



Information Every Business Needs to Know

HR & BENEFITS ADVISOR

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**Federal Minimum Wage
Increases on July 24**



When the [federal minimum wage increases](#) this July to \$7.25 per hour, workers in some states won't even notice. That's because legislatures in 19 states had already set the minimum wage for work performed within their borders at or above the \$7.25 mark. For these states, the minimum hourly wage for a non-exempt worker ranges from \$7.25 (Arizona, Hawaii, Iowa, New Hampshire, and West Virginia) to more than \$8.00 per hour (Oregon, \$8.40; Vermont, \$8.06, and Washington, \$8.55).

Minimum wage in twelve states currently matches the federal minimum, and eleven of them will increase right on



PAYROLL TAX ALERT: Some employees may want to change withholding related to the 'Making Work Pay' tax credit

In 2009 and 2010, the 'Making Work Pay' provision of the American Recovery and Reinvestment Act will provide a refundable tax credit of up to \$400 for working individuals and up to \$800 for married taxpayers filing joint returns.

This tax credit will be calculated at a rate of 6.2 percent of earned income and will phase out for taxpayers with modified adjusted gross income in excess of \$75,000, or \$150,000 for married couples filing jointly.

For people who receive a paycheck and are subject to withholding, the credit will typically be handled by their employers through automated withholding changes in early spring. These changes may result in an increase in take-home pay. The amount of the credit will be computed on the employee's 2009 income tax return filed in 2010. Taxpayers who do not have taxes withheld by an employer during the year can also claim the credit on their 2009 tax return.

It is not necessary to submit a Form W-4 to get the automatic withholding change. However, an employee with multiple jobs or a married couple whose combined income places it in a higher tax bracket should consult the IRS [withholding calculator](#) and, if necessary, submit a revised [Form W-4](#), Employee's Withholding Allowance Certificate, to ensure enough tax is withheld. [Publication 919](#), How Do I Adjust My Tax Withholding?, provides additional guidance for tax withholding including a special Making Work Pay worksheet.

time. The twelfth, Kentucky, will beat the rush, increasing their minimum wage to \$7.25 per hour on July 1, 2009, about three weeks before the federal increase takes effect on July 24, 2009. Minimum wage in Illinois is set to increase to \$8.00 per hour effective July 1, 2009. And in Maine, the current minimum wage of \$7.25 will remain in effect until October 1, 2009, when it will rise to \$7.50 per hour.

For more information about the [minimum wage](#), to whom it applies and exceptions, along with state-by-state figures.

Form I-9 Update

U.S. Citizenship and Immigration Services (USCIS) announced that the [Employment Eligibility Verification Form I-9](#) (Rev. 02/02/09) currently on the USCIS Web site will continue to be valid for use beyond June 30, 2009. USCIS has requested that the Office of Management and Budget (OMB) approve the continued use of the current version of Form I-9. While this request is pending, the Form I-9 (Rev. 02/02/09) will not expire. USCIS will update Form I-9 when the extension is approved. Employers will be able to use either the Form I-9 with the new revision date or the Form I-9 with the 02/02/09 revision date at the bottom of the form.

Visit the USCIS website for more information on [Employment Eligibility Verification](#).

Possible Underpayment of Tax Situations

Employees in certain situations may find themselves underpaying their 2009 taxes if they do not file a revised W-4 to change their withholding soon. To help these employees meet their tax obligation, employers may want to notify them about this potential issue. People in the following categories, in particular, should examine their tax situation for possible issues:

- Pensioners
- Married couples with two incomes
- Individuals with multiple jobs
- Dependents
- Some Social Security recipients who work
- Workers without valid Social Security numbers

The Making Work Pay tax credit, normally a maximum of \$400 for working individuals and \$800 for working married couples, is reduced by the amount of any Economic Recovery Payment (\$250 per eligible recipient of Social Security, Supplemental Security Income, Railroad Retirement or Veteran's benefits) or Special Credit for Certain Government Retirees (\$250 per eligible federal or state retiree) that a person may receive. For people who feel they may be affected by this reduction, the withholding should be reviewed to ensure that sufficient funds have been withheld to meet any tax obligation.

To perform a quick check on withholding, simply go to the [IRS withholding calculator](#). Adjustments can be made by filing a revised [Form W-4](#), Employee's Withholding Allowance Certificate, with the employer.

How to Write A Great Job Posting

When you meet someone, do you put out your hand and introduce yourself with enthusiasm? Or do you look at the floor, and speak in a monotone using single syllable words? Or perhaps your approach is to cram as many words as possible into the few minutes you have with the person, never allowing a break in the conversation.

Obviously, the first approach will be the most effective if your goal is to try to get to know someone. Keep that picture in your mind when you're creating a job description for a position at your company. The job description serves to introduce your company to potential employees, and allows you to gather information about them so you can more easily decide who will best fit the bill. Write a droning, long-winded description and you'll lose potentially great



employees before you even meet them. The same is true if you include every single task an employee might ever be asked to perform, no matter how unlikely, and end up with a 6-page job description.

Here are a few tips to consider when writing this important introduction:

1. Before you write the job posting, make a list of the tasks and the qualifications required for the job. Don't focus on the person who previously held the job, or on the job's history; as the business environment evolves, the job may have changed as well. Tasks are the day-to-day responsibilities assigned to the person you're hiring (filing, calculations, editing, calling on customers). Clarify these first. Then decide which qualifications are important for performing those tasks (college degree, customer service skills, organizational abilities). As you finalize the list, ask yourself: do these qualifications have a direct bearing on the employee's ability to complete the assigned tasks? If not, why are you requiring them?

2. When you write the job posting, use active, not passive, words. In this way, you create a word picture so readers more easily grasp what they'll be expected to do.

Try this: Writes, edits and places monthly articles in industry publications.

Not this: Does some writing.

3. Appeal to emotion using correct word choice rather than punctuation. If you need exclamation points to convey excitement, you haven't chosen the best words.

Try this: Using Quark, design customer reports and documents.

Not this: Quark skills needed!

4. Be specific. If you're too general when describing the job, you'll likely be frustrated when culling through mountains of resumes submitted by unqualified candidates.

Try this: Experience and proficiency generating reports using Excel.

Not this: Runs reports.

5. Opportunities motivate people; make sure you sell them. For example, if your company creates its own management team by training star employees, let applicants know that from the first contact – the job posting.

Try this: ABC Co. mentors and trains our employees, helping them to achieve their career goals in a supportive team environment.

Not this: ABC Co. offers training.

Before you submit your finished job description, check it over to make sure you haven't written anything that could be construed as discriminatory. Any reference to race, religion, age, sex, national origin and physical or mental ability does not belong in the job description. Remember that this can be considered a legal

document. Once the job description meets your approval, have another person review it for grammar, spelling, punctuation, accuracy, and overall impression.

If you'd like a head start on creating a great job description, take a look at our website. Our subscribers have access to more than 800 detailed job descriptions in 22 job categories at www.bowenlaw.com

Many Companies Unprepared For Pandemics



In a survey released June 10, 2009, global human resources consulting firm Mercer reports that many companies are unprepared to manage large scale health emergencies like H1N1. Even while some survey respondents report that their own employees have been exposed or come down with Influenza A ([H1N1](#)), or swine flu, 41% said they do not have a human resources policy in place for such emergencies.

"With the continued increase of reported cases of Influenza A, it is important for employers to develop a plan for dealing with the myriad HR issues that can arise in the event of a pandemic or other health care emergency," said Danielle Dorling, a consultant in Mercer's HR effectiveness consulting business. "In particular, organizations with a global workforce and decentralized HR units need to have a coherent procedure in place for employee care in the event of a health emergency."

Action Steps to Consider

While 24% of survey respondents don't anticipate taking any special actions with regard to health-related emergencies, Mercer reports that 53% were considering whether to create back-up and contingency plans in response to the H1N1 outbreak. Forty-three percent planned to cancel or restrict business travel, and 41% would allow employees to work from home. Other measures being considered are voluntary quarantines for employees who have been exposed (27%), enforced quarantines for those employees considered to be at-risk (24%), and cancellation of meetings and conferences (21%). Twenty percent of respondents said they would screen staff or visitors returning from travel, and require medical check-ups for them (12%).

There is understandably greater concern among companies with employees on international assignments, where health related information may or may not be given in employees' first languages. When employees worry about the possibility of exposure, some will request to be transferred back home, which could be costly to the company, not only because of immediate relocation costs but also due to productivity issues.

Importance of Developing a Back-Up Plan

Instead of dealing with these issues after-the fact, creating a policy covering large scale health emergencies can provide a set of instructions that will help employees handle this kind of stressful situation. "Business continuity plans should be standardized and employers must be able to communicate in a streamlined, swift and decisive fashion," said Ms. Dorling. "Ad-hoc reaction can lead to confusion, unnecessary panic and expensive global inconsistencies that can expose the organization to significant financial risk."

If you'd like more information about planning for and responding to emergencies like the H1N1 virus, [Mercer's website provides a checklist](#) you can use to think through the possibilities. In three pages, the checklist ensures that you have considered everything from how to reach employees and what to do if schools close, to monitoring World Health Organization updates and how you would handle an order to evacuate an area where employees are located. Visit <http://www.mercer.com/h1n1>.

Genetic Information Nondiscrimination Act

The [Genetic Information Nondiscrimination Act of 2008](#) (GINA) was signed into law on May 21, 2008. GINA prohibits discrimination in health care coverage and employment based on genetic information. The health coverage portion of GINA, or Title I, became effective for plan years beginning after May 21, 2009. GINA, together with already existing nondiscrimination provisions of the Health Insurance Portability and Accountability Act, generally prohibits health insurers or health plan administrators from requesting or requiring genetic information of an individual or the individual's family members, or using it for decisions regarding coverage, rates, or preexisting conditions.

The effective date of the insurance provisions is not the same in all cases because for group health plans, Title I will take effect at the start of the "plan year" beginning one year after GINA's enactment. Because some health plans do not designate their "plan years" to correspond to a calendar year, there will be variation among plans as to when Title I takes effect for the plans. However, for individual health insurers, GINA will take effect May 22, 2009.

GINA's health coverage non-discrimination protections do not extend to life insurance, disability insurance and long-term care insurance. GINA also does not mandate coverage for any particular test or treatment. In addition, GINA's employment provisions generally do not apply to employers with fewer than 15 employees.

The employment portion of GINA, or Title II, becomes effective November 21, 2009. Title II prohibits most employers from using genetic information for hiring, firing, or promotion decisions, and for any decisions regarding terms of employment.

Some states may already prohibit genetic discrimination in employment and health care. Check with your state's department of human services to learn how their laws coordinate with GINA.

Detailed information about GINA and how it applies to you is available from the [Department of Health and Human Services](#).

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