

Forest Lake Hockey Association

Employee Tip Reporting Policy

All employees who receive twenty dollars (\$20.00) or more in tips in any one month must report all tips to Forest Lake Hockey Association (“FLHA”) so that federal income tax, social security, and Medicare taxes, as well as state income taxes, can be withheld. All tips are taxable income.

Withholding Limitations

If an employee’s regular wages are insufficient to cover the required withholding on reported tips, FLHA will withhold as much as possible from available wages. Employees remain responsible for any unpaid taxes and may need to make estimated tax payments directly to taxing authorities.

How to Report Tips

Employees must complete the IRS Form 4070 for any month in which they receive twenty dollars (\$20.00) or more in tips. Copies of the IRS Form 4070 can be collected from the Gambling Manager. Once complete, employees must submit the Form 4070 to the Gambling Manager by the tenth (10th) day of the following month. Completed forms should be submitted electronically to the Gambling Manager. As such, employees should **not** include their full social security number on the Form 4070 when submitting.

Employees must notify the Gambling Manager within two (2) business days of becoming aware of any underreporting or errors in previously submitted tip reports. Employees shall cooperate in good faith in correcting any underreporting or errors in previously submitted tip reports.

Recordkeeping

Per IRS Publication 1244, employees must keep sufficient proof to show the amount of tip income for the year. For more information about how to track tips, employees should review [IRS Publication 531](#).

No Tax Advice

FLHA does not provide tax advice. Employees are encouraged to consult with their personal tax advisor regarding the reporting, recordkeeping, and treatment of tip income.

Compliance

Failure to accurately report tip income may result in disciplinary action up to, and including, termination.

[SIGNATURE PAGE IMMEDIATELY FOLLOWS]

Acknowledgment

My signature below acknowledges that I have received a copy of Forest Lake Hockey Association's Employee Tip Reporting Policy. I agree to read, understand, and adhere to this policy and acknowledge that Forest Lake Hockey Association may modify or terminate this Employee Tip Reporting Policy at any time for any reason in its sole discretion. I also understand that if I have questions regarding the contents of this policy, I should ask the Gambling Manager or the Board President for clarification.

Signature: _____

Printed Name: _____

Date: _____