

**Contents:**

- [Payroll Plans](#)
- [Active Employees](#)
- [No Payroll Subscription](#)
- [Subscription Services](#)
- [Discrepancies](#)
- [Subscription Signup](#)

**Payroll Plan Subscriptions in QuickBooks**

Payroll plan subscriptions for University of Missouri Extension expires June 1 of each year. Each extension office must notify the QuickBooks Administrator of their intent to continue with current plan, change plan, or stop plan at a designated date prior to the expiration date.

Mu Extension will pay one check to Intuit for all subscriptions and seek reimbursement from each extension office. This method of payment offers a university price discount, as noted in the table below.

Payroll Plan	Number of Active Employees	Normal Price	University Price	Details
Basic A	1 to 3	\$99.00	\$69.30	No state or federal forms; Federal & State Tax Tables
Basic B	4 and more	\$199.00	\$139.30	No state or federal forms; Federal & State Tax Tables
Standard	4 and more	\$249.00	\$174.30	Federal Forms only - 941, 944, W2, W3, 1099; Federal & State Tax Tables
Enhanced A	1 to 3	\$249.00	\$174.30	Missouri and federal forms - 941, 944, W2, W3, 1099; Federal & State Tax Tables
Enhanced B	4 and more	\$349.00	\$244.30	Missouri and federal forms - 941, 944, W2, W3, 1099; Federal & State Tax Tables

Quoted by Keith Fileccia | Intuit Certified Retail Solution Specialist

**Definition of Active Employees**

**1-3 Limit** Payroll Plans – Basic A and Enhanced A.

An employee who receives recurring paychecks, weekly, bi-weekly, bi-monthly, monthly. A part-time employee may be identified as “inactive” when another part-time employee (active) receives a paycheck. The part-time employees may alternate as “active” and “inactive” employees during the year. This practice allows an office to stay within the 1 to 3 active employee limit. W2 forms may be generated for any number of employees.

**4 or more** Basic B, Standard, or Enhanced B.

Extension Offices with 4 or more active employees must select one of these Payroll Plans - Basic B, Standard, or Enhanced B.

Please note that Enhanced A and B plans also will print Missouri state tax forms: Withholding and Unemployment.

We encourage County Program Directors to consider the Payroll Plan that best meet their needs.

**No Payroll Subscription**

With no payroll subscription, the Bookkeeper manually will calculate employee/employer social security and medicare taxes and will look up the taxes from Federal and Missouri Tax tables.

From previous experience, manual calculation of taxes sometimes resulted in user error in either overstating or understating tax amounts. This has resulted in tax penalties for understated tax amounts.

The Payroll Voucher, created in Microsoft Word, may be utilized for employee payroll entry and calculations. See [Payroll Vouchers instructions](#). County Program Directors will be asked to examine and sign this document each pay period and compare the voucher with the manually-prepared QuickBooks payroll data. Data verification will be crucial.

The county’s accounting software is adjusted to eliminate the Payroll Center. Employee paychecks still can be created in QuickBooks with manual tax input by the bookkeeper.

## Subscription Services

### Federal and State Tax Tables (Basic and Enhanced Plans)

The tax tables include the most recent federal and state tax amounts. You will be reminded to download and update the tax tables monthly. **Employees, Get Payroll Updates.**

Get Payroll Up... Type a help question Ask How Do I? \_ □ ×

You are using tax table version: 20710 Payroll Update Info

You are using payroll version: 06182121

You must update before: 10/01/2007 Update

Download only changes and additions to currently installed payroll files.

Download entire payroll update.

[Troubleshooting Payroll Updates](#)

- Select **Download only changes and additions.....**
- Click **Update button.**

## Discrepancies

*My federal tax withholding is \$1.00 more than what I had been withholding earlier this year.*

It is recommended that you retain the amount that the Tax Service retrieved from the updated Tax tables. The tax withholding amount that was entered manually may have been retrieved from the Employer's Tax Booklet dated January of this year. Consider reviewing current tax exemptions in the employee data file.

### Social Security and Medicare Taxes

The Tax Service within QuickBooks' Payroll is **self-adjusting** for social security and medicare taxes for employee and employer. This means if taxes were underpaid or overpaid in prior paychecks, QuickBooks will adjust (add or subtract) the difference of the underpayment or overpayment to the next paycheck, for both the employee and employer's share.

Allow QuickBooks to make the adjustment! Do not make changes.

*QuickBooks calculated my social security tax \$2.56 higher than it should be; my medicare tax was \$1.20 higher. What's going on? What shall I do?*

QuickBooks is trying to "catch-up" since taxes probably were underpaid all year. To determine if the extra taxes truly are correct, examine the **Payroll Detail Review Report**. (see sample below)

**Reports, Reports Center, Employees and Payroll, Payroll Detail Review.**

- Change the Date range to display January 1 to current date.
- Review the **Income Subject to Tax** and **Wage Base columns** for the employee and for each type of tax. Taxes are calculated on the wage amount reported for each type of tax. (If this amount is incorrect, contact the QB Administrator for assistance.)
- Review the **Amount Column**. This is the tax amount actually paid.
- Review the **Calculated Amount column**. This is the correct tax that should have been paid, as determined by the Payroll Tax service.
- The **Amount Difference column** is the difference between the Amount column and the Calculated Amount column.
- Calculate the year-to-date social security or medicare tax by multiplying the year-to-date wage reported for the tax by the tax rate. Has the employee been paying the correct amount? The difference will be added/subtracted to the employee's next paycheck.

**All-American County Extension Council**  
**Payroll Detail Review**  
January 1 through September 13, 2007

Date	Entered/La...	Tax T...	Income Subject To Tax	Wage Base	Payroll T...	User Edit?	Amount	Calculated Amo...	Amount Differ...
07/31/2007	09/04/2007 ...	20710	0.00	0.00		N	0.00	0.00	0.00
07/31/2007	09/04/2007 ...	20710	0.00	0.00		N	0.00	0.00	0.00
07/31/2007	09/04/2007 ...	20710	0.00	0.00		N	0.00	0.00	0.00
07/31/2007	09/13/2007 ...	20710	0.00	0.00		N	1,581.13	1,581.13	0.00
Total SALARY - HOURLY			0.00	0.00			1,581.13		
<b>Federal Withholding</b>									
04/09/2007	04/09/2007 ...	20708	0.00	0.00		N	0.00	0.00	0.00
07/31/2007	09/04/2007 ...	20710	0.00	0.00		N	0.00	0.00	0.00
07/31/2007	09/04/2007 ...	20710	0.00	0.00		N	0.00	0.00	0.00
07/31/2007	09/04/2007 ...	20710	0.00	0.00		N	0.00	0.00	0.00
07/31/2007	09/13/2007 ...	20710	1,464.83	1,464.83		Y	-145.00	-155.00	10.00
Total Federal Withholding			1,464.83	1,464.83			-145.00		
<b>Medicare Withholding - Employee</b>									
04/09/2007	04/09/2007 ...	20708	0.00	0.00		N	0.00	0.00	0.00
07/31/2007	09/04/2007 ...	20710	0.00	0.00		N	0.00	0.00	0.00
07/31/2007	09/04/2007 ...	20710	0.00	0.00		N	0.00	0.00	0.00
07/31/2007	09/04/2007 ...	20710	0.00	0.00		N	0.00	0.00	0.00
07/31/2007	09/13/2007 ...	20710	1,616.43	1,616.43	1.45%	Y	-20.00	-23.44	3.44
Total Medicare Withholding - Employee			1,616.43	1,616.43			-20.00		
<b>Soc.Sec. Withholding - Employee</b>									
04/09/2007	04/09/2007 ...	20708	0.00	0.00		N	0.00	0.00	0.00
07/31/2007	09/04/2007 ...	20710	0.00	0.00		N	0.00	0.00	0.00
07/31/2007	09/04/2007 ...	20710	0.00	0.00		N	0.00	0.00	0.00
07/31/2007	09/04/2007 ...	20710	0.00	0.00		N	0.00	0.00	0.00
07/31/2007	09/13/2007 ...	20710	1,616.43	1,616.43	6.2%	Y	-98.00	-100.22	2.22
Total Soc.Sec. Withholding - Employee			1,616.43	1,616.43			-98.00		

**Errors**

## Payroll Tax Subscription Signup

The QuickBooks Administrator must be logged into your database to install the Basic or Standard Payroll Tax Subscription Plan. During the installation....

- Payroll items for salary, taxes, and benefits are identified.
- Payroll Liabilities may be scheduled. Optional.
- The Payroll subscription number is matched with the EIN (employer's identification number).