CHANGES TO THE PAYROLL SYSTEM WALKTHROUGH - REVISED

Intuit simplified the process for using the free version of Core (the basic payroll package in QBO). The first set of changes were used when the eLectures (videos) for Chapter 12 in myBusinessCourse was created. This revision includes additional changes to the payroll process. Reminder: The **Workers** link in the navigation bar has changed to **Payroll**.

Step 1 – Set Up A New Company File

The URL for setting up a new company has been changed to quickboooks.intuit.com/pricing (no https in front).

The display screens have also been changed. There are now three steps replacing Figure 12.1:

The third step is on the next screen.
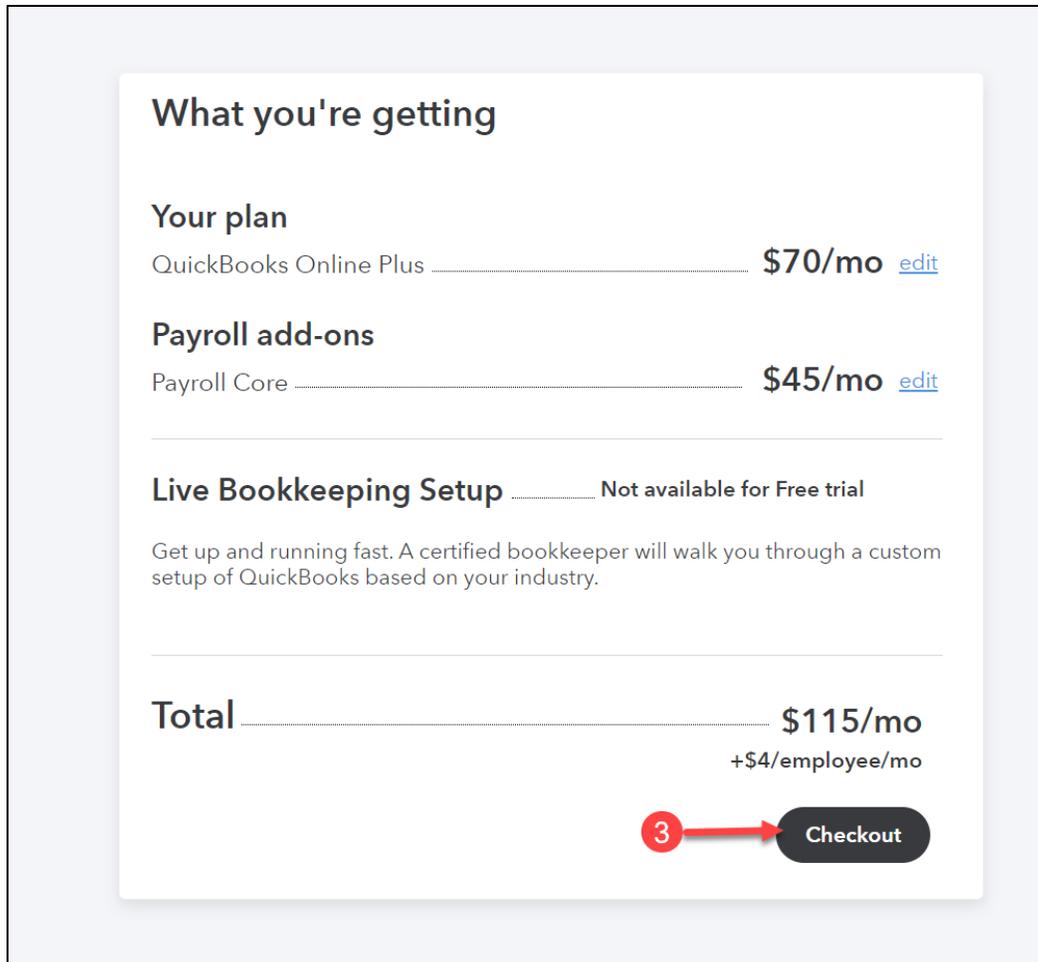
Figures 12-2 to 12-4 are the same.

The company setup questions have changed. You'll need to refer to the *Chapter 2 Steps 3 and 4 REVISED* PDF in the Ancillaries for this textbook (www.cambridgepub.com). Look only at the Step 4 changes (not the changes to Step 3).

Continue with Figures 12.9 through 12.18 to complete Step 1.

Step 2 – Activate Payroll

Pages 12-19 to 12-22 are unchanged.

Step 3 – Add Employees

Figure 12.25 has now been split into two steps. Step 1 asks for the Name of the employee. Step 2 asks for the hire date. The remaining steps (Figures 12.26 to 12.36 are the same). (The step numbers, of course, are now steps 3 through 7, not 2 through 6.)

Once you click **Continue setup** (the last action in Step 3), the following screen will appear:
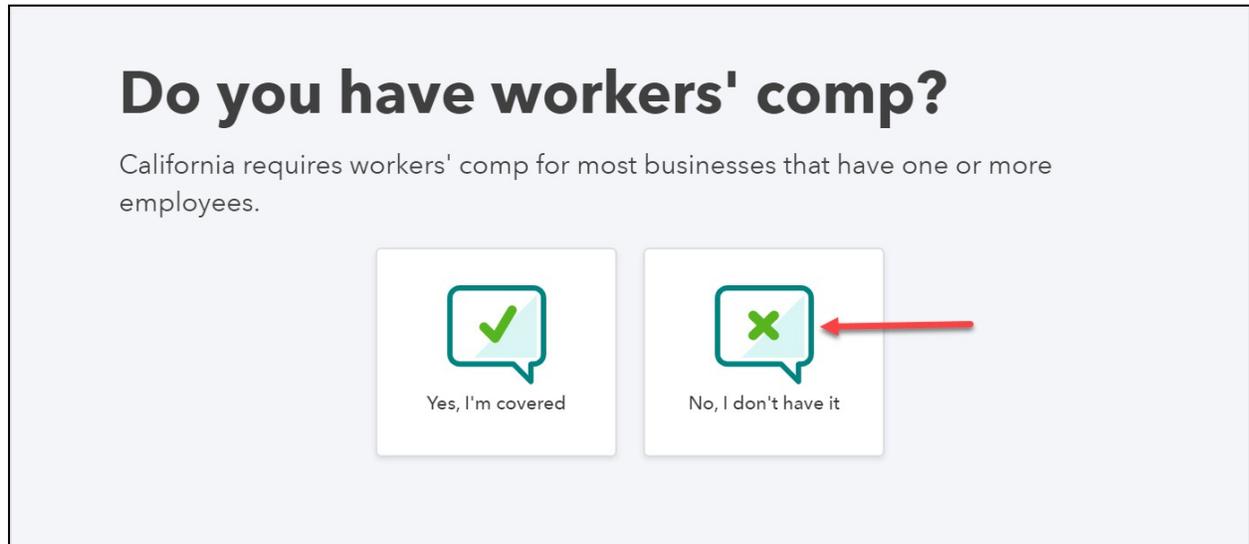
Click **No, I don't have it**.
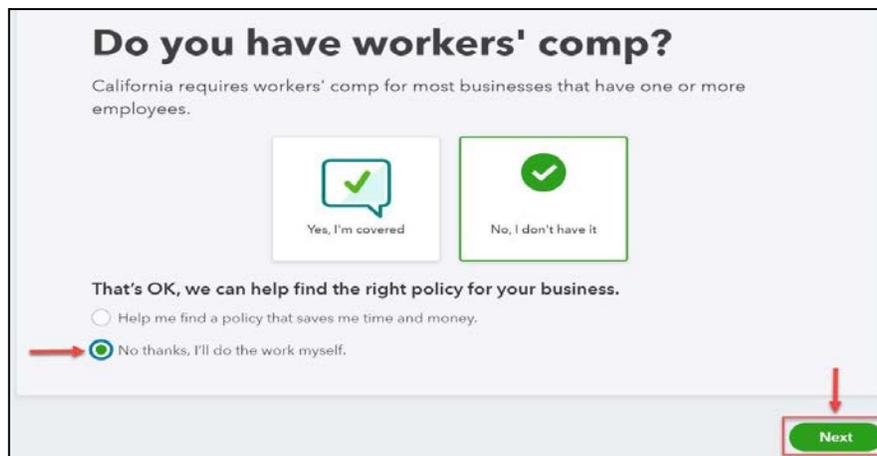
Toggle **No thanks, I'll do the work myself**.

Once you click **Next**, you will be taken back to the Payroll Center.

## Step 4 – Set Up Payroll Taxes
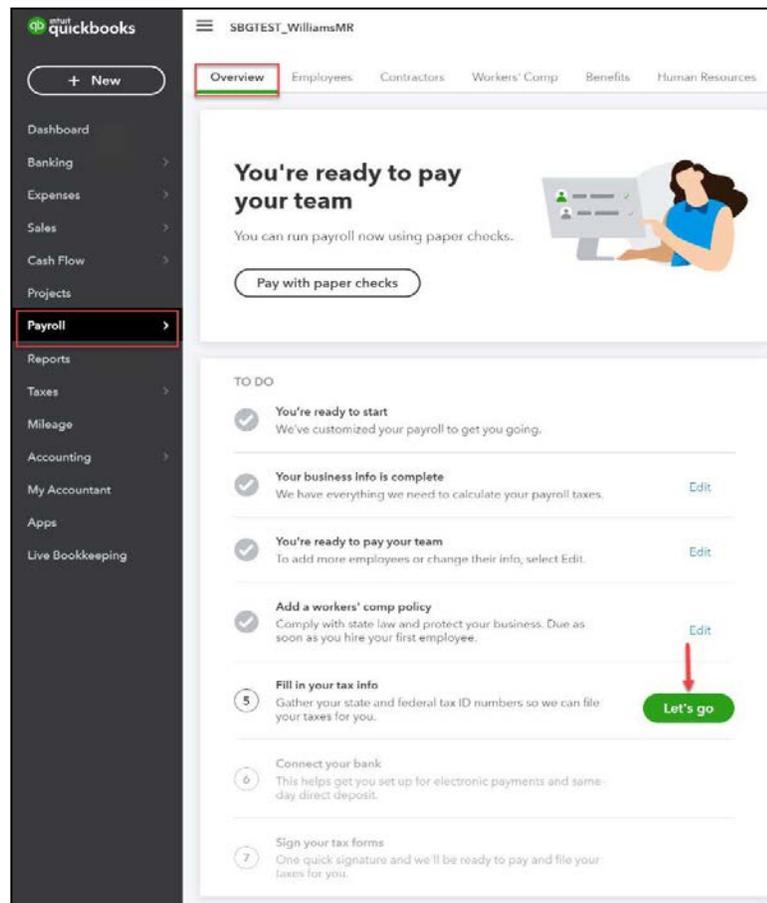
Click **Let's go** in the **Fill in your tax info** section.

There are three sections in the Payroll Settings screen: **General**, **Federal**, and **State**.

In the **General** section, the company name and address will be auto-filled. Select **Corporation** as the **Company Type** and **President** as the **Primary Principal Officer (PPO) title**.

Click **Next**.

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In the **Federal** section, enter '22-3456789' as the employer identification number.

Form 941 each quarter (most common) should be selected as the payroll tax form filed with the IRS.

Monthly should be selected as the tax payment frequency.

Click **Next**.

In the **State** section, enter '321-7654-8' as the employer account number.

Enter '3.4%' as the Unemployment Insurance rate. (3.4% is the rate typically assigned to new businesses in California) and .1% as the employment training tax rate.

Select **Monthly** as the tax payment frequency.

Click **Done**.

You will be taken back to the Payroll Tax Center.

You will not be completing Sections 6 and 7 of the Payroll **To Do** list.

Step 5 – Set Up Bank Connections

Ignore this step.

Step 6 - Finish The Payroll Setup

Ignore this step.

Step 7 – Map Payroll Accounts

The Payroll Settings screen will include slightly different wording, but the process is unchanged. You **may** need to click the edit (pencil) icon in each section (Figure 12.61) to access all the fields.

Step 8 – Process Payroll

No changes to this step.

Step 9 – Map Payroll Accounts

Because Intuit now allows users to deactivate the automatic payroll remittance and filing features, you would be able to process payroll tax remittances. However, you will not be expected to create those transactions as part of your assignment. If you'd like more information about the tax remittance process, view the Processing Payroll eLecture in myBusinessCourse. Information about editing paychecks is included there as well.

Step 10 – Access Payroll Reports

No changes to this step.