Season's Greetings from your friends at RCS Union Software!

We've had a big year—a huge gathering for our fall class, a rapidly growing RCS team, and lots of new locals from all over the country and several different organizations. We're excited to be growing and bringing you new technologies and tools. At the heart of it all, we remain committed to making your job easier in every way we can!

This document contains valuable information about important year end forms and how to prepare for them. Please, take some time to review them, print them, and have them on hand as you work.

Bear in mind, if all this year end activity seems a bit overwhelming, you have options. For those who need more help than the support line can offer, the RCS Financial Services team is another great option. Our Financial Services team can assure your tasks such as the LM, 990, 941, 940, W-2, 1099—any or all of it—will be completed without worry. Please contact us for more information and pricing if you are interested.

Thank you,
The RCS Union Software Staff **866-727-8291**

Topics in the document:

The DOL's LM is completed on-line:

https://olmsapps.dol.gov/efsui/

- Both the Financial Secretary and President must have current logins to submit the LM.
- Unions **must** register for a **new PIN annually.**

For Remote Software Support:

download join.me at:
join.me/apps

"Download" then run the installer; no registration or purchase required.

Triple-check your Officer Statuses for all officers for 2021 & 2022 before you start!
Having the correct officers identified is the foundation for both LM and 990 form completion.

- **Update Employees** Update both the Officer and Officer Title Fields on the EMPLOYEE record. Using the year selector, be sure to update 2021 & 2022 on the employee record..
- **Update Key Officers in Settings** > All Settings> Client > General Settings

Watch the RCS University video on this topic at: **RCS University** titled "Year End Prep – Updating Officer Statuses". Password: university.

W-2 Processing

W-2 and W-3 forms are printed on plain paper in RCSNG, no forms to buy.

Before starting: Verify 941 quarterly forms match the W3 totals for the year. Submitting inconsistent wage totals can draw unwanted IRS attention!

- From the top menu bar, choose **Reports** > **W-2/W-3/1099 tab > W-2 & W-3 forms**. Select & generate Form W-3 Transmittal of Wages and Tax Statements for Year 2021. Note the wages shown in Box 1. $________
- Gather the four quarterly 941 forms submitted to the IRS in 2021; add line two (Wages) from each to get the total wages you reported during the year. $________

Compare the two. The total wages on the W-3 total in Box 1 should match the total wages reported on your 941s. <u>These must agree before you continue.</u>

How to Print W-2 Forms

1. From the top menu bar, choose Reports, then select the W-2/W-3/1099 tab. Then Select W-2 & W-3 forms
2. Indicate the Year required.
3. Select whether you are printing "**All W-2**"s or specific "Selected Employees".
4. Indicate which copy to be printed:
   - Employee Copies (B, C,2, 2) → For mailing to the employees. (also, ✓ Print Instructions)
   - Employer Copy D → For keeping with the local records.
   - Employer Copy 1 → For mailing to state, county, local departments as needed.
   - Copy A Red → For mailing to SSA, unless electronically filed. (Color printer required!) or
   - Copy A Black → For mailing to SSA, unless electronically filed.
5. Select which Template:
   a. 2-Up (2 forms per page) for half sheet forms
   b. 4-Up (4 forms per page) for quarter sheet forms

Are you a visual learner?

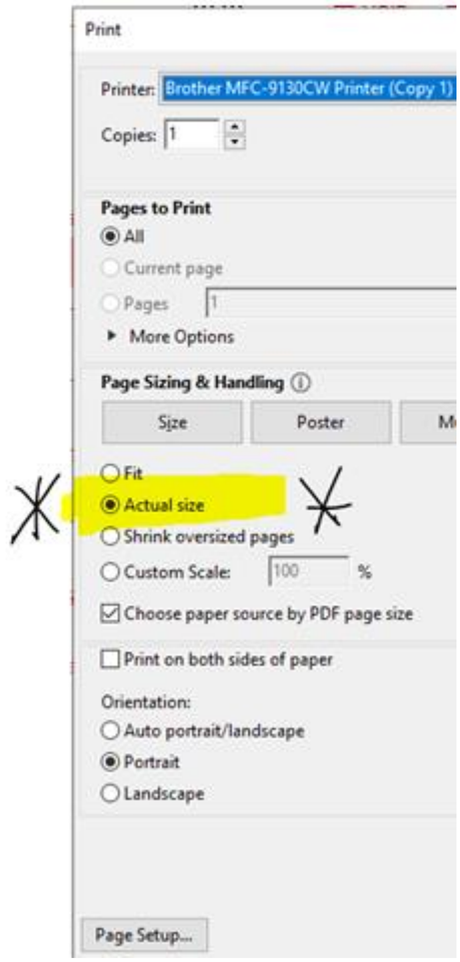
Our team is creating a video tutorial to demonstrate the process of creating your W2s, 1099s etc.

Tune in when It's convenient for you, learn at your own pace.

Coming soon to [RCS University](#) !

There is also a link to RCS University on the Dashboard.
Password: university

6. Click on Generate button. The forms will be created in a .PDF file. Depending on your browser and preferences, you can open it and/or save it. We recommend you use Adobe Reader for best results.
7. Print the file. ****Be sure to select "Actual Size" for correct alignment.**



Notes about mailing your employee copies:

- Employers are required to send instructions along with the W-2 forms sent to employees. Check the "Print Instructions" box when printing W-2s. It's also possible to select "W-2 Employee Instructions" and print as many copies as needed later from the print window.
- Half sheet W-2 window envelopes for 2-Up forms can be purchased at office supply stores.
- The W-2 menu offers a "Print Address" button. This option can print the appropriate employees' information on a sheet of mailing labels or directly to No. 10 style envelopes as desired.

Social Security Forms/Filing:

Social Security Administration forms can be printed in red or black & white-- or even better yet, they can be filed electronically instead. (Detailed steps on electronic filing to follow.)

When printing Copy A (Red) you must have a color printer that can print red color. Otherwise, select Copy A (Black). RCS does have permission for you to send black forms to Social Security office.

If you decide to mail the W-2 Copy A forms to Social Security Office, then you MUST also print the Form W-3. Select W-3 Transmittal of Wages and Tax Statements and select Template Red (if you have a color printer) or Black.

The **due date** for filing 2021 W-2 Forms with Social Security is

January 31, 2022

…whether you file using paper forms or electronically.

To file W-3 and SSA Copies electronically:

Step 1 – New users must register with SSA Business Services Online on their website

New User? To register, go to http://www.ssa.gov/bso/bsowelcome.htm
Click on "Register" to obtain a User ID and password.
The same user ID will be used year after year. The password expires after 90 days.

Step 2 – In RCSNG, create an electronic file

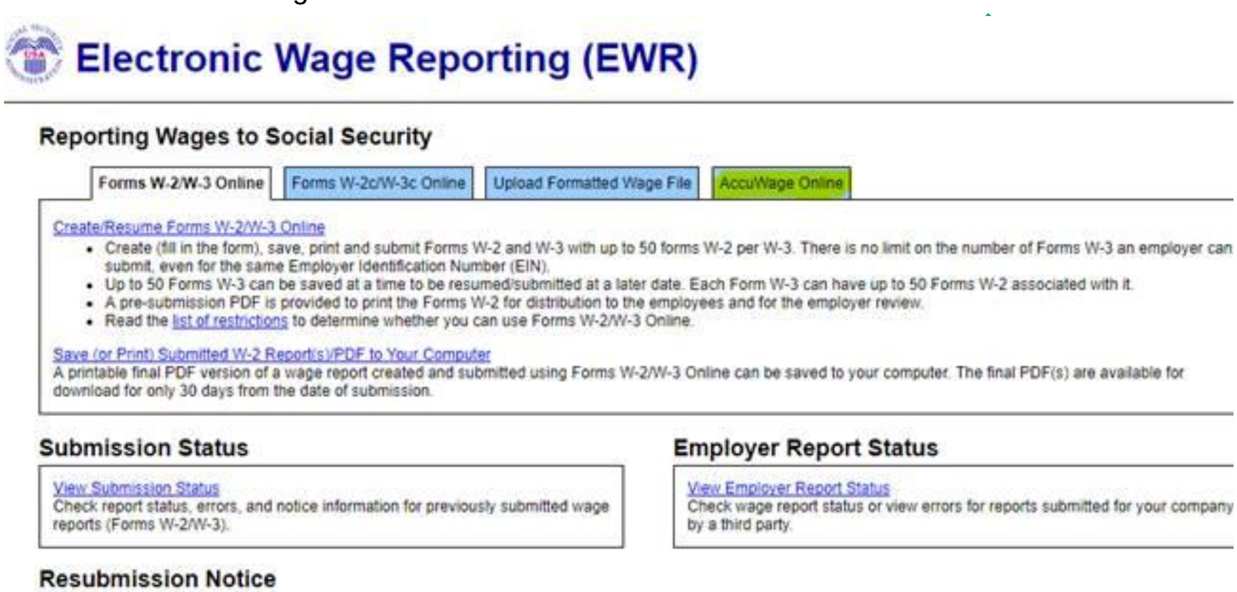
1. In RCSNG, select: "Create an electronic file (EFW2 format) to submit Copy A and W-3 to the Social Security Office".
2. SSA option displays on the screen and is marked
3. Select "Generate"
4. Enter User ID from step 1
   When the file is generated, save it to your desired location. (Do note that location so you can find it for Steps 3 & 4!). The file name is W2REPRTC.txt.

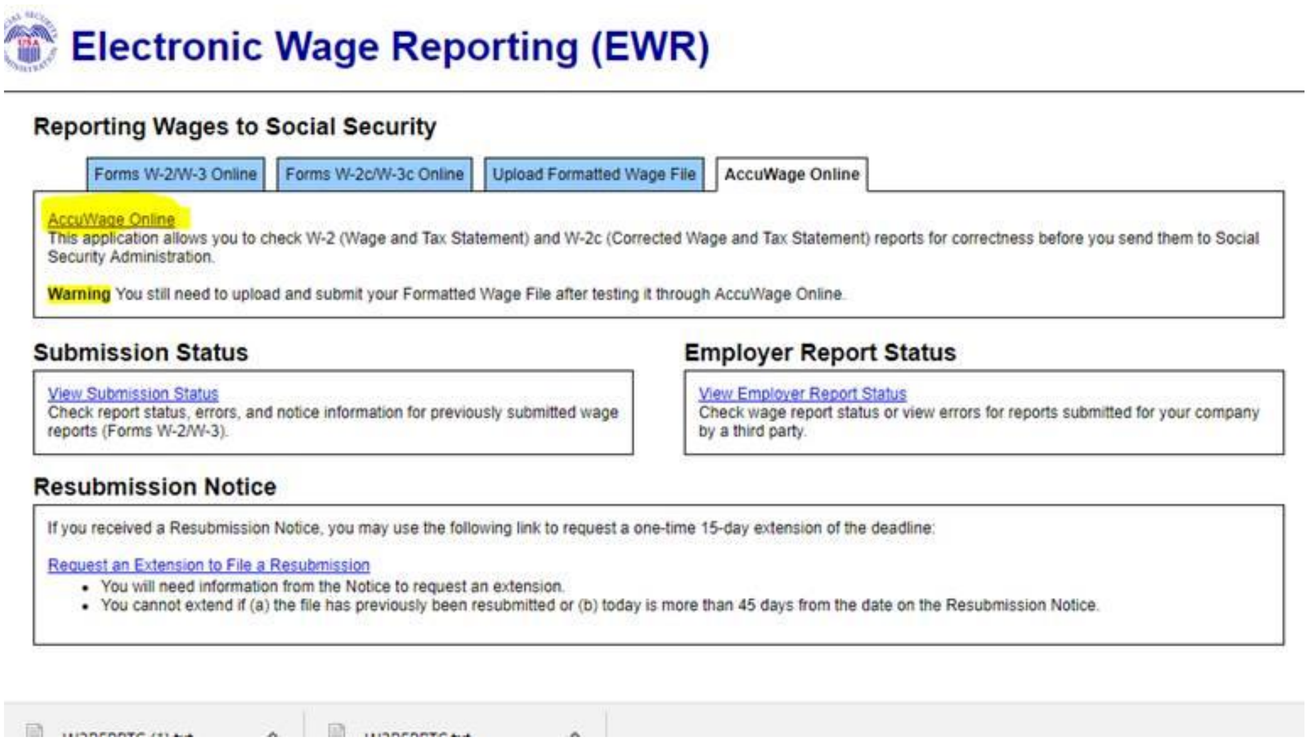
After creating the file, the user can log in to SSA website or use Accuwage to test the file and load to SSA website.

Step 3 – Verify the file is valid using Accuwage

The SSA offers Accuwage software for testing W-2 files for accuracy on their website.
(The program is no longer available for download.)
To run the software, users must login to Business Services Online (BSO).

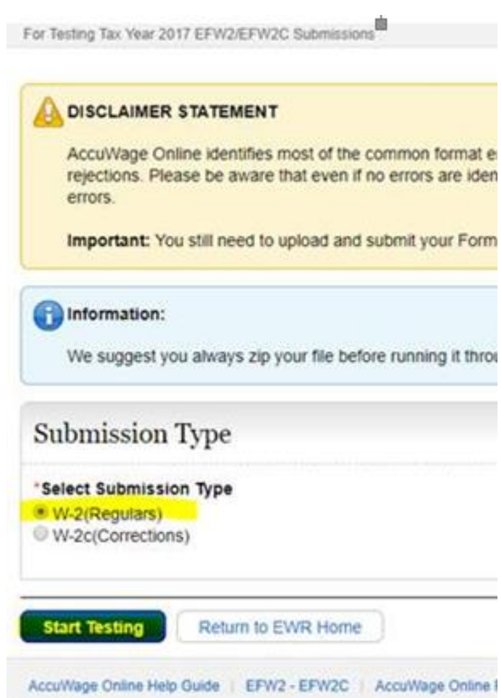
1. Log in to BSO at http://www.ssa.gov/bso/bsowelcome.htm
2. Click on Reporting Wages to Social Security to access the software.
3. Click on AccuWage Online





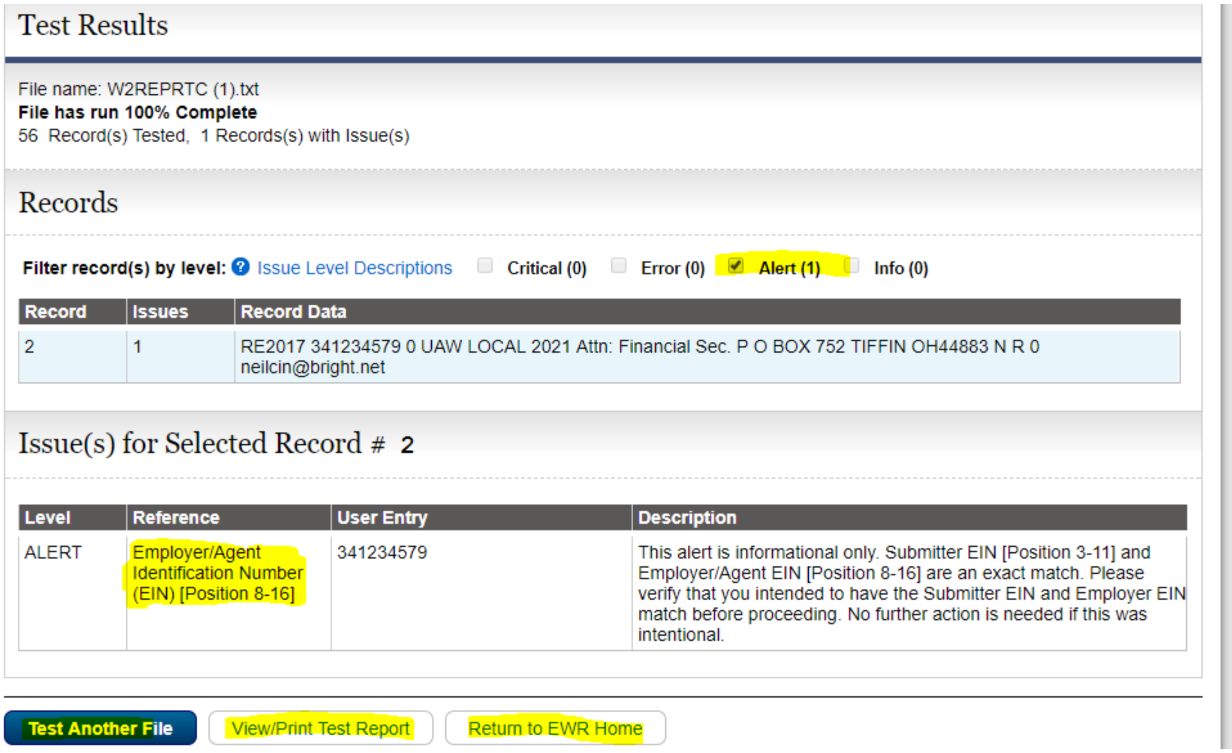
4. **Accuwage Online**

5. Scroll down the page and click on W-2 (Regulars). Click on Start Testing:



6. Browse to location of file and click open.

The file processing screen displays. When done processing:



- A warning about the EIN number is likely and acceptable.

  The submitter EIN and the employer EIN do match when you are submitting your own file rather than a third party. This warning is no problem.

- If there are other errors or alerts, these must be addressed, or the W-2 file will not load. Correct the errors as directed, re-run the file in RCSNG, and re-test before proceeding.

Step 4 -Upload file to Social Security Administration

Log into SSA system if you have not already.   http://www.ssa.gov/bso/bsowelcome.htm

1. Click on Log in.
2. Enter User ID and password. Make sure you check the agree to terms box.
3. Click on Report Wages to Social Security Administration.
4. Click on I Accept.
5. Click on Upload Formatted Wage File.

a. Click on Submit/Resubmit a Formatted Wage.

Processing 1099-NEC, 1099-MISC and 1096 Forms

Form 1099-NEC, 1099-MISC & Summary 1096 Forms are printed on plain paper in RCSNG, no forms to buy.

1099 forms cover items not generally reported on other information returns. Non-incorporated vendors receiving $600 or more in a calendar year for rents, prizes, gifts, services or vendor compensation should be sent a 1099-NEC and/or a 1099-MISC at year end. Attorneys and arbitrator attorneys, even if corporations, are to be reported.

As of 2020, there are a few changes to 1099 forms. There are now three options under the 1099 (Type of Pay) menu within the Vendor Information screen: N NEC, M MISC, R Rents. NEC stands for Non-Employee Compensation and this option will generate a 1099-NEC.

** **Important Note**: Please note that due to restructuring during our rebranding in 2020, if you sent a payment to RCS Union Software in 2021, then be sure to send us a 1099-NEC.

Refer to the 1099 instructions available on the IRS.gov website or call your auditor or accountant for more detail.

✓ **Determine which vendors need a 1099 form by running a Vendor Report…**
From the Reports menu, choose **Income & Expense Reports** > **Vendor Detail Report.**
Run it for the full year for Expense, List only Vendors paid $600.00+, and report Totals Only.
Review the results. Any vendors who are *not* employees nor corporations, *but were* paid $600.00 or more during the year, need 1099 forms.

✓ **Important Step for 2021: Verify those vendors are set up to print the correct version of the 1099 form.**
From the **Checks** Menu, choose **Vendors**. Review each vendor identified above as follows:
- Tax ID/SSN is required; format xxx-xxx-xxxx for individuals and xx-xxxxxxxx for other.
- 1099 (Type of Pay) should be selected from the drop list
  - **Choose option R Rents** to print rents on 1099-MISC box 1
  - **Choose option M MISC** to print prizes/gifts on 1099-MISC box 3
  - **Choose option N NEC** to print all other non-employee compensation on 1099-NEC box 1.

Vendor name and address must be filled for the 1099 Form. **If desired, you can review a specific vendor and look over the individual checks and totals for the year:**

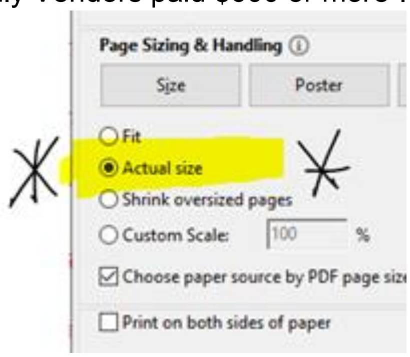
From the **Reports** menu, choose **Income & Expense Reports**, then **Vendor Detail Report. For details,** choose a specific vendor and details for the year.

✓ **Verify that the local's "Employer ID No:" and address information are correct.**
- Under **Settings**, select **Financial**, **General Client Settings**. Review the local's address.
- Under **Settings**, select **Financial, Employer Settings**. Review the Tax ID numbers.

✓ **Print the 1099 Forms.**

1. From the **Reports** Menu, select the **W-2/W-3/1099 tab**.
2. Select the 1099 & 1096 button on the left column.
3. Indicate the Year
4. Select Report Type 1099 and indicate which copy of the form. A phone number is required and will likely be pre-filled from the General Client Settings.
5. To run all vendors as identified above, choose option “Only Vendors paid $600 or more”. (It’s also possible to select individual vendors if needed.)
6. Click “Generate.” Your 1099 forms will be created. Review in Adobe Reader.

   ** **Select “Actual Size” in Adobe Reader** for correct alignment before printing.



✓ **Print the 1096 Form**

Form 1096 is the summary of the 1099 forms being sent to the IRS, it should be sent to the IRS with the Copy A for each vendor. You will need to send a separate 1096 for each type of 1099 you file. For example, if you file both 1099-MISC and 1099-NEC, you will need to send two 1096’s. When submitting forms to the IRS, put the 1096 with 1099-NEC marked together with the 1099-NEC forms and the 1096 with 1099-MISC marked together with 1099-MISC forms.

✓ **Mailing Envelopes**

- 1099 window envelopes are available at office supply stores.
- The 1099 menu offers a “Print Address” button. This option can print the appropriate vendors’ information on a sheet of mailing labels or directly to No. 10 style envelopes as desired.

2021 LM Prep

The steps below document the process we use here at RCS to verify a local is ready to start the LM report. These cross-checks and tips before starting can prevent wasted time and effort!

1. **Grab last year's LM for comparison:**
   LM2: Note the ending cash figure in line 22, column B
   LM3: Note the ending cash figure in line 25, column B

> **If needed, you can retrieve past LM filings on the DOL's site:**
>
> 1. Go To: **https://olmsapps.dol.gov/query/getOrgQry.do**
> 2. Retrieve your local either by
>   - Enter your LM File Number & click <submit>
>   - or "search by":
>   i) Select by your union type. IE UAW = UAW-AUTO WORKERS AFL-CIO next to "Union Name by Abbreviation"
>   (It's about 1/10th of the way down the huge list of Union Names! Not at the bottom as expected.)
>   ii) Fill in your local number next to "Designation Number"
>   iii) Select <Submit> at bottom of screen to see matching results.

2. **Run the 2021 A-43. Compare & review.**
   From the top menu, select **Reports,** then the **Financial** Tab. Run the Cash & Fund Summary Report for December of 2021 (all funds).

   a) Verify that the "Total Cash Assets-Previous Month" for January 2021 matches the number found above on the 2020 LM (line 22 or 25, column B).
   b) Verify that the Balance to Account, Total Cash Assets, and Total Funds match each month on the A-43.

3. **Run the LM Worksheet**
   From the top menu, choose **Reports** then the **LM Tab**. Run the **LM Worksheet** for 2021 and review.
   Watch out for any "Error" warnings or any other unexpected results.
   Check out the local's officers for the year on the worksheet for LM3. LM2 filers can review them by running **Schedule 11**. Make any needed corrections before proceeding!
   Contact our support (866-727-8291) with any concerns.

4. **Run the Financial Report for the year**
   From the top menu, choose **Reports** then the **Financial** Tab. Run the Financial Report for the year.
   a) Verify that the income on the Financial Report and the Total Receipts on the LM Worksheet match.
   b) Verify that the expenses on the Financial Report and the Total Disbursements on the LM Worksheet match. There may be a variance if you have any voids from a previous year- this is acceptable.
   →Rounding can result in a variance of a few dollars- this is acceptable.

STOP

If any of the above don't match, then your data is not yet in balance.
Review and correct this before you continue!

5. Confirm that your **federal tax payments (941)** throughout the year are split between accounts 383, 384, 402. You can see these amounts on your LM Worksheet.
   LM3 filers – review expense lines 48 (for account 402) and line 53 (for 383 & 384)
   LM3 filers – review expense lines 65 (for account 402) and line 67B (for 383 & 384)

To review how your federal tax checks should be recorded in the software – check out our RCS University video titled "EFTPS Payments Towards 941" at: RCS University
There is also a link to RCS University on the Dashboard. Password: university

2021 LM-2 TOTALS BY ITEM NUMBER

LM Item Number	LM Total	Account Number	Account Description	Account Total
64	2663			
		489	Collections Disbursed Gate&Shop Exchange	2338.15
		780	Voluntary Contribution (CAP)Fwd-Exchange	325.00
65	49761	*** These are taxes directly on the employer*		
		402	FICA Employer OASDI and HI (941)	46505.95
		403	Unemployment Taxes Federal (940)	1568.58
		404	Unemployment Taxes State	1686.25
67A	-136893	Less Total Withheld (Enter as positive on Statement B)		
67B	145405	*** These are employee tax deductions forwarded*		
		383	Federal Income Taxes (941) Forward	65997.29
		384	FICA-Employee OASDI and HI Forward	46505.95
		385	State Income Taxes Forward	31745.83

- Generally account 402 and 384 will match.
- Note that your withholding and forwarding may not match up due to time lag between the check deduction and actually making the payment forward.

6. **Officer Updates**

   a) **Officer Status (As of 12/31/2021) – Update the "Officer" field on the employees' 2021 & 2022 Personal Info tab.**
   If the employee held no position during the year, then this field should be **blank**.
      - **N**ew Officer = Newly Elected during the year, still holds position as of 12/31.
      - **C**ontinued Officer = Continued from the previous year, still holds the position as of 12/31.
      - **P**ast Officer = Held an officer title during the year, but not as of 12/31.

   b) **Officer Title & Address –** Confirm that all officers have accurate and current titles and addresses.

We can't stress the importance of this step enough – the employee records **must** show the correct officer statuses at year end **before you start the LM**. Changing officer statuses later generally requires reloading ALL of the expense schedules.

If you have trouble with the steps above – check out our RCS University video titled "Year End Prep – Updating Officer Statuses" at: RCS University

There is also a link to RCS University on the Dashboard. Password: university

STOP *** LM3 filers can stop here. * LM2 filers please continue…**

7. LM2 Check Up - Review your vendors

From the top menu, choose **Reports** then **Income & Expense**. Run the Vendor Report the full year, select Expense & Totals Only

- Expense and income vendor whose transactions total $5000 or more will be itemized and imported into your LM2. Confirm that these vendors have a complete name, address, and business type.
- Any single payable check or receipt over $5000 will also require a purpose.

990 E-File Requirements

990 Long Form Filers: Your 990 forms must be submitted electronically with the assistance of an IRS-authorized E-File provider. This began with last year's submissions.

990-EZ Filers: For tax years ending July 31, 2021, and later, Forms 990-EZ must also be filed electronically with an IRS-authorized E-File provider.

RCS is an IRS Authorized E-File Provider and can take care of E-Filing your return for you. All you will have to do is complete a form giving RCS your permission to file on your behalf.

We can perform this 990 Form E-filing service for any Local, regardless of if we prepare your forms or you self-prepare them.

If you are interested in ordering this service, please sign up at:

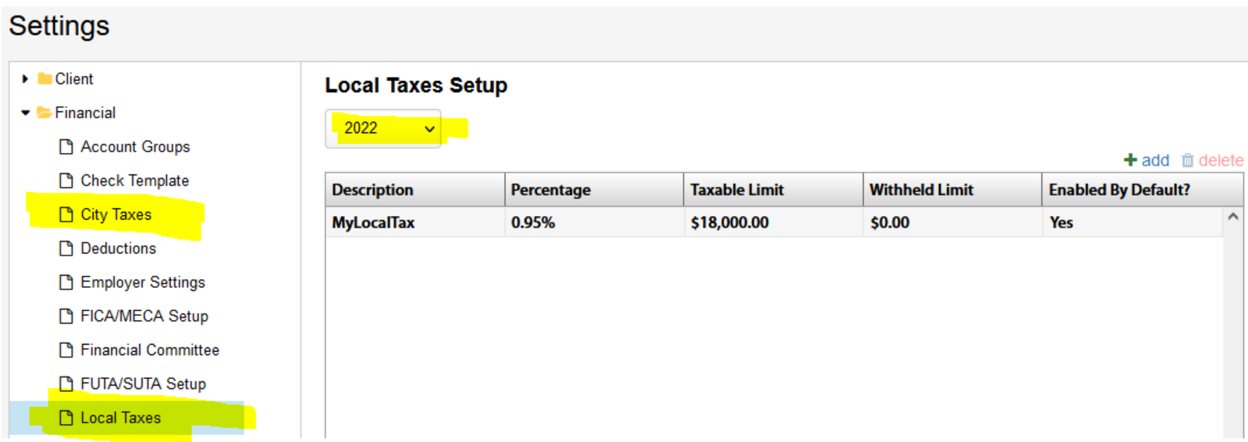
https://rcsunionsoftware.com/year-end-services/

Updating your Tax Rates for 2022

RCS Admins maintain the Federal and State Tax tables in RCSNG as changes are announced.

However, any changes to your City and/or Local taxes are managed in Settings by the client- you!
When you are notified of any such change, update these as follows:

Go to **Settings** > **All Settings** > **Financial** > then select City or Local taxes as necessary.
Notice each year will have a separate entry for any taxes entered, you can maintain any changes here.



2021/2022 FUTA: Employer's Annual Federal Unemployment Rate

Please remember to complete your IRS Form 940, Federal Unemployment (FUTA), for the year 2021. This report *MUST* be filed to the IRS by February 1, 2022. Select Reports/Tax and report Form 940.

No manual updating is needed for your 2021 FUTA rate because there are currently NO credit reduction states in 2021.

The 2022 FUTA rate remains .6% with a limit of $7,000. Because several states have outstanding federal unemployment loans *may* have FUTA credit reductions in 2022; but the DOL won't provide a list of such state until after November 10, 2022.

2022 State Unemployment & Withholding Limit Changes

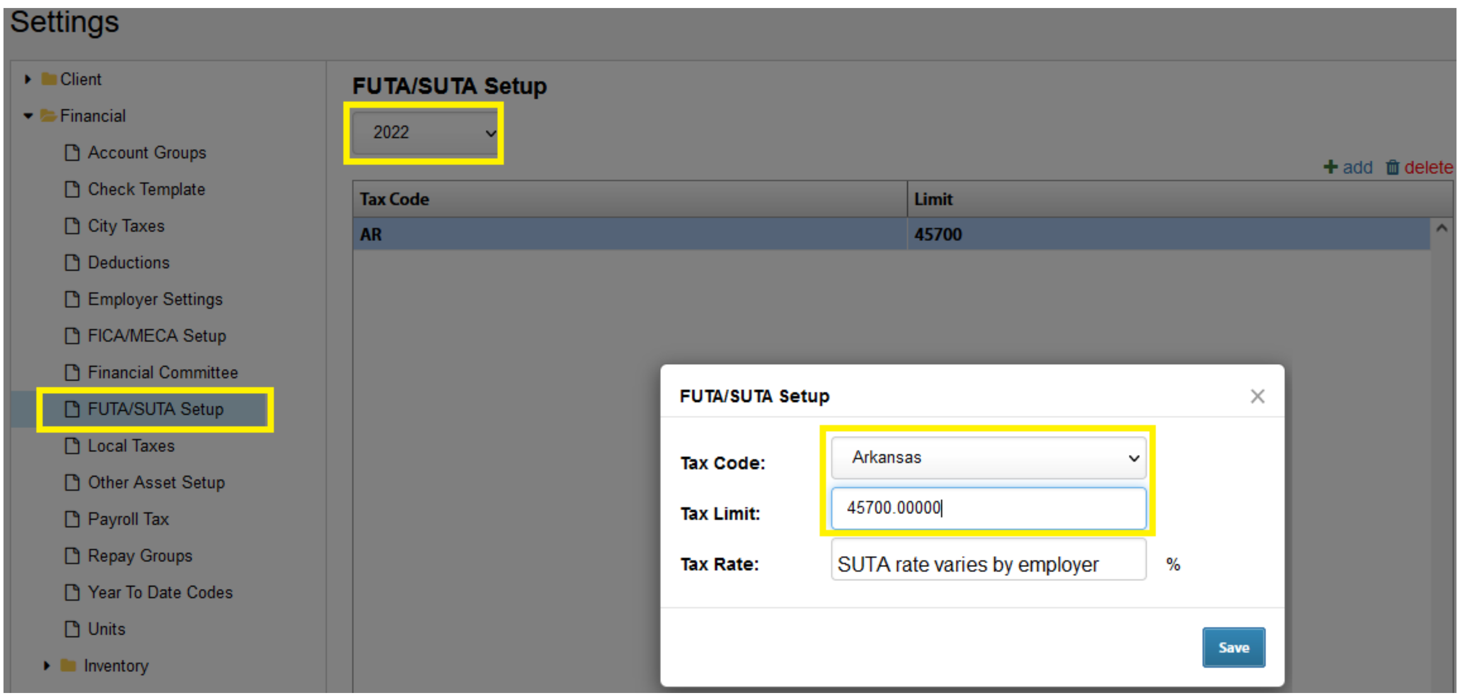
Each RCSNG client must maintain their individual SUTA (State Unemployment) rate in the software settings.

These rates are unique to each employer and can change periodically.
Watch for mailings directly from your state, and if in doubt, please contact them directly.

Update your SUTA rate settings as follows:

1) From the top Main Menu Bar, choose **Settings**, then **All Settings** in the **Financial** folder on the left menu, choose **FUTA/SUTA Setup**

2) Update (or create) the **2022** record for your state.



Note the following published/currently known SUTA limit changes for 2022:

RCS administrators will apply a one-time update.

AK	45,700	NC	28,000	OR	47,700
CO	17,000	ND	39,100	RI	25,200
IA	34,800	NJ	39,800	UT	41,600
ID	44,400	NM	28,700	WA	62,500
KY	11,100	NV	36,600	WY	28,200
MN	36,000	NY	12,000		
MT	38,100	OK	24,800		