



# OBBB Overtime Compliance 2026

## What You Need To Do!

December 23<sup>rd</sup> 2025



[www.ctrhcm.com](http://www.ctrhcm.com)



# Agenda

- OBBB compliance – Why?
- Updating Import Spreadsheets
- Time Entry Instruction

We ARE CTR!

- All-In
- Relentless Problem Solvers
- Exercise the Basics Better than Anyone

# Thank You For Joining

**Thank you for joining our Webinar on OBBB Overtime Compliance 2026 – What you need to do!**

All Participants have been muted for this webinar.

We will review where to direct your questions at the end of the webinar. We will also send this presentation to all registrants.

Please be sure to register for the rest of our webinars. You can find these on your client landing page.

In addition, all previous webinars can be found on our YEAR-END resource page on our website. <https://ctrhcm.com>

# Why do you need to be Compliant?

Multiple Choice:

- A.) HR folks traditionally have nothing to do at year end, so this fills their plate.
- B.) There's not enough compliance paperwork in HR, this satisfies a real need.
- C.) This may or may not make sense, but the government said so.
- D.) Employers always bear the burden with respect to payroll and compliance.
- E.) C and D.

## What Compliance Rules are in Play?

- Employers now may — **but are not required to** — include the qualifying overtime in the employee's W-2 form. If an employer chooses not to include the deductible overtime on the W-2 form, the employer **still has obligations and must provide the employee with detail on any overtime that is potentially deductible in some form.**
- Overtime was **ALWAYS** calculated on a defined workweek (which really shouldn't change –absent rare circumstances.)
- FLSA, state and CBA issues

# What do you need to do?

Is your Pay Frequency Weekly?  
Do you use iSolved iTime?



**NOTHING DIFFERENT ☺**

Are you a Payroll only Client with a Bi-Weekly/Semi-Monthly/Monthly Pay Frequency?

**You will need to denote WEEK NUMBER for those specific Worked Hours!!**

# Manually Entering Hours?

Additional Column is now available “Week Number”

## 1. Select Week 1, Week 2, .... or Week 5 as applicable



CTR Payroll | HR

Sandy Bo... 

Search the menu 

Employee Management 

Employee Admin Tools 

Employee Self-Service 

Client Management 

My Support Hub 

Payroll Processing 

Payroll Entry 

Client: SLBTRAIN23 - SANDYB-University Training Inc. 2023 Legal: SLBTRAIN23 - SANDYB-University Training Inc. 2023 Pay Group: Biweekly Status: Active 

Time Entry Grid | Pay Date: 1/9/2026 Payroll Period: 12/22/2025 - 1/4/2026

Template: Regular - Sandy Org Category: ALL Status: Active

Entry Report  Entry Export 

Value: Employee Type: ALL

Show Sort  Expand Employee Name  Show Total Hours/Units  Show Total Dollars  Show Total Deductions  Show Total Taxes

NAME	SALARY/RATE	BLOCK	TOTAL HRS/UNITS	PROJECT	POSITION	WEEK NUMBER	PTO-NO TIME (EARN HRS)	REGULAR (EARN HRS)	OT (EARN HRS)	DOUBLE TIME (EARN HRS)
Watson, Humphrey	Rate: 12.0192		93.00			Week 1	80.00	13.00		
			42.75			Week 2	40.00	2.75		
			50.25				40.00	10.25		

# Manually Entering Hours? (cont.)



Additional Column was added “Week Number”

## 1. Select Week 1, Week 2, .... or Week 5 as applicable

Sandy Bo...

Search the menu

- Employee Management
- Employee Admin Tools
- Employee Self-Service
- Client Management
- My Support Hub
- Payroll Processing**
- Payroll Entry
  - Time Entry Grid
  - Individual Time Entry**
  - Void Third Party Checks
  - Time Entry Totals
  - Additional Check Entry Grid
  - Timecard Import
  - Labor Entry Grid
  - Remove Pending Checks
- Payroll Entry Setup
- Reporting
- System Management
- Security

CTR Payroll HR

2 of 2 Humphrey Watson Pay Group: Biweekly Employee #: 1008 Status: Active Salary: 3923.08 Work Location: BELLEROSE, NY Hire Date: 12/4/2024 Department: 40 - IT NoJobLevel: Benefit Class:

Individual Time Entry | Pay Date: 1/9/2026 Payroll Period: 12/22/2025 - 1/4/2026

Check Type	Pay Frequency	Total Hours / Units	Total Earnings
Regular Check		109.00	0.00

+ Add New Refresh

Template: Regular - Sandy

Show Accrual Balances  Show State

Earning	Rates & Scheduled Pay	Block	Hours / Units	Dollars	Override Rate	Week N...	Department (No Home Value)	Job (40)	Fund (No Home Value)	Date (No Home Value)	Union (No Home
PTO-NO TIME		<input type="checkbox"/>									
Regular	Rate: 12.0192	<input checked="" type="checkbox"/>	X	40.00			Week 1				
			X	40.00			Week 2				
OT		<input checked="" type="checkbox"/>	X	2.75			Week 1				
			X	10.25			Week 2				
Double Time											
2nd Shift											
Bonus		<input type="checkbox"/>									
Bereavement	Rate: 12.0192	<input type="checkbox"/>									
Birthday Hours		<input type="checkbox"/>									
Cell Phone Reim											
Jury	Rate: 12.0192	<input type="checkbox"/>									
Commission		<input type="checkbox"/>									
Cell Phone		<input type="checkbox"/>									
1099 NonEE Cmpt		<input type="checkbox"/>									
Holiday	Rate: 12.0192	<input type="checkbox"/>	X	8.00			Week 2			1/1/2026 - Day 11	
			X	8.00			Week 1			12/25/2025 - Day 4	
Total				109.00	0.00						

# Importing Hours?

You must change the File used to Import Hours.



## Using Time Import Version 1 – i.e. 1(one) Row per Earning

1. Add a new Column “WeekNumber”
2. Enter 1, 2, 3, 4, or 5 as applicable

	A	B	C	D	E	F	G
1	Legal	PayGroup	Key	Name	PayItem	Hours	WeekNumber
2	SLBTRAIN2	Biweekly	1008	Watson, Humphrey	EREG	40	1
3							
3	SLBTRAIN2	Biweekly	1008	Watson, Humphrey	EOT	2.75	1
3							
4	SLBTRAIN2	Biweekly	1008	Watson, Humphrey	EREG	40	2
3							
5	SLBTRAIN2	Biweekly	1008	Watson, Humphrey	EOT	10.25	2
3							
SLBTRAIN2	Biweekly	1040	simpson_jennifer				

# Importing Hours? (cont.)

You must change the File used to Import Hours.

Using Time Import Version 2 – i.e. 1(one) Column per Earning



1. Add a new Column for EACH corresponding Earning

“E-Regular\_Hours” – Create Column “E-Regular\_WeekNumber”

“E\_OT\_Hours” – Create Column “E\_OT\_WeekNumber”

2. Enter 1, 2, 3, 4, or 5 as applicable

C	D	E	F	G	H	I	J
Key	Name	LaborValue2	LaborValue1	E-Regular_Hours	E-Regular_WeekNumber	E_OT_Hours	E_OT_WeekNumber
1008	Watson, Humphrey			40	1	2.7	1
1008	Watson, Humphrey			40	2	10.2	2

# Are your Worked Hours and Earnings Correctly Assigned?



**In Preparation – CTR used a reasonable effort to assign WORKED Hours and Earnings, based on the NAME of the earning(s).**

**Please Verify YOUR "Worked Hours" and "Regular Earnings" accumulators.**

[How To Find and Verify Accumulators](#)

# Worked Hours and Regular Earnings



## Worked Hours

- **Regular, Doubletime, Overtime, Shift Differential Hours, etc.**

## Regular Earnings (\$) -

- **Regular, Doubletime, Shift Differential, NON-Discretionary Bonus.**

# ISolved Overtime Reports

- **Overtime and Tips Export – Employer**
- **Overtime and Tips Export – Employee**



**Estimates the Overtime Premium based on Accumulators**  
**Sample below... Estimated OT - \$682.63**

Check Date	Reg Dollars (worked hours that are not FLSA OT)	divided by	Regular hours	Equals	Average Rate of pay	Multiplied by OT hours		Multiplied by .5
26-Dec	1720		80		21.5	15	322.5	161.25
03-Oct	1720		80		21.5	0.75	16.125	8.0625
05-Sep	1720		80		21.5	1.75	37.625	18.8125
30-May	1720		80		21.5	1	21.5	10.75
04-Apr	1720		80		21.5	1.5	32.25	16.125
07-Mar	1720		80		21.5	6.25	134.375	67.1875
07-Feb	1720		80		21.5	14.75	317.125	158.5625
24-Jan	1720		80		21.5	22.5	483.75	241.875
								682.625

# FAQ's.....

**Q. What happens if you do not make the recommended changes before your 1<sup>st</sup> payroll in January?**

**A. If you do not make the changes, you can continue to process your payroll the same way you have been but your employees' overtime premium pay (i.e. the "half time") may be under-stated or over-stated for tax purposes until you make the change.**

**Q. Will these changes impact my employees' pay or paystubs?**

**A. No. Your employees will see no change to their paystubs or their pay. This is simply a "behind the scenes" calculation so that the OT premium will be reported on the employees' 2026 W2s correctly.**

**Q. Does CTR have a resource page that I can reference for anything related to the OBBB?**

**A. Yes – Check out CTR's website. We have a specific page devoted to the OBBB. <https://ctrhcm.com/obba-resources>**

# Questions?



A soft-focus photograph of two people, a man and a woman, laughing and smiling. The woman on the left has blonde hair and is wearing a denim jacket. The man on the right is wearing a light-colored shirt. They are positioned in front of a bright, possibly windowed, background.

# Thank You