

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

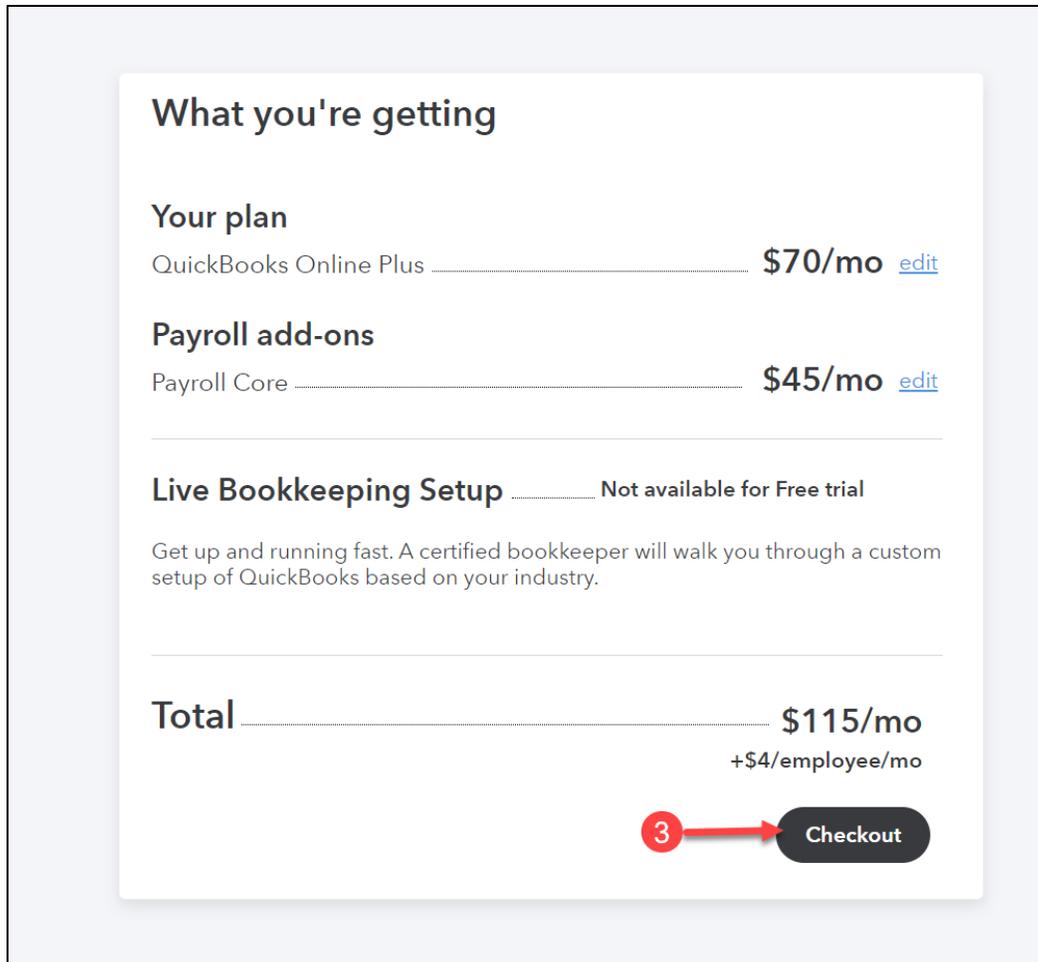
The URL for setting up a new company has been changed to quickbooks.intuit.com/pricing (no https in front).

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

The screenshot displays the QuickBooks pricing page with the following elements:

- Navigation:** Intuit QuickBooks logo, Products, Plans & Pricing (underlined), How It Works, Support, Talk to Sales: 1.877.683.3280, Sign in.
- Header:** "Choose the plan that's right for your business"
- Progress Steps:** 1. Select your plan (underlined), 2. Add payroll (optional), 3. Checkout.
- Offer:** "Buy now for 50% off for 3 months*" with a toggle switch. A red callout box labeled "1" points to the toggle with the text "Toggle to Free Trial".
- Plan Categories:** Small Business (with a dropdown arrow) and Freelancer (with a dropdown arrow).
- Plans:**
 - Simple Start:** \$25-\$12⁵⁰/mo. Features include: Track income & expenses, Capture & organize receipts, Maximize tax deductions, Invoice & accept payments, Track miles, Manage cash flow, Run general reports, Send estimates, Track sales & sales tax, Manage 1099 contractors.
 - Plus (Most Popular):** \$70-\$35/mo. Features include: Track income & expenses, Capture & organize receipts, Maximize tax deductions, Invoice & accept payments, Track miles, Manage cash flow, Run comprehensive reports, Send estimates, Track sales & sales tax, Manage 1099 contractors, Manage & pay bills, Track time, Includes 5 users, Track project profitability, Track inventory. A red arrow labeled "2" points to the "Select" button.
 - Advanced:** \$150-\$75/mo. Features include: Track income & expenses, Capture & organize receipts, Maximize tax deductions, Invoice & accept payments, Track miles, Manage cash flow, Run most powerful reports, Send estimates, Track sales & sales tax, Manage 1099 contractors, Manage & pay bills, Track time, Includes 25 users, Track project profitability, Track inventory, Business analytics & insights, Batch invoices & expenses, Customize access by role, Dedicated account team, On-demand online training, Restore company data, Automate workflows.
 - Self-Employed:** \$15-\$7⁵⁰/mo. Features include: Track income & expenses, Capture & organize receipts, Estimate quarterly taxes, Invoice & accept payments, Track miles, Run basic reports.
- Footer:** "Get QuickBooks set up with a Live Bookkeeping expert"

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.

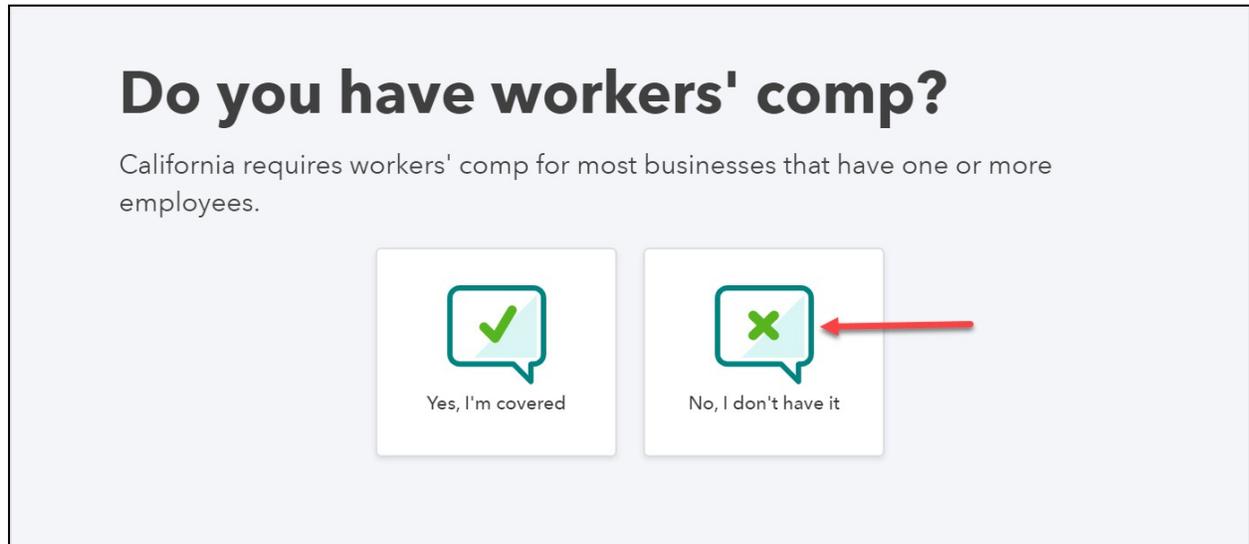
Step 2 – Activate Payroll

Pages 12-19 to 12-22 are unchanged.

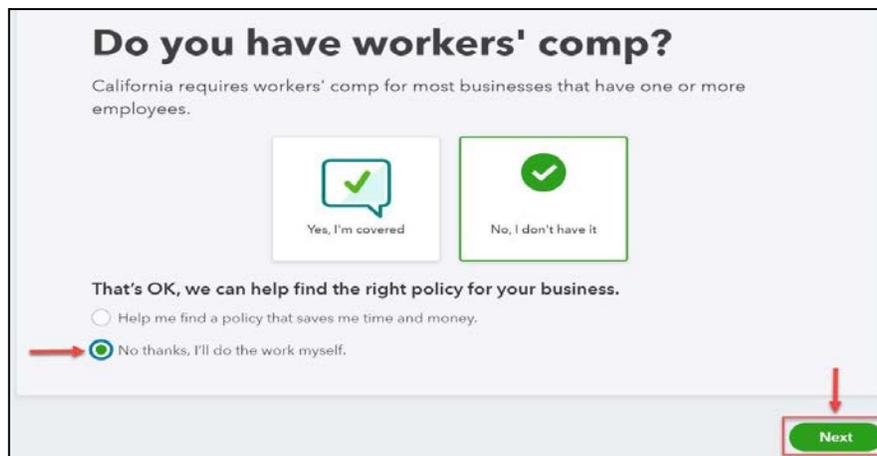
Step 3 – Add Employees

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:



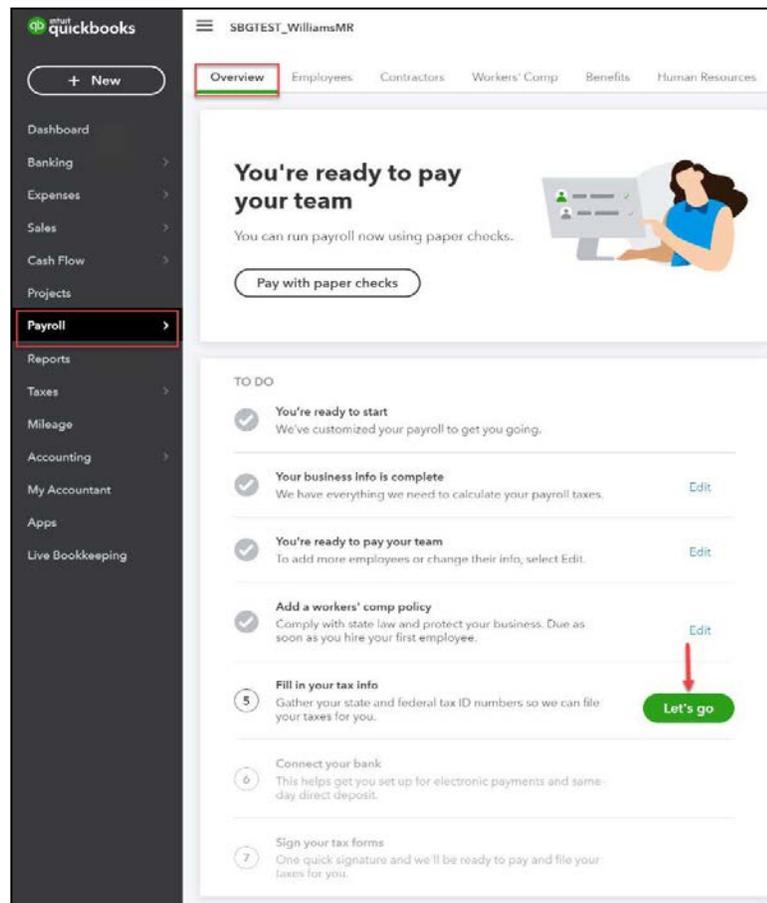
Click [No, I don't have it](#).



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**.

1 General 2 Federal 3 State

Tell us your general business info

Let's make dealing with your payroll taxes a snap. Tell us about your business so we can report your payroll wages and taxes. This is the info you used when you applied for a Federal EIN.

Company legal name
 SBGTEST_ Your company name will show here.

This may be different than a trade or doing business as (DBA) name.

Company legal address
 Street address
 3835 Freeport Blvd

City State ZIP code
 Sacramento CA 95822

Company type Select "Corporation"

Primary Principal Officer (PPO) title Select "President"

Cancel Next →

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**.

✓ General 2 Federal 3 State

Give us your federal tax info

Once we have your tax info, we can correctly pay and file your federal taxes. You can find what you need in letters and tax notices you've received from the IRS.

Employer Identification Number (EIN) (optional) ⓘ
 22-3456789
 Don't have one? [Apply for an EIN](#)

Which payroll tax form do you file with the IRS? ⓘ
 Form 941 each quarter (most common) ▼

How often do you pay your taxes? ⓘ
 Monthly ▼

Previous Next ←

Complete as shown

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**.

The screenshot shows a progress bar at the top with three sections: 'General' (checked), 'Federal' (checked), and '3 State' (checked and highlighted with a red box). Below the progress bar is the heading 'Let's add your California tax info'. A sub-heading reads: 'We'll need the following info to correctly pay and file your state payroll taxes based on where your employees live and work. You can find what you need in emails or letters you've received from the state.' The form contains the following fields: 'Employer Account Number (optional)' with the value '321-7654-8'; 'Unemployment Insurance (UI) rate' with the value '3.4%'; 'Employment Training Tax rate' with the value '0.1%'; and 'How often do you pay your taxes?' with the value 'Monthly'. At the bottom, there are two buttons: 'Previous' and 'Done'. The 'Done' button is highlighted with a red box and an arrow. A large red bracket on the right side of the form is labeled 'Complete as shown'.

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.

The screenshot shows the QuickBooks interface for a user named SBGTEST_WilliamsMR. The left sidebar contains navigation options such as Dashboard, Banking, Expenses, Sales, Cash Flow, Projects, Payroll (highlighted), Reports, Taxes, Mileage, Accounting, My Accountant, Apps, and Live Bookkeeping. The main content area is titled 'You're ready to pay your team' and includes a 'Pay with paper checks' button. Below this is a 'TO DO' list with seven items, each with a checkmark icon. Items 6 and 7 are crossed out with a large red 'X'. Item 6 is 'Connect your bank' and item 7 is 'Sign your tax forms'. A green 'Let's go' button is located to the right of item 6.

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.