



"Motivation is simple. You eliminate those who are not motivated."

- Lou Holtz

August Newsletter

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In This Issue:

- ▶ **S-Corps– Feds Looking at Taxing Your Distributions**
- ▶ **Try Focus.com - A Powerful Business Tool**
- ▶ **HR Outsourcing Benefits of a PEO**
- ▶ **The Federalization of Workers' Compensation?**
- ▶ **Per Diem- What Does it Mean and How Does it Work?**
- ▶ **Medical Marijuana in the Workplace**



Mike Burgelin, President

S-Corps– Feds Looking at Taxing Your Distributions



A must read!

<http://www.forbes.com/2010/07/13/>

In-house or Outsource?

How does the US Chamber of Commerce and Small Business Administration compare costs for annual employee-related administrative work?

[Click here to find out!](#)

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HR Outsourcing Benefits of a PEO

For years now, PEO outsourcing services have continued to grow dramatically each year, in every state. While many

business owners connect with a PEO service for savings on workers' compensation insurance or to reduce rising group health care costs, with increased governmental regulations and health care reform, help with human resource services have quickly become an urgent need for employers.

While many may not think of HR services as a "good investment", if you can't answer yes on most of the questions below, you're wasting productive time finding and dealing with the answers yourself:

1. I'm aware of the new federal and state labor regulation changes that took effect this year.
2. I know how to handle unemployment claim disputes.
3. I know which questions are illegal to ask a new hire during the interview process.
4. I understand how the new health care reform laws will impact my business.
5. I understand COBRA compliance and can manage COBRA administration.
6. My employees know that I am an "At Will" employer and understand what that means.
7. I understand all the mandated OSHA forms that apply to my business.
8. I complete performance reviews regularly with all my employees.
9. I know my responsibilities for our out-of-state employees.
10. I conduct reference and background checks on all our new hires.

Find more information regarding PEO services on our [frequently asked questions](#) page.

The Federalization of Workers' Compensation?



This has been a highly discussed topic on many of the insurance blog lines and groups. Some in the industry see health care reform as another step toward a federalized workers' compensation program.

Adding support to this theory was a bill introduced in the House on January 22, 2009. House Resolution 635 would create a National Commission on State Workers' Compensation Laws to examine state workers' comp programs.

Many viewed the bill as a precursor to federalized workers' comp. Here's just one of many opinions on why this could be in the works.

<http://www.riskandinsurance.com/story.jsp?storyId=466754011>

Per Diem- What Does it Mean and How Does it Work?

Per diem, is Latin for "per day" or "for each day". It usually refers to the daily rate of any kind of payment. It may

also refer to a specific amount of money that an organization allows an individual to spend per day, to cover living and traveling expenses in connection with work. It is the allowance given to the employee/worker for completing a task or going on tour away from home.

Companies use the per diem rate guide published by the General Services Administration, which provides rates for a number of cities in the United States. When an employer reports an employee's earning at the end of the year on a W-2, per diem is listed separate from taxable income, under Misc. non-taxable.

The IRS sets the maximum amount of per diem each year based on the location. For instance, New York City has a higher rate than Gadsden, Alabama.

To qualify for per diem, your work-related business activity should be at least fifty miles from your tax home, and require an overnight stay. The IRS code does not specify a number of miles. However, based on IRS rulings, it is commonly accepted that a distance of 50 miles as a reasonable distance to justify payment of per diem allowance.

If the taxpayer anticipates employment away from home to last less than 1 year, then all the facts and circumstances are considered to determine whether such employment is "temporary". If the taxpayer anticipates employment to last (and it does in fact last) between 1 and 2 years, the I.R.S. presumes that the employment is "indefinite". The taxpayer may rebut the presumption by demonstrating certain objective factors set forth in the revenue ruling. For employment with an anticipated or actual stay of 2 years or more, the I.R.S. holds that such employment is "indefinite", regardless of any other facts or circumstances.

Medical Marijuana in the Workplace

With medical weed now legal in fourteen US states, there will be thousands of employers wondering how to deal with keeping the workplace drug free, while at the same time, deal with the problems regarding the employment of individuals who are prescribed pot. Here's a short article discussing some of the issues and challenges that lie ahead for employers:



http://www.cnn.com/id/36179669/The_Drug_Free_Workplace_vs_Medical_Marijuana

