

**Lookback Period for Calendar Year 2010**

2008		2009	
<b>July-Sep</b>	Oct-Dec	Jan-Mar	Apr-Jun

**Lookback Period for Calendar Year 2009**

2007		2008	
<b>July-Sep</b>	Oct-Dec	Jan-Mar	Apr-Jun

**Lookback Period for Calendar Year 2008**

2006		2007	
<b>July-Sep</b>	Oct-Dec	Jan-Mar	Apr-Jun

**Summary of Deposit Rules for Nonagricultural Employers**

<b>Accumulated Unpaid Liability</b>	<b>Deposit Requirement</b>
<b>1. \$50,000 or less in the lookback period</b>	1. Monthly depositor: taxes must be deposited on or before the 15 <sup>th</sup> of the following month.
<b>2. More than \$50,000 in the lookback period</b>	2. Semiweekly depositor: (a) Payday on Wednesday, Thursday, or Friday – must be deposited on or before following Wednesday. (b) Payday on Saturday, Sunday, Monday, or Tuesday – must be deposited on or before following Friday.
<b>3. \$100,000 or more on any day</b>	3. Must be deposited by the close of the next business day.
<b>4. Less than \$2,500 at end of calendar quarter</b>	4. Must be paid by end of following month, either as a deposit or with the quarterly tax return (Form 941).

## **Deposit rule exceptions and miscellaneous notes:**

- SECA taxes: estimated SECA taxes & FIT taxes are paid quarterly; annual earnings of less than \$400 are not taxed.
  - New employers become monthly depositors until a lookback period is established.
  - Annual payers:
    - Employers can pay FICA/FIT annually if they:
      - 1) Are new employers who expect to pay wages of \$4,000 or less this year, OR
      - 2) Owe \$1,000 or less in employment taxes per year, AND have not been late with any deposits for 2 years
    - Instead of filing Form 941, annual payers use Form 944 (Employer's Annual Federal Tax Return)
    - If a firm has been eligible for Form 944, and exceeds the \$1,000 threshold during the year, they can still file Form 944, but must start filing Form 941 at the beginning of the next year
  - Deposits must be made electronically if total deposits exceed \$200,000 for either of 2 previous years; for ER's required to use EFTPS: 10% penalty on every tax deposit that is not made through EFTPS
  - Paper-based deposits for FICA/FIT are made on Federal Tax Deposit Coupons, Form 8109-B; can be made either at a Treasury Tax and Loan institution (certain banks qualify for this designation) or by mail
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## **Form 941 (Employer's Quarterly Federal Tax Return):**

- Generally, the employer must make a quarterly return of FICA taxes and withheld income taxes for the 3 months of each calendar quarter, using Form 941
- Are required to be filed quarterly even if there were no taxes to report. The only exceptions are:
  - Seasonal employers do not have to file for quarters when they have no tax liability
  - If box 16 (business closed) was checked in the company's last filing
- Due date of Form 941:
  - On or before the last day of the month following the close of the calendar quarter for which the return applies (Apr 30, Jul 31, Oct 31, Jan 31)
  - If an employer makes timely tax deposits (which means on time and was paid in full) for the quarter, the employer may file Form 941 on or before the 10th day of the 2nd month following the close of the calendar quarter
  - If the last day for filing a quarterly return falls on a weekend or a legal holiday, the ER may file the return on the next business day
- FICA/FIT payments can sometimes be made with Form 941
  - Eligibility: FICA/FIT payments can be made with Form 941 only if either:
    - The net taxes for the quarter are less than \$2,500, or
    - The payment serves as a deposit for a monthly depositor
  - In both of the above cases, a Form 941-V (Payment Voucher) must be filed with Form 941.