



## November 2011

### **Simplify Payroll Prep by Gathering Necessary Information Upfront**

No matter which level of QuickBooks payroll you choose, you'll have to do some groundwork before you start dispatching paychecks. Intuit can manage everything up to and including, well, everything – payroll runs, filings, taxes and reports – but you'll have to provide myriad details before you begin and during each payroll run.

QuickBooks' tools must be followed to the letter to avoid penalties from federal and local agencies. But before you even fire up QuickBooks, you'll save a lot of scrambling later if you pull together the information you'll need first.

#### **Details, details, details**

Yes, this part will be tiresome, but you'll have to do it eventually, anyway. You may have all of this information in a neat file or an Excel spreadsheet, but it may also be scattered. Wherever it exists, pull together:

- All employee W-4s
- All possible compensation levels (salary, hourly, bonuses, commissions and tips)
- Employee benefit information. Do you offer 401Ks, health or dental insurance? Can employees set up Flexible Spending Accounts? How much PTO, vacation and sick time, etc., is offered?
- Additional withholding and payment options, like travel reimbursements and cash advances, wage garnishments and union dues
- Hire and termination dates
- A voided check, if you offer direct deposit

**Add New**

**Tell us about hourly compensation**

**What would you like to call the hourly wage when it appears on paychecks?**

Show on paychecks as   
31 characters or less

**Do your hourly employees ever work overtime at a "time-and-a-half" rate?**

No  
 Yes

Show on paychecks as   
31 characters or less

**Do your hourly employees ever work overtime at a "double-time" rate?**

No  
 Yes

Show on paychecks as   
31 characters or less

Figure 1: Before you start entering payroll information, QuickBooks will want all of the details.

### Tax data, too

You know from getting paychecks in the past that your total earnings are reduced by deductions like FICA, Medicare and state income tax. As an employer, you're now responsible for calculating those withholdings and remitting them to the appropriate government entities.

Payroll taxes will be the bane of your existence unless you pick a payroll option that manages them (or let us help you with this arduous task). You'll need to know exactly what your liability is to both federal and local authorities. If you don't already, you can find contact information for state and local agencies [here](#).

So another pre-payroll information-gathering task will involve learning what you'll owe to whom, and when. Fortunately, QuickBooks will do all of the calculating for you, and it provides a thorough setup wizard.

Edit Payment Schedule - Federal 940

### Set up payment schedule for Federal 940

Federal 940 payments include Federal Unemployment Insurance Tax. [Why are these grouped?](#)

\* Payee  [Who is the right payee?](#)

\* Payment (deposit) frequency  [How often should I pay these taxes?](#)

Due the last day of the month following end of quarter.  
Liability of \$500 or less can be carried to the next quarter.  
(E-pay due dates adjust to reflect Intuit's processing time.)  
[More...](#)

Let me use a different payment (deposit) frequency

[Where can I see the due dates for my deposits?](#)

\* required field

Figure 2: QuickBooks helps you set up your tax liabilities.

Paying employees is a challenging element of your role as an employer, and it must be done right. We can help you build an accurate framework and keep up with your government payroll tax obligations.