

How to Do Payroll in Utah

Use this downloadable checklist to help you stay on track!

✓	TASK
	<p>Step 1: Set up your business as an employer.</p> <p>At the federal level, you need your Employer ID Number (EIN) and an account in the Electronic Federal Tax Payment System (EFTPS).</p> <ul style="list-style-type: none"><input type="checkbox"/> Applied for a Federal Employer Identification Number (EIN)<input type="checkbox"/> Enrolled for the Electronic Federal Tax Payment System (EFTPS)
	<p>Step 2: Register your business with the State of Utah</p> <ul style="list-style-type: none"><input type="checkbox"/> Register on the Utah OneStop Online Business Registration System website, if your business is new.<input type="checkbox"/> Register with the Utah State Tax Commission.
	<p>Step 3: Set up your payroll process. If your business is new, you need to develop a payroll process from scratch. You'll need to decide when you plan to pay employees, how often, and what payment methods you'll offer.</p> <ul style="list-style-type: none"><input type="checkbox"/> Determine your pay periods<input type="checkbox"/> Choose your methods of payment
	<p>Step 4: Have employees fill out relevant forms.</p> <p>This is easiest to do during onboarding. Forms include:</p> <ul style="list-style-type: none"><input type="checkbox"/> Federal Form W-4<input type="checkbox"/> I-9<input type="checkbox"/> Direct deposit authorization form
	<p>Step 5: Collect, review, and approve time sheets. If you have hourly or nonexempt employees, you'll need a way to track employee work hours. Most small business owners</p>

	<p>create their own time sheets or use time and attendance software, some of which have free plans.</p> <ul style="list-style-type: none"> <input type="checkbox"/> A paper timesheet <input type="checkbox"/> Free or low-cost time and attendance software <input type="checkbox"/> A payroll service that has a time and attendance system
	<p>Step 6: Calculate employee gross pay and taxes.</p> <p>You'll need to make several payroll calculations, including totaling hours worked (use our free timecard calculator to help), gross pay, paycheck deductions, tax withholdings, benefit premiums, etc. An Excel payroll template or payroll software can help automate this step.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Calculate Gross Pay <input type="checkbox"/> Calculate FICA, FUTA & Income Taxes to withhold/pay <input type="checkbox"/> Perform any other payroll calculations, i.e., for expense reimbursement <input type="checkbox"/> Calculate net payroll
	<p>Step 7: Pay employee wages, benefits, and taxes. Follow the IRS instructions for federal taxes, including unemployment.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Remit payroll payment to employees via check, paycard, direct deposit <input type="checkbox"/> Send all benefit payments to providers <input type="checkbox"/> Pay federal taxes <input type="checkbox"/> Pay Utah state taxes online <input type="checkbox"/> Pay federal unemployment taxes
	<p>Step 8. Document and store your payroll records. Utah requires businesses to keep record of all hours worked and wages paid to each employee, including their name, address, and date of birth, for at least three years. This mirrors the Fair Labor Standards Act (FLSA) recordkeeping requirements.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Decide how you'll store payroll records (paper file system, electronic folders, software)
	<p>Step 9. File payroll taxes with the federal and state government. All Utah state taxes need to be paid to the applicable state agency on the schedule provided, usually quarterly. Federal taxes are paid either monthly or semiweekly, depending on your schedule.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Pay online at the Utah State Tax Commission website

	<ul style="list-style-type: none"><input type="checkbox"/> Pay federal taxes online using the EFTPS<input type="checkbox"/> File Form 941 quarterly or Form 944 annually
	<p>Step 10. File year-end reports. Send the federal Forms W-2s (for employees) and 1099s (for contractors) by Jan. 31 following the year for which you're reporting. You'll also need to send copies to the IRS along with a summary form for each.</p> <ul style="list-style-type: none"><input type="checkbox"/> Distribute federal Forms W-2 forms (for employees) by Jan 31<input type="checkbox"/> File federal W-2 with IRS by Jan. 31; if you have <250 employees, you can file by Feb. 28<input type="checkbox"/> Distribute 1099 forms (for contractors) by Jan. 31<input type="checkbox"/> File 1099 form with IRS by March 1 if mailing or March 31 if submitting electronically