



EasyPayNetSM

Additional Wage Information

EasyPayNetSM Additional Wage Information

After an ADP service representative sets up the following earnings categories in the system prior to year-end, you can then report the actual wage data with any remaining 2009 payroll:

- Fringe benefits (e.g., health club membership, personal use of company car)
- Group term life insurance
- Moving expenses
- Uncollected FICA on insurance premiums
- Third party sick pay (a check issued by an insurance agency or state disability program)

ADP strongly recommends that these wage items be processed with a regular payroll so you can ensure that your employees have adequate pay from which to withhold the taxes, thus relieving you of the potential liability of paying the employees' taxes.

This document contains step-by-step procedures for entering additional wage information into EasyPayNet. It also provides you with an ADP Web site that will give you an explanation of an item's taxability and where the additional wage information appears on employees' W-2s.

- ✓ Please review the payroll tutorial that is available in the EasyPayNet application. You can access the tutorial by clicking the tutorial link at the bottom of the EasyPayNet Home page.

Entering additional wage information for employees who are receiving a regular paycheck.....	2
Entering additional wage information for employees who are not receiving a regular paycheck....	3
Entering third party sick pay additional wage information	5
Definition of additional wage terms	6
Explanation of taxability	6

Entering additional wage information for employees who are receiving a regular paycheck

- ✓ Before you begin the following procedure, be sure to enter any permanent changes to employee information (i.e., name, Social Security number, address, etc.) and edit your payroll schedule.

To process an additional wage item with a regular paycheck:

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

The screenshot shows the 'EasyPayNet' interface for 'Pay Details' for employee 'ANDERSON, JASON L'. On the left, an 'EMPLOYEE LIST' contains names and IDs, with 'ANDERSON, JASON L' (ID 0014) highlighted. A callout box points to this entry with the text: 'Select the employee to be paid and enter the pay data.' The main form includes sections for 'Earnings' (with a table for 'Set 1' showing 'REGULAR' at \$0.00/hr and 'SALARY' at \$812.50) and 'Withholdings' (with checkboxes for various taxes like DISAB, FED WT, STATE, UNEMCO, and I R A). At the bottom, there are buttons for 'Add A New Employee', 'Save', 'Undo Changes', 'Create New Check', and 'Delete Check'.

3. From the employee list, select the employee for whom you want to add wages.
4. Enter all appropriate pay data for the employee's paycheck. For additional wages, locate the additional wages name in the Earnings name column (e.g., FRING1). Then, in the amount column, enter the dollar amount.
5. Review and submit the payroll using your normal routine.

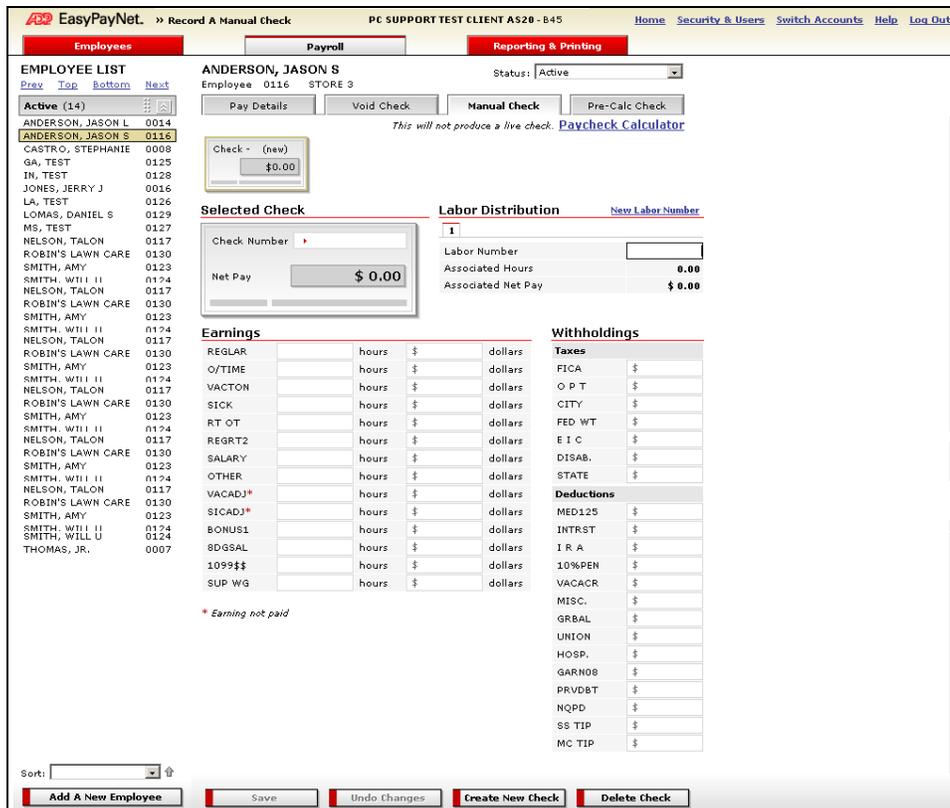
Entering additional wage information for employees who are not receiving a regular paycheck

Use the Record a Manual Check tab to record additional wage information for employees who are *not* receiving a regular paycheck, i.e., employees who are terminated or employees who need adjustments after the last pay of the year. The wage information will be added to the employees' year-to-date figures and will then be included on their Form W-2.

⚠ If you have additional wages that apply to year 2009, you must record a manual check prior to the first payroll of 2010.

To record additional wage information for employees who are not receiving a regular paycheck:

1. On the EasyPayNet Home page, place the cursor on the **Payroll** tab. A list of options appears.
2. Select the **Manual Check** option. The Record a Manual Check page appears.



3. From the employee list, select the employee for whom you want to add wages.
4. If you do not want to use Paycheck Calculator, locate the additional wage name in the Earnings column. Then, in the dollars column, enter the dollar amount. Finally, complete the **Check Number** field. Use the prefix "A" to identify this type of check. For example, for the first manual check, type A1. Next, go to step 7.

– OR –

If you wish to use Paycheck Calculator, click the **Paycheck Calculator** link and go to step 5.

5. On the Paycheck Calculator page, select either **Calculate Net Pay** or **Calculate Gross Pay**. The withholding amounts are automatically calculated based on the employee's withholding and deductions setup.

Click **Record a Manual Check from Results**. You are prompted to confirm that you want to proceed.

Click **OK**. The Record a Manual Check page appears. Earnings are assigned to the Other category. You can change the earnings category, if desired.

6. Complete the **Check Number** field.
7. Repeat steps 3 through 5 for additional employees.
8. Continue with your normal processing routine.

Entering third party sick pay additional wage information

Use the 3rd Party Sick Payment page to record amounts from a check issued by an insurance agency or state disability program. This is necessary so employer taxes can be paid.

To record additional wage information that is third party sick pay:

1. On the EasyPayNet Home page, place the cursor on the **Payroll** tab. A list of options appears.
2. Select the **Third Party Sick Payment** option. The 3rd Party Sick Payment page appears.

EasyPayNet. » 3rd Party Sick Payment PC SUPPORT TEST CLIENT A520 - B45 Home Security & Users Switch Accounts Help Log Out

Employees Payroll Reporting & Printing

EMPLOYEE LIST
Prev Top Bottom Next

Active (14)

ANDERSON, JASON L	0014
ANDERSON, JASON S	0116
CASTRO, STEPHANIE	0008
GA, TEST	0125
IN, TEST	0128
JONES, JERRY J	0016
LA, TEST	0126
LOMAS, DANIEL S	0129
MS, TEST	0127
NELSON, TALON	0117
ROBIN'S LAWN CARE	0130
SMITH, AMY	0123
SMITH, WILL U	0124
THOMAS, JR.	0007

ANDERSON, JASON L Status: Active
Employee 0014 STORE 3

Check 1

Earnings	Taxes
Third Party Sick Pay Earning \$	Federal \$
	Social Security/Medicare \$

Sort: [dropdown] ↑

↑ indicates a required field

Add A New Employee Save Undo Changes Create New Check Delete Check

3. From the employee list, select the employee for whom you want to add wages.
4. Using the statement from the insurance agency, in the Third Party Sick Pay Earning field, type the total gross amount of third party sick pay earnings.
 - ✓ If a portion of the third party sick pay was entered previously, enter only the additional amount not reported to date.
5. In the Taxes section, type the dollar amount of federal taxes and FICA paid on the third party sick pay earnings.
6. Continue with your normal processing routine.

Definition of additional wage terms

For definitions of additional wage terms, access this Web site:

<http://complianceconnection.adp.com/Glossary.aspx>

The following page appears.

The screenshot shows the ADP website's Glossary page. At the top, there is a search bar and a navigation menu with links for 'TFS HOME', 'TOOLBOX', 'GLOSSARY', 'NEWSLETTERS', 'LEARNING CENTER', 'KEY DATES', and 'FAQ'. The 'GLOSSARY' link is highlighted. Below the navigation, there is a sidebar with a 'Glossary' dropdown menu containing 'Payroll', 'Tax', 'Unemployment Insurance', and 'Wage Garnishment'. The main content area features a background image with text and a heading 'Glossary'. Below the heading, there is a paragraph of introductory text and a search section. The search section includes a text input field, a dropdown menu for categories (currently set to 'All Categories's'), and a 'SEARCH' button. Below the search section, there is a heading 'Or, select a letter below:' followed by a row of letters: A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z. Below this, there is a heading 'Results:' followed by a list of results. The first result is 'ABA/Trans Code' with a description: 'A nine-digit numeric code created by the American Bankers Association that identifies an employer's bank and routing for electronic transactions.' The second result is 'Abate' with a description: 'Term most often used when requesting an agency to reverse or cancel a penalty charge.'

Follow the directions to find your wage category.

Explanation of taxability

For explanations of the taxability of many types of additional wages and where the data appears on Form W-2, access this Web site:

<http://complianceconnection.adp.com/Toolbox/PayrollResources.aspx>.

The Payroll Resources page appears. See the next page.

Payroll Resources page

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TFS HOME TOOLBOX GLOSSARY NEWSLETTERS LEARNING CENTER KEY DATES FAQ

TFS Home

▼ **Toolbox**

- > Forms Download
- > Federal Taxes
- > State Taxes
- > Local Taxes
- ▼ **Payroll Resources**
 - > Payroll Taxability
 - > Payroll Reporting Forms
 - > Tipped Employees
 - > Record Keeping
 - > Work Eligibility
 - > Year-End Balancing
 - > Year-End Checklist
 - > Supplemental Wage (Bonus) Withholding
 - > Unemployment Insurance
 - > New Hire Reporting
 - > Vital Connections

Payroll Resources

Handling all facets of payroll processing can be quite a chore—especially when faced with the task of remembering tax-filing deadlines or staying up-to-date on important payroll requirements. Be unburdened! Use ADP's payroll resources to help with your payroll-related issues. These resources offer valuable information that will help you report timely and accurately.

Peace Of Mind At Your Fingertips.

Payroll Taxability → Determine if payroll features such as third-party sick pay and group term life insurance are subject to tax.

Payroll Reporting Forms → Review the filing due dates and descriptions of important federal reporting forms.

Tipped Employees → Learn more about the importance of reporting tip earnings to employers.

Record Keeping → Review the federal record-keeping requirements for all non-agricultural employees.

Work Eligibility → Get important rules and regulations about work eligibility in the United States.

Year-End Balancing → Obtain useful tips on balancing your quarterly reports with your annual reports.

Year-End Checklist → Use this tool to plan and organize all aspects of your year-end processing and obligations.

Supplemental Wage (Bonus) Withholding → Access the federal and state withholding methods for calculating taxes on supplemental wages.

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Click **Federal Taxes** to access W-2 wage information.

Click **Payroll Taxability** to determine the taxability of specific payroll features.

W-2 Taxable Wages page

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TFS Home

▼ **Toolbox**

- > Forms Download
- ▼ **Federal Taxes**
 - > Federal Tax Calculations
 - > **W-2 Taxable Wages**
 - > Federal Estimated Interest Rates
 - > Social Security Tax Schedule
 - > Federal Reporting Forms
 - > Other Federal Changes
 - > Electronic Federal Tax Payment System
 - > State Taxes
 - > Local Taxes
 - > Payroll Resources
 - > Unemployment Insurance
 - > New Hire Reporting
 - > Vital Connections

W-2 Taxable Wages

Responding to employee W-2 inquiries is much easier once you know the pay elements used to determine the taxable wages on the W-2. The explanation which follows reflects only the most common pay elements that determine taxable wages on the W-2. Pay Elements Used To Determine Taxable Wages.

Box 1: Wages, Tips and Other Compensation

Gross Earnings (Includes taxable fringe benefits and tips)	
Minus	Federal Tax Exempt Wages
Minus	Deferred Compensation
Minus	Meals
Minus	Cafeteria 125 Benefits (May vary based on the benefit)
Plus	Group-Term Life Insurance (cost of coverage over \$50,000)
Plus	Third-Party Sick pay
Plus	Other Compensation

Box 3: Social Security Wages

Gross Earnings (Includes taxable fringe benefits and tips)	
Minus	Social Security Exempt Wages
Minus	Meals
Minus	Tips (Social Security Tips must print separately in Box 7)
Minus	Cafeteria 125 Benefits (May vary based on the benefit)
Plus	Group-Term Life Insurance (cost of coverage over \$50,000)
Plus	Third-Party Sick pay

Scroll to locate the additional wage information and the box on the W-2 where this information is recorded.

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