

PAYROLL CHECKLIST FOR THERAPISTS

Setting up payroll for your therapy practice is crucial, whether you're planning to collaborate with other therapists and start a group practice or hire support staff to maintain the efficiency of your solo practice. When establishing payroll for your business, you'll need to fulfill several federal and state requirements. The following checklist will help you ensure that you have completed all the necessary steps. Please refer to our [How to Set Up Payroll for Your Therapy Practice](#) article for more information.

Sole Practitioners (1040) clients

- Payroll onboarding is complete and I am able to run payroll
- The EIN entered in Gusto is the same EIN as on my CP575
- State registration is complete and all tax information has been entered into Gusto
- Tax exemptions, if applicable, have been entered into Gusto
- As a Sole Prop owner, I am not set up on payroll
- Wages are being deducted from my business bank account
- All employees and contractors have been added to payroll
- New hire forms have been filed for all employees and contractors
- 1099-NEC forms are being filed for all contractors
- Form 941 or Form 944 are being filed for all employees
- If a payroll provider was used prior to Gusto, payroll history has been entered into Gusto
- I am reviewing and updating (if applicable) Form W4 each year
- Heard Payroll (payroll@joinheard.com) has been added as a **full** admin on my Gusto account
- I am using Heard Payroll (if interested and eligible)

Heard is an all-in-one financial solution for therapists that combines software and human support to handle bookkeeping, taxes, payroll, and more. [Click here to schedule a free consultation.](#)

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S Corp (1120-S) clients

- Payroll onboarding is complete and I am able to run payroll
- The EIN entered in Gusto is the same EIN as on my CP575
- State registration is complete and all tax information has been entered into Gusto
- Tax exemptions, if applicable, have been entered into Gusto
- Annual owner's distributions do not exceed annual net profit
- Wages are being deducted from my business bank account and pay is deposited into my personal bank account
- All employees and contractors have been added to payroll
- 1099-NEC forms are being filed for all contractors
- Form 941 or Form 944 are being filed for all employees
- If a payroll provider was used prior to Gusto, payroll history has been entered into Gusto
- I am reviewing and updating (if applicable) Form W4 each year
- Heard Payroll (payroll@joinheard.com) has been added as a **full** admin on my Gusto account
- Health insurance has been added to wages
- In accordance with my Accountability Plan, home office related expenses are setup as reimbursements through Gusto
- I am using Heard Payroll (if interested and eligible)

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