



# Physician Payroll *Tax Saver Toolkit*

# STEPS

Map duties and time  
(clinical vs. admin).

1

Draft a reasonable  
compensation memo  
with sources.

2

Adopt a written accountable  
plan (Treas. Reg. §1.62-2).

3

Submit monthly  
reimbursement packets with  
receipts and purposes.

4

Book reimbursements properly;  
keep distributions separate.

5

Year-end officer comp true-up;  
align W-2, 941, 1120-S, K-1.

6

Send 1099-NEC and 1096  
as required (1096 only if  
paper-filing).

7

# THINGS TO WATCH OUT FOR



Round-number wages with no support.



Paying reimbursements as bonuses.



Overstated home admin area (ensure “convenience of the employer”).



Skipping monthly submissions.



Not updating salary when role changes.



# KEY FACTS TO KNOW



**Reasonable compensation** = pay tied to services performed, supported by comps.



**Accountable plan** = reimburse + substantiate + return excess → not wages.



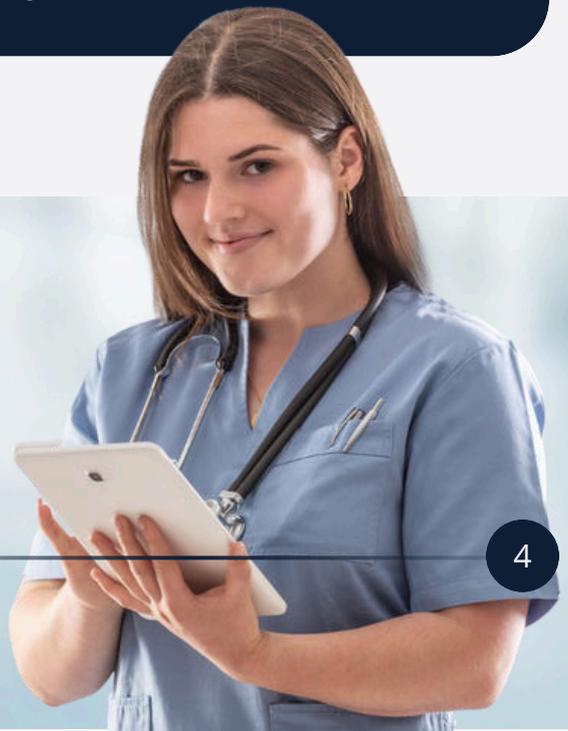
**2025 business mileage rate:** 70¢/mile (if using the standard rate).



**2025 Social Security wage base:** \$176,100; employee/employer OASDI rate 6.2% each.



**Additional Medicare tax:** 0.9% above \$250,000 MFJ / \$125,000 MFS / \$200,000 all others; employers start withholding at \$200,000 of wages.



# TYPICAL DUE DATES TO REMEMBER



**Monthly/Quarterly:** reimbursement packet due.



**Quarterly:** payroll deposits/returns as applicable.



**Jan 31:** W-2 to employees; 1099-NEC to recipients (**next business day if weekend/holiday**).



For **2025 forms**, W-2 filing due Feb 2, 2026.



By filing deadline: Form 1120-S and K-1.

To implement this in minutes, use our ready-to-edit templates. Download the Physician Payroll Tax Saver Toolkit.

Want help tailoring it?

[BOOK A FREE DISCOVERY CALL.](#)