



Bonus Payment Guidelines & Reminders

Client Name Client Number

1. Bonuses should be reported at least 72 hours prior to delivery date and scheduled with your Payroll Specialist.
2. Bonuses that require gross-up calculations require an additional 72 hours for processing.
3. Payments will be made using the employee’s regular method of payment (direct deposit, live check, etc.). If an alternative method is required, please indicate preference below.
4. Court-ordered garnishments will be deducted in accordance with state regulations. For those employees with active child support orders, many states require employers to contact the division of child support when bonuses or supplemental pay are paid to employees. Those states usually have a statutory 48-hour window for responding to inquiries from Paychex.
5. The Paychex Retirement Plan requires that active 401(k) elections be taken on all W-2 wages.
6. Supplemental wages will be taxed in accordance with IRS regulations (For 2024, the tax rates on supplemental wages are 22 percent; 37 percent for wages over \$1 million).
7. Bonuses are subject to workers’ compensation insurance.
8. Bonuses are shipped in accordance with the regular payroll instructions, unless otherwise noted below.
9. To help us identify a suitable pay code, please indicate if the bonus is a discretionary bonus (e.g., a bonus paid at the discretion of the employer and not promised in advance by a contract or other verbal or written agreement) or a non-discretionary bonus (e.g., a bonus employees expect to receive related to production, efficiency, attendance, quality, or another measure of performance).
10. If your bonus run exceeds your normal payroll invoice amount by more than 25 percent or \$100,000, you may be required to send a pre-wire at least two business days prior to the check date of the bonus.

Bonus Schedule

Return the completed form to your Payroll Team at least one week prior to the requested submission date to ensure proper scheduling:

We will have a bonus run We will not have a bonus run

Requested Submission Date Expected Delivery Date Anticipated Check Date

Processing Method	<input type="checkbox"/> Separate Bonus Run	<input type="checkbox"/> Include With Regular Payroll
Preferred Delivery Method	<input type="checkbox"/> All Live Checks	<input type="checkbox"/> Use Employee’s Preference
Bonus Type	<input type="checkbox"/> Discretionary	<input type="checkbox"/> Non-Discretionary
Gross-up Calculation	<input type="checkbox"/> Required	<input type="checkbox"/> Non Required
Tax Calculation	<input type="checkbox"/> Supplemental Wage Tax Rate	<input type="checkbox"/> Federal and State Withholding Rate Based on Employee Election

Special Instructions:

The undersigned hereby certifies that the information in this questionnaire is correct. I certify that all answers and statements are true and correct to the best of my knowledge.

Client Authorized Representative Signature	Print Name	Date
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