

Pressing payroll updates for 2021



It's hurricane season, but the storms don't simply stop there. While your payroll department may not come with a torrent of wind and rain, it might be embroiled in a maelstrom of chaos trying to keep up with updates, changing regulations, and more. Fortunately, however, you're not alone. So let's take a look at some of the most pressing issues that could impact you and what you need to know about them.

FIRE system improvements

We first [highlighted](#) changes to the IRS' FIRE system (short for Filing Information Returns Electronically) a few weeks ago. The IRS has added some details about these upcoming changes.

The IRS advises you to act now if you need a Transmitter Control Code to complete your tax year 2020 information return filings.

Key date No. 1: Sept. 10 will be the last day to submit [Form 4419](#) via the IRS' *Fill-in Form 4419* on the FIRE production system.

Key date No. 2: Beginning Sept. 15, logging into the FIRE system will require additional information, including your TCC, Employer Identification Number, and legal business name as it exists in the FIRE System. The spelling and abbreviations used to log in will require an exact match with the information in the FIRE System.

Key date No 3: Sept. 26 will be when the IRS' new online *Information Returns Application for TCC* will be available. This will be your next opportunity to apply for a TCC.

OSHA updates employer guidance

OSHA first issued soft [guidance](#) to employers regarding covid back in June. But June was way before the Delta variant began scaring the stuffing out of people. OSHA has updated its [guidance](#) to jibe with the CDC's advice about new masking and testing recommendations for fully vaccinated people.

- Fully vaccinated employees should wear masks in public indoor settings in areas of substantial or high transmission, or if they've had a known exposure to someone with covid-19 and they haven't had subsequent negative tests three to five days after the last date of exposure. Masks should be worn in public indoor settings for 14 days or until employees test negative.
- Employers should work with local public health authorities to open their premises for shots for unvaccinated employees.
- Employers should consider adopting policies requiring employees to get vaccinated or to undergo regular testing—in addition to mask wearing and physical distancing— if they remain unvaccinated.
- Employers should ensure all employees are provided with face coverings or surgical masks, as appropriate, unless their work requires a respirator or other personal protective equipment.

DOL fights UI fraud

The pandemic has raised unemployment benefits fraud to new heights. Because of the drain on states' unemployment trust funds, any fraud, let alone gigantic pandemic-related fraud, will bounce back to you, as states will need to raise all employers' contribution rates to replenish their trust funds. New Jersey employers are already objecting to rate increases.

The Department of Labor has received an injection of about \$2 billion to upgrade the unemployment insurance system to combat fraud. It's planning on using this money to address states' immediate fraud concerns, including helping states implement identity-verification tools for benefit applicants and helping them upgrade their computer systems.

GSA releases 2022 *per diem* rates

Business travel was beginning to pick up, but that was before the Delta variant. However, that threat will eventually fade and employees will again hit the road. If you want employees to travel frugally, you can use the federal government's *per diem* rates for hotel, meal, and incidental expenses.

The General Services Administration has [released](#) the *per diems* for the federal government's 2022 fiscal year, which begins Oct. 1. Since payroll doesn't run on a fiscal year, you can continue to use this year's rates through the end of the year.

- The standard meal and incidental rate increases to \$59 per day, from \$55
- The standard lodging amount remains \$96 per day.

Benefit: If your *per diems* don't exceed the federal rates, employees don't have to account to you for the amount of an expense; it's deemed proved. However, employees must still document the time, place, and business purpose of their trips and submit receipts for expenses not covered by the *per diems*.