

# PAYROLL REPORTING GUIDELINES

*This list is to serve as a guideline for reporting member's payroll to MIRMA.*

Payroll should **include**:

1. Wages or salaries (includes all regular wages and salaries paid to all elected or appointed officials, full and part-time employees, and individually contracted employees such as recreation officials, umpires, or instructors)
2. Commissions
3. Bonuses
4. Pay for overtime work (less the premium portion)
5. Pay for holidays, vacations, or periods of sickness
6. Payment withheld from employees to meet statutory obligations for insurance or pension plans such as FICA or Medicare
7. Payment for any basis other than time worked, such as piecework, profit sharing, or incentive plans
8. Payments for salary reduction, employee savings plans, retirement, or cafeteria plans (IRC 125) that are made through employee-authorized salary reduction from the employee's gross pay
9. Davis-Bacon wages or wages from a similar prevailing wage law
10. Expense reimbursements to employees to the extent that the employer's records do **not** confirm as a valid business expense

Payroll should **exclude**:

1. Premium portion of overtime
2. Tips or gratuities
3. Payments by employer to group insurance or group pension plans for employees, other than those covered by #6 and #8 above
4. Payments by an employer into third-party trusts for the Davis-Bacon Act or a similar prevailing wage law provided the pension trust is qualified under IRC Sections 401(a) and 501(a)
5. Dismissal or severance payments except for time worked or vacation accrued
6. Payments for active military duty
7. Expense reimbursements to employees to the extent that the employer's records confirm as a valid business expense
8. Supper money for late work
9. Work uniform allowances
10. Sick pay paid to an employee by a third party
11. Employer contributions to employee benefit plans such as: employee savings plans, retirement plans, cafeteria plans (IRC 125)
12. Payments to an attorney (i.e. city attorney or prosecuting attorney) if it is an individual contractor