ENGAGE PEO

Client Alert

Important 2026 Year-End Information Help Ensure Your W-2s are Accurate

As we approach year-end, please review the following information to ensure accurate payroll reporting, W-2 processing, and compliance. All actions require submission by specific deadlines (most by December 11, 2026). See details below. A checklist is also included for easy reference. **Please contact your Engage Payroll or Implementation Specialist with any questions.**

Bonus Payment Guidelines and Reminders

- If you issue bonuses, please communicate with your Payroll or implementation Specialist within 48 hours of the delivery date.
- Bonuses will be paid using the employee's regular method of payment (direct deposit or live check). If an alternative method is preferred, please contact your Payroll Specialist.
- If you have Engage's 401(k) plan, all bonus changes must be processed with our 401(k) vendor. The processing timeline is 48 hours.
- If you have client-sponsored plans and do not want the deductions, please inform your Payroll Specialist at the time of submission and **no later than December 11, 2026.**

Returned, Voided, or Manual Checks

- If you have any voided, returned, or manual checks from 2026 that have not been submitted to Engage, please do so no later than **December 11, 2026**. This will ensure the wages are properly adjusted, removed or added to the employees W-2.

Owner, Officer, Director, or Other Compensation

- To be included in your final 2026 pay date, all company-paid benefits of any kind must be received, so that all taxes are properly collected and paid. **Due December 11, 2026.**

Fringe Benefits

- All fringe benefits for 2026 must be submitted by your last pay date of 2026.
- These include Personal Use of Company Car, Moving Expenses, Group Term Life (GTL), Tuition Assistance, Employer HSA Contributions (plans not administered by Engage), Taxable allowances,Trump Account contributions, Employee Stock Options, Meals or Lodging, Transportation Benefits (plans not administered by Engage).

Third Party Sick Pay

If you do not participate in our Short-Term or Long-Term disability plan and an employee has received benefits, please forward the information to Engage to record and report accordingly. Any information reported will be on the employees' W-2. Please ensure the provider is not preparing W-2s for your company. **Due December 11, 2026.**

Cost of Employer-Sponsored Health Coverage

(For clients who do NOT administer benefits through Engage).

- Under the Affordable Care Act, the total cost of employer-sponsored health coverage for each employee in the 2026 calendar year must be reported on Form W-2, (Box 12 under code DD). This amount includes both the employee and employer-paid portions of the health insurance premiums and is for informational purposes only.
- Engage will record the information provided on the W-2.
- **Due December 11, 2026.**

Employee Address/Email Changes

- Employee address changes must be received by December 31, 2026, to ensure receipt of Form W-2. Once processed, all W-2s will be available on the Engage Employee Portal **by February 1, 2027.**

How are 1094-C/1095-C Forms Distributed?

- Forms 1094-C/1095-C will be generated for each Client Group who was deemed an Applicable Large Employer (ALE); on Engage Master; Aetna, BCBS, UHC, Anthem, Kaiser and Select Health or Client Sponsor Plan(exception) for any part of 2026.

- Control Group Clients should contact ACAReporting@engagepeo.com immediately to notify us of any changes in ownership or if you have added or removed location(s) to your client-controlled group.

ACA State Mandate Filing

- We have individual State Mandate Reporting **due prior to March 31st.** These states are NJ, RI, MA, DC District, and CA.

REQUIREMENT	DEADLINE	DETAILS
Furnish Form 1095-C to employees	**March 2, 2027**	The standard due date reflects the permanent 30-Day extension from January 31.
File Forms 1094-C and 1095-C with the IRS—paper	**March 1, 2027**	February 28 falls on a Sunday, so the deadline moves to the next business day.
File Forms 1094-C and 1095-C with the IRS—electronic	**March 31, 2027**	Electronic filing is generally required when filing 10 or more information returns in aggregate.

2026 Year-End Payroll and Reporting Checklist

CATEGORY	REQUIRED ACTION	DEADLINE
Bonuses	Notify Payroll 48 hours before payment. Confirm deductions and 401(k).	**December 11, 2026**
Returned/Voided/Manual Checks	Submit all unreported 2026 checks.	**December 11, 2026**
Owner/Officer Compensation	Report company-paid benefits and stipends.	**December 11, 2026**
Fringe Benefit	Submit taxable items (GLT, Car, HSA, tuition, etc.).	**December 11, 2026 / Final Pay Date**
Third-Party Sick Pay	Report outside disability payments.	**December 11, 2026**
Employer-Sponsored Health Coverage Reporting	For clients who don't administer benefits through Engage. Report total premiums for ACA Box 12, Code DD.	**December 11, 2026**
Employee Address Updates	Submit address/email changes.	**December 31, 2026**
ACA Reporting	Submit 1095-C data to ACAReporting@EngagePEO.com.	**January 10, 2027**