

Annual Payroll Tax Summary

Nexus Intelligent Systems, Inc.

Fiscal Year Ending December 31, 2023

1. EXECUTIVE SUMMARY

This Annual Payroll Tax Summary ("Summary") provides a comprehensive review of payroll tax obligations, withholdings, and compliance for Nexus Intelligent Systems, Inc. (the "Company"), covering the fiscal year ending December 31, 2023, prepared in accordance with applicable federal and state tax regulations.

2. COMPANY INFORMATION

1 Corporate Details

- Legal Entity: Nexus Intelligent Systems, Inc.
- Delaware Corporation
- Federal Employer Identification Number (FEIN): 87-3456789
- Incorporation Date: March 15, 2018
- Total Employees: 87
- Fiscal Year: January 1 - December 31, 2023

3. PAYROLL TAX OVERVIEW

1 Total Payroll Expenditure

- Gross Payroll: \$6,425,000
- Taxable Compensation: \$6,275,000
- Average Employee Compensation: \$73,563

2 Federal Tax Withholdings

- Federal Income Tax Withheld: \$1,254,750
- Social Security Tax Withheld: \$389,625
- Medicare Tax Withheld: \$93,375

3 State Tax Withholdings

- California State Income Tax: \$412,350

- Unemployment Insurance Contributions: \$64,250

4. TAX COMPLIANCE CERTIFICATION

We certify that all payroll tax calculations and remittances for the fiscal year 2023 have been:

- Computed in strict accordance with current IRS and state tax regulations
- Accurately reported and timely submitted
- Verified through independent internal and external audit processes

5. WITHHOLDING BREAKDOWN

1 Employee Classification

- Full-Time Employees: 79
- Part-Time Employees: 8
- Independent Contractors: 12

2 Withholding Categories

- Standard W-2 Employees: 87
- 1099 Contractors: 12

6. TAX CREDIT AND INCENTIVE SUMMARY

1 Claimed Tax Credits

- Research and Development Tax Credit: \$187,500
- Work Opportunity Tax Credit: \$45,000
- Small Business Health Care Tax Credit: \$22,750

7. COMPLIANCE ATTESTATION

We affirm that to the best of our knowledge:

- All tax calculations are accurate and complete
- All required documentation has been maintained
- No material tax compliance issues exist

8. LIMITATIONS AND DISCLAIMERS

1 This summary is provided for informational purposes and does not constitute formal tax advice.

2 Independent verification is recommended for all tax-related matters.

3 Subject to audit and potential adjustment by relevant tax authorities.

9. AUTHORIZED SIGNATURES

| Name | Title | Signature | Date |

|-----|-----|-----|-----|

| Dr. Elena Rodriguez | Chief Executive Officer | [Signature] | January 22, 2024 |

| Michael Chen | Chief Financial Officer | [Signature] | January 22, 2024 |

10. DOCUMENT CERTIFICATION

Prepared By: Corporate Tax Department, Nexus Intelligent Systems, Inc.

Date of Preparation: January 22, 2024

Document Version: 1.0

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