

# PAYROLL SERVICES

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You might be tempted to try to save money by processing your payroll in-house with software like QuickBooks Online Payroll. But, Bookminders always recommends that our clients outsource their payroll to a payroll service because there are significant risks to processing your own payroll. If you do your own payroll, you'll be responsible for:

1. Fixing your own problems.
2. Fees and penalties if you file late or make mistakes.
3. Calculating local taxes.
4. Printing your reports.
5. Purchasing regular updates of the tax tables.

The bottom line is that using a payroll service is usually less expensive in the long run for a small organization. A payroll service:

1. Provides telephone access to a local payroll representative who can fix problems.
2. Guarantees on-time filing of payroll tax returns, which indemnifies you from late fees and penalties.
3. Provides complete reports in a form that can be easily entered into your bookkeeping system.
4. Makes sure you are in compliance with changing tax rules and government regulations.
5. Provides other convenient services like direct deposit, 1099 preparation, pay-as-you-go worker's compensation insurance, HR services, benefits administration and time tracking systems.

Even if you have only one or two employees, you should probably use a payroll service. Ask yourself, "is it worth my time to learn all the things I need to know about payroll taxes just to run a 2 person payroll?"