

Employer Tax Rate - Limit Update

Modified on: Tue, 21 Dec, 2021 at 10:38 AM

TABLE OF CONTENTS

- **Explanation of Employer Tax Update**
- **How to SETUP THE EMPLOYER TAX UPDATE**
- **How to USE THE EMPLOYER TAX UPDATE**

Explanation of Employer Tax Update

The Employer Tax Update feature allows Primo Payday users to manage the unique employer taxes that are applicable to their state. This manual is intended for individuals who understand how to navigate Primo Payday. Please refer to the 'Payroll Code and Posting Setup' manual for a walkthrough on how to access payroll codes and create posting setups.

How to SETUP THE EMPLOYER TAX UPDATE

Step 1. Setup an EMPLOYER TAX PAYROLL CODE

- In 'Full Payroll Menu' select 'Payroll Codes' in 'Setup' column

Full Payroll Menu						
Payroll Processing	Reports	History	Periodic Activities	Setup	Setup Groups	Posting Setup
Payroll Employees	Payroll Report	Posted Payroll	Periodic Processing..	Payroll Setup	Additional Setups..	Employee Posting Groups
Payroll Processing	US Tax Reports..	Payroll Ledger Entries	Financial Periodic Activities..	Payroll Codes	HR Setup..	Earnings
Batch Payroll Processing	Payroll Financial Reports..	Payroll Statistics	ACA Compliance..	Pay Cycles..	Report Setup..	Withholdings / Deductions
Payroll Applicants	Payroll Employee Info..	Posted Batch List	Web Portal Documents..	Payroll Calc. Formulas	Process Procedures..	Employer Taxes
Payroll Journal	HR Reports..	PTO Ledger Entries	Create Emp. Info. from Template..	Earnings Rates	Payroll Division Templates..	Employer Contributions
PTO Management..	Field Select. Reports..	Hours Detail Entries	Time Transfer Reports..	Payroll Tax Setup	Applicant Setup..	Reimbursements
Enter Hours / Quantity..	Time / PTO Reports..	Approved PTO Hours	Labor Cost Updates..	Customer Payroll Tax Setup	Position and Union Setup..	Payment Advances

- The 'Payroll Codes' table will open.

← PAYROLL CODE LIST | WORK DATE: 10/10/2019

Search + New Manage Open in Excel

Type ↑	Code ↑	Description	Benefit Category	Blocked
Earnings	BONUS	Bonus		☐
Earnings	HOLIDAY	Holiday		☐
Earnings	OTHER	Other		☐
Earnings	OVERTIME	Overtime		☐
Earnings	PERSONAL DAY	Personal Day		☐
Earnings	PIECE RATE 2	Piece Rate 2		☐
Earnings	PIECE RATE1	Piece Rate 1		☐
Earnings	REGULAR	Regular		☐
Earnings	SICK PAY	Sick Pay		☐
Earnings	VACATION PAY	Vacation Pay		☐
Deduction	401KPLAN	401K Plan		☐
Deduction	403BPLAN	403b Plan		☐
Deduction	FIXED AMT DEDUC...	Fixed Amt Deduction		☐

- Select 'NEW' page action

← PAYROLL CODE LIST | WORK DATE: 10/10/2019

Search **+ New** Manage Open in Excel

Type ↑	Code ↑	Description	Benefit Category	Blocked
Earnings	BONUS	Bonus		☐
Earnings	HOLIDAY	Holiday		☐
Earnings	OTHER	Other		☐
Earnings	OVERTIME	Overtime		☐
Earnings	PERSONAL DAY	Personal Day		☐
Earnings	PIECE RATE 2	Piece Rate 2		☐
Earnings	PIECE RATE1	Piece Rate 1		☐
Earnings	REGULAR	Regular		☐

- 'PAYROLL CODE SETUP CARD' appears

The screenshot shows the 'Payroll Code Setup Card' form. At the top, there are navigation icons: a back arrow, a pencil icon, a plus icon, and a trash icon. Below these is the title 'Payroll Code Setup Card'. A link 'Remove Uneditable Lookup Codes' is visible. The form is divided into two columns. The left column contains fields for 'Type' (a dropdown menu), 'Code' (a text field with a red asterisk), 'Description' (a text field), and 'Manual Input Allowed' (a toggle switch). The right column contains fields for 'Process Procedure Co...' (a dropdown menu), 'W2 Classification' (a dropdown menu), 'Sorting No.' (a text field with the value '0'), and 'Blocked' (a toggle switch). A 'Show less' link is located at the top right of the form.

- SELECT 'Employer Tax' from 'TYPE' Field

Payroll Code Setup Card

This screenshot shows the 'Payroll Code Setup Card' form with the 'Type' dropdown menu open. The dropdown menu lists several options: 'Employer Tax', 'Earnings', 'Deduction', 'Withholding', 'Direct Deposit', 'Payment', 'Employer Contribution', 'Reimbursement / Draw', and 'Advance / Loan'. The 'Employer Tax' option is highlighted in blue. The 'Code' field has a red asterisk next to it. The 'Manual Input Allowed' toggle switch is turned off. The 'Blocked' toggle switch is also turned off. The 'Show less' link is visible at the top right of the form.

- In 'CODE' Field ENTER a Payroll Code for the Employer Tax

Payroll Code Setup Card

 Remove Uneditable Lookup Codes

Payroll Code

Show less

Type	Employer Tax ▼	Process Procedure Co... ▼	...
Code	SDI	W2 Classification	▼
Description		Sorting No.	0
Manual Input Allowed	☐	Blocked	☐

- ENTER description in 'DESCRIPTION' field
- If necessary, set 'Manual Input Allowed' to true to allow this code to be manually entered into a payroll document.

Payroll Code Setup Card

 Remove Uneditable Lookup Codes

Payroll Code

Show less

Type	Employer Tax ▼	Process Procedure Co... ▼	...
Code	SDI	W2 Classification	▼
Description	State Disability Insurance	Sorting No.	400
Manual Input Allowed	☐	Blocked	☐

- Finally, select a 'W2 Classification' and a 'Process Procedure Code' if applicable.

To learn more about Process Procedures please see 'Payroll Process Procedure' in the Primo Payday Manual

Payroll Code Setup Card

[Remove Uneditable Lookup Codes](#)

Payroll Code

[Show less](#)

Type	Employer Tax	Process Procedure Co...	
Code	SDI	W2 Classification	
Description	State Disability Insurance	Sorting No.	
Manual Input Allowed	☐	Blocked	

Box7

Box8

Box9

Box10

Box11

12A

12B

12C

12D

12E

12F

12G

12H

12I

12J

12K

12L

12M

12N

- Select 'OK' button at bottom right of screen when finished

Step 2. Complete 'Posting Setup' for NEW EMPLOYER TAX PAYROLL CODE

- From the 'Full Payroll Menu' select 'Employer Taxes' in the 'Posting Setup' column.

Full Payroll Menu						
Payroll Processing	Reports	History	Periodic Activities	Setup	Setup Groups	Posting Setup
Payroll Employees	Payroll Report	Posted Payroll	Periodic Processing..	Payroll Setup	Additional Setups..	Employee Posting Groups
Payroll Processing	US Tax Reports..	Payroll Ledger Entries	Financial Periodic Activities..	Payroll Codes	HR Setup..	Earnings
Batch Payroll Processing	Payroll Financial Reports..	Payroll Statistics	ACA Compliance..	Pay Cycles..	Report Setup..	Withholdings / Deductions
Payroll Applicants	Payroll Employee Info..	Posted Batch List	Web Portal Documents..	Payroll Calc. Formulas	Process Procedures..	Employer Taxes
Payroll Journal	HR Reports..	PTO Ledger Entries	Create Emp. Info. from Template..	Earnings Rates	Payroll Division Templates..	Employer Contributions
PTO Management..	Field Select. Reports..	Hours Detail Entries	Time Transfer Reports..	Payroll Tax Setup	Applicant Setup..	Reimbursements
Enter Hours / Quantity..	Time / PTO Reports..	Approved PTO Hours	Labor Cost Updates..	Customer Payroll Tax Setup	Position and Union Setup..	Payment Advances

- When you open the Payroll Employer Tax table, you will see the following headers:

← EMPLOYER TAX POSTING SETUP | WORK DATE: 10/10/2019 ✓ SAVED 🔖 📄 🔗

🔍 Search ➕ New 📋 Edit List 🗑 Delete 📄 Copy... 📄 Open in Excel More options 🔍 ☰

Employee Posting Group ↑	Payroll Code ↑	Debit Account Type	Debit Account No.	Credit Account Type	Credit Account No.
→ ALL	FICA-ER - MED	G/L Account	60800	G/L Account	20800
ALL	FICA-ER - SS	G/L Account	60800	G/L Account	20800
ALL	FUTA	G/L Account	60800	G/L Account	20800
ALL	SUTA	G/L Account	60800	G/L Account	20800

- Select an 'Employee Posting Group' from the drop down menu
- Select the new Employee Tax Payroll Code from the drop down menu
- Select Debit Account Type from drop down menu

- Select Debit Account Number from drop down menu
- Select Credit Account Type from drop down menu
- Select Credit Account Number from drop down menu
- Here is a screenshot of how the current example will look when properly set up in the 'Employer Tax' posting setup

Search + New Edit List Delete Copy... Open in Excel More options						
Employee Posting Group ↑	Payroll Code ↑	Debit Account Type	Debit Account No.	Credit Account Type	Credit Account No.	
ALL	FICA-ER - MED	G/L Account	60800	G/L Account	20800	
ALL	FICA-ER - SS	G/L Account	60800	G/L Account	20800	
ALL	FUTA	G/L Account	60800	G/L Account	20800	
ALL	SUTA	G/L Account	60800	G/L Account	20800	
→ ALL	: SDI	G/L Account	60800	G/L Account	20800	

- Once completed, repeat the process for all applicable Employee Posting Groups

Step 3. Add new code to **EMPLOYER TAX CODE CUSTOM FIELDS**

- From 'Full Payroll Menu' select 'Payroll Setup' in 'Setup' column

Full Payroll Menu

Payroll Processing	Reports	History	Periodic Activities	Setup	Setup Groups	Posting Setup
Payroll Employees	Payroll Report	Posted Payroll	Periodic Processing..	Payroll Setup	Additional Setups..	Employee Posting Groups
Payroll Processing	US Tax Reports..	Payroll Ledger Entries	Financial Periodic Activities..	Payroll Codes	HR Setup..	Earnings
Batch Payroll Processing	Payroll Financial Reports..	Payroll Statistics	ACA Compliance..	Pay Cycles..	Report Setup..	Withholdings / Deductions
Payroll Applicants	Payroll Employee Info..	Posted Batch List	Web Portal Documents..	Payroll Calc. Formulas	Process Procedures..	Employer Taxes
Payroll Journal	HR Reports..	PTO Ledger Entries	Create Emp. Info. from Template..	Earnings Ratios	Payroll Division Templates..	Employer Contributions
PTO Management	Field Select	Hours Detail Entries	Time Transfer Reports..	Payroll Tax Setup	Applicant Setup..	Reimbursements
Enter Hours / Quantity..	Time / PTO Reports..	Approved PTO Hours	Labor Cost Updates..	Customer Payroll Tax Setup	Position and Union Setup..	Payment Advances

- In 'Payroll Tax Setup' table, scroll down to 'Addl. Employer Tax Codes'

Payroll Setup

Get Tax Settings Additional Setup More options

Tax Form Setup >

Addl. Employer Tax Codes

[Show more](#)

Employer Tax 1 Code ... Employer Tax 3 Code ...

Employer Tax 2 Code ... Employer Tax 4 Code ...

Carbon Copy Email Setup >

- In first available 'Employer Tax Code' field, open drop down menu and select the recently created Employer Tax Payroll Code. *(in this example SDI is the newly created code)*

Addl. Employer Tax Codes

[Show more](#)

Employer Tax 1 Code ... Employer Tax 3 Code ...

Employer Tax 2 Code ...

Carbon Copy Email S

Payroll Users Setup

Code ↑	Description
FICA-ER - MED	FICA - Medicare (Employer)
FICA-ER - SS	FICA - Social Security (Employer)
FUTA	Federal Unemployment
→ SDI	State Disability Insurance
SUTA	State Unemployment Tax
+ New	Select from full list

- Once you have applied the necessary employer tax codes, click the back button.

How to USE THE EMPLOYER TAX UPDATE

- From 'Full Payroll Menu'
 1. Select 'Periodic Processing' in 'Periodic Activities Column'
 2. Select Employer Tax Rate / Limit Update

Full Payroll Menu						
Payroll Processing	Reports	History	Periodic Activities	Setup	Setup Groups	Posting Setup
Payroll Employees	Payroll Report	Posted Payroll	Periodic Processing..	Payroll Setup	Additional Setups..	Employee Posting Groups
Payroll Processing	US Tax Reports..	Payroll Ledger Entries	Employer Tax Rate / Limit Update	Payroll Codes	HR Setup..	Earnings
Batch Payroll Processing	Payroll Financial Reports..	Payroll Statistics	Local Tax Rate / Limit Update	Pay Cycles..	Report Setup..	Withholdings / Deductions
Payroll Applicants	Payroll Employee Info..	Posted Batch List	Payroll Adjustments	Payroll Calc. Formulas	Process Procedures..	Employer Taxes
Payroll Journal	HR Reports..	PTO Ledger Entries	Custom Deduction / Employer Cont.	Earnings Rates	Payroll Division Templates..	Employer Contributions
PTO Management..	Field Select Reports..	Hours Detail Entries	EDI Document List	Payroll Tax Setup	Applicant Setup..	Reimbursements
Enter Hours / Quantity..	Time / PTO Reports..	Approved PTO Hours	Auto-Email Report	Customer Payroll Tax Setup	Position and Union Setup..	Payment Advances

- The 'Employer Tax Update' screen will open:

EMPLOYER TAX UPDATE

Options [Show more](#)

Action

Add

Type

Federal Unemployment

Specify FUTA State

☒

State Abbreviation

Employer Tax Code

...

Employer Tax Description

Year

2019

Tax Percent

0.00

Tax Limit

0.00

Schedule...

OK

Cancel

- In the 'Action' field select if you wish to ADD, MODIFY or DELETE.

NOTE: For all newly created tax codes, you will ADD

For Tax codes that have already been added you will MODIFY

For Tax codes that were loaded with an inaccurate rate, you would DELETE the tax code.

EMPLOYER TAX UPDATE 

Options [Show more](#)

Action Add ▼

Type Federal Unemployment ▼

Specify FUTA State ☒

State Abbreviation

Employer Tax Code ▼ ...

Employer Tax Description

Year 2019

Tax Percent 0.00

Tax Limit 0.00

- The 'TYPE' field applies to the code from the employer tax code that is in the corresponding field in the Payroll Now Setup Custom Fields Tab.

EMPLOYER TAX UPDATE 

Options [Show more](#)

Action	Add
Type	Employer Tax 1
Specify FUTA State	Federal Unemployment State Unemployment
State Abbreviation	Employer Tax 1
Employer Tax Code	Employer Tax 2 Employer Tax 3 Employer Tax 4 Employer Tax 5 Employer Tax 6 Employer Tax 7 Employer Tax 8 Employer Tax 9 Employer Tax 10
Employer Tax Description	Employer Tax 1
Year	Employer Tax 1
Tax Percent	Employer Tax 1
Tax Limit	0.00

- Once selected, the 'Employer Tax Code' and 'Employer Tax Description' fields will automatically populate.
- Enter State Abbreviation in 'State Abbreviation' field

EMPLOYER TAX UPDATE



Options

[Show more](#)

Action Add ▼

Type Employer Tax 1 ▼

Specify FUTA State ☐

State Abbreviation CA

Employer Tax Code SDI ▼ ...

Employer Tax Description State Disability Insurance

Year 2019

Tax Percent 0.00

Tax Limit 0.00

Schedule...OKCancel

- Enter tax year in 'YEAR' field.
- Enter tax rate in 'TAX PERCENT' field
- Enter the taxable limit in 'TAX LIMIT' field.

EMPLOYER TAX UPDATE

Options [Show more](#)

Action

Add

Type

Employer Tax 1

Specify FUTA State

☐

State Abbreviation

CA

Employer Tax Code

SDI

...

Employer Tax Description

State Disability Insurance

Year

2019

Tax Percent

0.90

Tax Limit

7,000.00

Schedule...

OK

Cancel

- Select 'OK' button at bottom right corner of screen.
- Repeat this process for all applicable payroll codes.