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Issue Four

## FAST FACTS

### W-2 Mailings

April 15<sup>th</sup> is right around the corner. What better time to talk about tax-related topics?

We wanted to take this opportunity to thank each and every one of you for the successful year of W-2 mail outs. We have seen a significant decline in the number of returned W-2's this year and we appreciate everyone's efforts to ensure that we received correct addresses. It is the partnership between our clients and Four Point HR that made this possible.

### Payroll Tax Table Changes

You undoubtedly have heard about the Stimulus Package and read the feature in our last newsletter. We are pleased to announce that the revised tax tables are now in place. As a result, employees may see some positive changes in their paychecks. As previously mentioned, the level of change is based on multiple factors. The most significant factor in the employees' control is the level of withholding on their W-4 forms. Employees can change their withholding by completing a new W-4 form and submitting it to your Client Relationship Manager in Payroll.

## Did You Know



You can access, complete and submit all forms via your client Web site.



Four Point HR offers our clients direct deposit services.



Work-related injuries must be reported to the Four Point HR Risk Management Department immediately and no later than 8 hours from time of incident.



# NEW BENEFITS FOR SMALL BUSINESSES

99% OF ALL EMPLOYERS IN THE UNITED STATES  
ARE SMALL BUSINESSES

The burden of  
proof is on the  
employer. Please  
call our office at  
(404) 898-0788 for  
assistance.

The new American Recovery and Reinvestment has provisions for unemployment benefits. According to the IRS, all or part of unemployment benefits received in 2009 will be tax-free for many unemployed workers.

Under the American Recovery and Reinvestment Act every person who receives unemployment benefits during 2009 is eligible to exclude the first \$2,400.00 of these benefits when they file their tax return next year. For a married couple the exclusion applies to each spouse, separately. So, if both spouses receive unemployment benefits during 2009, each may exclude the first \$2,400.00 of benefits they receive.

Unemployed workers who expect to receive more than \$2,400.00 in benefits this year should consider having tax withheld from their benefits in excess of that amount.

What can the employer do? The following information should be considered before terminating an employee:

- The reason for termination should be a business or work-related issue only
- The discharge does not violate any contracts or statements in the employee handbook
- The employer has given the employee documented warnings and the opportunity to improve
- The employer has been consistent in similar situations with other employees

The general rule in unemployment benefit decisions is this: if the employee was in control of the circumstances and had the ability to change their behavior, the unemployment office will not award benefits. This statement only applies if the employer can prove that the above circumstances for the termination existed.



# Unemployment Benefits 2009

Small businesses are the main source of new jobs each year. Not surprising as two-thirds of the jobs in the United States are provided by small businesses and 99 percent of all employers are small businesses. Highlights of new benefits for small businesses provided by the ARRA include:

- Small business owners can deduct up to \$250,000 for equipment and for capital purchases.
- The net operating loss (NOL) tax credit has expanded to allow businesses that have a net operating loss this year to receive a tax credit for taxes paid over the past five years.
- ARRA will provide over \$13 billion for loans, lines of credit, and capital to small firms, which are anticipated to create or save more than 400,000 jobs. In addition, the government will guarantee up to 90% of a small business loan. It is the hope that by the providing these guarantees that the bank will extend credit during the current recession.
- \$255 million dollars will be available for a new loan program to help small businesses meet existing debt payments. A new SBA loan program provides deferred-payment for loans of up to \$35,000 to small businesses for payments on existing, qualifying loans for up to six months. These loans will be 100 percent guaranteed by SBA and repayment does not begin until 12 months after the loan is fully disbursed.

The new government administration is currently discussing ways to cut health care costs for small business. The goal is to give small business the same advantages as large groups in bargaining for insurance.

The economy is making very slow progress in its recovery. Many economists are hopeful that we will see the benefits of this influx of money by 2010.

The Small Business Administration supplied facts for this article. For more information visit [www.sba.gov](http://www.sba.gov).

Two-thirds of  
jobs in the  
United States  
are provided  
by small  
businesses.



Be SAFE.  
Be  
PREPARED

Dangerous storms and power outages can occur without notice at any time of year, leaving little time for preparation. With a little planning and knowledge, you can keep your employees safe.

### **Be prepared**

Have a safety plan in place and make sure employees know the procedures. It's also a good idea to keep emergency items handy, including:

- 1 Battery-operated flashlights, clocks and radios, along with extra batteries
- 2 First aid kit and manual
- 3 Small fire extinguisher
- 4 Pillows and blankets
- 5 Bottled water and non-perishable food items

Post emergency numbers near all phones, and always keep a cellular phone or traditional corded phone handy. Cordless phones won't work during an outage.

### **During a storm**

If you know a storm is coming, turn off and unplug all non-essential electrical items. This will help prevent damage from power surges when service is restored.

If the storm involves high winds or lightning, keep employees in the building. If power lines or trees are knocked down in your area, call your utility company immediately. If someone is in danger of being hurt or if the power line falls on a car or fence, call 911. Never let anyone touch or drive over a downed power line. Avoid using candles during a power outage, as the risk of fire is too great.

If flooding is occurring or is predicted, do not use any electrical devices and shut the power off at the main service panel if you can reach it without touching water. Never enter standing water if the power is still on or touch a water-damaged electrical device.

### **During a longer power outage**

If Mother Nature packs a punch, it might be several hours or even more than a day before repair crews can restore power to your business. You should keep you employees notified of your progress.

### **After the storm**

If a severe storm causes major damage in your area, be sure to keep safety precautions in mind during clean up. After the storm has passed and power has come back on, plug in and turn on electrical appliances and equipment one by one to prevent overloading the circuits.