Specialized Data Systems

2023 W2 Processing

Revised 11/ 30 / 23

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Welcome

Thank you for attending the 2023 W2 Online Course. This manual explains W2 processing for 2023. If at any time during the W2 course you have a question, please feel free to contact SDS support by going to https://help.linq.com/login. We are here to help! We hope you enjoy the course.

W2 forms are available to be ordered at: Online Ordering Login (m7businesssystems.com) We recommend ordering as soon as possible.

W2 Processing for 2023 Instructions

Below are the Preliminary Steps which prepare you for success in processing the W2's for 2023.

Items to Review before Producing W2's

STEP ONE -BALANCING

Please print and save the last Payroll Summary of December 2023. This report needs to be printed before closing the payroll to retain the figures in the YTD column.

Payroll Register Summary Report

Page 1 of 2

Printed: 11/27/2023 2:27:32PM
Specialized Data Systems - Test Data
Payroll: 12/22/2023

Code	Description	Open Payroll	Mtd	Qtr	Ytd	Ftd
G1	Gross Earnings	31,239.53	61,805.08	148,671.69	326,950.86	220,008.38
G2	Taxable Gross Earnings	28,661.87	56,688.19	136,476.71	302,469.12	200,837.25
G3	Fica Gross Earnings	11,292.75	22,061.51	53,837.77	119,702.00	89,377.42
G4	Gross Earnings (T)	20,096.78	40,043.57	95,483.92	207,648.86	131,030.96
G5	Gross Earnings (I)	11,292.75	22,061.51	53,937.77	120,002.00	89,677.42
G7	Gross Earnings Medicare	20,306.78	40,463.57	96,533.92	205,234.70	132,920.96
G8	Taxable Gross State	28,661.87	56,688.19	136,476.71	302,469.12	200,837.25
T1	Federal Tax	2,183.26	4,366.52	10,863.04	22,985.22	16,532.94
T2	FICA Tax	863.91	1,687.74	4,118.65	9,157.29	6,837.45
T3IL	State Tax IL	1,310.31	2,618.93	6,352.84	13,900.11	9,265.79
13B	1-IMRF Benefit 11.54%	831.01	1,601.55	4,019.34	10,064.95	6,960.84
14B	Admin Group	100.00	200.00	500.00	1,300.00	800.00
16B	BCBS Benefit Single	560.00	1,120.00	2,800.00	6,720.00	4,480.00
18B	Dental Ben	65.48	130.96	327.40	883.98	523.84
19B	THIS .67 Ben	113.42	226.84	567.10	1,252.94	803.18
19BD	THIS .67 Ben for TRS Ded	16.09	31.17	46.92	61.66	52.95
20B	TRS .58 Ben	98.19	196.38	490.95	1,084.68	695.32
20BD	TRS .58 Ben for TRS Ded	13.92	26.97	40.60	53.36	45.82
21	TRS 9% Ded	216.00	418.50	630.00	828.00	711.00

It is imperative that the 941 reports from each quarter of 2023, when added together, balance to the YTD figures shown on the Payroll Summary. Those figures should also balance to the figures shown on the W2 Summary report when preparing the W2's. One way to compare the numbers on these reports may be to create a spreadsheet for easy comparison.

2023									
			SDS SCHOOL DISTRICT						
DESCRIPTION	1ST QUARTER	2ND QUARTER	2nd QTR 941 X	3RD QUARTER	4TH QUARTER	YEARLY TOTALS		W2 TOTALS	difference
FIT TAXABLE WAGES	3,403,277.90	4,030,534.87	-102.00	4,051,812.65	3,559,790.75	**15,045,314.17**	box 1	15,045,314.17	-
FIT TAXES-ACTUAL	355,490.02	424,478.46		422,558.62	363,314.14	**1,565,841.24**	box 2	1,565,841.24	-
FICA WAGES	720,506.21	835,579.00		880,344.07	794,187.17	**3,230,616.45**	box 3	3,230,616.45	-
EMPLOYEES (Deduc	44,671.38	51,805.90		54,581.33	49,239.60	**200,298.21**	box 4	200,297.77	0.44
EMPLOYERS (Benefi	44,671.38	51,805.90		54,581.33	49,239.60	200,298.21			
TOTAL FICA TAX	89,342.76	103,611.80		109,162.67	98,479.20	400,596.43			
TOTAL MEDICARE WA	3,592,572.92	4,250,323.41		4,229,094.23	3,713,480.84	**15,785,471.40**	box 5	15,785,471.40	-
EMPLOYEES (Deduc	52,092.31	61,629.69		61,321.86	53,845.47	**228,889.33**	box 6	228,839.09	50.24
EMPLOYERS (Benefi	52,092.31	61,629.69		61,321.86	53,845.47	228,889.33			
TOTAL MEDICARE TAX	104,184.62	123,259.38		122,643.72	107,690.94	457,778.66			

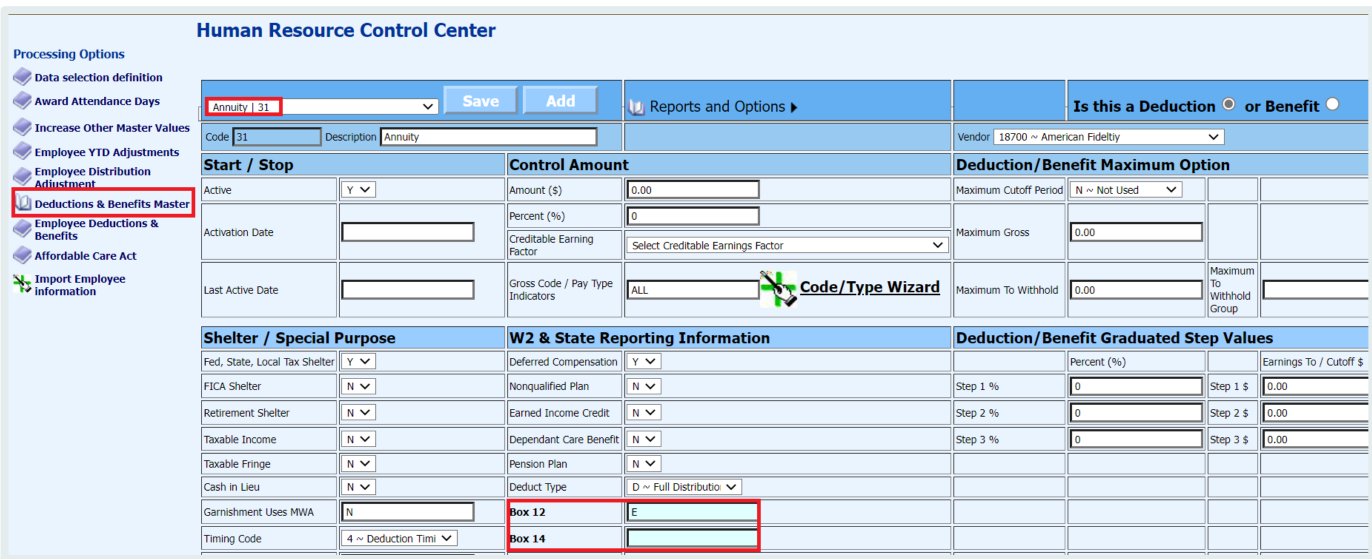
Once the figures are balanced, you can continue with the steps of reviewing and processing of the W2's.

STEP TWO - BOX 12 AND BOX 14 SETUP

1. Select Human Resource
2. Select Human Resources Control Center

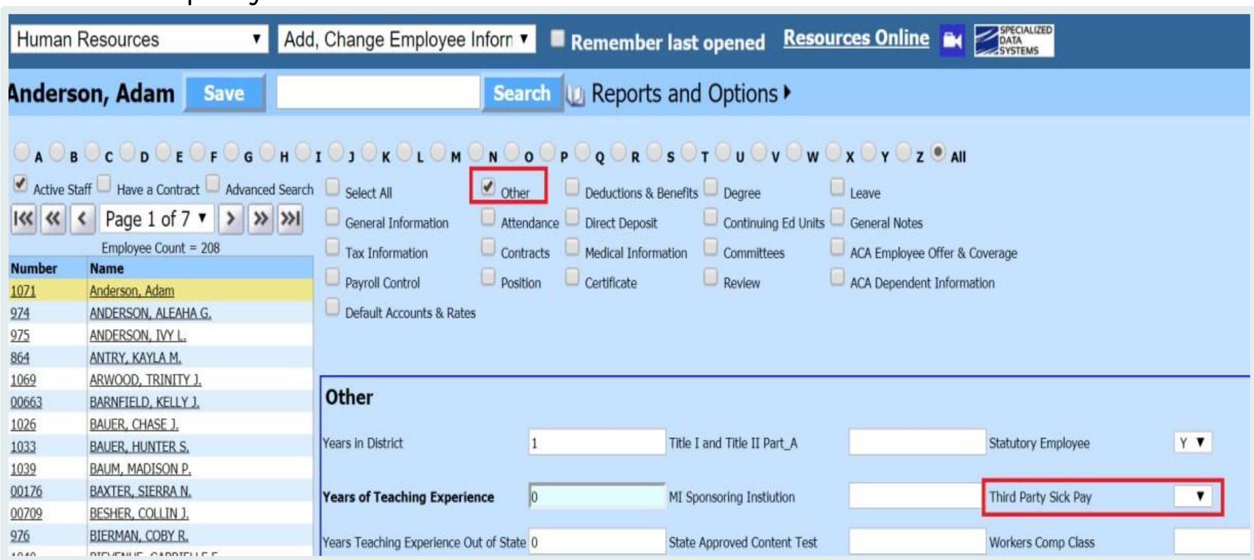
Select Deductions & Benefits Master

3. Review the codes in "Box 12" and "Box 14" for each deduction or benefit that is to show in "Box 12" or "Box 14" on the W2 form.



STEP THREE - THIRD PARTY SICK PAY SETUP

1. Select Human Resources or Payroll Processing.
2. Select Add Change Employee Information.
3. Select the "Other" check box.
4. For those employees that had "Third Party Sick Pay," change the field to a "Y".
5. Select Save.
6. Review "STEP FOUR – Employee Year to Date Adjustments" to learn how to adjust the employee's year to date amounts for the amount received from a third-party vendor.



7. If the Third-Party Sick Pay is not to be added to the employee's taxable gross but is to show on the W2 in Box 12, you need to setup a code for the Third-Party Sick Pay.
   - For more information on setting up a new code for Third-Party Sick Pay please review the following link. http://help.schooloffice.com/financehelp/#!Documents/humanresourcescontrolcenterdeductionsbenefitsmaster1.htm
8. Once the code has been setup in the Human Resource Control Center and the correct code has been added for Box 12, you can add the amount of the Third-Party Sick Pay through the Employee Year to Date Adjustment area. See STEP FOUR below.
9. To determine which way the Third-Party Sick Pay should show on the W2, and which code should be used for Box 12, you may need to consult with your auditor, tax accountant, or IRS.

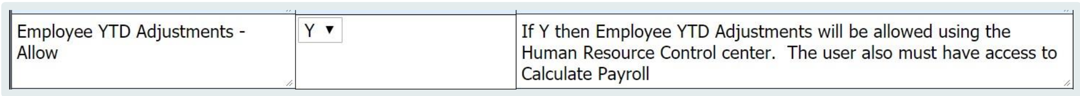
STEP FOUR - EMPLOYEE YEAR TO DATE ADJUSTMENTS

You may find you need to adjust some employee's year to date amounts for the W2's. This may occur because of adjustments from third party vendors. This section shows how to make those types of adjustments. After making any adjustments to the employee's year to date amounts that affect their W2 information, you must select the button to "Create File and Refresh W2 Area", prior to printing 2023 W2's. Please refer to the W2 production section of this documentation to review how this process works. If you do not push this button after making changes to an employee's year to date amounts, the W2 forms print the values in the system from the *last* time the W2 area was refreshed which may not include the adjustments to the employee.

How to turn on the Employee YTD Adjustment Option:

If you have not activated this process before, complete these steps.

1. Select Administrative Utilities.
2. Select SDS Web Office Settings.
3. Under the Payroll area find the option Allow Employee YTD Adjustments.

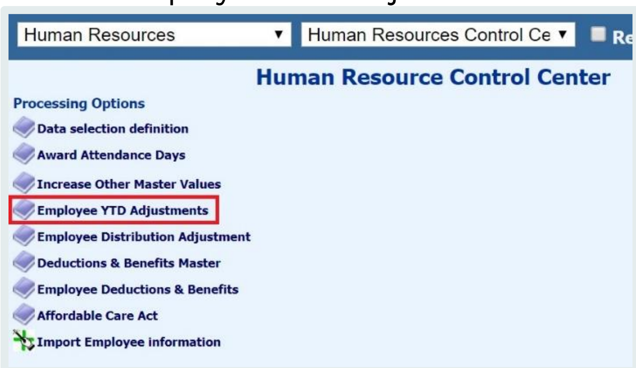


Employee YTD Adjustments - Allow	Y ▾	If Y then Employee YTD Adjustments will be allowed using the Human Resource Control center. The user also must have access to Calculate Payroll

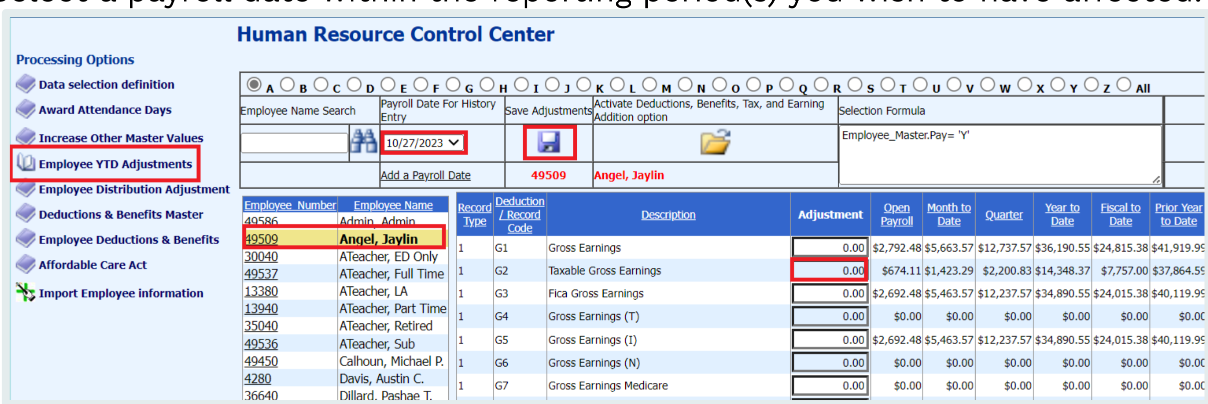
4. The setting should be at a "Y" to be able to make changes to an employee's year to date records. If the setting is not a "Y", change it and then save the change. When this setting is changed to a "Y", any user that has the right to "Compute a Payroll" can adjust an employee's year to date amounts.
5. Select Save Changes.
6. Log out and back in again, for changes to take effect.

Making Employee YTD Adjustments

1. Select Human Resources.
2. Select Human Resources Control Center.
3. Select Employee YTD Adjustments.

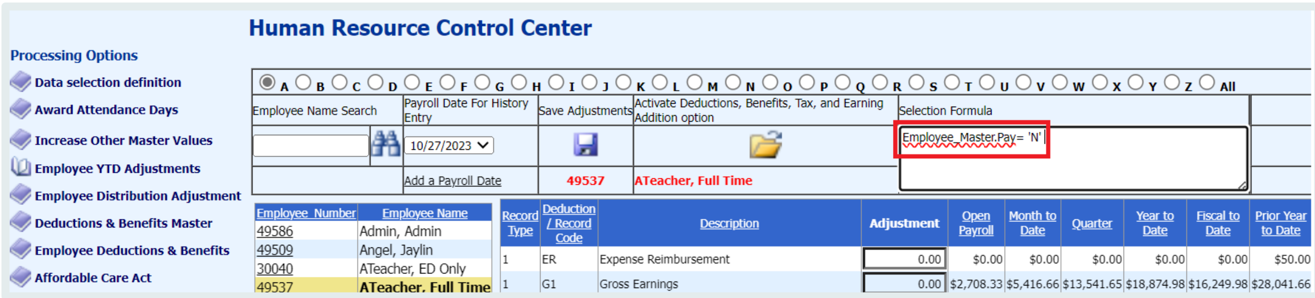


4. Select the employee that needs to be adjusted.
5. Select a payroll date within the reporting period(s) you wish to have affected.



6. Enter the amount of the adjustment into the adjustment field for the code that needs to be changed.
7. Save the changes by selecting the Save Adjustments button.

NOTE: If an employee does not appear in the list of employees, the employee is not active in the Employee Demographics area. To be able to view this employee in the
Human Resource Control Center, change the formula to read "Employee_Master.Pay='N'. Then select one of the alphabet letters. The system refreshes, and the inactive employees display.



What happens in the system when an Employee’s Year to Date is adjusted?

1. If an August payroll date is selected in the current year, then the value entered adjusts the month selected. It also adjusts the appropriate Quarter, the calendar year, and the fiscal year of the date.
2. If the selected date is in the current month, then the MTD, QTR, YTD and FTD are adjusted.
3. If today’s date is 12/9/2023 and a payroll date in January 2023 is selected, then the month of January 2023 is adjusted as well as the first Quarter, and the current Calendar YTD.

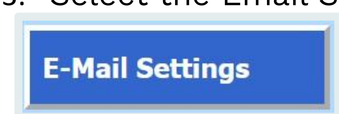
STEP FIVE - W2 SETUP

Email Setup

Before you can send W2s by Email or through Employee Portal, you must enter individual employee email addresses, server information, and a return email address in several areas. It is important to complete all the steps listed below.

Enter Server and Return Email Address Information

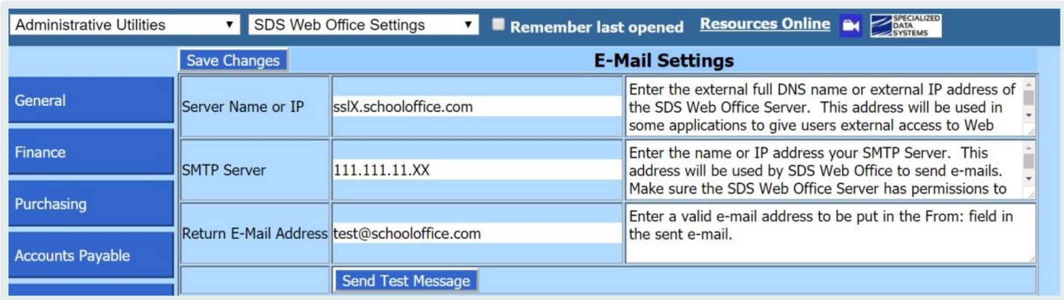
1. Select Administrative Utilities.
2. Select SDS Web Office Settings.
3. Select the Email Settings.



Enter Server Name or IP Address

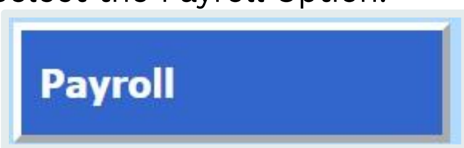
1. Enter the external full DNS name or external IP address of the SDS Web Office Server. This address is used for the URL in the e-mail that is sent (if applicable).

2. Enter the SMTP Server: Enter the name or IP address of your SMTP Server. This address is used by SDS Web Office to send e-mails. Make sure the SDS Web Office Server has permissions to relay e-mail through this.
3. Send a test email message.

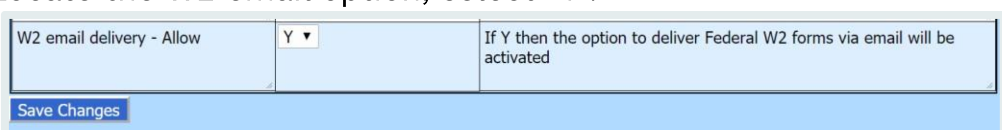


Activate W2 email delivery option

1. Select the Payroll Option.



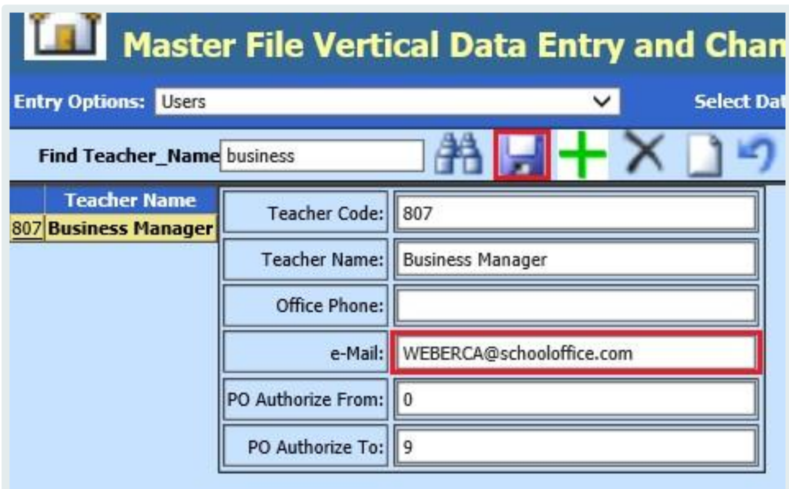
2. Locate the W2 email option, select “Y”.



3. Select Save Changes.
4. Log out/in for changes to be activated.

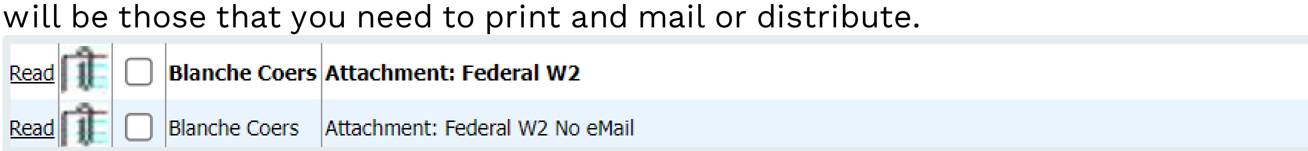
Enter Email Information for the person sending W2s by Email

1. Select Master File and Code Entry Options.
2. Master File Vertical Data Entry and Changes.
3. Entry Options dropdown, select “Users”.
4. In the Teacher Name list on the left, locate the person who is sending the W2’s by email, and select that person.
5. Enter that person’s email address.
6. Select the Save icon.



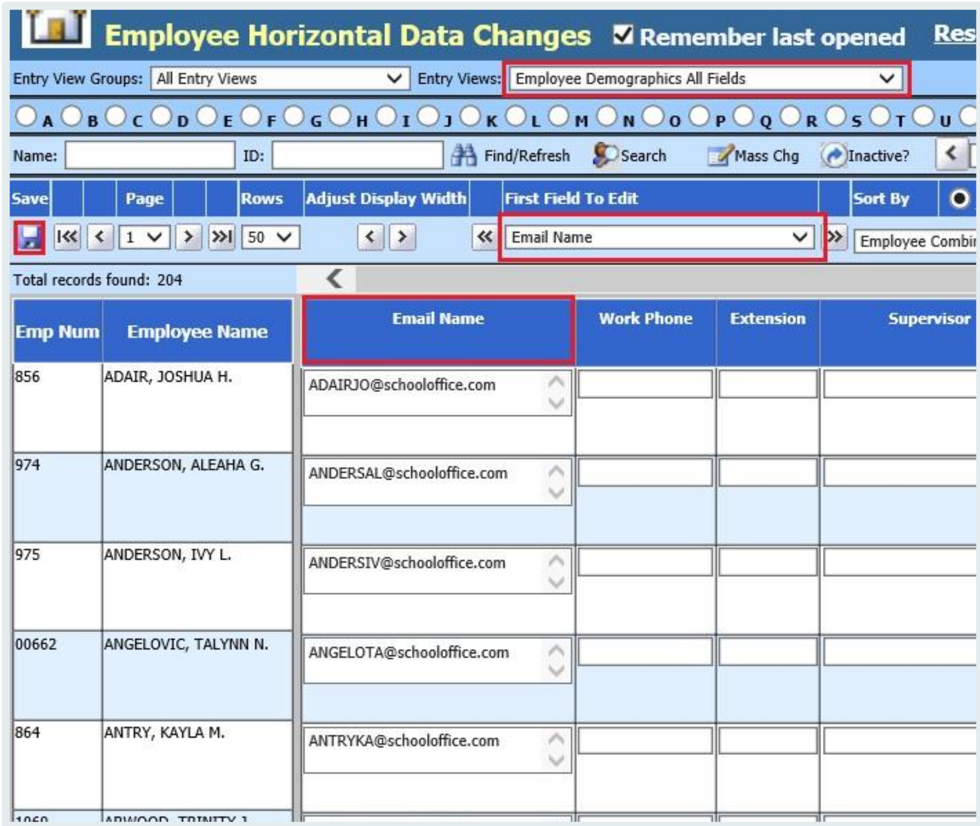
Enter Email Information for all Employees who are receiving W2s by Email

Note: If you are using the Employee Portal to deliver the W2s, the system requires those employees to have a valid email address entered. The W2 process makes 2 files for the sender – Federal W2 and Federal W2 No eMail. The Federal W2 file will be used for the Employee Portal if active. The No eMail file will be those that you need to print and mail or distribute.



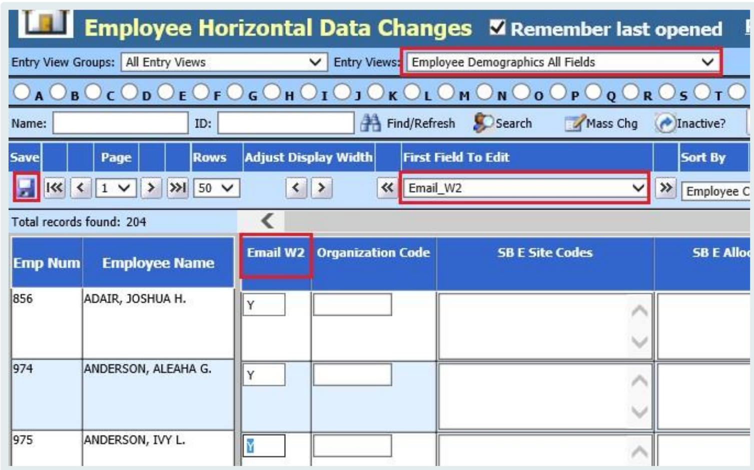
1. Select Payroll Processing.
2. Employee Horizontal Data Changes.
3. Entry Options dropdown, select Employee Demographics (All Fields).
4. First Field to Edit dropdown, select “Email Name”.
5. Enter the employee’s email address into ‘Email Name’ field for all employees who are to receive their W2s by Email.
6. Select Save.

7. If multiple pages, make sure you select Save before proceeding to the next page.



Setting up the Verification to allow W2's to be emailed to the Employee

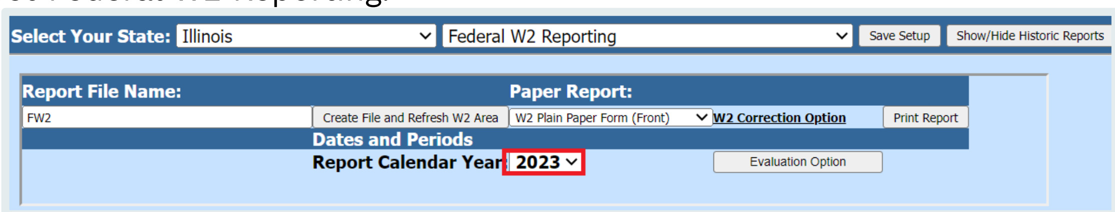
1. Select Payroll Processing.
2. Employee Horizontal Data Changes.
3. Entry Options dropdown, select Employee Demographics (All Fields).
4. First Field to Edit dropdown, select "Email W2".
5. Upon receiving verification from the employee that they are authorizing their W2 to be sent via email, change this field to a 'Y'. The 'Y' in this field allows the W2 to be sent electronically.



W2 Production

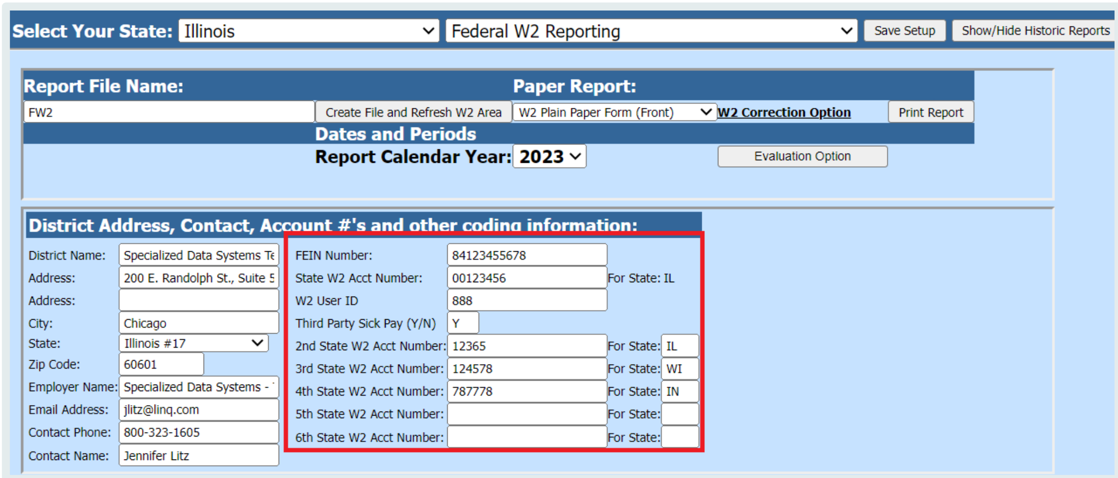
W2 forms are available to be ordered at: [Online Ordering Login (m7businesssystems.com)]
We recommend ordering as soon as possible.

1. Select Payroll Processing.
2. Select State/Federal Reporting.
3. Select your State.
4. Select Federal W2 Reporting.



- Report Calendar Year: Make sure it is set to 2023. The system reports the payroll information for the selected calendar year. Enter all the information in the fields on the screen.

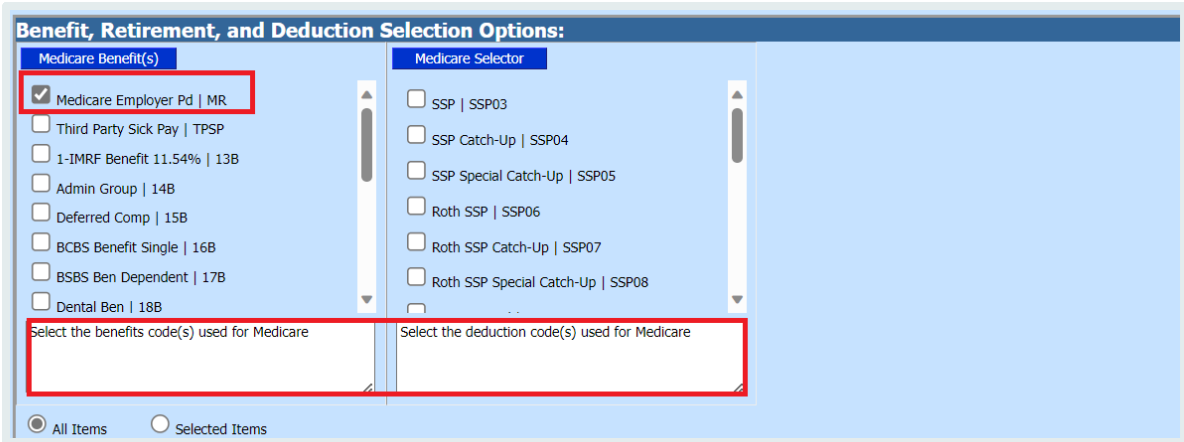
District Address, Contact, Account #’s and other coding information:



- W2 User ID # is supplied by the Federal Government when you register to report via Online Wage reporting or by Magnetic Media. For more information, contact SSA the (Social Security Administration). To register go to www.ssa.gov.
- If you have any employees that received Sick Pay from a Third Party, the “Third Party Sick Pay (Y/N)” field needs to be coded with a “Y”. This selection option is activated for any employees you have with “Third Party Sick Pay”. This places a check mark in “Box 13” the “Third party sick pay” field on the W2. For this information to show on a specific employee, the field “Third Party Sick Pay YN” in the “Employee Demographics All Field” view must have a “Y” in that field.
- If you have employees that pay State taxes to another state, enter the Account number for the second state in the “2nd State W2 Account Number” field. This account prints on the W2 for those employees who have taxes for the 2nd state, 3rd State W2 Acct Number and 4th State W2 Acct Number field completed prints properly as well.
- The system prints one W2 for the employees that have multiple employee numbers unless they paid into more than one taxing state during the calendar year. If this happens, the employee receives a W2 for each taxing state that is on the employee’s record.

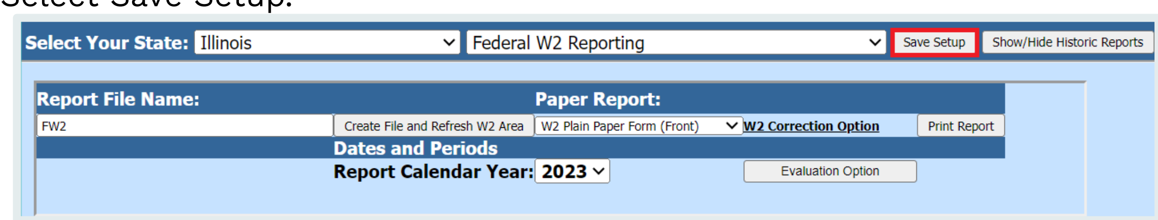
Benefit, Retirement, and Deduction Selection Options:

Navigate to the bottom of the W2 processing page to select the Medicare deduction and benefit codes.

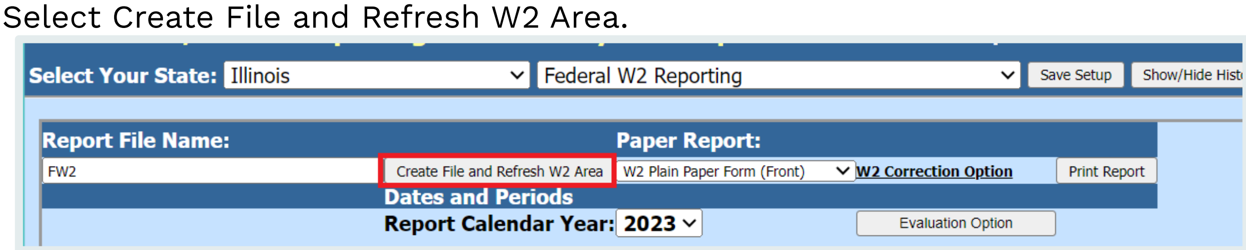


- Medicare Benefit (s): For those states that have employees who contribute to MEDICARE only (1.45%) and not the full FICA you need to select the benefit code used for the Medicare benefit, the portion that is paid by District.
- Medicare Selector: For those states that have employees who contribute to MEDICARE only (1.45%) and not the full FICA you need to select the deduction code used to deduct Medicare.

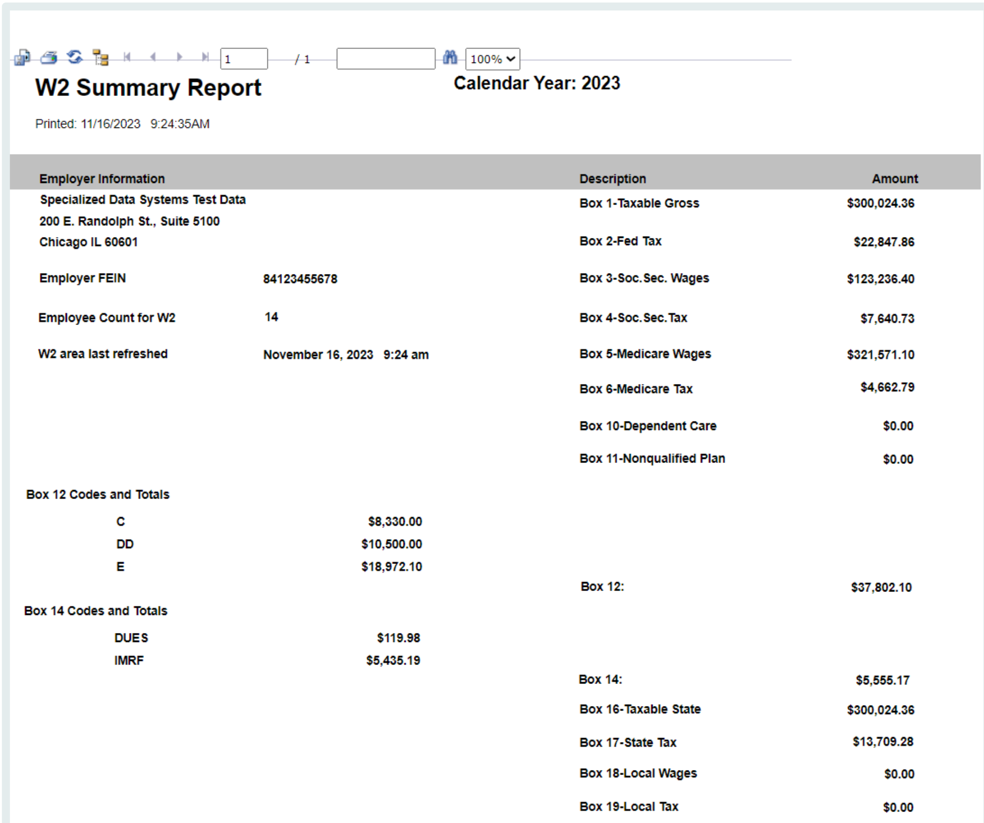
5. Select Save Setup.



6. Select Create File and Refresh W2 Area.



7. After the process is finished, the W2 Summary Report displays on the screen. Print and review the information. This report has the date the “Create File and Refresh W2 Area” button was last selected for your reference. This report gives you <u>all</u> the totals for each of the boxes on the W2s for easy verifying.



W2 Summary Report — Calendar Year: 2023

Printed: 11/16/2023 9:24:35AM

Employer Information		Description	Amount
Specialized Data Systems Test Data 200 E. Randolph St., Suite 5100 Chicago IL 60601		Box 1-Taxable Gross	$300,024.36
		Box 2-Fed Tax	$22,847.86
Employer FEIN	84123455678	Box 3-Soc.Sec. Wages	$123,236.40
Employee Count for W2	14	Box 4-Soc.Sec.Tax	$7,640.73
W2 area last refreshed	November 16, 2023 9:24 am	Box 5-Medicare Wages	$321,571.10
		Box 6-Medicare Tax	$4,662.79
		Box 10-Dependent Care	$0.00
		Box 11-Nonqualified Plan	$0.00

Box 12 Codes and Totals

C	$8,330.00
DD	$10,500.00
E	$18,972.10

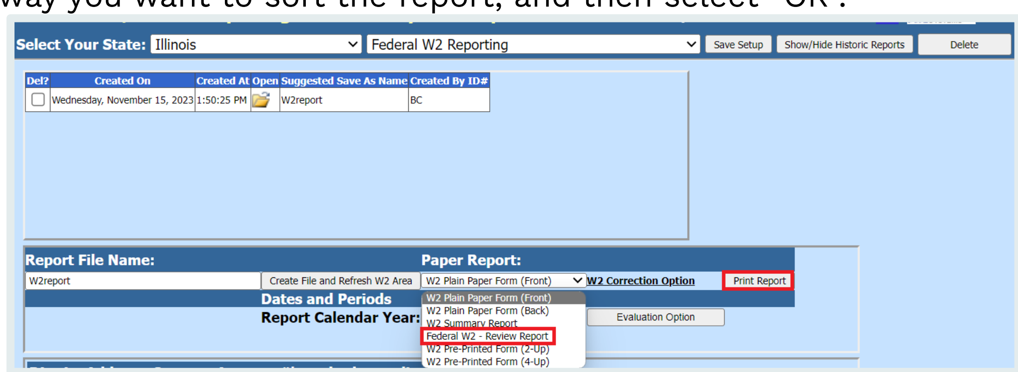
Box 12: $37,802.10

Box 14 Codes and Totals

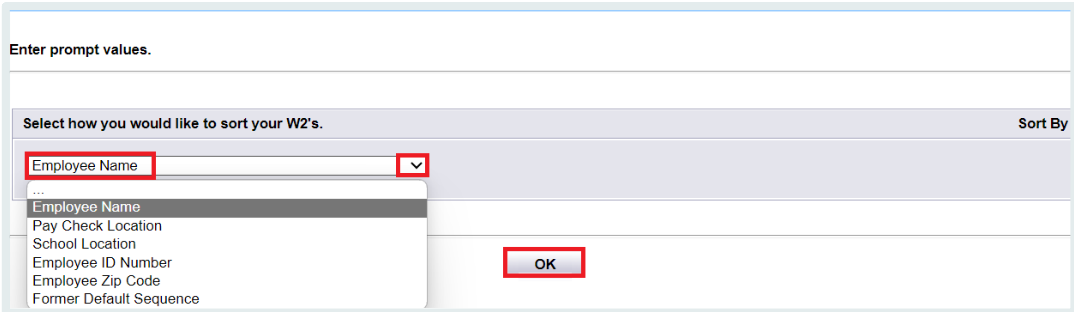
DUES	$119.98
IMRF	$5,435.19

Box 14:	$5,555.17
Box 16-Taxable State	$300,024.36
Box 17-State Tax	$13,709.28
Box 18-Local Wages	$0.00
Box 19-Local Tax	$0.00

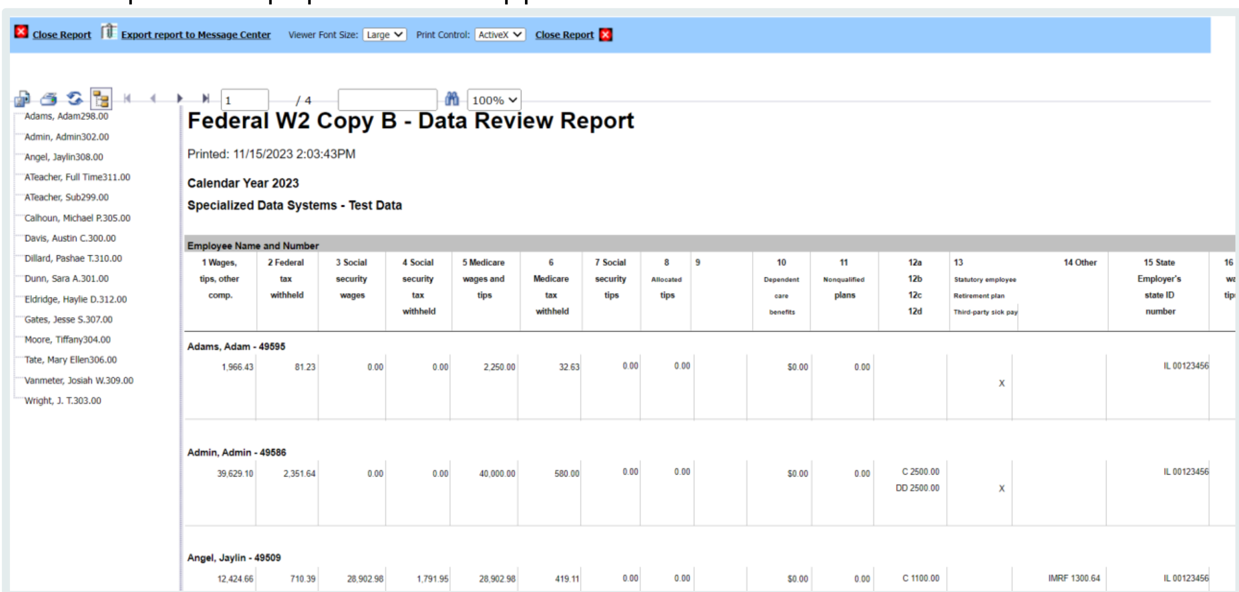
8. Another report that is available to use for checking the W-2 information is the "Federal W-2 Review Report". To create this report, select from the drop down that is next to the "Print Report" button and select the "Federal W-2 Review Report." Then select the Print Report" button. On the next screen, select the way you want to sort the report, and then select "OK".



- Select how you would like to sort your W2's.
- Press OK button.

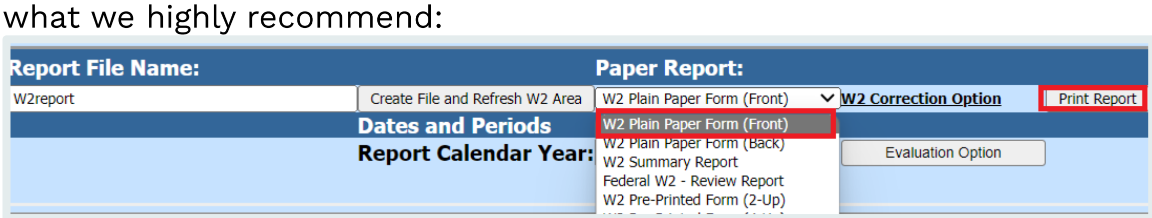


Report will populate and appear on screen:



PRINTING OF W2 FORMS

Once the W2's has been created, select the layout – W2 Plain Paper Form (Front) is what we highly recommend:



- If you ordered the perforated forms, the back side already has the instructions printed on them. By selecting the W2 Plain Paper Form (front) the program will print the front only, lines <u>and</u> data. This is the easiest and most time saving way to print W2s.

- When printing W2's on plain paper, the IRS has requirements that must be met to use this option (refer to publication 1141 section 2.4). This publication can be found on https://www.irs.gov/pub/irs-pdf/p1141.pdf. If you are unsure about meeting these requirements or have any questions on printing W2's on plain paper, it is strongly suggested that you contact the IRS directly.

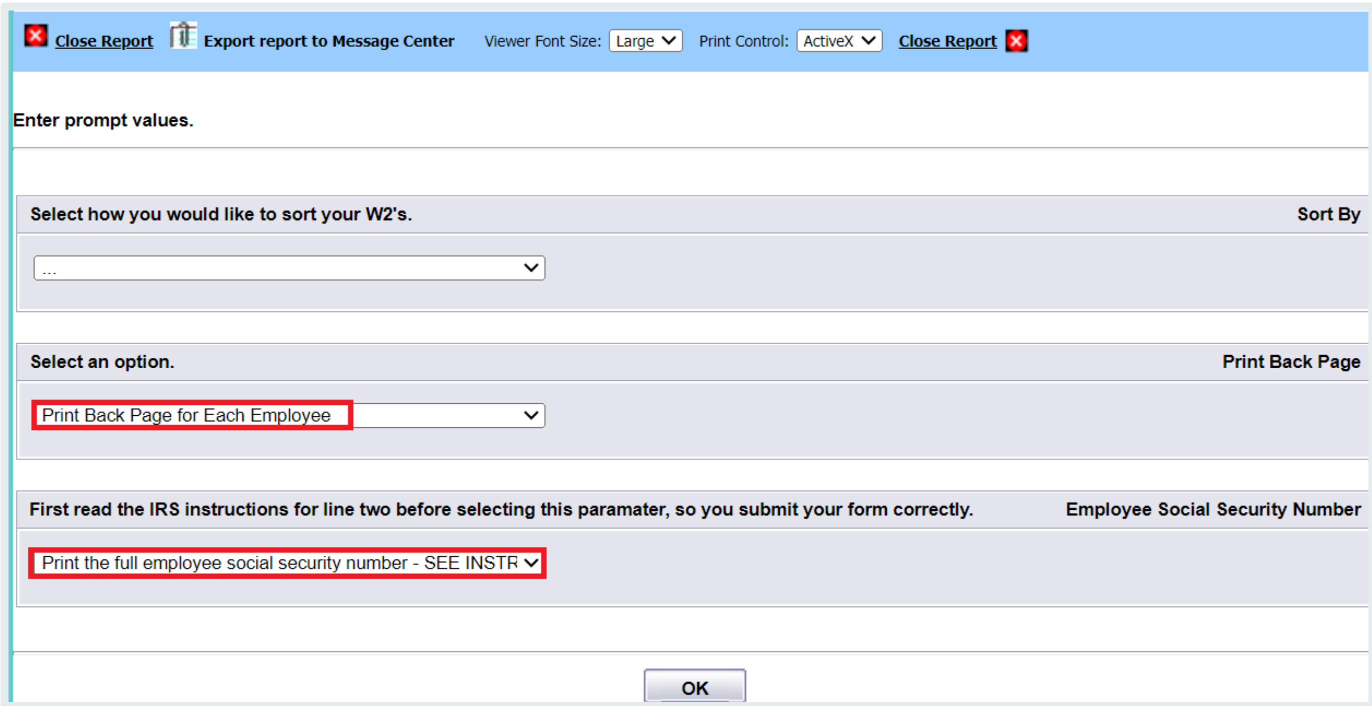
PRINTING NOTES:

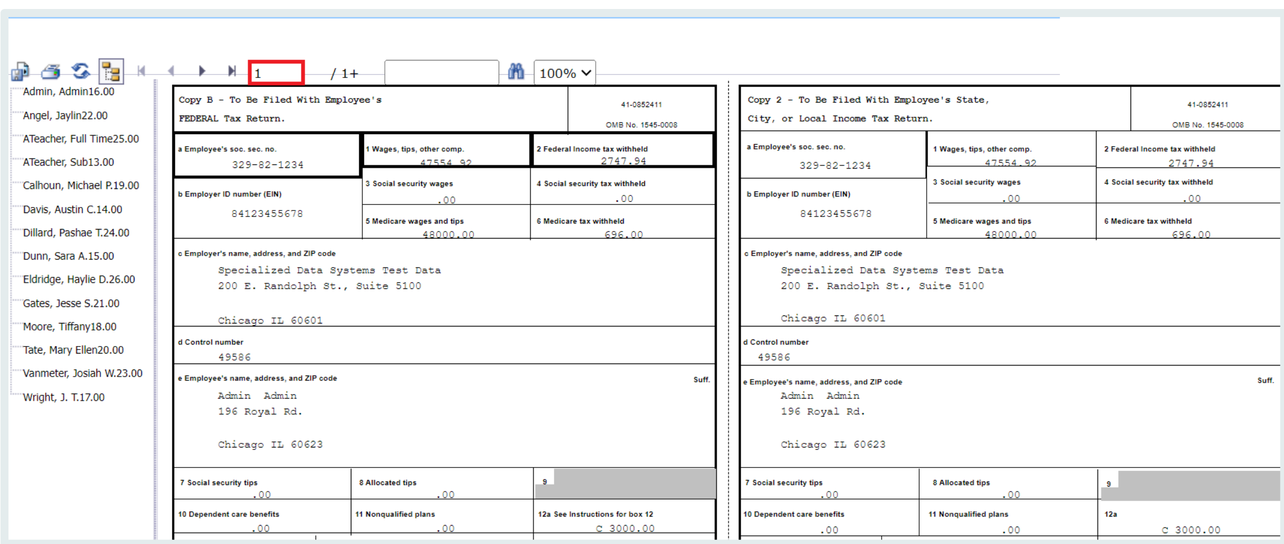
- When printing with Adobe: Verify settings are printing with Actual Size. Any settings with "Scaling" reduce the font and not print correctly or fit into envelopes.
- When printing with other options, i.e., Chrome: Verify scaling settings are "Default".
  Any settings outside of Default may not print correctly or fit into envelopes.
- When folding W2 forms, place the folded side in envelope first.

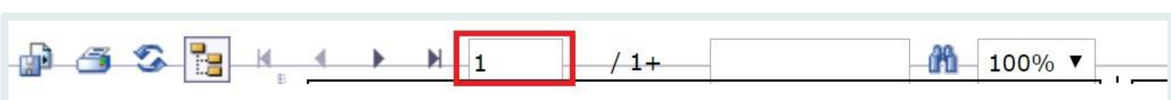
Option 1: Printing both sides at the same time if printer allows for double sided printing.

This option allows the printing of both the front and back at the same time.

a) Select the drop down next to "Print Report" and select W2 Plain Paper Form Front).
b) Select "Print report".
c) A screen appears with three parameters.
    i. The first parameter allows you to select the way you want the W2 forms to sort. The "Employee Name" has been selected for this example.
    ii. The second parameter allows you to print the first page and back page of the W2 form on one page for each employee if your printer allows for double sided printing. DO NOT SELECT THIS OPTION IF YOU ORDERED YOUR BLANK PERFORATED W2 FORM FROM OUR SUPPLIER.
    iii. The third parameter asks how you want to print the Social Security Number on the W2. You want the full SSN, not just the last 4 digits!


Close Report
Export report to Message Center
Viewer Font Size: Large
Print Control: ActiveX
Close Report
Enter prompt values.
Select how you would like to sort your W2's.
Sort By
...
Select an option.
Print Back Page
Print Back Page for Each Employee
First read the IRS instructions for line two before selecting this paramater, so you submit your form correctly.
Employee Social Security Number
Print the full employee social security number - SEE INSTR
OK

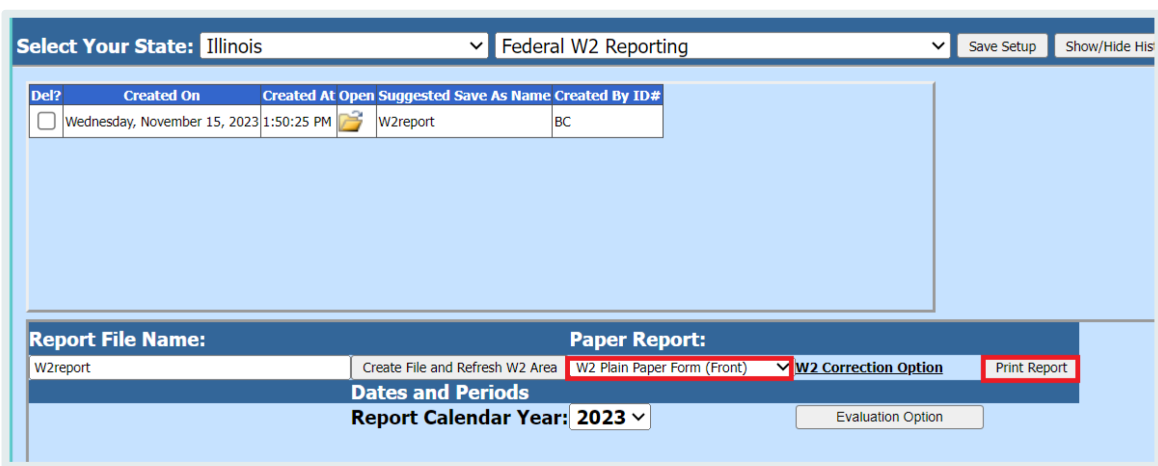

1
/ 1+
100%
Admin, Admin16.00
Angel, Jaylin22.00
ATeacher, Full Time25.00
ATeacher, Sub13.00
Calhoun, Michael P.19.00
Davis, Austin C.14.00
Dillard, Pashae T.24.00
Dunn, Sara A.15.00
Eldridge, Haylie D.26.00
Gates, Jesse S.21.00
Moore, Tiffany18.00
Tate, Mary Ellen20.00
Vanmeter, Josiah W.23.00
Wright, J. T.17.00
Copy B - To Be Filed With Employee's FEDERAL Tax Return.
Copy 2 - To Be Filed With Employee's State, City, or Local Income Tax Return.
329-82-1234
84123455678
Specialized Data Systems Test Data
200 E. Randolph St., Suite 5100
Chicago IL 60601
49586
Admin Admin
196 Royal Rd.
Chicago IL 60623

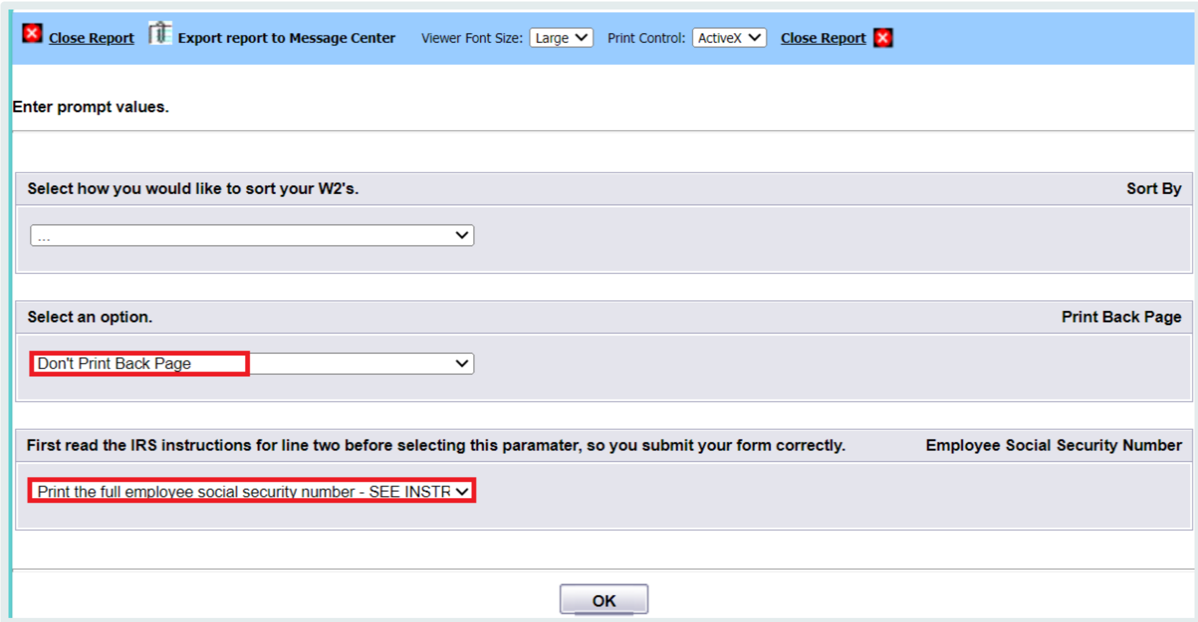

1
/ 1+
100%

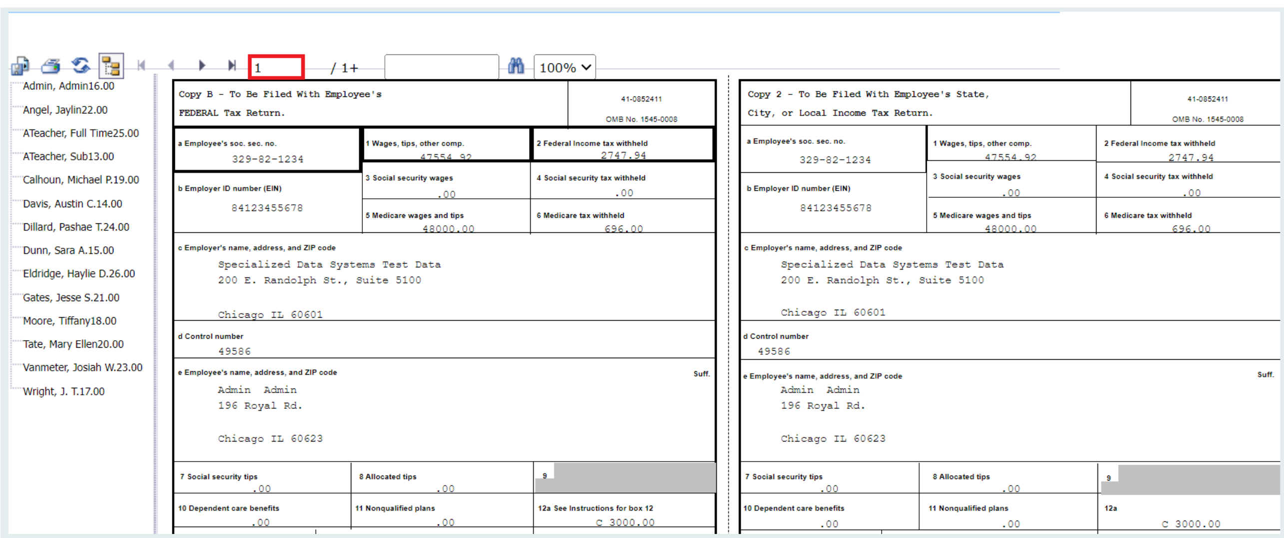
Option 2: Printing back first for W2s and flip and print the frontside of W2s.

To print the front of the W2 forms on plain perforated paper:

a) Select the drop down to the right of "Create File and Refresh W2 Area" and select W2 Plain Paper Form (Front).
b) Select "Print report".
    i. Select the way you want the W2's to sort.
    ii. To only print the front page of the W2, select the option "Don't Print Back Page".
    iii. Select how to print the Social Security Number.
    iv. Select OK.
c) The front of the W2's display on the screen. Place the backs of the W2's into your printer so it allows the front of the W2's to be printed on the other side of the paper.

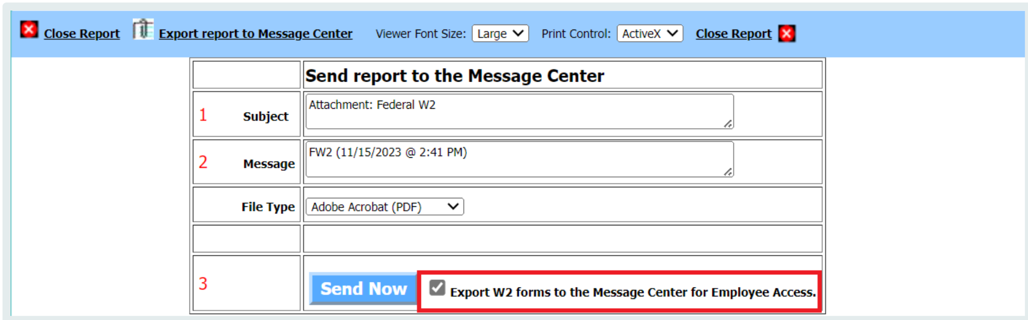






Sending W2’s through Message Center

The W2’s can be sent to the message center and then forwarded to the employees. Both the front and back page of the W2 can be sent to the employee via the message center. To send both the front and back pages of the W2, follow Option 1 steps above. Once the W2’s preview on the screen, select “Export Report to Message Center” at the top of the screen. Verify the checkmark in the checkbox “Export W2 Forms to the Message Center for Employee Access”. Select “Send Now”.



- If you are using the “Employee Portal” in the system, the W2’s will be sent to the employees’ message center for them to view and print on plain paper.
- The W2’s will be sent to the employees via email if no Employee Portal is found. The setup for email must be completed. Please refer to “Step Five – W2 Email Setup” before producing W2’s.

SENDING THE W2’S VIA EMAIL

It is STRONGLY recommended that a quick test of the email process be completed by sending only one W2. Typically, the person processing the W2’s selects themselves and sends it.
Then do one more test by selecting themselves and one or two co-workers in the finance area. If that looks good, then they should be able to send the emails with confidence.

The above test needs to be done as the W2’s that are sent via email cannot be pulled back into the system once they have been sent.

1. Select Payroll Processing.
2. Select Direct Deposit eMail.
3. Select the option for W2.
4. Indicate the employee W2’s you wish to send.
5. Push the send button.

6. The W2 option remains available and provides the ability to send additional copy(s) as needed. If a W2 needs to be resent, you can re-enter this screen, select the employee(s) and send.

MAGNETIC MEDIA AND ELECTRONIC FILING TO THE FEDERAL GOVERNMENT

The Federal Government has a new requirement effective for electronic filing for 2023 W2s:

To determine whether they must file information returns electronically, employers must add together the number of information returns (see the list below) and the number of Forms W-2 they must file in a calendar year. If the total is at least 10 returns, they must file them all electronically. The new threshold is effective for information returns ***required to be filed*** *in calendar years beginning with 2024. The new rules apply to tax year 2023 Forms W-2 because they are required to be filed by January 31,* ***2024****.*
[New electronic filing requirements for Forms W-2 | Internal Revenue Service (irs.gov)]

To electronically file the W2s, each person who oversees filing needs to be registered to electronically file for your district/entity. This needs to be done quickly. It does take time to obtain a W2 user ID.

Alert

Do you need to submit W-2's to SSA?
Business Services Online (BSO) Registration has changed!

What does this mean for you?

Your existing BSO User ID and password is no longer used to access BSO employer services. You must use a Social Security online account, Login.gov, or ID.me credential to gain access to the BSO application.

Start by visiting our Social Security Sign in page.

If you do not have a Social Security online account, a Login.gov or ID.me credential, you will need to create one from our BSO Welcome page. Scroll down and select "Create Account" in the "Employers" box.

Extra security is a requirement to access the following BSO employer services:

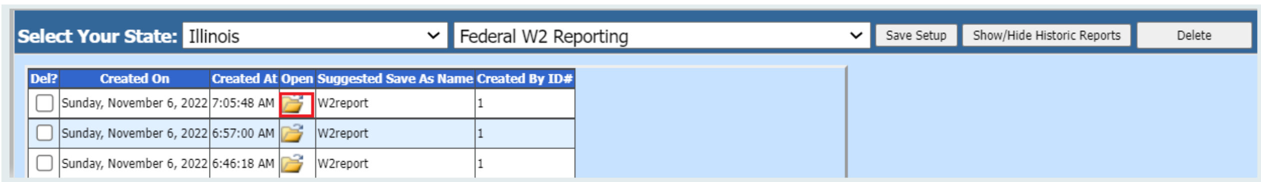
- Wage file upload
- W-2/W-2C online
- AccuWage online
- Social Security Number Verification Service (SSNVS)
- View wage report name/SSN errors

You will not be able to use the above services without adding the additional levels of security to your account.

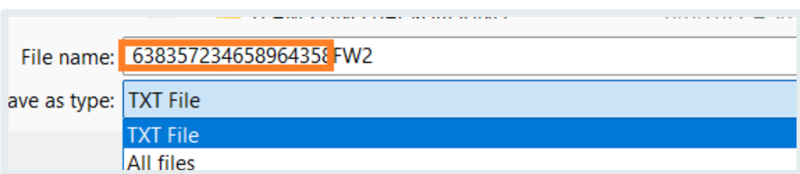
To see this information please visit this site: https://www.ssa.gov/employer/

To download the W-2 file for submission, follow the instructions below:

1. Select Payroll Processing.
2. Select State / Federal Reporting.
3. Select your State, select Federal W2 Processing.
4. After printing the W2's and making sure they are accurate, select the "Show/Hide Historic Reports."



5. The next step is to save the file to your workstation, so it can be sent to the Federal Government through the https://www.SSA.gov website. Right click on the folder icon and select "Save Target As" or "Save Link As." The selection you pick when saving the file depends on what internet browser you are using.
6. In the Save in area, select the location on your workstation you want to save the file.
   - In the file name field, change the file name to W2report. Save as a 'Text Document'. Remove numbers at the front of the file name and put in FW2123023 (use date when file was made this gives you reference to a date that you last saved the file.)
   - The file name should read FW2123023.txt



7. You should be using the last file that was created in the historic area. This should be the file that contains the information you just finished producing W2 reports.
8. The file is ready to submit to the SSA.

MAGNETIC MEDIA AND ELECTRONIC FILING TO THE STATE

1. Select Payroll Processing.
2. Select State/Federal Reporting.
3. Select your State, then select State W2 Processing.
4. Enter all the information on this screen in the boxes provided.

5. This screen setup is the same setup as the Federal W2 Reporting. Review the screen setup and make any necessary changes.
6. Select the Create Report button.
7. The system creates a .txt file for you that needs to be saved to your workstation and sent to the State for W2 reporting purposes.
8. To save the file, right click on the yellow folder and select “Save Target As” or “Save Link As”. This selection depends on what internet browser you are using. Select the location on your workstation to save the file.
9. In the file name, change the file name to StateW2report (or the appropriate file name that is required by your state.) The file is created as a .csv. Then change the save as type from Text Document to All Files and select Save.
10. You should be using the last file that was created in the historical area.
11. Submit the file to your State.

    For IL clients:
    https://tax.illinois.gov/content/dam/soi/en/web/tax/programs/electronicservices/documents/my-tax-guide-filing-forms-w2-and-1099.pdf

Note: You may need to submit a file electronically to the State for reporting W2’s. The State W-2 files must be submitted electronically. For more information, please refer to Electronic Filing section on your state’s Department of Revenue website.

WHERE THE W2 DATA COMES FROM IN SDS

The information below explains where the data that is printing on the W2 forms comes from within the SDS system.

Box a Employee’s social security number- (employee master).
Box b Employer ID Number (EIN) - (prompted for on screen if not found in the District Information area).
Box c Employer’s name and address - (prompted for on screen if not found in the District Information area).
Box d Employee number – (employee master).
Box e Employee’s name and address - (employee master).
Box 1 Wages, tips, other comp. - Taxable Gross - (employee YTD pay history area G2 record).
Box 2 Federal income tax withheld - (employee YTD pay history area T1 record).
Box 3 Social Security wages - FICA OASDI Wages (employee YTD pay history area G3 record). Box 4 Social Security tax withheld - FICA OASDI Tax 6.2% (employee YTD pay history area T21 record).
Box 5 Medicare wages and tips - Medicare HI wages (employee YTD pay history area G3 + G7 records).

Box 6 Medicare tax withheld - Medicate HI Tax 1.45% (employee YTD pay history area T22 record + the Deduction code used for Medicare only employees selected on the Medicare Deduction screen).
Box 7 Social Security tips - N/A.
Box 8 Allocated tips - N/A.
Box 9 Verification code.
Box 10 Dependent Care benefits - (employee YTD pay history area - deduction code used that has a 'Y' in the dependent care benefit field on the Deduction Master).
Box 11 Nonqualified plans - (employee YTD pay history area - deduction code used that has a 'Y' in the nonqualified plan field on the Deduction Master).
Box 12 Codes for a-d - Employee YTD pay history area – (deduction codes used that have valid letters 'A' thru 'Z' & 'AA' thru 'HH' in the Box 12 field on the Deduction Master).
Box 13 Statutory employee - (In the Employee Demographics All fields view the field Statutory Employee YN needs to be coded with a 'Y' if you want this box checked).
Box 13 Retirement Plan (employee YTD pay history area – In the Deduction and Benefits Master there must be a 'Y' on the deduction code for the pension plan. The 'Y' activates the X for this box to be checked.)
Box 13 Third Party sick pay (In the Employee Demographics All fields view the field Third Party Sick Pay YN needs to be coded with a 'Y' if you want this box checked).
Box 14 Other - (employee YTD pay history area - deduction code used that have any characters in the field on the Deduction Master).
Box 15 State Employer's state ID # - (Taxing state field on the Employee master). Employer's ID# (prompted for on screen if not found in District Information area).
Box 16 State wages, tips etc. - (employee YTD pay history area G8 record).
Box 17 State Income Tax - (employee YTD pay history area T3?? - where?? = your state abbreviation).
Box 18 Local wages, tips, etc. - (employee YTD pay history area - deduction code used for local tax code field on the Employee master).
Box 19 Local taxes (employee YTD pay history area - deduction code used for local tax code field on the Employee master).
Box 20 Locality Name - (local tax code field on the Employee master).

HERE IS A QUICK RECAP OF THE STEPS NEEDED TO PROCESS W2'S

1. Select Payroll Processing.
2. Select State and Federal reporting, select your state, then Federal W2's.
3. Select the Create File and Refresh W2 Area.
4. Print/View the W2 - Summary Report.
5. Print/View Federal W2 – Review Report.
6. Print/View Federal W2 Form.
7. Export the W2's to the message center.

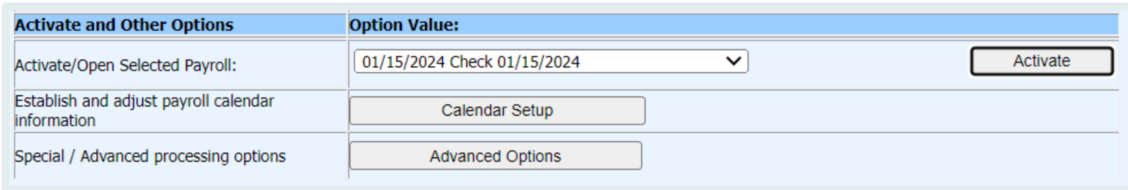
8. Send W2 electronic file to the SSA and State.

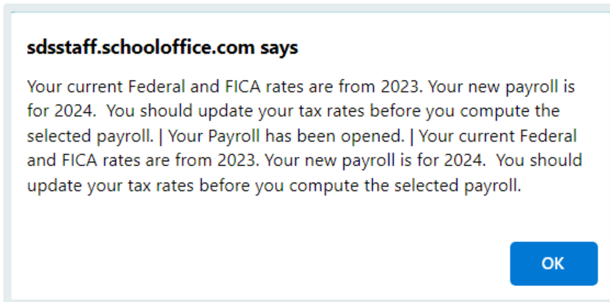
How to Correct W2's

1. The BSO (Business Services Online) or www.ssa.gov website can be used to process correcting W-2c's and W-3c's.
2. This site can be used to create, save, print, and submit Forms W-2C, and Corrected Wage and Tax Statements, online for the current year as well as for prior years.
3. After logging into the BSO website,
   i. Select the "menu" option at the top of the screen.
   ii. Select "Business Services" under the "Business & Government" heading.
   iii. In this new screen select "Employer W-2 Filing."
   iv. On the next screen select "Business Services Online."
   v. Select the "Log In" button and enter your user's name and password or by creating a new user account.
4. Once you are logged into the "Electronic Wage Reporting (EWR)" screen, you can select the tab "Forms W-2c/W3c Online." Select the year for which you want to correct the W-2's.
5. Follow the directions on the screen.
6. You can also review the information for E-filing and E-filing Forms W-2c and W-3c.

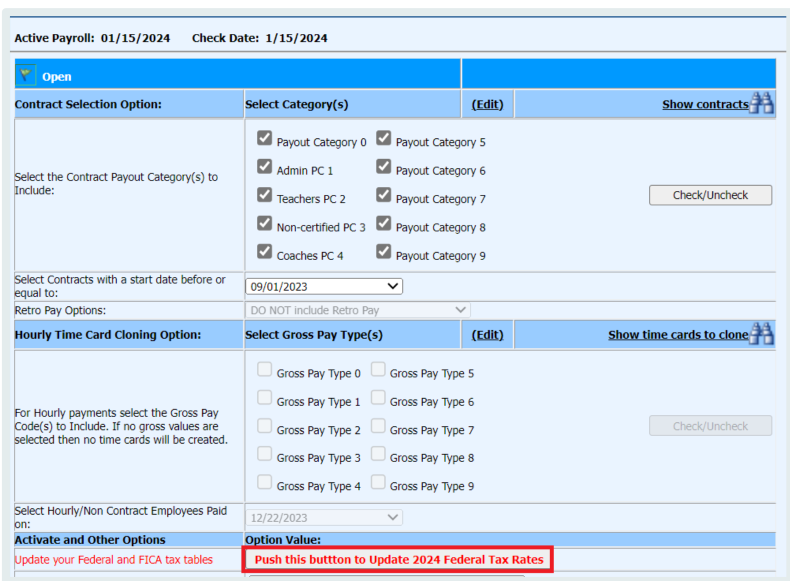
Running the First Payroll for 2024

1. The W2's for 2023 do not have to be completed before running the first payroll for 2024.
2. Before running the first payroll for 2024 you need to update the Federal and FICA Tax Tables. This process happens when activating the first payroll for the 2024 calendar year.
3. Select Payroll Process and then Activate Open a payroll. Setup the calendar for the first payroll for the 2024 calendar year. Then record the payroll date for this payroll.
4. After the payroll date has been recorded and upon selecting the option to activate this payroll, a message displays that your current tax tables are for 2024 and your new payroll is for 2024.

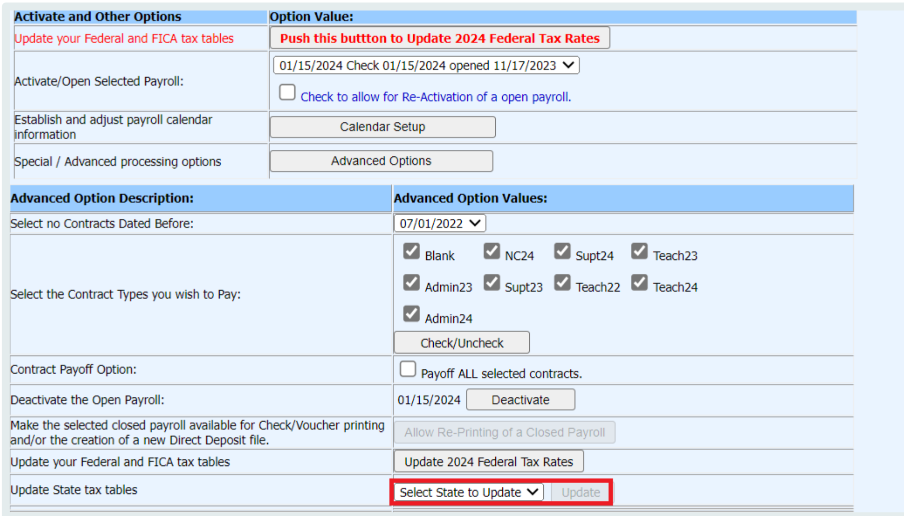




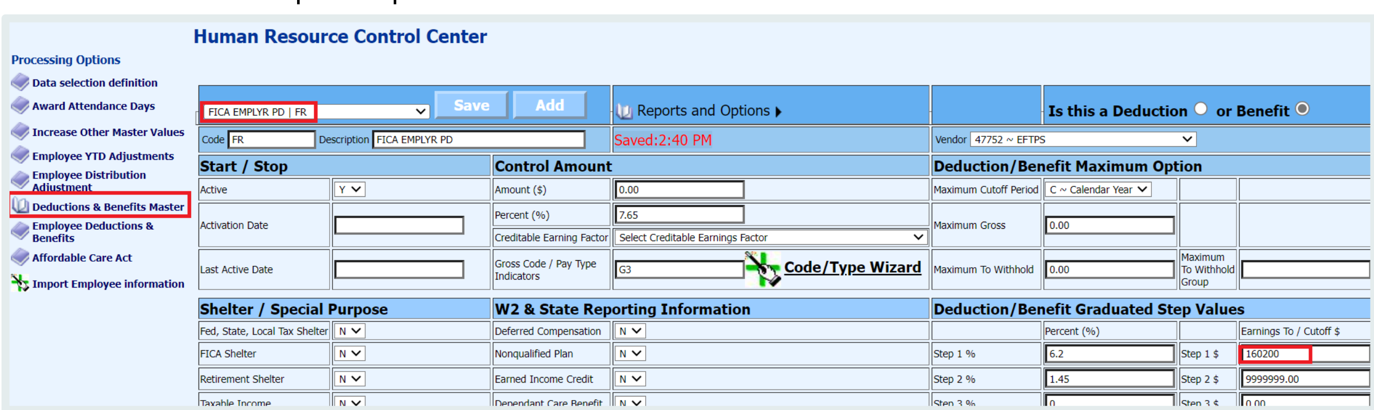
5. Select the “OK” button.
6. The screen has the button for you to select to update your 2024 tax rates. Select the button “Push this button to Update 2024 Federal Tax Rates,” the system updates both the Federal and FICA tax tables.



7. After selecting the update option, you can verify the Federal and FICA tax listings before you compute the first payroll for 2024. The ANNUAL TAX TABLE #7 from Circular E is the table that is used.
8. To update your state tax tables, go to “Payroll Processing” and then “Activate/Open a Payroll.” Select “Advanced Options”. In the Advanced Options area, you see the option to select your state and update the state tax tables.



9. The Local tax tables ARE NOT CHANGED for you. If the local taxes have changed, you need to make those changes in the payroll tax code area.
10. Another item that should be checked is the amount in the step 1 earnings on the matching FICA code. The rate for this item in 2024 is $168,600. The code is found in the Deductions/Benefit Master screen. The FICA benefit must be updated manually.
    a. Select Human Resources Control Center.
    b. Select Deductions & Benefits Master.
    c. Select the FICA Benefit code.
        - Maximum Cutoff Period: Verify "C – Calendar Year".
        - Step 1: Update to the 2024 rate.



Note: Under General Accounting Reports, Payroll Setup Tax Listings reports. Print verify Taxes.

Under General Accounting Reports, Payroll Setup Compare two payrolls. Compare two payrolls one from 2023 and one for 2024 to see the difference in taxes for each employee.