



Quarterly Reporting

Federal

Reports to be run every pay period:

- TAX900 Error Listing: Lists employees who have negative tax balances or reportable wage amounts that would cause overflow in fields when the system writes W-2 data to magnetic media. It also checks for other error conditions. Normally, you run this report at year-end, but you can run it at other times to verify social security numbers (SSNs), or to check for negative tax balances and other error conditions. Notice that the high level sort for this report is COMPANY, and then EMPLID within the Company. The run control parameters for this report do not allow you to specify that the report be run for a specific company: it will run for ALL existing company codes. **Navigation**: Compensate Employees, Manage Annual Tax Rptg (US), Report
- TAX015 Quarterly Tax Balances Audit: For each tax class and tax jurisdiction, this report compares the employee QTD tax balance with the sum of Tax Detail records from each payroll run, making it possible to verify that system computations are correct for these balances. Notice that the high level sort for this report is COMPANY, and then EMPLID within the Company. The run control parameters for this report do not allow you to specify that the report be run for a specific company: it will run for ALL existing company codes. **Navigation**: Compensate Employees, Report Payroll Info (US), Report, Tax Balance Audit. **Note**: for Q3 2004: this report will not provide accurate detail, as data conversion was done mid quarter, and did not include check detail for the month of July (June paid July). Therefore, comparison of tax detail (part of check detail) to tax balances for this quarter will not yield accurate results.

Reports to be run Quarterly:

- TAX106 W-4 IRS: Lists employees who claim either exemption from federal withholding or more than 10 allowances. This report can be run for all employees or for a specific EMPLID. You also have the option of running it to identify ONLY exempt employees, ONLY employees who claim more than 10 exemptions, or to identify both exempt employees AND those that claim more than 10 exemptions. This report can be submitted with the quarterly 941. **Navigation**: Compensate Employees, Report Payroll Info (US), Report, W-4 IRS Report

Note: Prior to running the following reports, it will be necessary to specify the appropriate reporting period. This is done on the Tax Reporting Parameters page (**Navigation**: Compensate Employees/Manage Quarterly Tax Reporting/Setup/Tax Reporting Parameters) and will be maintained by the central payroll team. The Balance ID is always "CY" for Calendar Year. Input the Year and the Quarter for which you wish to run the reports. The Year and Quarter fields must be updated each time you wish to change the reporting period. This table drives the quarterly reporting periods for both Federal and State. Additional data to be supplied on this page relates to Mag Media Reporting parameters. This data does not need to be filled out until/unless you are ready to create a Mag Media file.

- TAX010FD Tax Summary Federal: Summarizes period-to-date income tax withheld, disability, FICA, and unemployment taxes at the federal level. Run the report monthly or quarterly. Use this report in conjunction with the supporting employee detail report (TAX007) to fill out the detail on the Employer's Quarterly Federal Tax Return (941). Input the Year and Quarter or Period you wish you process. Notice that the high level sort for this report is Company/FEIN. Run control parameters for this report do not allow you to specify that



the report be run for a specific company: it will run for ALL existing company codes. **Navigation:** Compensate Employees, Manage Payroll Process (US), Report 2, Tax Summary – Federal.

- **TAX001 Tax Deposit Summary:** Provides pay period details of federal, state, and local taxes withheld from employees, and liabilities incurred for employer-paid taxes. This report is submitted by RUNID, and can be requested to reflect On Cycle, Off Cycle or both types of payrolls, related to a specific RUNID. Use this report as supporting documentation to TAX010FD to identify total tax liability for a reporting period. **Navigation:** Compensate Employees, Manage Payroll Process (U.S.), Report 2, Tax Deposit Summary
- **TAX007 Quarterly Federal Tax Summary:** Provides, for each employee, quarter-to-date (QTD) federal withholding, FICA, and unemployment taxes. It lists employees by social security number and name, and it provides page and company totals. Notice that the high level sort for this report is Company, and then Social Security number within the Company. Run control parameters for this report do not allow you to specify that the report be run for a specific company: it will run for ALL existing company codes. This is the supporting detail to the TAX010FD referenced above. **Navigation:** Compensate Employees, Manage Quarterly Tax Rptg (U.S.), Report, Federal Tax Summary

Procedure

1. Review the output of TAX900 Error Listing. Make corrections to the EMPLID record, according to the error that is generated. This report will generate errors for the following conditions:
 - Missing or invalid Federal FEIN
 - Missing Social Security Numbers
 - The following Social Security Numbers
000-00-0000
111-11-1111
333-33-3333
123-45-6789
 - Any SSN having 000 as the first 3 digits
 - Employees with no Federal Tax Data Record
 - Employees with a negative gross (Tax Gross YTD<0)
 - Negative Tax (Tax YTD<0)
 - Earned Income Credit <0
 - Box 3 Social Security wages >\$87,900 (for year 2004)
 - Box 4 Social Security tax withheld not equal to 6.2% of Box 3 Social Security wages
 - Box 6 Medicare tax not equal to 1.45% of Box 5 Medicare Wages
 - Non-employee taxable gross and/or tax withheld
2. Review the output of TAX015 Quarter Tax Balances Audit Report. Make corrections to any EMPLID records that appear, according to the error that is generated. This is an exception report; that is, it lists only employees whose balances are not equal to the sum of the detail records. The report includes:
 - Tax class.
 - Balance type.
 - Payline detail sum.
 - QTD balance.
 - Discrepancy between the balance and the detail sum.

Normally, you should have no employees listed on this report. If they appear, investigate the source of the discrepancy immediately. If the out of balance relates to Social Security or Medicare taxes not equal to 6.2% or 1.45% of wages respectively, verify whether the employee is still active (not terminated and scheduled to receive subsequent pay) in the system. If so, the system should auto correct once the next pay check is processed. If



this is not the case, you will need to process an adjustment for the employee, either through the paysheet process, or using the on-line adjustment pages. Be sure to validate that the wages recorded are accurate according to the pay detail available.

3. Review the output of TAX010FD (run for the quarter, not by period) Quarterly Federal Tax Summary Report and related detail provided on TAX007 Quarterly Federal Tax Report- Employee Detail. QTD taxable wages and taxes shown on the TAX010FD for both the employee and employer are the numbers to be used to fill out corresponding fields on form 941. Validate that Taxable Wages and Employee Tax totals cross foot between the two reports. Also validate that Taxes and Taxable Wages for both Social Security and Medicare cross foot (6.2% and 1.45% respectively). Make sure that both EE and ER taxable grosses and taxes are equivalent. If there are OASDI or Medicare differences, check the TAX015- many times these differences are identified there. If difference is more than what is already known, review TAX007 detail. Each page has a subtotal for both Employee and Employer taxable grosses and taxes. Review each page and calculate the taxes by subtotaled page to identify where the discrepancy has occurred.
4. Run TAX010FD by period (period = month. For example, period 5 is tax liability for May) to identify tax liability by month. Use this information to fill out line 17 of form 941, which identifies Monthly Summary of Federal Tax Liability. To tie this data out, you may also run TAX001 Tax Deposit Summary by RUNID for all RUNID's in a given month. The liabilities identified here for a given month should tie out to the total liability for a specified month on TAX010FD (for example, total all TAX001's for RUNID's processed in May. These totals should tie to the total liability for period 5 on TAX010FD). The Payroll Summary Report (PAY018) also contains summary data for tax liability for a specified RUNID. This can be used as supporting documentation as well.
5. OPTIONAL: Run TAX940 FUTA Wage Reconciliation. Provides Federal Unemployment tax wage reconciliation. The report is normally run at year end, but can be run at other times to verify the data. Navigation: Compensate Employees, Manage Annual Tax Reporting (US), Report, FUTA Wage Reconciliation.
6. A fill-in form 941 is available at the following web site: www.IRS.gov/. Click on Search Forms and Publications For: and key 941 in the space provided. Click on search. Click on: Form 941 (Rev. January 2004) – Fill in form.

State

Note: Prior to running the following reports, make sure that the appropriate reporting period has been specified. This may already have been validated/updated when processing quarterly Federal data, but it is best to make sure. Locate this information on the Tax Reporting Parameters page (Navigation: Compensate Employees/Manage Quarterly Tax Reporting/Setup/Tax Reporting Parameters).

Reports to be run Quarterly

- TAX002MN Quarterly State Employee Wage Listing- Report provides quarterly state employee unemployment wage listings, specific to Minnesota. When running this report, the state specific parameters include Report Due Date, Employer's Phone, and Earnings Code. Notice that the high level sort for this report is FEIN/Company, and then Social Security number within the Company. Run control parameters for this report do not allow you to specify that the report be run for a specific company: it will run for ALL existing company codes. Also, subtotals per page are provided, but no grand total by Company. **Navigation:** Compensate Employees, Manage Quarterly Reporting (US), Report, State Wage Listing, Others.



- TAX002ND Quarterly State Employee Wage Listing- Report provides quarterly state unemployment employee wage listings, specific to North Dakota. There are no state specific parameters required. Notice that the high level sort for this report is FEIN/Company, and then Social Security number within the Company. Run control parameters for this report do not allow you to specify that the report be run for a specific company: it will run for ALL existing company codes. Also, subtotals per page are provided, but no grand total by Company. **Navigation:** Compensate Employees, Manage Quarterly Reporting (US), Report, State Wage Listing, Others.
- TAX002MT Quarterly State Employee Wage Listing-For those campuses who withhold and report Montana taxes, run this report exactly like TAX002ND above. Choose MT from the Process Scheduler page.
- TAX010ST Quarterly State Tax Summary Report - summarizes period to date income tax withheld, disability and unemployment taxes at the state and local levels. Run the report monthly or quarterly. Notice that the high level sort for this report is Company/FEIN. Run control parameters for this report do not allow you to specify that the report be run for a specific company: it will run for ALL company codes in the database. This report is the state equivalent of the TAX010FD Quarterly Federal Tax Summary Report. Enter Calendar Year, Quarter and Period for which this report should be run. **Navigation:** Compensate Employees, Manage Payroll Process (US), Report 2, Tax Summary – State.
- TAX008 Quarterly State Tax Report- Employee Detail: Summarizes employee QTD state withholding, disability, and unemployment taxes. It lists employees by social security number and name, and it provides page and company totals. Notice that the high level sort for this report is Company, then state and then SSN within the state. Run control parameters for this report do not allow you to specify that the report be run for a specific company: it will run for ALL company codes in the database. This is the supporting detail to TAX010ST. Additionally, this is the state equivalent of TAX007 Quarterly Federal Tax Summary. **Navigation:** Compensate Employees, Manage Quarterly Tax Rptg (U.S.), Report, State Tax Summary.
- TAX017 Quarterly State Unemployment Tax Verification: Run quarterly to verify that the appropriate employer unemployment tax for the quarter being reported has been calculated and posted to the employees' Tax Balance records. **Navigation:** Compensate Employees, Manage Quarterly Rptg (US), Report State Unemployment Tax Verification.
- **Procedure**
 1. Review the output of TAX010ST Quarterly State Tax Summary Report (run for the quarter, not by period) and related detail provided on TAX008 Quarterly State Tax Report- Employee Detail. QTD totals for each company and state within the company should cross foot between the two reports. Use the QTD taxable wage and tax figures to report data at the state level.
 2. To identify totals by period, run TAX010ST by period. When you add totals for each period, these figures will be equal to the quarterly totals identified in step one above. To further tie this data out, you may also run TAX001 Tax Deposit Summary by RUNID for all RUNID's in a given month. The liabilities identified here for a given month should tie out to the total liability for a specified month/period on TAX010ST (for example, total all TAX001's for RUNID's processed in May. These totals should tie to the total liability for period 5 on TAX010ST). The Payroll Summary Report (PAY018) also contains summary data for tax liability for a specified RUNID. This can be used as supporting documentation as well.
 3. Use the output from TAX002MN and TAX002ND as supporting employee detail for unemployment wages. The employee detail provided here should cross foot with the employee detail for unemployment wages on the TAX008.