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December 2021

News from TRICOM

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Photo Source: gettyimages.com

Important Year-End Tax & Wage Updates

After facing another tumultuous year, we're getting ready to wrap up 2021 and are looking to 2022 with hope and anticipation. If there's anything we've learned over the last two years, it's that sometimes it can be hard to know what to expect.

That's why it's important to be prepared for the changes we know are coming — specifically tax and wage changes.

We've put together a list of the top changes that you'll need to prepare your staffing business for 2022. From minimum wage increases, to states with changing tax tables, to Earned Income tax credit notice requirements, we've collected the information you need to face the tax changes coming in 2022 with confidence.

CLICK HERE TO READ MORE ABOUT TAX AND WAGE CHANGES SLATED FOR 2022.

This Month's Webinar: Economic and Market Outlook for a Post-Covid World

GREAT LAKES ADVISORS
A WINTRUST WEALTH MANAGEMENT COMPANY

Date: Thursday, Dec. 16, 2021
Time: 2 PM EST / 1 PM CST
Duration: 1 hour
Cost: Complimentary

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After 2020 gave us the most significant economic slowdown since the Great Depression, 2021 saw a rapid economic recovery in the first half of the year followed by a rapidly shifting landscape in the latter half of the year. Many questions and concerns have risen from our economic experience in the last year. Join us for our December *Industry Insider* webinar for an update on the economic and market outlook for a post-Covid world. Jason Turner, Chief Investment Strategist from Great Lakes Advisors LLC a Wintrust Wealth Management Company, will provide insights into how we arrived at the current condition, what economic data is telling us about the current environment, and what could influence the direction of economic growth in 2022 and beyond.

Did You Know? Late Payment of Deferred Payroll Taxes Under Cares Act Could Result in Harsh Consequences

Companies that took advantage of the payroll tax deferral under the Coronavirus Aid, Relief, and Economic Security Act should be aware of the U.S. Internal Revenue Service position regarding repayment of the deferred taxes. The deferred taxes are to be repaid in two installments: 50% due by Dec. 31, and 50% due by Dec. 31, 2022. IRS legal memorandum PMTA 2021-07 states that a late payment of the CARES Act deferred tax would make the entire amount deferred subject to a 10% failure to deposit penalty—not just on the first installment due by year-end 2021. If IRS demands payment of the entire amount of deferred taxes, and they are not paid within 10 days, the penalty is increased to 15%.

The legal memorandum does not address interest, but it appears from the memorandum's rationale that IRS would assess interest on the deferred taxes accruing from the date the taxes should have been deposited. Businesses that had budgeted to pay the deferred tax with the 70% employee retention tax credit for wages paid in the fourth quarter of 2021 have just learned that this tax credit has been retroactively terminated by the infrastructure bill back to Oct. 1. If such businesses were retaining taxes withheld from the employees as an advance of this now repealed credit, they will need to pay those amounts back as well.

Source: Lexology (11/29/21) Kirsner, Marvin A.

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This Month's Webinar:

Economic and Market Outlook for a Post-Covid World

Date: Thursday, Dec. 16, 2021, 2:00 pm EST / 1:00 pm CST

Duration: 1 hour
Cost: COMPLIMENTARY

Click to View! »

Events:

Dec. 24 — TRICOM office closed for Christmas holiday.

Dec. 30 — TRICOM office closed for New Year holiday.

New On TRICOM.com!

They say it takes only seven seconds to make a first impression. Regardless if that timeframe is accurate, the sentiment is true: it doesn't take much time for a prospect to form lasting judgments about you, your approach and your organization. Part of these judgments stem from "cognitive biases" – limitations in objective thinking that influence decisions customers and prospects make. In the December *Insights With Insiders* Podcast, Julie Ann addresses the issues surrounding cognitive bias with Rob Mosely, Managing Partner for Next Level Exchange, a global learning collaborative dedicated to the Executive Search and Staffing Industry. Julie Ann and Rob talk about cognitive bias that consistently play a role in complex business decisions, including questions such as:

Why does cognitive bias matter?

Are there certain types of cognitive bias that play a role in business decisions?

How can you work the understanding of personal bias to reframe conversations?

Are we responding to resistance vs. overcoming objections?

Rob also reveals his LACES model that teaches someone to successfully communicate and implement essential response skills. This enlightening discussion will help you navigate bias in conversations with customers and prospects with greater ease.

Click to listen!

Watch for NEW PODCASTS posted the second Thursday of each month on TRICOM's home page as well as on our Spotify channel. Each month we bring you insightful and relevant conversations on topics that are impacting staffing company owners right now. They're discussions you won't want to miss!

Information contained within this publication is intended for informational purposes only and does not constitute legal advice or opinion, nor is it a substitute for the professional judgment of an attorney.