on Form 941, Part 3, line 23, that were not included as wages reported on Form 941, Part 1, line 5a, because the qualified sick leave wages were limited by the social security wage base | 2a(iii) | _____ |
| 2a(iv) | Subtract line 2a(iii) from line 2a(ii) | 2a(iv) | _____ |
| 2b | Qualified health plan expenses allocable to qualified sick leave wages for leave taken after March 31, 2021, and before October 1, 2021 (Form 941, Part 3, <u>line 24</u>) | 2b | _____ |
| 2c | Amounts under certain collectively bargained agreements allocable to qualified sick leave wages for leave taken after March 31, 2021, and before October 1, 2021 (Form 941, Part 3, <u>line 25</u>) | 2c | _____ |
| 2d | Employer share of social security tax on qualified sick leave wages. Multiply line 2a(iv) by 6.2% (0.062) | 2d | _____ |
| 2e | Employer share of Medicare tax on qualified sick leave wages. Multiply line 2a(ii) by 1.45% (0.0145) | 2e | _____ |
| 2f | Credit for qualified sick leave wages. Add lines 2a, 2b, 2c, 2d, and 2e | 2f | _____ |
| 2g | Qualified family leave wages for leave taken after March 31, 2021, and before October 1, 2021 (Form 941, Part 3, <u>line 26</u>) | 2g | _____ |
| 2g(i) | Qualified family leave wages included on Form 941, Part 3, line 26, that were not included as wages reported on Form 941, Part 1, lines 5a and 5c, because the qualified family leave wages were excluded from the definition of employment under sections 3121(b)(1)–(22) | 2g(i) | _____ |
| 2g(ii) | Subtract line 2g(i) from line 2g | 2g(ii) | _____ |
| 2g(iii) | Qualified family leave wages included on Form 941, Part 3, line 26, that were not included as wages reported on Form 941, Part 1, line 5a, because the qualified family leave wages were limited by the social security wage base | 2g(iii) | _____ |
| 2g(iv) | Subtract line 2g(iii) from line 2g(ii) | 2g(iv) | _____ |
| 2h | Qualified health plan expenses allocable to qualified family leave wages for leave taken after March 31, 2021, and before October 1, 2021 (Form 941, Part 3, <u>line 27</u>) | 2h | _____ |
| 2i | Amounts under certain collectively bargained agreements allocable to qualified family leave wages for leave taken after March 31, 2021, and before October 1, 2021 (Form 941, Part 3, <u>line 28</u>) | 2i | _____ |
| 2j | Employer share of social security tax on qualified family leave wages. Multiply line 2g(iv) by 6.2% (0.062) | 2j | _____ |
| 2k | Employer share of Medicare tax on qualified family leave wages. Multiply line 2g(ii) by 1.45% (0.0145) | 2k | _____ |
| 2l | Credit for qualified family leave wages. Add lines 2g, 2h, 2i, 2j, and 2k | 2l | _____ |
| 2m | Credit for qualified sick and family leave wages. Add lines 2f and 2l | 2m | _____ |
| 2n | Enter any credit claimed under section 41 for increasing research activities with respect to any wages taken into account for the credit for qualified sick and family leave wages | 2n | _____ |
| 2o | Credit for qualified sick and family leave wages after adjusting for other credits. Subtract line 2n from line 2m | 2o | _____ |
| 2p | Nonrefundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021. Enter the smaller of line 1f or line 2o. Enter this amount on Form 941, Part 1, line 11d | 2p | _____ |
| 2q | Refundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021. Subtract line 2p from line 2o and enter this amount on Form 941, Part 1, line 13e | 2q | _____ |

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: DEC 11 2014

Employer Identification Number:
12-3456789

DLN:

17053290316014

Contact Person:

NICHOLAS R HINDS

ID# 31662

Contact Telephone Number:

(877) 829-5500

Accounting Period Ending:

August 31

Form 990 Required:

Yes

Effective Date of Exemption:

January 15, 2013

Contribution Deductibility:

No

Addendum Applies:

Yes

LOCAL EA
123 American Way
MYCITY, OH 44444

Dear Applicant:

We are pleased to inform you that upon review of your application for tax-exempt status we have determined that you are exempt from Federal income tax under section 501(c)(5) of the Internal Revenue Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-NC" in the search bar to view Publication 4221-NC, Compliance Guide for Tax-Exempt Organizations (Other than 501(c)(3) Public Charities and Private Foundations), which describes your recordkeeping, reporting, and disclosure requirements.

Sincerely,



Director, Exempt Organizations



ABC Education Association

76

2585

98867480

11/1/2021

Pay to the order of: All In Good Taste \$ 51.00
Fifty One and 00/100

BANK ONE.

Bank One
Columbus, Ohio 43211

Leadership - Meals

Patrick President
Tom Treasurer

⑆044000037⑆ 5880

⑈ 2585



ABC Education Association

78

2586

98807480

11/5/2021

Pay to the order of: Ohio Education Association \$ 400.00
Four Hundred and 00/100

BANK ONE.

Bank One
Columbus, Ohio 43211

Dues

Patrick President
Tom Treasurer

⑆044000037⑆ 9880

⑈ 2586