

Form 945 for S Corporations: 2025 Filing Deadlines and Best Practices

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The Guillen Pujol CPA Group Guide for Form 945, Year 2025.

Editor's Note

This post is based on the '[2025 Tax Calendar](#)' from Guillen Pujol CPA Group—a digital tool designed to streamline tax processes in the United States. This resource highlights a key deadline: the cutoff for S Corporations to file Form 945. Learn how to avoid costly mistakes. Visit our Information Hub, a trusted resource offering the latest news on taxes, the economy, and business, along with practical advice on tax strategies, accounting, and business consulting—because Planning Tomorrow, Together, starts [here](#).

By The Guillen Pujol CPA Group Newsroom

[Business](#), [Corporations](#), [GPCPAs Guides](#), [S Corporations](#)

For S Corporations that withhold federal taxes on non-payroll payments, the standard deadline for filing Form 945 is January 31, 2025. However, those that have met their withholding obligations may automatically receive an extension until February 10, 2025. In this article, we explain how to determine if you still have time to file by the extended deadline and what steps to take if you believe you won't meet the deadline.

Form 945 stands as an essential element in the U.S. tax framework, particularly for S Corporations. [It is designated for reporting federal income tax withheld from non-payroll payments](#)—such as distributions from pensions, annuities, individual retirement accounts (IRAs), military retirement, gambling winnings, Indian gaming profits, voluntary withholding on certain government payments, backup withholding, pensions paid to former employees, cash prizes over \$600, and payments to foreign contractors, which are subject to a 30% withholding under IRS Chapter 3 ([Chapter 3 withholding under sections 1441-1443](#)).

For S Corporations, which frequently engage independent contractors rather than maintaining a full-time workforce, Form 945 is especially important. These businesses must ensure accurate withholding and reporting of taxes on payments made to contractors and other payees. For instance, if an S Corporation hires a freelance graphic designer with a payment exceeding \$600, the company is required to report any federal

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income tax withheld from such non payroll payments using Form 945.

Form 945 Deadline for S Corporations in 2025

The standard deadline for filing Form 945 is January 31, 2025. However, companies that have fulfilled their withholding obligations when due, as required, may file by February 10, 2025 [[Form 945 IRS Instructions](#)].

Failure to adhere to these deadlines can result in substantial penalties. Specifically, the IRS imposes a penalty of 5% of the unpaid tax amount for each month or part of a month that the return is late, up to a maximum of 25%. An additional 0.5% penalty per month applies if taxes remain unpaid beyond 10 days after receiving an IRS notice. These fines can significantly impact an S Corporation's financial standing and may also tarnish its reputation with tax authorities.

Frequently Asked Questions When Filing Form 945 for S Corporations

Is Form 945 required if my S Corporation only has payroll employees?

No. According to the IRS, Form 945 is exclusively for reporting federal income tax withheld from non-payroll payments. Payroll withholdings, which are subject to their own detailed regulations and calculations, must be reported on Form 941, Employer's Quarterly Federal Tax Return.

What steps should be taken if an error is discovered after submitting Form 945?

If errors are identified post-submission, corrections must be made using Form 945-X, Adjusted Annual Return of Withheld Federal Income Tax or Claim for Refund [[IRS](#)]. It's advisable to file these amendments as soon as possible—ideally before February 10—to minimize audit risks and potential penalties.

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Is electronic filing of Form 945 mandatory?

Yes. Electronic filing is required if a business files 10 or more tax returns in a year, including Form 945, W-2s, 1099s, and other information returns. This IRS mandate aims to improve reporting accuracy and streamline verification processes. The IRS provides options for e-filing employment tax forms, including Form 945, you can read more about it [here](#).

For businesses that file fewer than 10 total returns, e-filing remains optional but is strongly recommended to ensure faster processing and reduce filing errors.

What if my S Corporation withheld less than \$2,500 during the year?

If total withholdings do not exceed \$2,500, electronic filing of Form 945 is not mandatory [at the time of this article was published, Feb 7 2025]. Nonetheless, it remains critical to ensure the form is completed accurately and submitted on time to demonstrate responsible tax management and prevent future complications.

What are the risks associated with missing the filing deadlines for Form 945?

Missing the filing deadline can result in significant penalties. Specifically, a monthly penalty of 2% of the unpaid tax amount for up to ten months, with an additional 0.5% penalty if the delay extends beyond 60 days. These penalties can adversely affect your S Corporation's financial health and credibility with tax authorities.

What actions should be taken if there is a risk of not meeting the filing deadline?

If there's any indication that your company might miss the filing deadline for Form 945, it is essential to act proactively. Inform your financial advisors immediately and consider seeking specialized assistance. [At Guillen Pujol CPA Group, our team of experts](#) is ready to offer strategic solutions and personalized guidance to ensure you meet your tax obligations while minimizing the risk of fines and penalties.

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Form 945 Filings for S Corporations: Best Practices and Key Considerations

To facilitate a seamless filing process and ensure compliance with tax obligations, S Corporations should adopt the following best practices:

- **Maintain Accurate Records:** First, establish close coordination between your accounting department and the team responsible for managing relationships with contractors and other vendors to keep precise, up-to-date records of all non-payroll payments.
- **Conduct Regular Internal Reviews:** Second, perform internal audits before official filing to identify and correct discrepancies or errors promptly, thereby reducing the risk of an IRS audit.
- **Stay Informed:** Third, keep abreast of updates in tax regulations and IRS requirements to ensure that your internal processes and documentation remain aligned with current standards.
- **Seek Professional Advice:** Finally, if you anticipate difficulties in meeting deadlines, engaging with tax advisors or industry experts early is key. This approach helps you avoid penalties, as well as allows you to develop a strategy that strengthens your company's long-term financial health and compliance. At [Guillen Pujol CPA Group](#), our team is available to provide personalized advice and strategic solutions to help you navigate these challenges effectively.

By adhering to these practices, S Corporations can navigate the complexities of Form 945 reporting with confidence and maintain their standing with tax authorities.

Stay Ahead of Deadlines with [Our 2025 Interactive Tax Calendar!](#)

Navigating tax deadlines doesn't have to be a challenge. Our [2025 Interactive Tax Calendar Tool](#) [Or our [2025 Tax Calendar for S Corporations](#)—Key Dates] helps you track important filing dates, including Form 945 deadlines, estimated tax payments, and more—so you never miss a due date. Access it now and take control of your tax planning!

[Contact Guillen Pujol CPA Group today, let us help you navigate the process.](#)

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