

TAX PAYMENT
CALENDAR

FEBRUARY
2019

<u>Date</u>			<u>Completed</u>	
<u>Payroll Date</u>	<u>Deposit Date</u>			
Jan 26 - 29	Feb 1	Semi-Weekly Payroll Tax Deposits. Employers that are semi-weekly depositors generally must deposit taxes withheld and FICA taxes on payrolls paid on Wednesday, Thursday or Friday on or before the following Wednesday, and deposit taxes from payments on other days on or before the following Friday. Deposit electronically. Indicate Form 941, Federal Tax Deposit, and first quarter.		
30 - Feb 1	6			
Feb 2 - 5	8			
6 - 8	13			
9 - 12	15			
13 - 15	21			
16 - 19	22			
20 - 22	27			
23 - 26	Mar 1			
27 - Mar 1	6			
2	Groundhog Day.			
12	Michigan sales and use tax deposit for the month of January to claim early payment discount.			
14	Valentine's Day.			
15	Michigan Annual Report - Limited Liability Companies.			
15	Employers that are monthly depositors must deposit taxes withheld and FICA taxes on payrolls paid during January. Deposit electronically. Indicate Form 941, Federal Tax Deposit, and first quarter.			
15	Corporations with fiscal year ending February 28, May 31, August 31, or October 31: <ul style="list-style-type: none"> • Deposit estimated federal income tax electronically. Indicate Form 1120 and Federal Tax Deposit. 			
15	Corporations with fiscal year ending October 31: <ul style="list-style-type: none"> • Federal Income Tax Return - Form 1120. • Deposit balance of tax due electronically. Indicate Form 1120 and Balance Due on Return. • Pay accrued compensation, charitable contributions, retirement plan contributions, etc. 			
15	Corporations with fiscal year ending January 31, April 30, July 31, or October 31: <ul style="list-style-type: none"> • Pay CIT estimate to State of Michigan. 			
18	Presidents' Day			
20	Michigan Sales, Use, and Withholding Taxes Return for the month of January.			
20	Personal Property Tax Returns due to local assessor.			
28	Form 1096 – Annual Summary and Transmittal, accompanied by copy of Forms 1099-INT or 1099-DIV and/or Forms 1098.			
28	Michigan Annual Return for Sales, Use, and Withholding Taxes.			
28	Corporations with fiscal year ending October 31: <ul style="list-style-type: none"> • File CIT return and pay balance due to State of Michigan. 			



JANUARY

SU	M	T	W	TH	F	SA
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

FEBRUARY

SU	M	T	W	TH	F	SA
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28		

MARCH

SU	M	T	W	TH	F	SA
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						



February 2019

DETERMINING NONDEDUCTIBLE COSTS OF PROVIDING EMPLOYEE PARKING

The Tax Cuts and Jobs Act eliminated employer business deductions for certain employee transportation fringe benefit expenses paid or incurred after December 31, 2017. This includes the cost of providing parking to employees. A similar change now treats these costs as Unrelated Business Taxable Income for tax exempt employers. IRS Notice 2018-99 provides guidance for determining the nondeductible amount.

Taxpayer pays a third party for employee parking: If a taxpayer pays a third party an amount so that its employees may park at the third party's parking lot or garage, the disallowance generally is calculated as the taxpayer's total annual cost of employee parking paid to the third party. However, if the amount the taxpayer pays to third party for an employee's parking exceeds the monthly limitation on exclusion (\$ 260 per employee for 2018), that excess amount must be treated by the taxpayer as taxable wages to the employee and is therefore deductible by the employer.

Taxpayer owns or leases all or a portion of a parking facility: If a taxpayer owns or leases all or a portion of one or more parking facilities where its employees park, the disallowance may be calculated using any reasonable method. Notice 2018-99 establishes a four-step method that may be used as a safe harbor:

1. **Percentage of parking spots reserved (by signage or gates) for employee use**

This percentage of parking expenses is non-deductible.

2. **Primary use of remaining parking spots**

If the primary use (i.e., greater than 50%) of the remaining parking spots is for the general public, the remaining parking expenses remain deductible. Primary use is tested during normal business hours on a typical business day. If some spaces typically remain open during the day (not used by employees or restricted in anyway), then they can be considered general public use.

3. **Percentage of parking spots reserved for non-employee (visitors and customers) use**

If the primary use is not for the general public, then the percentage of parking expenses attributed to reserved spots for non-employee use remains deductible. Non employees include partners in a partnership, sole proprietor owner and a 2% or more shareholder of an S-corporation.

4. **Reasonable allocation of remaining parking spots**

Taxpayer must reasonably determine the employee use of any remaining parking expenses not specifically categorized as deductible or non-deductible based on a typical business day.

A parking facility includes parking lots, garages, other structures, and other areas used for parking. The notice provides that parking expenses **do not** include depreciation, but do include repairs, maintenance, utility costs, insurance, property taxes, interest, removal of snow, ice, leaf and trash, cleaning, landscape costs, parking lot attendant expenses, security, rent or lease payment or a portion of rent or lease payments.

For tax years beginning on or after January 1, 2019, a method that fails to allocate expenses to "reserved employee spots" cannot be a reasonable method; however, Notice 2018-99 provides a rule that changes in employee reserved spot designations made by March 31, 2019, may be treated as applying retroactively for these purposes.