



IMPORTANT Year-End Payroll and Tax Information and Deadlines

October 27, 2011

Dear Client:

SCI Companies encourages clients to use the information presented in this document to prepare for Year-End Payroll and Tax preparation. Your assigned SCI Professional is available as your primary point of contact to answer questions.

November/December Holiday Payroll Processing Schedule

The 2011 Thanksgiving and Christmas/New Year’s Holiday Payroll Processing Schedules will be posted and hard copies will begin being mailed in all payroll packets during the last week in October and November, respectively. Once posted, schedules can be located on Client Self-Service (CSS) → Reporting Services/Reports-On Demand → Human Resources → Client Notifications and Critical Updates AND under Reporting Services → Forms → Payroll.

Year-End Payroll Checklist

In the Payroll Checklist below, please review each “To Do” and complete according to the suggested dates to ensure a smooth year-end.

To Do	Deadline
<input type="checkbox"/> Ensure Voided/Reversed payments are submitted to SCI.	12.09.11
<input type="checkbox"/> Ensure Member taxes are correct (i.e., Federal Withholding, State and Local Taxes). For example, if a Member has New York State taxes on his/her payment stub and did not work or live in New York, contact SCI.	12.09.11
<input type="checkbox"/> Encourage Members to review the <i>name, address and Social Security Number</i> presented on their payroll checks/direct deposits advices to ensure accuracy. Members may verify this information on Employee Self-Service (ESS). A separate notice regarding verification of personal information will be sent to Members with their next paychecks.	12.09.11
<input type="checkbox"/> Ensure year-end bonus and commission payrolls are sent to SCI. Contact SCI if you have questions on the taxability of these payments.	12.16.11
<input type="checkbox"/> Confirm that all manual checks written during the year are submitted to SCI.	12.16.11
<input type="checkbox"/> Ensure that other special tax items have been calculated and submitted to SCI. Please contact SCI if any of the following apply: <ul style="list-style-type: none"> • Third-Party Sick Pay (is the third-party issuing a W-2?) • Group-Term Life Insurance in excess of \$50,000 • Taxable Fringe Benefits • Dependent Care Benefits 	12.16.11
<input type="checkbox"/> Inform Members to fill out a new 2012 Form W-4 for Federal Withholding to clarify their exempt status or update information if changes have occurred.	12.16.11
<input type="checkbox"/> Inform Members to fill out a new 2012 Form W-5 for Advanced Earned Income Credit for the new year.	12.16.11

SCI Operations Centers

Corporate Office – Atlanta • 2435 Tech Center Parkway, Lawrenceville, GA 30043 • 800.444.6211
Anchorage • 800.932.4610 ext. 2661 **Chicago** • 1420 Kensington Road, Suite 114, Oak Brook, IL 60523 • 800.750.1932
Dothan • 220 Healthwest Dr., Suite 3, Dothan, AL 36303 • 800.755.6722 **Los Angeles** • 800.932.4610 ext. 2661
Orlando • 5367 Conroy Road, Suite 300, Orlando, FL 32811 • 866.370.4211 **Tampa** • 4224 W. Henderson Blvd., Tampa, FL 33629 • 800.932.4610
www.scicompanies.com



Spotlight on Bonus Payrolls

Be sure to submit all year-end bonus and commission payrolls to SCI no later than **12.16.11**. Compliance with this deadline date will ensure all relevant taxes are applied accurately. Contact your assigned SCI Professional if you have questions on the taxability or required payment method for all bonus payrolls.

Year-End Critical Deadline – Wednesday, December 28, 2011, 5:00pm EST

On **12.28.11 at 5:00pm EST**, SCI Companies will close 2011 payroll processing and all subsequent payrolls will be processed with a 2012 date. *Note:* Payments will be considered W-2 income for the year in which the payment date (check date) falls, not the pay period end date. For example, if the pay period end date is 12.31.11 and the check date is 01.03.12; the payment will be reported as W-2 income in year 2012.

W-2 – Important Information

Please inform Members to review the “*IMPORTANT Year-End W-2 Notice and Information*” communications sent out on 10.27.11. This notice requests all Members verify their personal information to assist with the W-2 process.

Note: All 2011 W-2s will be mailed directly to the home address on file for each SCI Member. W-2s will be **postmarked no later than January 31, 2012** per IRS Regulations. Please **wait until after Monday, February 10, 2012** before contacting your assigned SCI Professional with W-2 related questions and issues to allow adequate time for the Postal Service to deliver the W-2s.

Social Security – Important Information

Please inform Members to contact the [Social Security Administration \(SSA\)](#), if they changed their name during the year to ensure they receive an updated Social Security card and verify that their name and social security number matches the current SSA record. Visit www.ssa.gov/gethelp1.htm for additional information.

For your convenience, we have enclosed the **Personal Information Change** form used for reporting such updates and corrections. The form is also located on Client Self-Service (CSS) → Reporting Services/Reports-On Demand → Forms → Miscellaneous AND on Employee Self-Services (ESS) → Personal Information → Forms.

Contact SCI

We appreciate your cooperation to ensure the success of our year-end process. If you have any questions, please contact your assigned SCI Professional by calling one of the phone numbers listed in the chart below or visit: www.scicompanies.com/ContactUs/locations.aspx for all SCI office contact information.

Atlanta	Chicago	Dothan	Orlando	Tampa
800.444.6211 – Ph	800.750.1932 – Ph	800.755.6722 – Ph	866.370.4211 – Ph	800.962.7823 – Ph
888.633.3319 – Fax	630.472.2100 – Fax	800.595.6722 – Fax	866.370.4805 – Fax	800.610.2070 – Fax

All content in this notice is based on current information and supersedes previous communications regarding this topic. If you have any questions or concerns, please contact your assigned SCI Professional.

Sincerely,

SCI Companies

Enclosure: Personal Information Change form