YEAR END 2026

Your year-end payroll checklist

A correction found in November is easier than one found in January. Work through these steps before your final payroll of 2026. Holiday weeks start November 11; see section 07 for shifted pay dates.

Dec 7
Submit corrections to Arcoro Support

Dec 31
Last pay date that counts toward 2026

Jan 6
Approve corrections

Feb 1
W-2s and 1099s due to workers

START HERE

Most important step: review your W-2 previews. Take a first look in November to spot gaps, then do a full review after completing sections 01 to 05. See section 06.

01 Verify company information

How-to: Tax IDs

- [ ] FEIN matches your IRS records exactly, for each company you run payroll for
- [ ] State withholding and unemployment IDs on file in your tax parameters for every state with employees, including states added this year
- [ ] Tax filing authorization uploaded for each state added this year, so we can file there
- [ ] Local tax IDs (city, county, school district) on file in your tax parameters wherever local taxes apply
- [ ] Any "Applied For" IDs replaced with final IDs in your tax parameters
- [ ] Your company is in good standing with each agency

02 Verify employee information

What's on file now is what prints on year-end forms. Review every current and terminated employee paid in 2026.

- [ ] SSNs complete, valid and matching the employee's card
- [ ] Legal names match Social Security records, with this year's name changes applied
- [ ] Resident and workplace addresses current, so the right state and local taxes apply
- [ ] Terminated employees marked terminated with a termination date (they always receive mailed forms)

03 Verify contractor information (1099)

- [ ] SSN or EIN on file
- [ ] Individual vs. business classification confirmed
- [ ] Current address on file
- [ ] Contractor payments made outside Arcoro reported to us (1099-NECs are required for contractors paid $2,000 or more in 2026, up from $600)

04 Account for every payroll and payment

How-to: **Manual payrolls**

Arcoro can only file for wages entered into the system.

- [ ] Payroll schedules reviewed through year end, with regular and off-cycle payrolls (such as holiday bonuses) set up
- [ ] Final 2026 payrolls have a pay date on or before December 31, 2026 (wages count in the year they are paid)
- [ ] Manual checks and cash payments made outside a regular run recorded in payroll
- [ ] Mid-year adopters: prior and terminated employees and their wages added as historical pay

05 Record special items by December 7

How-to: **Benefit deductions** · **Request support**

Common examples are below, but this isn't a complete list. Record any other pay or taxable benefits provided outside your regular payroll too.

- [ ] Taxable fringe benefits added to wages before your final 2026 payroll, such as personal use of company vehicles, non-accountable per diem or allowances, and gift cards
- [ ] Employer cost of health coverage set up for W-2 Box 12, Code DD (required if you filed 250 or more W-2s last year)
- [ ] Planned 2026 employer HSA contributions and 401(k) true-ups run through payroll by December 31
- [ ] Benefits for S corporation shareholders who own more than 2% recorded as earnings
- [ ] Third-party sick pay sent to Arcoro: taxable benefits, taxes withheld and the carrier notice
- [ ] Imputed income for group term life coverage over $50,000 recorded in Arcoro, if not tracked per payroll

06 Review W-2 previews

How-to: Reviewing W-2s · Payroll reports

Start in November, then review again after recording special items. Errors found after W-2s publish need corrected W-2s.

- [ ] W-2 previews reviewed for every employee, including overtime in Box 12, Code TT. Keep a list of any overtime that doesn't qualify (union, state-law or policy premiums)
- [ ] W-2 totals match your payroll summary: federal, Social Security, Medicare, state and local
- [ ] Draft W-2s shared with employees to catch a wrong name or address

07 Plan around holiday pay dates

How-to: Bank holidays · Approval deadlines · Pay schedules

Bank holiday	Pay date	Moves to
Veterans Day	Wed, Nov 11, 2026	Tue, Nov 10
Thanksgiving	Thu, Nov 26, 2026	Wed, Nov 25
Christmas Day	Fri, Dec 25, 2026	Thu, Dec 24
New Year's Day	Fri, Jan 1, 2027	Thu, Dec 31; counts as 2026 wages
Martin Luther King Jr. Day	Mon, Jan 18, 2027	Fri, Jan 15
Presidents Day	Mon, Feb 15, 2027	Fri, Feb 12

How holidays affect processing

Funds can't move on a bank holiday. Your pay schedule shifts scheduled paydays and approval deadlines automatically. To see which pay dates moved, pull the **Pay Schedule report** and check its holiday impact indicator. Date any off-cycle payroll, such as a holiday bonus, on a business day.

3-day processing: approve by Tuesday 3pm ET for a Friday payday. When Friday is a holiday, payday moves to Thursday and approval moves to Monday 3pm ET.

2-day processing: when a Thursday payday is a holiday, payday moves to Wednesday and approval moves to Monday.

- [ ] Pay Schedule report pulled and holiday-impacted pay dates reviewed; off-cycle payrolls dated on a business day
- [ ] Earlier approval deadlines for Thanksgiving, Christmas and New Year's weeks on your calendar
- [ ] January 1 payday: confirmed that paying on December 31 makes those wages 2026 wages, reported on 2026 W-2s

08 Set up W-2 and 1099 delivery by December 31

How-to: **Delivery options**

- [ ] Company W-2 and 1099 delivery methods reviewed and saved under General Information in Payroll (your company setting overrides worker choices)
- [ ] Workers reminded to opt in to paperless delivery and confirm their resident address

09 Plan ahead for 2027

How-to: **SUI rates** · **Employee tax setup** · **Payroll reports**

- [ ] 2027 benefit deductions, contribution amounts and effective dates confirmed
- [ ] New 2027 state unemployment (SUI) rates entered when your notices arrive
- [ ] Employees reminded to update their W-4 for 2027
- [ ] Roth catch-up setting turned on in the employee profile for employees 50+ whose 2026 FICA wages exceed the IRS threshold
- [ ] Cash planned for a larger first 2027 tax debit, as Social Security and unemployment wage bases restart
- [ ] 2026 payroll register and tax summary saved for your records

Found something to fix?

Submit corrections to Arcoro Support by **Monday, December 7, 2026**. Missed it? Payroll can always be corrected, and we update affected filings starting in February 2027. Request support at support.arcoro.com.

For details on every step, see the Arcoro Year End Payroll Playbook.