



Advanced Business Computers

"Business Accounting Solutions"

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PAYROLL UPDATE INFORMATION

If this is the first year your company is running payroll in ABC, or if you have general questions about your payroll setup, please give us a call!

ABC sends a letter with the payroll rate changes only at the end of the year. Included in this letter are only the changes that have been made as of the time the letter is sent. The rates entered here are according to the IRS 2012 Withholding Tables. Check with your accountant to make sure all current rates have been entered.

For those who are using automatic deductions with a total set on the E screen, those totals will have to be adjusted. See Field Help for TOT AMT on E screen.

As of December 23, 2011, the FICA rates (#4) in this letter have been approved for January and February 2012. Stay alert for updates.

There was a minor change in the PA credit week calculation. If you have an employee making more than \$50 and less than \$100 in any week, he is affected. Call us if you need this change.

Tax Tables and Wage Categories Update Information

These instructions are for entering your payroll information into the Tax Tables and Wage Categories.

To access this screen from ABC Windows Client, click the PAYROLL tab and then TAX & WAGE TABLES. From a DOS workstation press F10, K.

1. Enter **FD** in the record code field to move to the FD record. Change Dependent Deduction to 3,800.00. Press ENTER. Press F9 to save the record.

2. Enter **FDM** in the record code field to move to the FDM record. Change Dependent Deduction to 3,800.00 Press enter twice to get to the tax table. Enter the following figures in the proper columns. Then be sure to press F9 to save your work.

<u>TAX RATE %</u>	<u>OVER WAGE</u>	<u>PLUS AMOUNT TAX</u>
10.00	8,100.00	
15.00	25,500.00	1,740.00
25.00	78,800.00	9,735.00
28.00	150,800.00	27,735.00
33.00	225,550.00	48,665.00
35.00	396,450.00	105,062.00

3. Enter **FDS** in the record code field to move to the FDS record. Change Dependent Deduction to 3,800.00. Enter the following figures in the proper columns. Then press F9 to save your work.

<u>TAX RATE %</u>	<u>OVER WAGE</u>	<u>PLUS AMOUNT TAX</u>
10.00	2,150.00	
15.00	10,850.00	870.00
25.00	37,500.00	4,867.50
28.00	87,800.00	17,442.50
33.00	180,800.00	43,482.50
35.00	390,500.00	112,683.50



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4. Enter **FIC** in the record code field to move to the FIC record. Be sure the following information is entered and saved correctly.

<u>TAX RATE %</u>	<u>OVER WAGE</u>	<u>PLUS AMOUNT TAX</u>
4.2	110,100.00	

5. Enter **FIM** in the record code field to move to the FIM record. Be sure the following information is entered and saved correctly.

<u>TAX RATE %</u>	<u>OVER WAGE</u>	<u>PLUS AMOUNT TAX</u>
1.45	9,999,999.00	

6. If you are subject to PA Unemployment tax, enter **PAU** in the record code field to move to the PAU record. Be sure the following information is entered and saved correctly.

<u>TAX RATE %</u>	<u>OVER WAGE</u>	<u>PLUS AMOUNT TAX</u>
.08	The PA department of Labor and Industry has not yet confirmed this rate.	

7. If you are subject to State Withholding tax, enter the record code and the tax rate for your state. The following example is for PA only. Enter **PA** in the record code field to move to the PA record. Be sure the following information is entered and saved correctly.

<u>TAX RATE %</u>	<u>OVER WAGE</u>	<u>PLUS AMOUNT TAX</u>
3.07		

Payroll Setup Data

To access this screen from ABC Windows Client, click the PAYROLL tab and then SETUP. From a DOS workstation press F10, `E.

In the lower part of the Payroll Setup screen, make sure these rates and limits are entered correctly and saved.

	<u>RATE</u>	<u>LIMIT</u>
FICA	.062	110,100.00
FUTA	.009	7,000.00
SUI		8,000.00 (this is the PA Limit; other states may vary)
MEDICARE	.0145	9,999,999.00

Note: The employer's SUI rate is not one set rate. This rate you will have to enter yourself when you find it out from the state. Pennsylvania will send out a notice some time during the first quarter of 2012. The rate varies depending in what industry you are and how many claims have been registered against your account.

Contact your accountant for county and other local tax withholding rates, and then give us a call, and we can assist you in setting them up.