



EasyPayNetSM

Exempt versus Non-Exempt Employees

EasyPayNetSM Exempt versus Non-Exempt Employees

On the Withholdings page, you can select an employee's taxability status for all applicable taxes.

To select an employee's taxability status:

1. On the EasyPayNet Home page, place the cursor on the **Employees** tab. A list of options appears.
2. Select the **Withholdings** option. The Withholdings page appears.

The screenshot shows the EasyPayNet interface for the 'Withholdings' section. On the left, an 'EMPLOYEE LIST' includes 'ANDERSON, JASON L' with ID 0014. The main area displays details for 'ANDERSON, JASON L' (Employee 0014, STORE 3, Status: Active). Under the 'TAXES' section, 'FED WT' is selected. The 'Override Options' for 'FED WT' include:

- No Override
- Do Not Withhold (W4 Exempt)
- Additional Dollars
- Flat Dollars
- Flat Percentage (set to 0.0033)
- Taxable Wage Exempt

 A red note above the 'FED WT' section states: 'Wages will not print in the federal wages box of the W2. Used for expatriates and other rare situations.' On the right, the 'Deductions' section shows 'I R A' at 90.00000% and 'VACACR' at 0.85. A callout box points to the 'Do Not Withhold (W4 Exempt)' and 'Taxable Wage Exempt' options, with the text 'W4 Exempt and Taxable Wage Exempt options'. Another callout box points to the 'FED WT' option in the tax list, with the text '3. Select a tax to view its detail (which then appears to the right of the Taxes list)'.

4. If an employee's wages are *taxable* by federal/state/local definition, but the employee has indicated on Form W-4 that the employee is "exempt" from withholding taxes, select **Do Not Withhold (W4 Exempt)** from the Override Options list.

– OR –

If an employee's wages are exempt by federal/state/local definition and do not require a Form W-2, select the **Taxable Wage Exempt** option. This option is rarely used. When the option is selected, the following message appears in red.

Taxable Wage Exempt
Note:
Wages will not print in the federal wages box of the W2. Used for expatriates and other rare situations.