



# **EasyPayNet<sup>SM</sup> Additional Wage Information**

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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 2011 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.

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# 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 is an 'EMPLOYEE LIST' with a table of names and IDs. A callout box points to this list with the text: 'Select the employee to be paid and enter the pay data.' The main area shows the 'Pay Details' for the selected employee, including a 'check 1' button, a 'Salary/rate information is confidential' warning, and two tables: 'Earnings' and 'Withholdings'. The 'Earnings' table has columns for 'Hourly Rate', 'Labor Number', and 'Amount'. The 'Withholdings' table has columns for 'Tax', 'Rate', and 'Amount'. 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 2011, you must record a manual check prior to the first payroll of 2012.

**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.

The screenshot displays the 'Record a Manual Check' page in EasyPayNet. At the top, there are navigation tabs for 'Employees', 'Payroll', and 'Reporting & Printing'. The 'Payroll' tab is active. Below the tabs, the employee list on the left includes 'ANDERSON, JASON S' with ID 0116. The main area shows the selected employee's details and a 'Check - (new)' form with a net pay of \$0.00. Below the form are sections for 'Earnings' and 'Withholdings' with various input fields for hours and dollar amounts. The 'Earnings' section includes categories like REGULAR, O/TIME, VACATION, SICK, etc. The 'Withholdings' section includes Taxes (FICA, O P T, CITY, FED WT, E I C, DISAB., STATE) and Deductions (MED125, INTRST, I R A, 10%PEN, VACACR, MISC., GRBAL, UNION, HOSP., GARN08, PRVDBT, NQPD, SS TIP, MC TIP).

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 PE 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 Employee 0014 STORE 3 Status: Active

Check 1

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

Sort: [v] [u]

» 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, the ADP logo and tagline 'IN THE BUSINESS OF YOUR SUCCESS<sup>SM</sup>' are visible. Navigation links include 'Country', 'Contact Us', 'Careers', 'Investor Relations', and 'User Login'. A search bar is located in the top right. The main navigation bar includes 'HOME', 'PRODUCTS & SOLUTIONS', 'TOOLS & RESOURCES' (highlighted), 'MEDIA CENTER', 'PARTNERS', and 'ABOUT ADP'. Below the navigation bar, a breadcrumb trail reads 'Go Back To: | Home | Tools & Resources | Compliance Connection'. A sidebar on the left lists various resources, with 'COMPLIANCE CONNECTION' expanded to show 'City Tax Locator', 'Client Setup Resource', 'e-Commerce Letters', 'FAQ', 'Glossary' (highlighted), 'Federal Taxes', 'Forms Download', 'NEW - Int'l ACH Transaction (IAT)', 'Calendars', 'Military Spouses Residency Relief Act', 'New Hire Reporting', 'Newsletters', 'Payroll Resources', 'State Taxes', 'Tax Incentives', and 'Unemployment Ins.'. The main content area features a 'Glossary' heading, a brief description, a search bar, and a list of letters for navigation. A search result for 'ABA/Trans Code' is displayed.

**Glossary**

Confused about a specific term or acronym? Solve the mysteries of terminology with this informative resource. Updated regularly with industry-specific vocabulary and concepts, the Glossary provides easy-to-understand definitions of tax-related terms.

Search for a term:

in

Or, select a letter below:

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

Results:

- **ABA/Trans Code** A nine-digit numeric code created by the American Bankers Association that identifies an employer's bank and routing for electronic transactions.

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

The screenshot shows the ADP website's 'Payroll Resources' page. The top navigation bar includes 'HOME', 'PRODUCTS & SOLUTIONS', 'TOOLS & RESOURCES' (highlighted), 'MEDIA CENTER', 'PARTNERS', and 'ABOUT ADP'. A secondary navigation bar contains 'CALCULATORS AND TOOLS', 'LEGISLATIVE UPDATES', 'HEALTH CARE REFORM', 'E-FILE TAX MANDATES', and 'WHITE PAPERS / CASE STUDIES'. The main content area features a large image of people reviewing documents, a 'Print this Page' button, and a 'Contact Us' section with links for 'Tax & Financial Services' and 'Unemployment Compensation Services'. The 'Payroll Resources' section includes a paragraph about payroll processing, a 'Peace Of Mind At Your Fingertips' heading, and links for 'Payroll Taxability', 'Payroll Reporting Forms', and 'Tipped Employees'. A left sidebar lists various resources, with 'Federal Taxes' and 'Payroll Taxability' highlighted. Two callout boxes with arrows point to these links, providing instructions on how to access taxability information.

Click **Federal Taxes** to access the Federal Taxes page. Then, click **W-2 Taxable Wages** to access W-2 taxability information.

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

## W-2 Taxable Wages page

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Country Contact Us Careers Investor Relations User Login

HOME PRODUCTS & SOLUTIONS **TOOLS & RESOURCES** MEDIA CENTER PARTNERS ABOUT ADP

Go Back To: | Home | Tools & Resources | Compliance Connection | Federal Taxes

**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)

Bi-Weekly/Semi-Monthly

**Contact Us:**

- Tax & Financial Services
- Unemployment Compensation Services

**Get a Payroll Price Quote**

Call 1.800.CALL.ADP, ext. 411

Scroll to determine the pay elements used to determine taxable wages for each box on the W-2.

## Payroll Taxability page

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Go Back To: | Home | Tools & Resources | Compliance Connection | Payroll Resources

**Payroll Taxability**

Determine the Taxability of Specific Payroll Features.

If you are not sure of the taxability of a specific feature, you're in the right place!

DEFERRED COMPENSATION	Employee Taxable	Employer Taxable
Federal Taxable	No*	Not Applicable
Social Security/Medicare Taxable	Yes	Yes
State Taxable	Varies	Not Applicable
SUI/SDI Taxable	Varies	Varies
Local Taxable	Varies	Not Applicable
FUTA	Not Applicable	Yes

**Contact Us:**

- Tax & Financial Services
- Unemployment Compensation Services

**Get a Payroll Price Quote**

Call 1.800.CALL.ADP, ext. 411

Find the ADP products and services that best fit your company's needs.

Scroll to locate the taxability of a specific payroll feature.