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contractors

Jun. 12, 2013

SAN FRANCISCO — Web-based payroll developer [ZenPayroll, Inc.](#) has launched a new contractor payments feature that extends its modern approach to payroll from employees to independent contractors. Businesses can now pay their entire workforce from the same intuitive payroll system.

“I’ve been paying my contractors by check, through my bank website, and PayPal. Every year I spend hours trying to gather all of my payment records to manually create a 1099. I love the time savings and convenience ZenPayroll provides, and my contractors love getting paid through direct deposit,” said Ryan Dawkins, President of Project Sport, a San Francisco-based sports marketing and event management company. “Everything is handled in one place and automatically recorded for me at the end of the year. Payroll couldn’t get any easier!”

Businesses are required to file Form 1099 with the IRS at the end of the year for any contractor who received more than \$600 in wages from the employer. The contractor is also entitled to receive a copy for income tax reporting purposes. While many small businesses are working with independent contractors – there are more than 43 million contractors in the US alone, nearly one-third of the workforce, according to the Government Accountability Office (GAO) – employers are overwhelmed with the complexities of tracking and reporting their wages.

Whether it’s forgetting to file Form 1099 altogether, incorrectly reporting wages, or making filing errors with the government, sizable penalties can result. One Chicago-area housing contractor that failed to keep proper records and incorrectly classified 18 workers as contractors faced civil penalties of \$327,000, plus \$1,500 for poor recordkeeping.

“The nature of work is changing given the decline of lifetime employment. People

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software.

Contractor payments are available immediately through ZenPayroll and pricing is the same for both employees and contractors – just \$25 per company, plus \$4 per employee or contractor, per month. When a company grows past 10 employees or contractors, the rate drops to \$2 for each additional person. More pricing information is at www.zenpayroll.com/#pricing.

ZenPayroll provides a modern cloud-based payroll service that is simple and delightful to use. Customers can run payroll and administer benefits in minutes from any connected device. All government payroll reporting is done automatically and paperlessly, providing the easiest way for business owners to manage payroll taxes and compliance. ZenPayroll is headquartered in San Francisco. To learn more and get started with 2 months free, visit:

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