

Internal FAQs: **isolved Tax Service**

DISCLAIMER: The following information is for Network Partners only. Please do not share otherwise.

General Overview

What is **isolved Tax Service**?

isolved Tax Service is a comprehensive payroll tax processing solution that streamlines tax operations without the need for third-party software. Our team of tax experts will manage tax processing, payments, filings, tax notice resolutions, year-end filings, and more—all securely within **isolved People Cloud**.

What's included with **isolved Tax Service**?

isolved Tax Service consists of a base package and additional Opt-in Services. **isolved Tax Software** and **Treasury Software** are required to take full advantage of **isolved Tax Service**. Below is a breakdown included in each.

Base Package:

- Tax payments
- Tax filings
- W-2 Filings*

Opt-in Services:

- Tax Registration Service*
- 1099 Filing*
- 945 Filing*
- Worksite Reporting*

**NOTE: Please be advised that features with an asterisk (*) next to them are susceptible to service fees.*

How do we get started?

If you are interested in **isolved Tax Service**, please contact your Network Account Manager. Your Network Account Manager will coordinate discussions with the **isolved Tax** team.

How long will it take to launch the service?

Implementation takes approximately 90 days but is typically based on the initial project scoping call.

How do we notify **isolved** of new implementations that will need tax services setup?

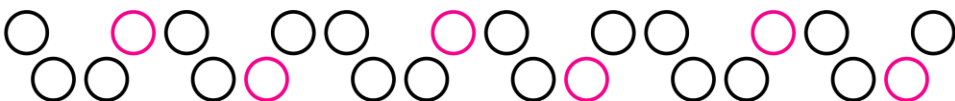
Dynamics cases should be opened for all new clients providing at least 3 business days before the first payroll run process. You can also view case set up instructions in the [Network Tax Handbook](#).

How much lead-time is needed for clients to be able to run their first payroll?

It takes about 3 business days.

Is **isolved** a registered money transmitter for all states?

Yes, we service all states.



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What is the scope of responsibility for my clients and what information does isolved need from new clients to make sure they are implemented correctly for tax purposes?

Clients are expected to provide tax account numbers, rates, frequencies, and any changes to their tax accounts every year or as they occur.

Does isolved register clients for their tax accounts?

Your clients can sign up for registration service for a small fee. A Tax Registration Service Request Form must be completed and signed. See the price guide [here](#).

Do we need to register under the (Electronic Federal Tax Payment System) EFTPS program with this service?

No, Network Partners do not need to register for EFTPS. isolved Tax Service handles all EFTPS enrollments on behalf of the Partner and their clients.

Will this service work with PEO clients as well as ASO clients?

This service is available for PEO and ASO clients.

Are we able to opt in for parts of the service only?

No. Once you opt in, you receive all the applicable services.

Will isolved onboard clients who are in the process of obtaining State IDs?

Yes, and the client will have 90 days to provide the tax ID.

Are there team member(s) dedicated to the Partner, so we are always working with the same person(s)?

The tax team has dedicated Tax Specialists who will support the partner for Tax Service; clients are not limited to one person.

Who do we contact to learn more?

Please contact your Network Account Manager to learn more.

Features and Functionality

What are the key features and functionality?

isolved Tax Service provides a fully managed payroll tax service and keeps clients up to date with tax compliance rules and regulations. Additional key features include:

- New Client Tax Implementation
- Power of Attorney (POA) Processing
- Electronic Funds Transfer (EFT) Registrations
- Payroll Tax Deposits to IRS, State and Local Agencies
- Month-End Tax Filing
- Quarterly Tax Filing
- Annual Reconciliation Tax Filing
- Federal, State, and Local W-2 Filing*
- Printing, Mailing, and Tracking for Agency Returns and Payments
- Amendment Processing and Remittance*
- W-2 Corrections*



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- Tax Notice Research and Resolution*
- Tax Credit Validation*
- “Zero Reporting” Tax Filing
- Opt-In Tax Registration Service*
- Opt-In 1099 Services*

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Do clients need to send tax exports like they do with their current 3rd Party Tax Software?

No. isolved Tax Service eliminates the interface process because it is all conveniently integrated within the same system.

What information do clients need to provide to make sure taxes for a newly hired, out-of-state employee are set up correctly in the system?

The “Add New Work Location” form can be used to set up new work locations.

If a client needs to void a check from a previous quarter, does isolved need to amend the return or do clients need to void the check in the current quarter?

Corrections should always be made in the quarter they are originally processed in to ensure accurate tax reporting. isolved will need to be notified of any tax amendments that need to be filed because of the adjustment.

Who is responsible for loading successor wages – the Partner or isolved Tax Service?

The Partner is responsible for loading successor wages.

Would isolved enter the tax adjustments on the payroll side?

No, that is the Partner’s responsibility. isolved will review the payroll adjustment and amended returns and ask you to reapprove the forms.

Who holds the POA, and can you add multiple contacts on the POA forms?

isolved holds the POA and yes, you can add multiple contacts if the agency allows it.

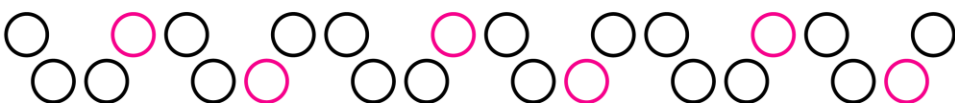
Pricing & Operations

Where can I obtain pricing information?

The isolved Tax Service pricing is listed on the [Add On Pricing page](#). There also is a separate pricing sheet and other information on the [Tax Service](#) page.

How will we be billed for the service?

The base service fees are billed monthly, per FEIN for Tax Service. isolved Tax Service will be included with your monthly Network invoice sent by our Billing Department.



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Can you clarify: There is a one-time cost to get this setup and is based on the number of FEINs a Partner has plus a cost of \$20 per FEIN per month?

To get your Service Bureau set up for tax service, there is the one-time setup fee to install the service in your instance. There is also a monthly base minimum for service bureaus with 1-24 FEINs of \$500. Once the Service Bureau reaches 25 FEINs, the fee will be \$20 per FEIN.

Do we still need to produce the W-2?

Printing employee W2s are subject to a \$3 fee. Additional pricing questions can be discussed in more detail with your Account Manager.

Does the cost for isolved Tax Service include isolved Tax?

No, the pricing for isolved Tax is separate from isolved Tax Service. isolved Tax is required for isolved Tax Service.

What products are required in order to purchase isolved Tax Service?

Required Products are isolved Tax and isolved Treasury software. W-2 Filing is also required.

Is there a list of the additional fees (state registration, amendments, etc..)?

Yes, that is included on the [Add-On Pricing](#) sheet as well as on the [Tax Service price list](#). Your Account Manager also can provide a breakdown of the services and costs.

What is the timing of funding taxes from the partner account to isolved?

Funding from the partner tax account to the isolved tax account happens daily. We suggest ensuring that your clients are accustomed to processing their payrolls two days prior to check dates to account for this timeline.

Can clients have isolved collect or remit taxes, but not file returns?

No, the service is either full tax service or return only. With full tax service, isolved collects or remits and files on behalf of the Partner's client. With Return only, returns are generated, but the client is responsible for all filings except Federal W2 filing with SSA.

How does banking work? Will isolved debit clients for their taxes or will there be a settlement account that is used?

isolved will not debit clients directly. The Partner will debit client accounts and transmit the funds to isolved.

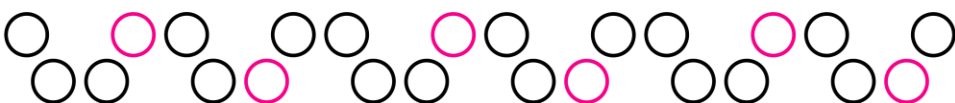
What is the protocol if a client NSF's their tax impound?

You will need to change the client's legal status to NSF and alert isolved Tax Team through a case.

For tax impound, can tax funds go directly to isolved from the client's account, so that we are not holding any tax funds? Will this satisfy the Money Transmission License requirement for the Service Bureau?

isolved cannot impound the client directly as this is against NACHA regulations and outside of the isolved ACH authorization agreement.

Is it possible for a client that is currently Return Only to change to Full Tax Service?



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Yes. If a client is on Return only service, we recommend that you complete a Partner Tax Service Change Form and provide all supporting tax documents.

Can a client with multiple companies submit one case for all their SUI rate changes?

No, clients must submit a case for each company separately to ensure data accuracy and reduce risk.

How would it work for any additional funds needed for quarter end payments, rate changes etc.?

isolved will do a quarterly SUI Rate exchange for your client base. The potential additional fees should be minimal but, if needed, we would work with you to draft your client and isolved would then impound the additional tax liability from the service bureau account on file.

How would it work for next day IRS payments? Would you require wires from client accounts to IRS?

As long as the payroll is processed two (2) days prior to check date, isolved will have funds on the check date and will be able to make next day IRS deposits. In special payroll run scenarios, we may need to enact our wire process. You will be provided with a checklist of these steps once on service.

Will you cover any penalties?

If there is a scenario that a penalty is caused due to misinformation or information that is lacking, the penalty would be assessed to the client. If isolved makes an error, we can collaborate on penalty payment at that time.

Are there any industries that isolved cannot process taxes due to banking regulations?

Yes, please speak to your network account manager to discuss options and possibilities.

Additional Resources

What materials are available to share with clients?

Marketing materials are in progress and will be available soon.

- [Tax Services Profile](#)

Who can I reach out to for more information?

For messaging, positioning, and applicable content: Melissa Mendoza, Product Marketing Manager
For questions about functionality: Carol Razooki, Director of HCM Tax Compliance

