

W-2 Printing

Before processing W-2's, make sure you have completed the following:

- Make sure VMS program files have been updated.
- Make sure ALL Payroll transactions for all companies in use have been posted for the year.
- Make a backup of Payroll data for all companies in use on your system AFTER all Payroll transactions have been posted and PRIOR to year-end closing.
- Close the Year in Payroll.

**NOTE: Refer to instructions for Payroll Year End Closing, if necessary.
Continue only after the above steps have been completed!**

Step 1

PROCESSING W2 DATA FOR CURRENT YEAR

From the Payroll menu select Reports > Tax Forms > US W2 forms. This will display the *Extended W-2 Information* screen. Enter the information and click OK to proceed to the *Edit FICA limits* screen.

Payroll / W2 TEST COMPANY - 2005

General

Extended W-2 Information

Contact name: LINDA KENNEDY

Contact ID #: 3625147

Contact phone: 850-476-0094

Contact ext: 115

Contact email: lindak@vertical-market.com

Contact fax: 8504785103

Contact method: Email

Preparer Code: Self prepared

Employer ID #: 96523654

Establishment #:

Employment code: Regular

Terminating business

Third party sick pay

OK Cancel

Version: V7.4w 11/18/2005 Ws: 1

Contact name – Enter the contact name for the company.

Contact ID # - The personal ID number of the employee attesting accuracy of the return (responsible person)

Contact phone – Enter the phone number. Dashes (-) may be used.

Contact ext – Enter the extension for the contact person.

Contact email – Enter the email address for the contact person.

Contact fax – Enter the fax number, no dashes (-).

Contact method – Enter the preferred method of contact: Email, Fax or Postal.

Preparer Code – Select from the available options: Self prepared, Acting firm, Service bureau, Parent company, or Other.

Employer ID # - Enter the employer or agent ID number. Also referred to as the pin number.

Establishment number – Enter the establishment number, if necessary.

Employment code – Select from the available options: Regular, Agriculture, Household, Military, Medicare Govt Emplr, or Railroad.

Terminating business – Enter a checkmark if business is terminating.

Third party sick pay – Enter a checkmark if a third party is used for sick pay.

Edit FICA limits screen requires entries as indicated:

FICA-HI is unlimited
FICA-OASDI limit 106800.00
Tax year 2009
 Print by division

Div1 ... Company name
Div2 ... Address 1
Div3 ... Address 2
Div4 ... Address 3
Div5 ... Federal ID #

OK Cancel

FICA – OASDI limit: 106800.00
Tax Year: 2009

NOTE: The ability to Print by division has been added. In this particular instance, divisions actually represent different companies that have been setup, not the divisions within a company. When this is selected, then the particular company name, address and Federal ID number that represents that division has to be entered.

NOTE: If the employee names have not been set up according to IRS W2 reporting requirements (Last_name suffix, first_name middle_initial), a message will appear on the screen:

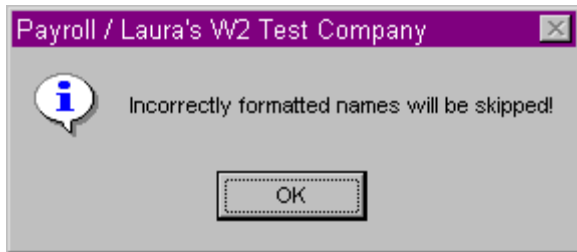
Payroll / Laura's W2 Test Company

Errors detected in W2 name format - Print report?

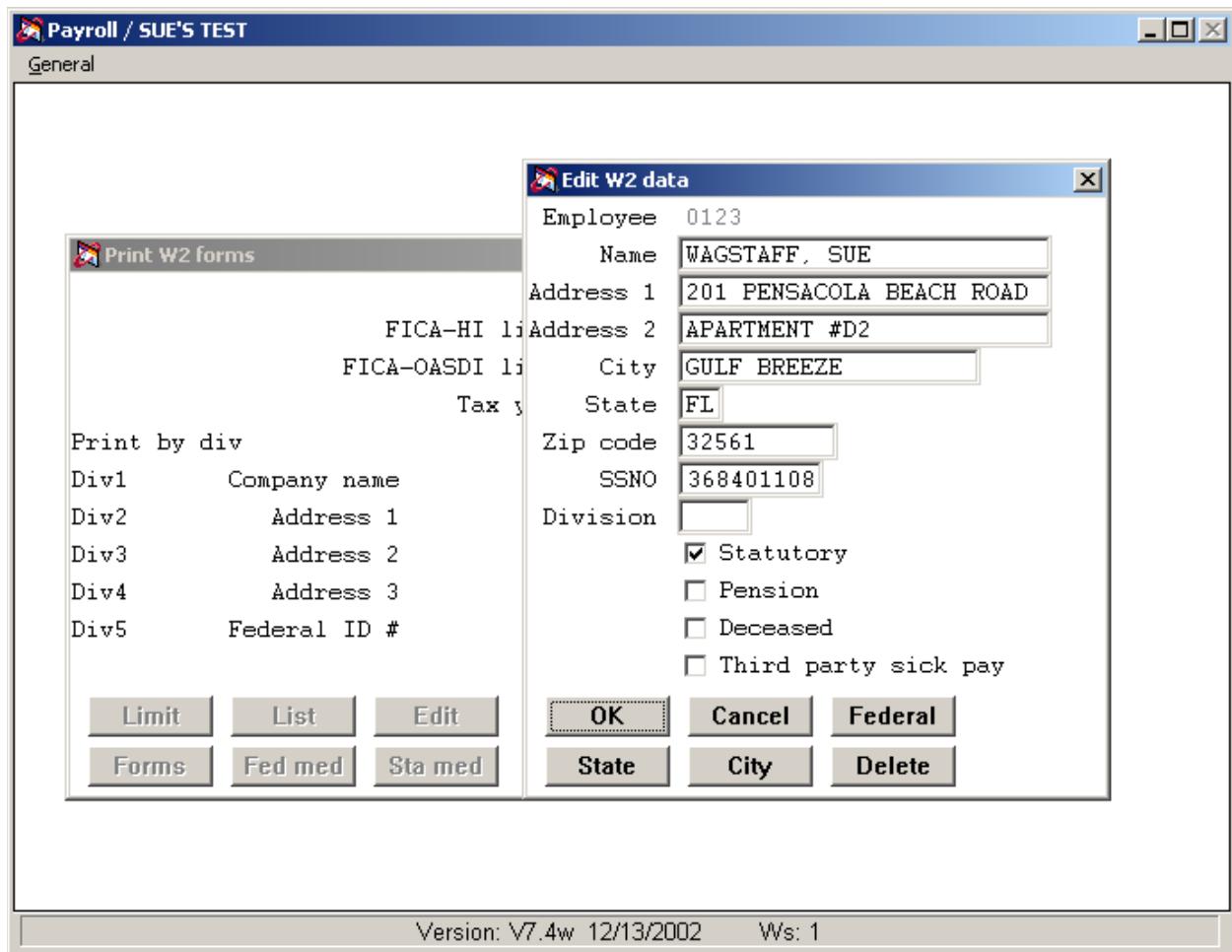
Yes No

The printed report will list names from the Employee file that are not in the correct format (i.e. Smith Jr, John J). The report lists the Employee code, name, and tax code. Print the report.

Another message appears stating “Incorrectly formatted names will be skipped.” Click OK.



To correct employee names, on the *Print W2 forms* screen, click *Edit* and select the employee. Edit the name and click *OK*.



Note: Division was added for those printing by division.

Step 2 Print a Proof List.

To print a proof list, click *List*.

The only error that you may encounter is a difference between the federal wages, and the total of all state wages. If this error occurs, the following message will display: “*Check for Errors on Proof List.*” Click “OK” to continue.

Step 3 CORRECTING W-2's

Because of changes in tax reporting, it is possible that certain employees will have different wage totals for federal gross wages, FICA wages, and state wages. The differences in these totals represent the 401K, Cafeteria Plan, and any other non-taxable or partially taxable deductions. The city and local wages may NOT add up to the total federal taxable wages.

If on the proof list, you see the message *****FEDERAL GROSS DOES NOT EQUAL TOTAL OF ALL STATE WAGES*****, and the federal and state wage totals ARE equal, this means that the total of all city/local wages does not equal the total of the federal wages. This may happen when employees have worked in multiple states/cities/locals for the tax year. **No correction is required - you may continue to process W2 data.**

To change the FEDERAL wage/tax amounts, select option 1. After entering an employee number, the Employee Name and Address will display. Select Federal, State and City wage information to edit by selecting the appropriate button and edit the information as necessary.

Payroll / SUE'S TEST

General

Print W2 forms

FICA-HI li
FICA-OASDI li
Tax y

Print by div

Div1	Company name
Div2	Address 1
Div3	Address 2
Div4	Address 3
Div5	Federal ID #

Limit List Edit

Forms Fed med Sta med

Edit W2 data

Employee 0123

Name WAGSTAFF, SUE

Address 1 201 PENSACOLA BEACH ROAD

Address 2 APARTMENT #D2

City GULF BREEZE

State FL

Zip code 32561

SSNO 368401108

Division

Statutory
 Pension
 Deceased
 Third party sick pay

OK Cancel Federal

State City Delete

Version: V7.4w 12/13/2002 Ws: 1

Edit W2 federal data				
Deduction 1	401K ...	5200.00	Gross wages	146000.00
Deduction 2	...	0.00	FIT wages	146000.00
Deduction 3	...	0.00	FICA wages	146000.00
Deduction 4	...	0.00	FIT	3618.19
Deduction 5	...	0.00	FICA-HI	2117.00
Deduction 6	...	0.00	FICA-OASDI	5840.80
Deduction 7	...	0.00	EIC	0.00
Deduction 8	...	0.00	Fringe \$	2500
401K Deduction code <input type="checkbox"/>			Dep care \$	0.00
			Box 12 Info	Amount Code
			Amount1 \$	1600 E
			Amount2 \$	0
			Amount3 \$	0
OK		Cancel		

For employees requiring fringe benefit totals on W-2 forms, enter the correct fringe benefit amount in the Fringe \$ field on the Federal W2 Data Screen. This value will print in Box 14 on the 2009 W2 form labeled "Other."

NOTE: You are responsible for verifying the amounts are correct for the various wages.

Box 14 will hold up to four (4) entries. Possible entries include:

- **FRG** – Fringe Benefit amount [from Fringe \$ box]
- **SUI** – State Unemployment Insurance amount [from *Edit W2 State data* screen]
- **SDI** – State Disability Income [CA, NY and NJ] [from *Edit W2 State data* screen]
- **WFD** – Work Force Development [New Jersey] [from *Edit W2 State data* screen]

Box 12 will hold up to four (4) entries. 401K information automatically prints in Box 12a (Deduction Code/Amount 1). When there is a 401K amount, only three other Box 12 fields are available to print.

NOTE: You are responsible for assigning the correct IRS code to these Benefits. The amount and Code will print in Box 12 b - d.

State code 18000

SIT wages 40000.00

UNEMPLOYMENT wages 40000.00

SIT 2714.33

SUI 0.00

SDI 0.00

WFD 0.00

Exempt

OK Cancel

SIT – State Income Tax
SUI – State Unemployment Income
SDI – State Disability Income
WFD – Work Force Development

State code 18320

WITHHOLDING wages 1200.00

SIT 11.22

Exempt

OK Cancel

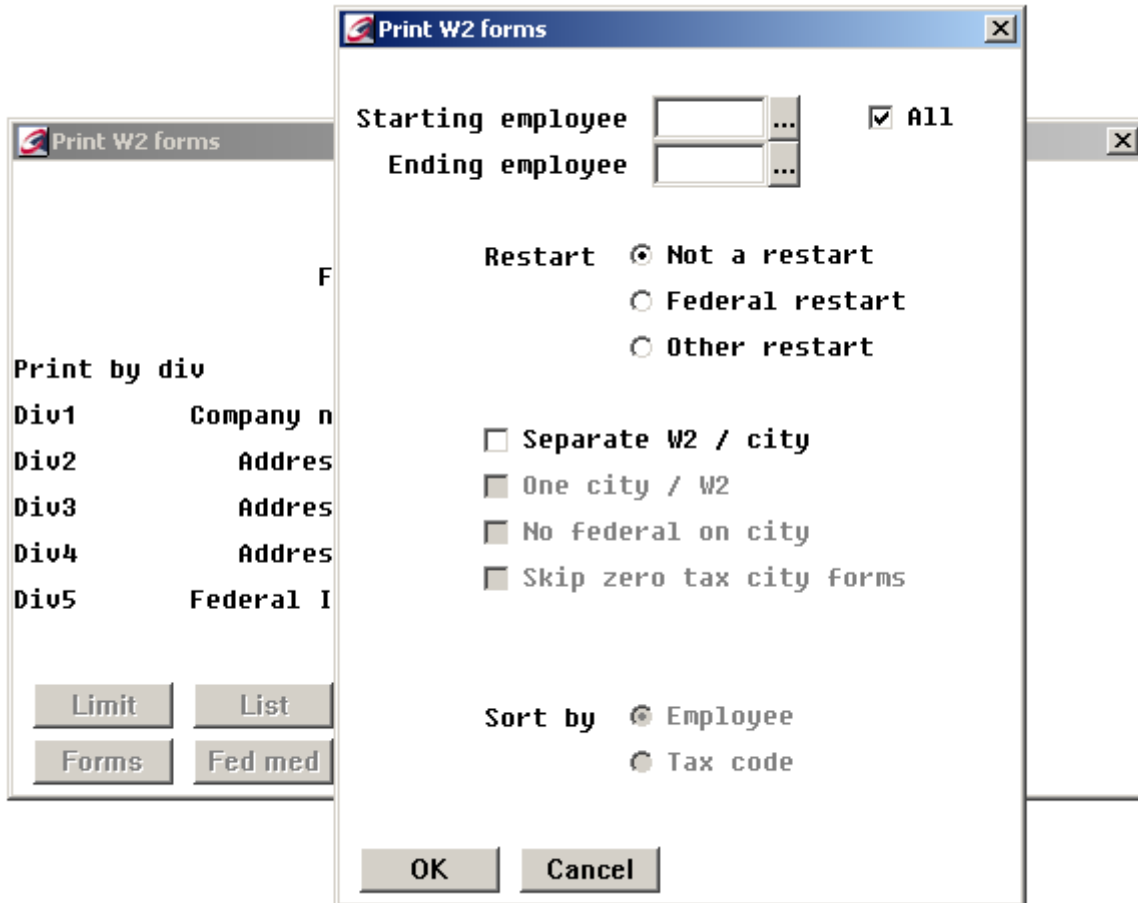
SIT – State Income Tax

Step 4 **PRINTING W2's**

Select **FORMS** from the W2 Options menu.

NOTE: Print Plain Paper forms before printing on actual W2 forms.

The following screen appears:



A new feature has been added. You now have the ability to print a range of W2's rather, than all of them, should one or some need to be reprinted.

The following printing options are available:

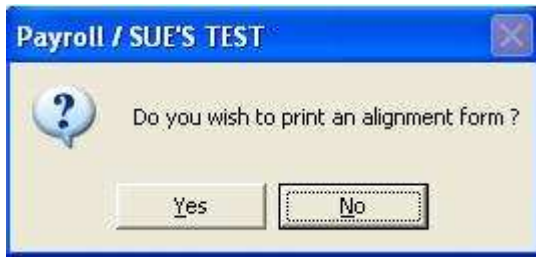
- **NOT A RESTART:** Prints ALL W2 forms, including all state/local W2 forms for all employees
- **FEDERAL RESTART:** Prints ALL federal W2 forms beginning with a specified employee number, and all state/city/local W2 forms. If a restart is necessary due to a printer malfunction, you can begin printing from the last correct W2.
- **OTHER RESTART:** Prints ONLY W2 forms for employees who have wages reported in more than two state/local codes (only two state/local wage boxes are available on each W2 Form), beginning with a specified employee. If a restart is necessary due to a printer malfunction, you can begin printing from the last correct W2.
- **SEPARATE W2 / CITY:**

- No selection combines Federal, State and City information.
- Selecting (check mark in box) will provide additional options: 1) to NOT include Federal information on City W2's, 2) to Skip zero tax city forms, and 3) to print only one City/Local code per W2. If one City/Local code is selected, there is an option to sort the City/Local W2 forms by tax code or employee number. If this option is not selected, the forms will sort in Employee Number order.
- **NO FEDERAL ON CITY**
 - Select if you do not want any federal information shown on a city or local W2 form. To include Federal information with City/Local information, leave blank.
- **SKIP ZERO TAX CITY FORMS**
- Select for W2 forms with zero withholding amounts for city tax to be skipped. To print all W2 forms, including zero city tax, leave blank.
- **ONE CITY / W2**
 - Select to print one city/local code per W2 form. To print multiple city/local codes on a W2 form, leave blank. If a separate W2 per city is selected, there is an option to sort by employee or tax code.
 - Federal W2 forms are sorted in employee number order, NOT by employee name.
 - State W2 forms are sorted in state tax code order. Since only two state codes are printed on each W2 form, all state W2 forms AFTER the first two state codes print at the end of the Federal W2 run.
 - City/Local W2 forms will print after all Federal and State W2 forms.
 - The actual W2 totals should be verified with the W2 PROOF LIST BEFORE mounting actual W2 forms. Also, verify the alignment of W2 printing by overlaying the blank W2 forms with the Plain Paper W2's produced with this step. Make any corrections and Print on **Plain Paper** until error-free.

NOTE: DO NOT PROCEED without VERIFIED PLAIN PAPER W2'S in-hand!

Step 5

Mount W2 FORMS on printer and select **Print W2 Forms**. Select “Yes” to print an alignment form.



Printing to a dot matrix printer: Adjust your forms manually as needed to get the correct alignment. You may print as many alignment forms as needed. Once aligned, proceed to actual printing.

Printing to a laser/inkjet printer: Another question will appear after the first alignment print asking if the alignment is OK. Some laser/inkjet printers will print higher on the page than others and an adjustment has been added to move the printed text down the page slightly. If the printed characters on the alignment form are too high to fit in the form boxes, answer “No” to the alignment question otherwise, answer “Yes”.



If you answered “No” to the alignment question, another box will appear asking to move the printer text down slightly. Answer “Yes” to do this.



Once this step is completed, laser/inkjet forms should be properly aligned and printing can begin.

NOTE: After printing Plain Paper W-2’s, starting actual W-2 forms printing is NOT a restart!

Step 6

Repeat W-2 process for each COMPANY on your system that is using Payroll.