

When Should You Perform W2, 1099 and 1098 Activities?

As you set your timetable for performing these activities, here are some general rules to keep in mind.

⇒ The proper time to follow W2 preparation procedures is after the last paid payroll in the calendar year and before the first paid payroll in the new calendar year. Paid payroll is defined by the date on the payroll check - *not by the pay period ending date*. If your paid payroll includes all or part of days worked in December, but checks are not dated and issued until sometime in early January, then W2 steps should be followed before January paychecks are issued.

⇒ You **will** need to run certain steps to save the current calendar year payroll information and clear year-to-date amounts before issuing your first payroll in January. Once these steps are performed, you may print W2's at any time.

⇒ You may perform normal 1099 activities any time after you have issued the last accounts payable checks for the year. You **do not** have to print 1099's before issuing checks in the New Year.

⇒ If you will be preparing 1098's for your RLSS system, then you must make certain that transactions dated in the current calendar year are recorded before proceeding. 1098's review loan histories for specified dates allowing you to print 1098's at any time - even after new year transactions are entered.