

 Namely

Year-End Payroll Checklist



Streamline year-end payroll with this expert checklist.

Closing out the year doesn't have to be stressful. Namely's Year-End Payroll Checklist is designed to help you wrap up payroll with ease and accuracy, so you can start 2026 confident and prepared.

These step-by-step instructions and time-saving tips can smooth the process, minimize errors, and ensure nothing gets missed. Use our checklist to ensure accurate W-2s, comply with tax regulations, and knock out any special year-end tasks.

With everything you need in one place, you can focus on finishing the year strong and stepping confidently into what's next.

BEFORE THE LAST PAYROLL OF THE CALENDAR YEAR

 **1. Download our Year-End Payroll Checklist.**

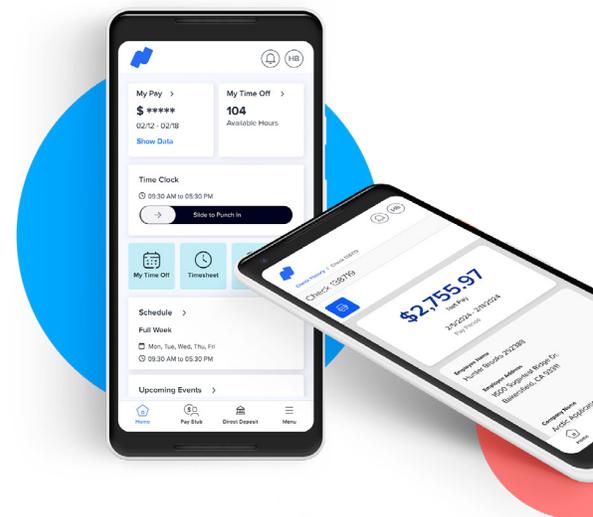
Look at you, already crushing it!

2. Review employee and employer data:

- Verify your employee and employer data used to process quarterly tax reports and employee W-2s
- Confirm which employees utilized company retirement plans
- Confirm employee names and social security numbers are correct
- Confirm payroll data for employees terminated during 2025, since W-2s must still be issued

3. Check wage, benefit, and tax data:

- Confirm employee contribution amounts to any benefits plans
- Verify accuracy of employee withholding and reporting, including:
 - Federal and state tax withholding
 - Third-party sick pay
 - Bonuses
 - Non-cash payments
- Verify and submit other special tax items, including:
 - Other compensation
 - Third-party sick pay
 - Employee business expense reimbursements
 - Taxable fringe benefits
 - Dependent care benefits
- Check year-to-date totals for negative balances or discrepancies



4. Perform special procedures:

- Schedule and process any special bonus payrolls, ensuring proper tax withholding
- Request and review any special year-end reports
- Confirm all adjustments have been applied or schedule an adjustment payroll if needed

AFTER THE LAST PAYROLL OF THE CALENDAR YEAR

1. Review employee and employer data:

- Review any discrepancies in employee data such as missing addresses or invalid social security numbers
- Confirm payroll data accuracy for employees terminated in 2025, since W-2s must still be issued

2. Check wage, benefit, and tax data:

- Review discrepancies such as negative quarter and/or year-to-date fields, and qualified pension coding discrepancies
- Verify any new state unemployment insurance tax rates and taxable wage limits for each state where you have workers
- Verify new state disability insurance rates and taxable wage limits, where applicable
- Test accuracy of Social Security tax withholding and confirm updates for the 2026 wage base
- Check the accuracy of your matching Social Security tax
- Test accuracy of Medicare withholding and employer match

- Double-check the accuracy of your matching Medicare tax
- Test the accuracy of state unemployment insurance tax (verify taxable wages and multiply by your experience rate)
- Compare payroll register totals to W-3 totals
- Make sure reported tax totals from W-3s match your totals from Forms 941
- Check for any excess contributions to retirement plans
- Ensure any changes employees made regarding their W-4s, or benefits deductions are implemented for the new year
- Verify new 2026 state unemployment insurance tax rates and taxable wage limits

- And, You're Done!**

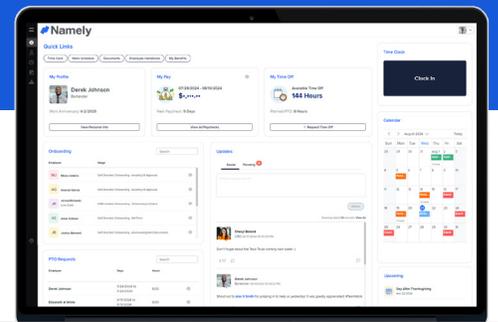


Get the New Year Off to a Great Start!

As you wrap up 2025, take time to recharge so you and your team are ready to thrive in 2026. At Namely, we're here to help you stay ahead on payroll, compliance, and year-end reporting—so you can move into the new year with confidence.



Request a Call



About Namely

Namely helps businesses simplify processes, reduce risk, and improve the employee experience through our Human Capital Management (HCM) platform built for today's dynamic and diverse workforces. Designed to meet your company's needs now and in the future, Namely combines HR, Payroll, Time, Benefits & Talent software in a single platform to help you handle critical business functions faster, easier and more accurately.

Learn how to Wow Your People and Power Your Business at [namely.com](https://www.namely.com).



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