



Our monthly newsletter is included with your monthly invoice,

as well as viewable on our newly updated web site [www.stepsbookkeeping.com](http://www.stepsbookkeeping.com)

**UI Tax Rates 2017**

Each and every year Oregon sends out notices around November of the previous year regarding their changes to each business's Unemployment Insurance Tax Rates. These are unique to each company as Oregon bases them off of your previous year payroll. These UI Tax Rate notices should be arriving to you soon. It is very important that you get us a copy of these notices so we can update it to properly calculate your payroll taxes. If we do not receive these notices from you, this increases the chances of your Unemployment Insurance payroll tax calculation and payments to be off and Oregon can charge you interest in penalties on the difference of that tax. Please be sure to get that to our office before we begin any 2017 payroll for your company!

**Salary Exemption Increases**

Effective December 1<sup>st</sup>, 2016 Salary Exemption increases from \$455 per week or \$23,660 per year to \$913 per week or \$47,476 per year. This increase gives you a few options: Option 1 – To pay overtime on any

hours worked over 40 per week (even though the employee is salaried). Option 2 – Change your salary employees to hourly employees. And Option 3 – Increase your salaries to meet the new required standards. It is up to you to make sure you are meeting the salary guidelines for your payroll. If you have any questions on these new changes, the Oregon Employment Department recommends that you visit their website at [www.oregonlive.com](http://www.oregonlive.com).

**Year End Preparations**

It may be months from the dreaded deadline, but a little preparation now will save you, and us, time and money as we approach tax deadlines.

The following is a list of some of the things you can provide now:

- 1099 information on vendors
- Cash receipts
- Asset purchase paperwork
- Draw/Contributions (personal money deposited into the business account)

This is a start for many of our clients. Give us a call if you need help gathering this information.

**Interest Rates**

Both Oregon and the IRS has made some changes to their interest rates. Here is directly what Oregon says in regards to their interest rate increases: "ORS 305.220 requires the department to establish interest rates for refund, delinquencies and deficiencies based on an annual review of interest rates established by the IRS. Department interest rates will increase this year as a result of the IRS increasing their 3<sup>rd</sup> quarter interest rates for delinquencies/deficiencies and refunds from 3% to 4% from last year. Tier 1 interest rates will increase from 4 percent to 5 percent and Tier 2 interest rates will increase from 8 percent to 9 percent. The new interest rates become effective January 1, 2017."

**Don't forget referrals!**

Don't forget that when you refer a client to us, you get 10% off your following bill! Spread the word and stock up on that savings!

**Notary Services**

We are happy to offer Notary Services to our clients. Please contact our office if you are in need of a Notary.

