American Business Systems, Inc.

ABS Payroll Subscription Service—2015 Tax File Update Packet

TO THE ABS SYSTEM MANAGER...

This packet contains the information and software you need to update your company's ABS Payroll System so you can print W-2s for 2014 and comply with 2015 tax laws.

Before you begin to install your new software update...

1. **Read the contents** of this entire packet.
2. **Make two backup copies** of your ABS Payroll software, your payroll data files *and* the enclosed update (diskette or CD).
3. **Do not install the software if...**
   - You do not have the experience and expertise to do so. (*Call your ABS Dealer.*)
   - Your ABS Payroll System software has been modified. (*Contact the ABS dealer who modified it.*)

There are 10 steps required to update your ABS Payroll System.

You must complete each step in the *exact order* listed in the following chart.

Complete this step...	To perform this part of the update process...
1	Verify you received the correct media.
2	Read *all* warnings and assumptions.
3	Make your backup copies.
4	Run your last payroll for 2014.
5	Load the 2015 Payroll Tax File Update.
6	Verify the message, "New Tables for 2015; Updated 12/31/14."
7	Print all required quarterly, end-of-year and management reports.
8	Close the 2014 payroll year.
9	Verify FICA, Medicare, State and Local wage limits and rates
10	Either print W-2s for 2014*or* run your first payroll for 2015.

Note: If you use ABS Payroll for multiple companies, you must complete Steps 4, 7, 8, 9 and 10 for each company.

- **You should not load the 2015 Tax Update (Step 5) until you have completed your last 2014 payroll for ALL companies.**
- **You should verify FICA, Medicare, State and Local wages limits and rates (Step 9) for ALL companies *before* you run your first 2015 payroll.**

Now, please go to Step 1 to begin.

Step 1—Verify you received the correct media for your computer system.

Your updates are for a specific computer operating system, such as UNIX or DOS or Windows. Check the label on the update you received to verify you received the correct one for your system. If the update media is not correct, **do not install the update**. *Call ABS immediately at* **(978) 250-9600.**

Step 2—Read the following warning and assumptions.

WARNING:

- **Do not install the update until you read all of the enclosed instructions thoroughly. Failure on your part to do so could result in the *permanent* loss of payroll data.**

ABS ASSUMES THAT...

- **You are currently processing payrolls with the ABS Version 7 Payroll System.**
- **You have made *two* backup copies of your payroll software, and your payroll data and your 2015 payroll tax file update.**
- **You will only install the update if you have the experience and expertise to do so correctly. If not, do not install the update. Call your ABS dealer.**
- **Your ABS Payroll System software has not been modified. If it is modified, do not install the update. Contact the ABS dealer who modified your software.**

Step 3—Make the backups.

As an added measure of protection, make *two* backup copies each of your ABS Payroll software, your payroll data files *and* the update **before** you begin the update process.

Step 4—Run your last payroll for 2014.

Step 5—Load the update.

☞ **Reminder: Do not install the 2015 Payroll Tax File Update until you run your company's last payroll for 2014. You must, however, install the update *and* make any necessary changes in tax authority information *before running your first payroll for 2015*.**

☞ **If your company has any special State Quarterly Reports, they will be loaded *automatically* when you install the 2015 Payroll Tax File Update.**

Follow these instructions to run the Load Tax File Utility.

A. From the Payroll Main Menu, select ***U****tilities*, then select ***L****oad tax file*, then select ***L****oad.*

B. Second, follow the instructions appropriate for your computer system.

For DOS: **Version 7.00 through 7.04 only**.

At LOAD TAX FILE?, type **Y**.

Important. If you previously used the Load Tax Utility, the system will automatically display the Source and Destination Drive Names you last entered.

At SOURCE DRIVE?, the *default* is **A**. If you are loading the update from floppy drive **A**, press ENTER. If you are loading it from another floppy drive or CD, such as **B**, **C**, **D**, **E** or **F**, type the *letter* that identifies that drive.

At DESTINATION DRIVE?, the *default* is **C**. If you are copying the files from the update to drive **C** on your computer's hard disk, press ENTER. If you are copying the files to another drive, such as **A**, **B**, **D**, **E** or **F**, type the *letter* that identifies that drive.

After you verify your entries and type **Y** at DATA OK?, the system may display a *message line* to indicate that it is loading data. When the tax file is loaded, the system clears the screen and returns to ***E****xit* on the Load tax File Menu Bar.

For DOS: **Version 7.05 only**.

At LOAD TAX FILE?, type **Y**.

Important. If you previously used the Load Tax Utility, the system will automatically display the Device Type, Source Directory and Destination Directory names you last entered.

At DEVICE TYPE, the *default* is **D**. If you are loading the update from a **Directory**, press ENTER. Otherwise, type the *letter* that indicates your system's device type.

F = floppy
C = CD
L = load command.

Note: If you entered **D** or **L** at DEVICE TYPE, go to the SOURCE DIRECTORY field. If you entered **F** or **C**, the SOURCE DRIVE field will be displayed.

At SOURCE DIRECTORY, the *default* directory is displayed. If you need to change this directory, enter the new directory path, then press ENTER.

At SOURCE DRIVE, the *default* is **A**. If you are loading the diskette from floppy drive **A**, press ENTER. If you are loading it from another floppy drive or CD, such as **B**, **C**, **D**, **E** or **F**, type the *letter* that identifies that drive, then press ENTER.

At DESTINATION DIRECTORY, the *default* directory is displayed. If you need to change this directory, enter the new directory path, then press ENTER.

After you verify your entries and type **Y** at DATA OK?, the system may display a *message line* to indicate that it is loading data. When the tax file is loaded, the system clears the screen and returns to ***E****xit* on the Load tax File Menu Bar.

For SCO UNIX, AIX and LINUX only.

Important. If you received your tax update on a CD, you must use one of the following mount commands to make the CD loadable on your SCO UNIX, AIX or Linux system.

For SCO or AIX: **`mount /dev/cd0 /mnt`**.

For Linux: **`mount /dev/cdrom /mnt`**.

At LOAD TAX FILE?, type **Y**.

Important. If you previously used the Load Tax Utility, the system will automatically display the Devise Type, Load Command and Destination Directory you last entered.

At LOAD COMMAND, the *default* load command is displayed. If this is the correct command for your computer system, press ENTER.

If the displayed load command does not work, you can choose another one from the following list.

For your information, here is a list of common UNIX load commands. If the command for your system is not listed, please refer to your operating system manual. Also, please note that a **bold** "**0**" indicates a *zero*.

If you use this computer...	This is the common *load* command...
Any 3½" SCO system	`tar xvf /dev/rfd0`
Any LINUX system	`tar xvf /dev/fd0`
IBM RS/6000 (AIX)	`tar xvf /dev/fd0`
Sun Microsystems/Solaris	`cpio -icdmuvB </dev/fdl0a` (**l** = the letter l)

Note: If your tax update was delivered on a CD, enter the following load command:

`tar xvf /mnt/PY2015.TAR.`

After you enter the Load Command, type **Y** at DATA OK?.

After you run the "Load Tax File" utility, the system automatically installs the tax file update, plus any special State Quarterly Reports, if applicable. When installation is completed, the system will display the message "Press ENTER to continue." Press the ENTER key to return the cursor to ***E****xit* on the Menu Bar. No other entry is required.

Step 6—Display the Calculate Taxes screen and verify that the message "Updated: 12/31/14" appears.

From the Payroll System Transactions Menu, select Calculate Taxes. When the screen is displayed, the following message should appear in the lower right corner of the screen.

Tax tables for: **2015**

Updated: **12/31/14**

If the message "Tax tables not recognized" appears—or if the first line of the message is not "Tax tables for: **2015**"—STOP! Call ABS immediately at (978) 250-9600.

Reminder. If you loaded the tax update from a CD and run ABS Payroll on a SCO UNIX, AIX or Linux system, **before you eject the CD from its drive**, you must use the appropriate unmount command.

For SCO or AIX:: **`umount /dev/cd0`**.

For Linux: **`unmount /dev/cdrom`**.

Step 7—Print your quarterly *and* year-end reports.

Print the following quarterly and year-end payroll reports:

- Quarterly Earnings Report
- State Quarterly Earnings Report
- State Monthly Earnings Report
- Optional. Print the W-2 Control Sheet to verify the types of pay/deductions that will be printed on 2014 Form W-2.
- Optional. Employee Earnings Report
- Optional. Any special state quarterly reports.
- Optional. Any other payroll reports you want to archive.

Step 8—Close the year.

Following the instructions in your Version 7 Payroll System *User's Manual*, use the "Utilities/Close Current Month" function to close your 2014 payroll year.

Note: If you are closing the current month—and if the current month is **12**—you must complete 3 additional fields to close the year. **These 3 fields do not appear in Version 7.05.**

All Special Reports Run? This field reminds users to run any State Quarterly Reports—or special state annual reports—before closing the year. This field must be set to **Y** before you can close the year.

Clear Check Records? The default is **N**. If you use the default, you retain all the information since the last clear from the prior year. This results in larger files. (You can purge this information later using Purge Processing.)

If you change the default to **Y**, you tell the system to purge all employee *history* except W-2 information through the end of the month/year displayed at the next field, Cut Off Date. For example, when you are closing 12/13, the displayed cut-off date will be 12/13. Also, if you answer **Y**, the only "prior" information left will be your W-2 or YTD information for that year. (You can view this information in Employee Inquiry—Last.)

Note: Since you have the option of setting the cut-off date to a prior year, if you entered **Y** at Clear Check Records?, then changed 12/13 to 12/**12**, the system would erase employee *history* through 12/12, but maintain employee 2012 W-2 records.

Clear W-2 Records? This question (and the Ending Year question) only appears if you have prior year (not purged) W-2 information on file. It will always display Last Year as the Ending Year regardless of how many years of W-2 information are on file. For example, if you are closing 12/12, the Ending Year will be 2012. Again, an **N** will result in larger files which you can purge later.

Step 9—Verify 2015 FICA, FUTA, Medicare, State and Local wage limits and rates. (*See* Appendix A for currently known changes for 2015.)

IMPORTANT: If you followed the previous steps in order and installed the update *before* you ran the year-end close, the system will have already updated the FICA *and* Medicare wage limit/percent fields for 2015.

- If you closed the year, then installed the update, you must *manually enter* the FICA and Medicare limits and percents for 2015.
- In each case, however, you must *manually enter* any State and Local Tax Authority changes that affect your company's payroll.

Before you run your first payroll for 2015, you will need to make sure that Federal, State and Local tax authority rates are correct. (*See* Appendix **A**.) You may also need to add or change employee *deduction codes* and *pay codes* for your company's 2015 payrolls.

- **Update tax authorities.** Following the instructions in your Version 7 Payroll System *User's Manual*, use the "Maintenance/Tax Authorities" function to update all tax authorities that affect your company's payroll.

FEDERAL TAXES. Verify that the Federal **wage limits** and **tax percents** for both FICA and Medicare have been updated for 2015 as specified below. If they are not updated, you must enter them.

FICA (OASDI) WAGE LIMIT	$118,500
Employee FICA (OASDI) TAX PERCENT	6.200%
Employer FICA (OASDI) TAX PERCENT	6.200%
MEDICARE (HI) WAGE LIMIT	999999.99
MEDICARE (HI) TAX PERCENT	1.450%
MEDICARE (HI) THRESHOLD	200000.00
MEDICARE (HI) THRESHOLD PERCENT	.9000%

STATE TAXES. All changes for **State taxes** are automatically installed when you load the tax file update diskette. (*See* Appendix **A**.)

STATE SUI/SDI. Make any changes necessary for **State Unemployment and State Disability percents and maximums**. (*See* Appendix **A**.)

LOCAL TAXES. Make any changes necessary for **Local taxes**. (*See* Appendix **A**.)

- **Update deduction codes and pay codes.** Following the instructions in your Version 7 Payroll System *User's Manual*, use the Deduction Codes and Pay Codes functions to make any change to the **deduction codes and the pay codes** your company will use for 2015 payrolls.

Step 10—At your *option*, either print 2014 W-2s *or* run your first 2015 payroll.

You can perform the following functions in the order which best suits your company's needs.

2014 W-2S. If you need to process employee W-2s *before* you run your first 2015 payroll, follow the "Running 2014 W-2s" instructions. (*See* page 6.)

2015 PAYROLLS. If you need to run a 2015 payroll *before* you print 2014 W-2s, follow the "Running your *first* 2015 payroll" instructions. (*See* page 12.)

Running 2014 W-2s

If you have completed Steps 1 *through* 9 in the order listed in these instructions, you can print W-2s for 2014 When you use the W-2's function, you will find that the FORM TYPE field has been modified to include the following options: 1, 2, L and 4. The following table describes each Form Type and lists the *FORMCENTER* order number for each.

To order W-2 forms from *FORMCENTER*, call (800) 662-3218.

Type	Description of W-2 Form	Item No. to Order from *FORMCENTER*
1	**1-Wide Continuous Form** This is a continuous, carbonless 1-page W-2 form designed for pin-fed, dot matrix, impact printers. Note: If your printer cannot print 6 or 8-part forms, use the 1-Wide, Twin Set Continuous Form.	9811 – 4A (4 parts: A, B, C, D) 9811 – 6A (6 parts: A, 1, B, C, 2, D) 9811 – 8A (8 parts: A, 1, 1, B, C, 2, 2, D)
1	**1-Wide, Twin Set Continuous Form** Each is a continuous, carbonless 1-page W-2 form for pin-fed, dot matrix, impact printers. Requires two sets: one for Employer, one for Employee. Note: You must order *both* sets.	Employer Set: 7600 – 3A (3 parts: A, 1, D) 7600 – 4A (4 parts: A, 1, 1 D) Employee Set: 7640 – 3A (3 parts: B, C, 2) 7640 – 4A (4 parts: B, C, 2, 2)
1	**1-Wide Continuous Form for *Magnetic Media Reporting*** This is a continuous, carbonless 1-page W-2 form for magnetic media filers and is designed for pin-fed, dot matrix, impact printers. Note: Employers reporting by magnetic media who do not require Copy 1 or Copy D may use the 1-Wide Employee Twin Set Continuous Form listed above.	7521 – 3A (3 parts: B, C, 1 or D) 7521 – 4A (4 parts: B, C, 2, 1 or D) 7521 – 5A (5 parts: B, C, 2, 2, 1 or D)

Types of W-2 Forms for 2014 Reporting (*continued*)

2	**2-Wide Continuous W-2 Form** This is a continuous, carbonless form designed for pin-fed, dot matrix, impact printers. This prints 2 W-2 forms side-by-side per page <u>for one employee</u>. The *right* side is larger than the left side **Important.** To print this form, the NUMBER OF COLUMNS for your Printer ID must be set to **136** characters, not to 132 characters.	8888–2 (4 Part/3 Ply) Ply 1: left = Copy 1/D; right = Copy A Ply 2: left = Blank; right = Copy B Ply 3: left = Blank; right = Copy C 8888–4 (6 Part/4 Ply) Ply 1: left = Copy 1/D; right = Copy A Ply 2: left = Copy 1D; right = Copy B Ply 3: left = Blank; right = Copy 2 Ply 4: left = Blank; right = Copy C 8888–3 (8 Part/5 Ply) Ply 1: left = Copy 1/D; right = Copy A Ply 2: left = Copy 1D; right = Copy B Ply 3: left = Copy 1/D; right = Copy 2 Ply 4: left = Blank; right = Copy 2 Ply 5: left = Blank; right = Copy C
L	**2-Up Laser W-2 Form** This is a 2-Up form which prints W-2s for 2 separate employees per page. (1 sheet = 2 forms.) It is designed for laser printers. <u>Note</u>: You will need to order *multiple parts*, because a laser printer only prints one part—such as Copy A or Copy 2—at a time.	5201A (Federal Copy A) 5202A (Employee Copy B 5203A (Employee Copy 2 and/or Copy C) 5204A (Employer Copy 1 and/or Copy D)
4	**4-Up Laser W-2 Form** This is a 4-Up form which prints all of the copies for 1 employee on a single page. (1 sheet = 1 form.) It is designed for laser printers. <u>Note:</u> Only use this form if you do <u>not</u> need Item Number 5203A. (*See* "2-Up Laser W-2 Form.)	5205A (Employee Copies B, C, 2 and 2) <u>Note</u>: You must also order the following forms to print <u>employer</u> information: 5201A (Federal Copy A) 5204A (Employer Copy 1 and/or Copy D)

Tip…Adjusting the W-2 Forms in your printer. Whether you use laser or pin-fed W-2 forms, you should always print a sample W-2 form to determine where your printer begins to print on the form. If you need to make any adjustments, follow these instructions.

NO. OF COLUMNS IN. (For both laser and pin-fed forms) You can use this field to adjust the column at which the information will begin to print on the W-2 form. The *default* is **5** which is the standard starting column for most printers. If you need to begin printing at another starting point, you can enter the appropriate number (0 to 4) to move the starting point <u>closer to the left margin</u>, or 6 to 8 to increase the distance from the left margin.

NO. OF LINES TO ADVANCE. (For laser forms only.) You can use this field to specify how many lines you want the system to skip—from the top of the form—before it prints the first line on the form. Most laser printers begin printing 3 lines down from the top of the form. The *default* for this field is **3**. If you need to begin printing higher (closer to the top of the form), enter a smaller number (0, 1 or 2). To begin printing lower (further down from the top of the form, enter a larger number (4 or 5).

Note: If you use Form Type 4 (the 4-Up Laser W-2 Form), you must use *compressed print*. That is, you must set your laser printer to <u>8 lines per inch and 12 characters per inch</u>.

Reminders…

If you need to print your company's State Unemployment Tax ID on employee W-2s, you must enter **Y** at the PRINT SUT ID IN BOX 14? field.

If you need to print employee IDs in Box **a** on employee W-2s, you must enter **Y** at the PRINT EMPLOYEE ID IN BOX A? field.

Printing 2014 W-2s

1. Instructions for printing W-2s are listed in the "Filing Reports" chapter in your user manual. Please refer to the section titled "Employee W-2s."

2. *Optional.* After you verify that the printed W-2s are correct, you may run the Purge History function to erase 2014 W-2 data.

Reminder…You can run W-2s multiple times, if necessary, any time prior to running the Purge History function.

About the W-2 Boxes

Detailed information about the data the Payroll System will print in each numbered W-2 box—plus an updated list of the pre-defined pay types and deduction types—are listed at the end of this packet in *Appendix* **B**.

Running Magnetic Media W-2s

If you have completed Steps 1 *through* 9 in the order listed in these instructions, you can generate the magnetic media file for reporting 2014 W-2 information.

Before you can create the W-2 magnetic media file, you must use the ***S****et* function to record information the Social Security Administration (SSA) needs to know about your company. This information includes the name of a person within your company whom the SSA can contact should they experience any processing problems with your file, how best to contact that person—by E-mail or by Postal Service—and a code that indicates who prepared the information in your file. Once you enter this information, you can edit it, if necessary.

If you have never used the ***S****et* function, the system will display an *asterisk* (*) at ***B****uild* on the menu bar to indicate that you will not be able to access it. When you complete the ***S****et* function, the system will remove the asterisk to indicate you can now use the ***B****uild* function to create your W-2 magnetic media file.

- To use the ***S****et* function, please follow the instructions in Table A.
- After you complete the ***S****et* function, see Table B for instructions for completing the ***B****uild* function.

The ***S****et* function

When you are ready to set company contact information required by the SSA, select ***F****iling* from the Main Menu Bar, then select *mag****N****etic w-2s*, then select ***S****et* from the menu bar, then follow the instructions in Table A.

Table A—*Set company information*

DATA ENTRY FIELD	FORMAT	INSTRUCTIONS
LOCATION ADDRESS	1 to 22 *characters*	*Optional.* You can use this field to record a special location, such as a suite, floor or room number, at your company's delivery address. Enter a special *location address*, or press ENTER to skip this field.

Table A (*continued*)

DELIVERY ADDRESS	1 to 22 *characters*	The system displays your delivery address from the Control File. If the correct street address is displayed, press ENTER to accept it. If it needs to be corrected, enter the new *delivery address*.
CONTACT NAME	1 to 27 *characters*	Enter the *name* of the person the Social Security Administration (SSA) should contact if they experience any problems processing your magnetic media file.
PIN	1 to 17 *characters*	Enter a unique *PIN* (Personal Identification Number) for your contact person.
TELEPHONE	1 to 10 *digits*	Enter the contact person's *telephone* number. (Type the 3-digit area code and the 7-digit phone number. There is not need to separate these numbers. The system will do that automatically.)
EXT	1 to 5 *digits*	*Optional.* If the contact person has a telephone extension number, enter the extension number. Otherwise, press ENTER to skip this field.
FAX	1 to 10 *digits*	*Optional.* If the contact person has a fax number, enter the fax number. Otherwise, press ENTER to skip this field.
E-MAIL	1 to 40 *characters*	If the contact person wants to be notified by e-mail of any processing problems experienced by the SSA, enter the contact person's e-mail address. If the contact person does not have an e-mail address—or does not want to list it because another problem notification method will be used—press ENTER to skip this field.
METHOD FOR PROB-LEM NOTIFICATION	1 or 2	Type the *number* that identifies the method you want the SSA to use to notify your contact person about any processing problems. **1** = E-Mail **2** = Postal Service.
PREPARER CODE	A, L, S, P or O	Type the *letter* that best identifies who prepared your company's magnetic media file. **A** = an accounting firm **L** = self-prepared **S** = service bureau **P** = parent company **O** = other.

Table A (*continued*)

OTHER EIN USED THIS YEAR	1 to 9 *characters*	For the current tax year, if you previously submitted a Form 941 or a Form 943 to the IRS—or if you previously submitted W-2 data to the SSA—and if you used an EIN (Employer Identification Number) which is different from the one you are now using—enter the previously used EIN. If you did not use a different EIN on previously submitted data for the current tax year, press ENTER to skip this field.

After you verify your entries and type **Y** at DATA OK?, the system closes the *Set* screen and returns the highlighter to ***E****xit* on the Magnetic Media W-2s menu bar. You can now use the ***B****uild* function (*see* Table B) to create your magnetic media file.

The ***B****uild* function

When you are ready to create the magnetic media file, select ***F****iling* from the Main Menu Bar, then select *mag**N**etic w-2s*, then select ***B****uild* from the menu bar, then follow the instructions in Table B.

Note: You will only access the STATE field if you enter **Y** at the INCLUDE STATE field. If you want to include all states, leave the STATE field blank. If you want the file to include information for a specific state, enter the 2-letter abbreviation for that state. If you do this, the file will include all employees who have state taxable wages or state unemployment/disability wages for the specified state.

Table B—*Build magnetic media file*

DATA ENTRY FIELD	FORMAT	INSTRUCTIONS
BUILD MAGNETIC W-2'S?	Y or N	If you are ready to build the magnetic media file, type **Y**. Otherwise, press ESCAPE to exit.
YEAR	4 *digits*	Your current payroll *calendar year* (e.g., 2014) is displayed. Press ENTER to accept that year. Or, if you have not yet purged prior year (e.g., 2012) payroll data, you can enter a previous year.

Note: The next field is only displayed for New Jersey businesses.

NJ DI PRIVATE PLAN #	1 to 10 *characters*	The *default* is **N**. If your New Jersey-based company has a private plan for employee disability insurance (DI), enter the *plan number*
FLI DED	1 to 10 *digits*	*Optional.* This field is used only if you need to enter a deduction code for Family Leave Insurance.

Table B (*continued*)

TYPE OF EMPLOYMENT	A, H, M, Q, R or X	The *default* is **R**(egular). If your company's employees do <u>not</u> fall into one of the other types listed below, press ENTER to classify them as *regular* employees. Otherwise, type the *letter* that best describes your company's employees. **A** = agricultural **H** = household **M** = military **Q** = qualified by Medicare **X** = railroad.
KIND OF EMPLOYER	1 *character:* N, F, S, T or Y	The *default* is **N** (None Apply). You will only need to select another option if your business is … **F** the Federal Government **S** a State or Local Government **T** a tax exempt employer **Y** state and local tax exempt.
INCLUDE STATE?	Y or N	The *default* is **N**. If you want the file to include *state and local* supplemental records, type **Y**.
STATE	*2-letter* state abbreviation	If you entered **Y** at INCLUDE STATE, you can include information for a specific state for all employees who have state taxable wages or state unemployment/ disability wages for that state. To do this, enter the <u>2-letter abbreviation</u> for that state. If you want the file to include <u>all</u> states, leave this field <u>blank</u>.

Note: The cursor will *skip* the next field, QUARTER, unless you entered **Y** at INCLUDE STATE?.

QUARTER	0, 1, 2, 3 or 4	If you want the file to include state and local records for the <u>full year</u>, type **0** (zero). Otherwise, type the *number* that identifies the payroll quarter for which you want the file to include state and local records.
TERMINATE BUSINESS?	Y or N	The *default* is **N**. Use the default if your business is active. If you terminated your business during the current tax year, type **Y**.
IS THIS A RESUBMISSION?	Y or N	The *default* is **N**. Use the default if this is a <u>new file</u>—one you have not previously submitted to the SSA. If the file contains W-2 data which you previously submitted to the SSA—but the SSA rejected it for any reason—type **Y**.

Note: You only access the next field, RESUBMISSION TLCN, if you entered **Y** at the IS THIS A RESUBMISSION? field.

Table B (*continued*)

Note: You only access the next field, RESUBMISSION TLCN, if you entered **Y** at the IS THIS A RESUBMISSION? field.

RESUBMISSION TLCN	1 to 6 *characters*	If the SSA notifies your company that it must resubmit a magnetic media file, the notice will contain a TLCN (Tape Library Control Number)—a number assigned by the SSA to the submission for tracking purposes. Enter the TLCN as it is listed on your notice.
ARE YOU REPORTING 3RD PARTY PAY?	Y or N	The *default* is **N.** Use the default if you are reporting only employee W-2 wages. If the file includes 3rd party pay—such as disability income paid to an employee by your insurance company—type **Y**.

After you verify your entries and type **Y** at DATA OK?. the system builds the magnetic media file and stores it on your computer's *hard disk*.

The file is stored in your **abs** directory as file name **W2REPORT**.

The system then displays the message, IS PAPER MOUNTED FOR CONTROL SHEET?

Follow the instructions at the end of the W-2 Magnetic Media File section in Chapter 6 of your Payroll System *User Manual* for further instructions.

Running your first 2015 payroll

If you have completed Steps 1 *through* 9 in the order listed in these instructions, you can run your first payroll for 2015.

To be sure that your ABS Payroll System is ready to process 2015 payrolls, take time to complete this checklist before you run your first 2015 payroll.

Please verify that you have...

- ☐ Made backup copies as specified in Step 3.
- ☐ Run your company's last payroll for 2014.
- ☐ Installed the 2015 Tax File Update.
- ☐ Printed the quarterly *and* year-end reports you need to save.
- ☐ *Optional.* Printed your *special state reports*.
- ☐ Closed the 2014 year.
- ☐ Verified all Federal, State and Local tax limits and rates which apply to your company.
- ☐ *Optional.* Updated deduction codes for 2015 payrolls.
- ☐ *Optional.* Updated pay codes for 2015 payrolls.

When you have completed *all* these steps, your ABS Payroll System is ready to process 2015 payrolls for your company. Follow your normal procedures (as outlined in the Version 7 Payroll System *User's Manual*) to process your first 2015 payroll.

Thank you for using the ABS Payroll System.

APPENDIX A

All changes described below go into effect January 1, 2015.

Tax authority and code	Description of changes
Federal Government (FG)	New Tax Withholding Tables are in effect. New EIC Tables are in effect. **Reminder:** If an employee is eligible for EIC under Table B, you must select **Separate** at the EIC field in the employee's record. FICA (OASDI) wage limit **changes to $118,500**. The tax percent remains unchanged at the rate of 6.200%. The maximum FICA tax for 2015 is **$7,347.00**. Medicare (HI) wages are **unlimited** (999999.99). The tax percent remains *unchanged* at the rate of 1.450%.
Alaska (AK)	SUT limit **increases** from $37,400 **to $38,700.** Employee SUT rate **decreases** from 0.62% **to 0.57%**.
Arkansas (AR)	New Tax tables are in effect.
California (CA)	New tax tables are in effect. SDI limit **increases** from $101,636 **to $104,378**. The SDI rate **decreases** from 1.00% to **0.90%**. Exemptions ***increase*** from $114.40 **to $116.60**. Minimum taxable incomes ***increase*** as follows: for employees filing as *single or married with less than 2 exemptions*, from $12,769 **to $12,997**; for employees filing as *married with 2 or more exemptions* or *as head of household* from $25,054 **to $25,994**. Standard deductions ***increase*** as follows: for employees filing as *single or married with less than 2 exemptions*, from $3,841 **to $3,906**; for employees filing as *married with 2 or more exemptions* or *as head of household* from $7,682 **to $7,812**.
Colorado (CO)	New tax tables are in effect. SUT limit **increases** from $11,700 to **$11,800**.
Connecticut (CT)	New tax tables are in effect.

Delaware (DE)	<u>*Maryland residents working in Delaware*</u>. If your company has a presence in Delaware <u>and</u> in Maryland—and you want to withhold Maryland state taxes for your Maryland residents working in Delaware—your Tax Authority file must include the following <u>state</u> tax authorities: DE—the state tax authority code for Delaware MD—the state tax authority code for Maryland **MDD**—the special state tax authority code for Maryland residents working in Delaware. After you update your system to make sure all three state tax authorities are defined, you must then update the file for each employee who resides in Maryland, but works in Delaware, by entering MDD at the STATE TAX ID field and DE at the LOCAL TAX ID field in Employee Maintenance.
District of Columbia (DC)	New tax tables are in effect.
Florida (FL)	SUT Limit **decreases** from $8,000 to **$7,000**.
Hawaii (HI)	SUT limit **increases** from $40,400 **to $40,900.** SDI Employee limit is $951.23 and the Employee rate is 0.50%.
Idaho (ID)	New tax tables are in effect. SUT limit **increases** from $35,200 **to $36,000**.
Illinois (IL)	New tax rate of 3.75%.
Indiana (IN)	State tax rate **decreased** from 3.4% to **3.3%.** Some county rates also changed.
Iowa (IA)	SUT limit **increases** from $26,800 **to $27,300**.
Kansas (KS)	New tax tables in effect. SUT limit is **$12,000** for 2015.
Kentucky (KY)	New tax tables are in effect. SUT limit **increases** from $9,600 **to $9,900** with a .21% surcharge.
Louisiana (LA)	**Reminder.** To enter the number of *personal exemptions and dependents* <u>for state withholding</u>, you must use the #EXEMPTIONS and #DEDUCTIONS fields in the Employee File. At <u>state</u> # EXEMPTIONS, enter the number (0, 1 or 2) of <u>personal exemptions</u> claimed for state withholding. At <u>state</u> # DEDUCTIONS, enter the number (0 or higher) of <u>dependents</u> claimed for state withholding.
Maine (ME)	New tax tables are in effect.

Maryland (MD)	**Note:** You should review the following information regarding Maryland residents working in Delaware and Maryland county tax rates. *Maryland residents working in Delaware*. If your company has a presence in Delaware and in Maryland—and you want to withhold Maryland state taxes for your Maryland residents working in Delaware—your Tax Authority file must include the following state tax authorities: DE—the state tax authority code for Delaware MD—the state tax authority code for Maryland **MDD**—the special state tax authority code for Maryland residents working in Delaware. After you update your system to make sure all three state tax authorities are defined, you must then update the file for each employee who resides in Maryland, but works in Delaware, by entering MDD at the STATE TAX ID field and DE at the LOCAL TAX ID field in Employee Maint. **Reminder.** If an employee is subject to a county tax, you must do 3 things. 1. In Tax Authority Maintenance, you must create a record for the county tax code (*see chart*) if it doesn't already exist. 2. In Employee Maintenance, you must enter the special county tax code at the STATE TAX ID field in the employee's record. 3. **Important:** In Employee Maintenance, you must enter **0** (zero) in the state ALT. TAX % field in the employee's record to ensure the proper state and county tax is calculated.

Maryland (MD) (*cont.*)	**Table of County Tax Codes for 2015** Note: The tax codes for 2015 are the same as those for 2014. **Bold** = new tax rate for 2015. No New 2015 Rates. County — 2015 Tax Code Allegany — MD1 Anne Arundel — MD2 Baltimore County — MD3 Calvert — MD4 Caroline — MD5 Carroll — MD6 Cecil — MD7 Charles — MD8 Dorchester — MD9 Frederick — MDA Garrett — MDB Harford — MDC Howard — MDE Kent — MDF Montgomery — MDG Prince George's — MDH Queen Anne's — MDI Saint Mary's — MDJ Somerset — MDK Talbot — MDL Washington — MDM Wicomico — MDN Worcester — MDO Baltimore City — MDP *Non-residents*. For non-Maryland residents working in Maryland, use MD at the STATE TAX ID field, then enter **0** (zero) at the state ALT. TAX % field.
Massachusetts (MA)	Tax rate **decreases** from 5.20% **to 5.15%.** SUT limit **increases** from $14,000 **to $15,000**.
Minnesota (MN)	New tax tables are in effect. Exemptions **increase** from $3,950 **to $4,000**. SUT limit **increases** from $29,000 **to $30,000**.
Missouri (MO)	Standard deduction **increases to $6,200** for singles, **$9,100** for Head of Household, and **$12,400** for married filers.
Montana (MT)	SUT limit **increases** from $29,000 **to $29,500**.
Nevada (NV)	SUT limit **increases** from $27,400 **to $27,800**.
New Jersey (NJ)	SUT and SDI limits **increase** from $31,500 **to $32,000**. Employee SDI rate **decreases** from ..38% **to .25%.**
New Mexico (NM)	New tax tables are in effect. Employer SDI **increased** from $2/employee/quarter to **$2.30**/employee/quarter. Employee SDI remains $2/quarter.

New York (NY)	New tax tables are in effect. SUT limit ***increases*** from $10,300 **to $10,500**. Employee SDI is 0.50% to maximum of $0.60/week.
New York – Yonkers (NYY)	New tax tables are in effect.
North Carolina (NC)	Tax rate **decreased** to **5.75%.** SUT limit **increases** from $21,400 **to $21,700**.
North Dakota (ND)	New tax tables are in effect. SUT limit **increases** from $33,600 **to $35,600**.
Oklahoma (OK)	New tax tables are in effect. SUT limit **decreases** from $18,700 **to $17,000**.
Oregon (OR)	New tax tables are in effect. <u>Standard deductions</u> **increase** as follows: for employees filing as *single or separately*, from $2,115 **to $2,145**; for employees filing as *married or as head of household*, from $4,230 **to $4,295.** SUT limit **increases** from $35,000 **to $35,700**. Employer SDI is $.017/hour. Employee SDI is $.016/hour.
Pennsylvania (PA)	SUT limit **increases** from $8,750 **to $9.000**.
Rhode Island (RI)	New tax tables are in effect. Temporary Disability Insurance: The taxable wage base increases from $62,700 **to $64,200**, and the rate remains unchanged at 1.2%. Note: For most employers, the SUT limit increases from $20,600 **to $21,200**. However, for some employers—those that have an experience rating (tax rate) of 9.79%—it increases from $22,000 **to $22,700.** IMPORTANT: If you are subject to the 9.79% rate, use Tax Authority Maintenance/Change, then go to the SUT/SDI screen to update the PERCENT (9.79%) and the LIMIT ($22,700) fields in the Unemployment Insurance/Paid by Employer section.
South Carolina (SC)	SUT limit **increases** from $12,000 **to $14,000**.
South Dakota (SD)	SUT limit **increases** from $14,000 **to $15,000**.
Utah (UT)	SUT limit **increases** from $30,800 **to $31,300**.
Vermont (VT)	New tax tables are in effect. SUT limit **increases** from $16,000 to **$16,400**.
Washington (WA)	SUT limit **increases** from $41,300 **to $42,100**.
Wyoming (WY)	SUT limit **increases** from $24,500 **to $24,700**.

See the next page for a list of special state and local tax authority codes and rates.

Special State and Local Tax Authority Codes and Rates

Note: For Kentucky and Michigan only

When Appendix A was printed, the 2009 Tax Rate % per locality was confirmed. However, the Exemption rate for each locality was not available. The amounts in the Exemption column are for 2008. If you are notified by one of the localities that there has been a change in the exemption amount for 2009, please call ABS, because you will need to receive an update for that locality.

ABS Code	Locality	Resident	Tax Rate %	Exemption
BC1	Battle Creek, MI	Yes	1.00	$1,500
BC2	Battle Creek, MI	No	0.50	1,500
BER	Berea, KY	Yes	2.00	N/A
GL2	Grayling, MI	No	0.50	1,500
GR1	Grand Rapids, MI	Yes	1.30	750
GR2	Grand Rapids, MI	No	0.65	750
HD1	Hudson, MI	Yes	1.00	1,000
HD2	Hudson, MI	No	0.50	1,000
HP1	Highland Park, MI	Yes	2.00	600
HP2	Highland Park, MI	No	1.00	600
LEX	Lexington, KY	Yes	2.25	N/A
MI1	Michigan—any city	Yes	1.00	600
MI2	Michigan—any city	No	0.50	600
MST	Mount Sterling, KY	Yes	1.00	N/A
NJA	New Jersey	Tax rate is from NJW-4 Table **A**.		
NJB	New Jersey	Tax rate is from NJW-4 Table **B**.		
NJC	New Jersey	Tax rate is from NJW-4 Table **C**.		
NJD	New Jersey	Tax rate is from NJW-4 Table **D**.		
NJE	New Jersey	Tax rate is from NJW-4 Table **E**.		
SA1	Saginaw, MI	Yes	1.50	1,000
SA2	Saginaw, MI	No	0.75	1,000
SP1	Springfield, MI	Yes	1.00	1,000
SP2	Springfield, MI	No	0.50	1,000
WK1	Walker, MI	Yes	1.00	750
WK2	Walker, MI	No	0.50	750

APPENDIX B

Note**:** The *letters* below correspond with those in the "Instructions for Employees" on the back side of Copy C and Copy 2 of the 2014 W-2 Form.

For Pay Codes, these include…

- **C** Taxable cost of group term life insurance over $50,000.
- **J** Non-taxable sick pay
- **K** 20% excise tax on excess golden parachute payments
- **L** Substantiated non-taxable employee business expense reimbursements
- **P** Excludable (non-taxable) moving expense reimbursements
- **Q** Nontaxable combat pay
- **R** Employer contribution to an Archer medical savings account (MSA)
- **T** Adoption benefits
- **V** Income from exercise of non-statutory stock options
- **W** Employer's contribution to an employee's Health Savings Account (HSA)
- **Z** Income under a section 409A nonqualified deferred compensation plan
- **DD** Cost of employer-sponsored health coverage. **The reported amount is not taxable.**

For Deduction Codes, these include…

- **D** Deferrals under a section 401(k) plan
- **E** Deferrals under a section 403(b) plan
- **F** Deferrals under a section 408(k) (6) plan
- **G** Deferrals under a section 457 (b) plan
- **H** Deferrals under a section 501(c) 18 (D) plan
- **S** Employee contributions under a 408(p) SIMPLE plan
- **T** Adoption benefit
- **Y** Deferrals under a section 409A nonqualified plan
- **AA** Designated Roth contributions to a section 401 (k) plan
- **BB** Designated Roth contributions under a section 403 (b) plan
- **EE** Designated Roth contributions under a governmental section 457 (b) plan. This amount does not apply to contributions under a tax-exempt organization section 457 (b) plan.

If you need to define a Pay Code or a Deduction Code record you have not used before (such as Employer Contribution to a Roth 401-k plan), you must add a new Pay Code or Deduction Code record.

If you need to do this—**for 2014 or 2015 reporting**—follow the appropriate instructions below.

For a Pay Code:

Use Pay Code Maintenance/*Add* to enter the new pay code's number and description.

At TYPE, use the *Search Key* to display the options, then select the appropriate *letter or number*.

At W2 BOX 12 CODE, use the *Search Key* to display the options, then select the appropriate option.

Complete the rest of the new Pay Code record as usual.

For a Deduction Code:

Use Deduction Code Maintenance/*Add* to enter the new deduction code's number and description.

At TYPE, use the *Search Key* to display the options, then select the appropriate *letter or number*.

At W2 BOX 12 CODE, use the *Search Key* to display the options, then select the appropriate option.

Complete the rest of the new Deduction Code record as usual.

This list includes the most current, pre-defined Pay *and* Deduction Types used by the ABS Payroll System.

ABS Pay Types.

Type	Description	Type	Description
A	Alternate regular pay	**S**	Sick pay
B	Bonus	**T**	Tips
C	Commission	**U**	Payroll documented expenses
D	Double time	**V**	Vacation pay (or, Paid Time Off, if applicable)
E	Dependent care	**W**	Taxable moving expenses
F	Fringe benefits	**X**	Other
G	Golden parachute	**Y**	Nontaxable moving expenses
H	Holiday pay	**Z**	Nontaxable expenses
I	Insurance	**1**	125 contribution
J	Insurance/Former Employee	**2**	Income from non-statutory stock options
K	Employer 401-k contribution	**3**	3rd party pay
L	Excess employee reimbursement	**4**	457 distribution
M	Minimum wage tips	**5**	Income from a Section 409A plan
N	Nonqualified distribution	**6**	Employer contribution to a Roth 401-k.
O	Overtime	**7**	Employer contribution to HSA
P	Premium	**8**	Employer contribution to MSA
Q	Allocated tips	**9**	Employer contribution/adoption
R	Regular (hourly) pay		

ABS Deduction Types

Type	Description	Type	Description
A	125 Adoption	**R**	SIMPLE 408-p plan
B	Bond	**S**	Savings account
C	Contributions	**T**	Tax
D	Dependent care	**U**	Union dues
G	Garnishment	**1**	125 plan
H	Checking account	**3**	403-b plan
I	Insurance	**4**	457-b plan
K	401-k plan	**5**	501-c plan
L	Loan	**6**	Roth 401-k Plan
M	Medical Health Savings Account	**7**	Deferrals under a 409A plan
O	Other	**8**	408-k plan
P	Purchases by employees	**9**	414-h plan

Reporting 125 Plan Dependent Care Deductions on W-2s

Important: In ABS Payroll, there is a deduction type (**1**) for employee contributions to a **125 Plan** and another deduction type (**D**) for employee, pre-tax deductions for **dependent care**.

This notice will not apply to your company if...

- you have a 125 Plan under which all type **1** deductions are for *medical* disbursements;
- you track all *dependent care* deductions under deduction type **D**.

However, if you have a 125 Plan defined as deduction type **1**—and if any portion of the employee's deduction for the 125 Plan is allocated for *dependent care*—the system will not print the annual deduction amount for dependent care in **Box 10** on the employee's W-2.

If you have not been tracking *dependent care* as a type **D** deduction, you must follow these steps to insure that the system prints the correct amount for *dependent care* in W-2 Box 10.

Step 1—Set up deduction type **D**(ependent care).

If all—or a portion—of the 125 Plan deduction is currently defined as deduction type **1**, you must use Deduction Maintenance to set up a second deduction type—type **D**—for the dependent care portion. (The type D deduction is the amount that will appear in Box 10.)

When you set up this deduction, make sure that the following fields in the "Deduct Before Taxes" column—plus any other fields applicable to your state or locality—are set to **Yes**:

HIW FICA FEDERAL WITHHOLDING STATE WITHHOLDING.

Step 2—Enter a "correcting check" for each applicable employee.

If you have not been tracking employee dependent care deductions as type **D**, you must create a *correcting check* for each employee who has a dependent care deduction—before you print W-2s—so that the correct dependent care deduction amount appears in Box 10.

You do this by using the Manual Checks/Correct function.

The correcting check must *decrease* the employee's type **1** deduction for the tax year and *increase* the employee's type **D** deduction for tax year.

Example: Let's assume an employee contributed $1,200 under your company's 125 Plan. Of that amount, $400 was for medical and $800 was for dependent care. If you have been tracking the 125 Plan amounts as a type **1** deduction, the total deduction amount for the tax year will be $1,200. Therefore, your correcting check should...

- *decrease* the medical amount by $800 ($1,200 less $800 = $400, the medical portion)
- *increase* the dependent care amount by $800 ($1,200 less $400 for medical = $800).

As a result, W-2 Box 10 will show $800—the correct dependent care deduction for the tax year—rather than $1,200.

Reporting Employer Contribution to HSA on W-2s

Important: In ABS Payroll, there is a Pay Type (**7**) for employer contributions to an **HSA** (Health Savings Account) Plan. If applicable, these contributions will be reported in Box 12 of Form W-2.

Generally, employer contributions to an eligible employee's HSA are not subject to Income, Social Security, Medicare, or Railroad Retirement taxes and will not affect amounts otherwise reported in Boxes 1, 3, and 5 of Form W-2

However, employer contributions to an employee's Health Savings Account (HSA) must be reported on the employee's W-2.

If your company contributes to an employee's HSA, you must follow either Step A or Step B below to insure that the system prints the correct amount for the HSA contribution in W-2 Box 12.

Important. Do not complete this process until you have loaded the 2015 Tax Update. You must complete the process before you complete Step 9 of the Year-End Instructions—Close the 2014 Payroll Year.

Step A

If you have been tracking employer HSA contributions for 2014 under a separate Pay Code which is not coded as Pay Code Type 7, use the Pay Code Maintenance *Change* mode to display that Pay Code record, then change the Pay Code Type to **7**.

Step B

If you have made employer HSA contributions, but have not been tracking them in ABS Payroll, you must add a new Pay Code for the HSA contributions with **7** at the PAY CODE TYPE field. You must then use the Manual Checks/Correct function for each employee who has received an employer HSA contribution to enter the YTD employer contribution. You must do this prior to closing the 2014 payroll year.

About the Boxes on the 2014 W-2 Form

This section lists the information your ABS Payroll System will print in the lettered and numbered boxes on the 2014 W-2 form, and the pay and deduction types the system uses to calculate the result the system prints in each box.

Box a— Employee's social security number

This number comes from the SSN field (Tax Screen) in the employee's record Employee Maintenance**.**

Box b—Employer identification number [EIN]

This ID comes from the Employer ID field in Tax Authority Maintenance for the **FG** (Federal Government) tax authority record.

Box c—Employer's name, address and ZIP code

This information comes from the ABS Activation record for your company.

Box d— Control number

The ABS Payroll System does not print a Control Number in this box..

Box e—Employee's first name and initial/last name/suffix

This information comes from the employee's record Employee Maintenance.

Box f—Employee's address and ZIP code

This information comes from the employee's record in Employee Maintenance

Box 1—Wages, tips and other compensation

This total is the sum of all Pay Codes marked as FWT taxable, *less* the sum of all Deductions marked FWT deductible (except K, 3, 4, 5 and 8), and *less* the sum of all Deduction Types K, 3, 4, 5 and 8 if the FG Tax Authority is defined as 401-k deductible.

Box 2—Federal income tax withheld

This is the annual total FWT withheld based on the number of federal exemptions—plus any additional federal tax amount withheld from each check—as specified in the employee's record in Employee Maintenance.

Box 3—Social security wages

This is the sum of all Pay Codes marked as FICA taxable, *less* the sum of all Deductions marked FICA deductible, and *less* the sum of all Pay Type T(tips). (The maximum amount for 2014 is $110,100. For employees who earn tips, $110,100 is the maximum for the amounts listed in Box 3 *plus* Box 7.)

Box 4—Social security tax withheld

This is the annual total FICA tax withheld based on the employee's earnings (maximum = $110,100) subject to FICA tax. The rate for 2014 is 4.200%. (The maximum amount for 2014 is $4,624.20.)

Box 5—Medicare wages and tips.

This is the amount of the employee's wages subject to Medicare (HIW) Tax. It is the sum of all Pay Codes marked as HIW taxable, *less* the sum of all Deductions marked HIW deductible.

Box 6—Medicare tax withheld

This is the annual total Medicare tax withheld based on the employee's Medicare Wages reported in Box 5. The rate for 2014 is 1.450%.

Box 7—Social security tips

This is the amount of the employee's earnings from Reported Tips subject to Social Security tax. It is the sum of all Pay Type **T**(tips), up to the maximum of $110,100 for 2014.

Box 8—Allocated tips

This is the amount of Tips, if any, allocated to the employee by the employer. It is the sum of all Pay Type **Q** (allocated tips).

Box 9—Advance EIC payment

This is the amount paid to the employee as Advanced Earned Income Credit (EIC) payments.) If the entry at the EIC FLAG field in the employee's record is **Yes** or **Both**, the EIC payments made to the employee prints in this box.

Box 10—Dependent care benefits

This is the amount of Dependent Care Benefits <u>paid or incurred by the employer</u>. It is the sum of all Pay Type **E** (dependent care benefit).

<u>Note</u>: If you have any Section 125 dependent care deductions for employees, the amount for those deductions (the sum of all Deduction Type **D**) will be added to the sum of all Pay Type **E** in Box 10.

Box 11—Nonqualified plans

The purpose of this box is for SSA to determine if any amount reported in Box 1 or Boxes 3 and/or 5 was <u>earned in a prior year</u>. It shows the total amount of distributions to the employee from a nonqualified deferred compensation plan. It is the sum of all Pay Type **N**.

<u>Note</u>: In previous years, <u>distributions</u> for a Section 457 Plan (Pay Type 4)—for non-government agencies <u>and</u> for state and local agencies—were reported in Box 11. All Section 457 Plan distributions <u>for state and local agencies only</u> must be reported on Form 1099-R.

Box 12—Excess deferrals

Sections **12a**, **12b**, **12c** and **12d** list amounts for up to 4 *deduction and/or pay types* listed below. Each type (**A** through **V**) is referred to as a *code* for W-2 reporting purposes. If an employee qualifies for more than 4, the system will print a second W-2 form for that employee.

A Uncollected social security (FICA) tax (or RRTA) on tips

B Uncollected Medicare (HIW) tax on tips

C Taxable cost of group term life insurance over $50,000. (The sum of pay type **I**.)

D Elective deferrals to a section 401(k) plan. (The sum of deduction type **K**.)

E Elective deferrals under a section 403(b) salary reduction plan. (The sum of deduction type **3**.)

F Elective deferrals under a section 408(k) plan. (The sum of deduction type **8**.)

G Elective deferrals and employer contributions to a section 457 (b) plan. (The sum of deduction type **4**.)

H Elective deferrals to a section 501(c) tax-exempt organization plan. (The sum of deduction type **5**.)

J Non-taxable sick pay not included in Boxes 1, 3 or 5. (The sum of pay type **S** marked as FWT nontaxable.)

K 20% excise tax on excess golden parachute payments. (The sum of pay type **G**.)

L Substantiated non-taxable employee business expense reimbursements. (The sum of pay type **L**.)

M Uncollected social security (FICA) or RRTA tax on cost of group term life insurance over $50,000 for former employees. (The FICA tax code in the pay code = type **J**.)

N Uncollected Medicare (HIW) tax on cost of group term life insurance over $50,000 for former employees. (The HIW tax code in the pay code = type **J**.)

P Excludable (non-taxable) moving expense reimbursements paid directly to the employee. (The sum of pay code type **Y**.)

Q Nontaxable combat pay.

R Employer contribution to your medical savings account (MSA). (The sum of pay code type **8**.)

S Employee salary reduction contributions under a section 408(p) SIMPLE. (The sum of deduction type **R**.)

T Adoption benefits (not included in Box 1). Requires completion of Form 8853 (The sum of deduction type **A** <u>and</u> pay type **9**).

V Income from exercise of non-statutory stock options included in Boxes 1, 3 (up to the Social Security wage base) and 5. (The sum of pay type **2**.)

W Employer's contribution to an employee's Health Savings Account. (Generally, employer contributions to an employee's HSA are not subject to income, social security/Medicare, or Railroad Retirement taxes and will not affect amounts otherwise reported in boxes 1, 3, and 5 of Form W-2.)

Y Deferrals under section 409A on a nonqualified deferred compensation plan.

Z Income under a section 409A nonqualified deferred compensation plan. The sum of all Pay Type **5**.

AA Designated Roth contributions to a section 401 (k) plan.

BB Designated Roth contributions under a section 403 (b) salary reduction agreement.

DD Cost of employer-sponsored health coverage. **The reported amount is not taxable.**

EE Designated Roth contributions under a governmental section 457 (b) plan.

Box 13—One or more boxes will be checked based on the following criteria:

Statutory employee—This box is checked if the employee's record includes FICA = **Yes** and if the number of FWT Exemptions is **99**.

Retirement plan—This box is checked if the PENSION field is ***checked*** or if Box 12 contains a deduction code D, E, F or H for an amount greater than zero.

Third party sick pay—This box is not checked by ABS. Only insurance companies that issue checks for 3rd party sick pay will check this box. (This box is only checked by ABS when you print an alignment pattern.)

Box 14—Other

This is the total of other information an employer wishes to give, such as union dues, health insurance premiums deducted, educational assistance payments, and so on.

- For all states, the amount of employee SUT Tax, if any.
- For all states, the amount of employee SDI Tax, if any.
- For all states, the state Unemployment ID...if you enter Y at the PRINT SUT ID IN BOX 14? Field. (*See* Print W-2s Screen.)
- For California, "CA-SDI" followed by the amount of employee SDI Tax, if any.
- For Kentucky, the amounts for up to 4 separate Deduction Type T (tax), if any.
- For New Jersey, the amount for the NJ Private Disability Plan, if any.
- For New Mexico, the employee's marital status (Married or Single) is printed.
- For New York, the amount for the NY State Employees 414h Plan (deduction type 9), if any.
- For Ohio, the amount for School Taxes (deduction type T), if any.
- For Toledo, Ohio, the amounts (if any) for deductions under Section 125 Cafeteria Plans and Section 129 dependent Care benefits Plans.
- For South Carolina, the employee's marital status (Married or Single) is printed.

Box 15—State/Employer's state ID number

This box lists the employer's State abbreviation and State ID number. (The ID number is listed at the EMPLOYER ID field in the State Tax Authority record.)

Box 16—State wages, tips, etc.

This total is the sum of all Pay Codes marked as SWT taxable, *less* the sum of all Deductions marked SWT deductible (except K, 3, 4, 5 and 8), and *less* the sum of all Deduction Types K, 3, 4, 5 and 8 if the State Tax Authority is defined as 401-k deductible.

- For New Jersey, the 2nd state line may contain the NJ SUT Taxable Amount.
- For Montana, Box 19 will contain OFLT, Box 20, Montana Gross Wage, and Box 21, the total of all Deduction Type T.

Box 17—State income tax

This is the annual total of State income tax withheld from the employee based on the number of state exemptions—plus any additional state tax amount withheld from each check—as specified in the employee's record.

Box 18—Local wages, tips, etc.

This total is the sum of all Pay Codes marked as LWT taxable, *less* the sum of all Deductions marked LWT deductible (except K, 3, 4, 5 and 8), and *less* the sum of all Deduction Types K, 3, 4, 5 and 8 if the Local Tax Authority is defined as 401-k deductible.

Box 19—Local income tax

This is the annual total of Local income tax withheld from the employee based on the number of local exemptions—plus any additional local tax amount withheld from each check—as specified in the employee's record.

Box 20—Locality name

This box lists the name of a local tax authority, if any, to which the employee reports local wages and income tax paid as reported in Boxes 18 and 19. This is the name listed in the DESCRIPTION field in the Local Tax Authority record.

Important: <u>If an employee is subject to 3 or more State or Local Tax Authorities, the system will print multiple W-2 forms for that employee.</u>

The first W-2 will include Federal tax information, plus information for the first 2 State Tax Authorities and/or the first 2 Local Tax Authorities. Information for the 3rd (or more) State and/or Local Tax Authority will be printed on the second W-2.

☞ To order W-2 forms that are compatible with your ABS Payroll System,
please call FormCenter toll-free at (800) 662-3218.

APPENDIX C

State Quarterly Reports and Magnetic Media Files for
AL, CA, CT, FL, GA, IL, IN, KY, LA, MA, MD, MI, MS, NC, NH, NJ, NM, NY, OH, OR, PR, SC, TN, TX, VA, VT and WV.

Introduction

Your ABS Payroll System includes a special report function that automates the printing of selected state quarterly earnings reports and magnetic media files. If your company purchased any *new* selected state quarterly reports, they will be installed automatically when you install the 2015 Payroll Tax File Update.

Depending on the number of report programs your company purchased, your ABS Payroll System will generate one or more of these reports and/or magnetic media files after you install the Quarterly Reports diskette on your system.

<u>State Quarterly Earnings Reports</u>

California	Form DE 6
Connecticut	Form UC-5A and 5B (PDF; requires Windows workstation.)
Florida	Form UCT-6A (plain paper; prints the word FACSIMILE on top of form.)
Georgia	Form DOL-4A
Michigan	Form UIA 1017 (prints on plain paper)
New Jersey	Report WR 30 (prints on plain paper)
New York	Form NYS-45-ATT
North Carolina	Form NCUI-101
Ohio	Form JFS-66113
Oregon	Form OQ
Puerto Rico	Special W-2s
South Carolina	Form UCE-120A
Tennessee	Form LB-0851 (prints on plain paper)
Texas	Form C-4 (Continuation Sheet)
Virginia	Form VEC-FC21 (prints on plain paper)
West Virginia	Form WVUC-A-154-A

Magnetic Media Files:

Alabama	Illinois	Massachusetts	New York	Texas
California	Indiana	Mississippi	North Carolina	Vermont
Connecticut	Kentucky	New Hampshire	Ohio	Virginia
Florida	Louisiana	New Jersey	Oregon	West Virginia
Georgia	Maryland	New Mexico	South Carolina	

☎ If your company needs one or more of these special reports <u>before the end of 2014</u>, please call ABS *immediately* at **(978) 250-9600**. We'll do our best to either download or ship the reports you need within 24 hours!

When do you print the Quarterly Reports?

You must print all quarterly and all year-end reports immediately after you run your last payroll for 2014, after you load the 2015 tax update and *befor*e you close the 2014 payroll year. (*See* Step 8.)

Running the Quarterly Reports

1. To access the State Quarterly Reports function (*after installation)*, display the Payroll Menu, select ***F****iling*, select *quarterly state* ***F****orms*, then choose the appropriate option:

Select A-H *Select I-M* *Select N-P* *Select R-W.*

2. Move the highlighter to the state for which you want to generate a report or create a magnetic media file, then press ENTER.

3. The system will then display the data entry screen for that state and position the highlighter on the menu bar. Select ***P****rint* (or ***B****uild*, if appropriate), press ENTER, then complete the required fields as listed in the state's table.

State-by-state instructions begin below.

Alabama Magnetic Media File

At this field...	**Make this entry...**
Build Magnetic Media?	Type **Y** to begin or press ENTER to exit.
Quarter	If you are building the file for reporting year-end W-2 information, press ENTER. Otherwise, type the number (1-4) which identifies the reporting quarter.
Year	Type the year (e.g., 2014) in which this reporting quarter falls.
Last Name First (Y/N)?	The *default* is **Y**. Use the default if the names in your Employee File are *stored in last name first order*. If they are stored in first name first order, type **N**.
Computer Manufacturer	Type up to an 8-character name which identifies the manufacturer of your computer system. (Examples: IBM, Compaq, Dell.)
ASCII/EBCDIC (A/E)?	The *default* is **A**. Use the default to generate an **A**SCII-format file. Only type **E** if you have a system that will generate an EBCDIC file format.

California Quarterly Earnings Report *and* Magnetic Media File

If your employees are included in *more than one wage class*, you should use the Employee Maintenance *Change* function to assign an Employee Class Code to each California employee *before* you run this report. The alphanumeric code you assign must correspond with one of the five wage classes as defined by the state. (If *all* your California employees fall into a *single wage class*, this step is not necessary.)

Create five, *new* (previously unused) Employee Class Codes, one for each wage class.

CA Wage Class 1	Employee is required to pay state taxes based on unemployment insurance and disability insurance wages.
CA Wage Class 2	Employee is required to pay state taxes based on unemployment insurance wages only. Includes religious exempt, sole stockholder, public entities, third-party sick pay.
CA Wage Class 3	Employee is required to pay state taxes based on disability Insurance wages only. Includes sole stockholder, elective coverage, domestic services.
CA Wage Class 4	Employee is required to pay state taxes based on unemployment, and voluntary disability insurance wages.
CA Wage Class 5	Employee is required to pay state taxes based on personal income tax (PIT) only.

At this field...	**Make this entry...**
Print Quarterly Report?	Type **Y** to begin or press ENTER to exit.
Quarter	Type the number (1-4) which identifies the reporting quarter.
Year	Type the year (e.g., 2014) in which this reporting quarter falls.

Note: If you are using Build, the system skips the next field, ARE FORMS ALIGNED?.

Are Forms Aligned (Y/N)?	Type **N** to *print an alignment pattern* before you print the actual report. When your alignment is correct, type **Y**.
Voluntary Plan DI Wages?	**In the Print mode: Y or N** If you company has a voluntary plan for disability insurance wages, enter **Y**. If your company participates in the state plan, enter **N**. **In the Build mode: S, U, J, L, R, A and P.** Based on the choices listed below, enter the *letter* that best describes the type of coverage your employees have. (This is correlated with your state employer account number.)

For the Build mode only, **these are the options for completing the Voluntary Plan DI Wages field**. **(**UI = **Unemployment Insurance;** DI = **Disability Insurance)**

Enter the letter...	If the employee is covered...
S	under a State Plan for both UI and DI.
U	under a Voluntary Plan for DI and the State Plan for UI.
J	under a State Plan for DI and is exempt from UI.
L	under a Voluntary Plan for DI and is exempt from UI.
R	under a State Plan for UI and is exempt from DI. This only applies to employees who claim exemptions as Sole Stock-holders Section 637.1 of the CUIC), or Third Party Sick Pay Recipients (Section 931.50), or Religious Exemption (Section 2902). [A religious exemption certificate must be filed.]
A	the State Plan for UI and is a public entity employee.
P	for Personal Income Tax Withholding purposes only.

Employee Class?	If *all* employees whose payroll information will be printed on this report are *in the same wage class*, press ENTER. Otherwise, type the 1-2 digit, user-defined code to identify this group of employees.
Due Date	*Optional*. Enter the date (mmddyy) this report is due.
Mail Date	*Optional*. Enter the date (mmddyy) on which you mailed this report.

Connecticut Magnetic Media File *and* PDF Form

Note: If you are generating the magnetic media file for year-end-W-2 reporting (QUARTER = **0**), you may need to run *Set* in the Magnetic W-2s function (Filing Menu) *before* you can build the year-end magnetic media file. If you need to do this, the system will display a message instructing you to do so.

The ***F**orm* option allows you to generate a PDF version of this report. To use this option, you must run ABS Payroll on a Windows workstation which has Acrobat Reader 5.0 or higher, and Internet access. If you use the new ***F**orm* option, the system will print the Employee Quarterly Earnings Report Form (UC-5A and 5B)...completely filled in and ready for signing.

At this field...	**Make this entry...**
Build?	Type **Y** to begin or press ENTER to exit.
Quarter	If you are building the file for reporting year-end W-2 information, use the *default* **0** (*zero*). Otherwise, type the number (1-4) which identifies the reporting quarter.
Year	Type the year (e.g., 2014) in which this reporting quarter falls.

Connecticut Magnetic Media File *and* PDF Form (*continued*)

Last Name First (Y/N)?	The *default* is **Y**. Use the default if the names in your Employee File are *stored in last name first order*. If they are stored in first name first order, type **N**.
Type of Employment	Type the appropriate 1-character code to identify the type of employees for which your company processes payrolls: **R** = regular **M** = military **A** = agriculture **Q** = Medicare qualified **H** = household **X** = railroad.

Florida Quarterly Earnings Report, Magnetic Media File *and* Web Option

Before you can use the ***B**uild* or ***W**eb* option, you must select ***S**et*, then enter the following information. (Later, if any of this information changes, you can update it.)

At this field...	Make this entry...
Delivery Address	The system displays your company's main delivery address as recorded in your ABS System's Registration File. If the correct street address is displayed, accept it. If you need to updated, enter the correct street address. ***Note:*** Changing this address will NOT update the address in the ABS Registration File.
Contact Name	Enter the name of the person responsible for submitting this report.
Telephone/Ext.	Enter the contact person's phone number. Then, enter the extension number, if any.
Fax	*Optional.* Enter the contact person's fax number.
E-Mail	*Optional.* Enter the contact person's e-mail address

After you complete the *Set* screen, select ***B**uild* (***P**rint* or ***W**eb*), then provide the following information.

At this field...	Make this entry...
Build Quarterly Report?	Type **Y** to begin or press ENTER to exit.
Quarter	Type the number (1-4) which identifies the reporting quarter.
Year	Type the year (e.g., 2014) in which this reporting quarter falls.
Location Code	Enter the 2-character, state-assigned location code for the mailing of claim information. Or, if this does not apply to your company, leave this field blank.

Florida Quarterly Earnings Report, Magnetic Media File *and* Web (*continued*)

Note: The next two fields are only used for the Web option. This option will cause the system to create a special CSV file suitable for submission over the Internet

Interest Due	Enter the amount of any interest due for underpayment of previous quarters.
Penalty Due	Enter the amount of any penalty due for late payment for previous quarters

Georgia Quarterly Earnings Report *and* Magnetic Media File

At this field...	**Make this entry...**
Print Quarterly Report?	Type **Y** to begin or press ENTER to exit.
Quarter	Type the <u>number</u> (1-4) which identifies the reporting quarter.
Year	Type the <u>year</u> (e.g., 2014) in which this reporting quarter falls.
Contribution Tax Rate	The current rate is 2.7%. This rate also applies to a <u>new employer</u>. Enter **.027.**
Administrative Assessment	The current rate is 0.8% (.0008). This rate applies to all employers <u>except</u> minimum rated (0.3%) and maximum rated (5.4%). Enter the appropriate *rate* for your company.
Due Date	Enter the <u>date</u> (mmddyy) this quarter's report is due.

Illinois Magnetic Media File

<u>The first time you run this program, you must select ***D****efault*</u>, then enter the following information. (Later, if any of this information changes, you can re-set the defaults.)

At this field...	**Make this entry...**
Contact Name	Enter the name of the person responsible for submitting this report; or, press ENTER if you decide to exit.
Telephone Number	Enter the contact person's phone number.
Extension	*Optional*. Enter the contact person's telephone extension.
Diskette Type	Enter <u>D3</u> if you are generating this report on a 3½" diskette; enter <u>D5</u> if you will use a 5¼" diskette.

After you set the defaults, select ***<u>B</u>****uild*, then provide the following information.

At this field...	**Make this entry...**
Build Magnetic Media?	Type **Y** to begin or press ENTER to exit.
Quarter	Type the <u>number</u> (1-4) which identifies the reporting quarter.

Illinois Magnetic Media File (*continued*)

Year	Type the year (e.g., 2014) in which this reporting quarter falls.
Previous Underpayment	Enter the amount of any previous quarter(s) under-payment, including previously due penalty and interest.
Interest	Enter the amount of the interest due, if any..
Penalty	Enter the amount of the penalty due, if any.
Previous Overpayment	Enter the amount of any previous overpayment being applied to the balance due.
Document Control #	Enter a control number (1 to 10 digits) that uniquely identifies this report.

Indiana Magnetic Media File

At this field...	**Make this entry...**
Build Magnetic Media?	Type **Y** to begin or press ENTER to exit.
Quarter	Type the <u>number</u> (1-4) which identifies the reporting quarter.
Year	Type the <u>year</u> (e.g., 2014) for the reporting quarter.
Contact	Enter the *name* of the person responsible for submitting the report.
Telephone	Enter the contact person's *telephone number*.
Extension	*Optional*. Enter the telephone *extension number*.
Location	Enter the location <u>number</u> (if any) for your Indiana employees.

Kentucky Magnetic Media File

At this field...	**Make this entry...**
Build Magnetic Media?	Type **Y** to begin or press ENTER to exit.
Quarter	Type the <u>number</u> (1-4) which identifies the reporting quarter.
Year	Type the year (e.g., 2014) in which this reporting quarter falls.
Last Name First (Y/N)?	The *default* is **Y**. Use the default if the names in your Employee File are *stored in <u>last name first</u> order*. If they are stored in <u>first name first</u> order, type **N**.
Contact Name	Enter the *name* of the person responsible for submitting the report.
Contact Telephone/Ext	Enter the contact person's *telephone number*. Then, optionally, enter the contact person's *extension number*.

Louisiana Magnetic Media File

The first time you run this program, you must select ***S**et*, then enter the following company information. (Later, if any of this information changes, you can use Set again to make necessary corrections.)

At this field...	Make this entry...
Location Address	*Optional.* You can use this field to enter a suite number, floor number or other location at this address; or, press ENTER if you decide to exit.
Delivery Address	Enter your company's delivery address.
Contact Name	Enter the name of the person responsible for submitting this report.
Telephone	Enter the contact person’s phone number.
Ext	*Optional.* Enter the contact person’s telephone extension.
Fax	*Optional.* Enter the contact person’s fax number.
Other EIN used this year	*Optional.* If you used another Employer Identification Number (EIN) this year when you submitted quarterly information, enter that EIN number.

After you enter the company information, select ***B**uild*, then provide the following information.

At this field...	Make this entry...
Build Magnetic Media?	Type **Y** to begin or press ENTER to exit.
Quarter	Type the number (1-4) which identifies the reporting quarter.
Year	Type the year (e.g., 2014) in which this reporting quarter falls.
Electronic Funds Transfer?	If your company participates in the ETF Unemployment Insurance Taxes program, type **Y**.

Maryland Magnetic Media File

At this field...	Make this entry...
Build Magnetic Media?	Type **Y** to begin or press ENTER to exit.
Quarter	Type the number (1-4) which identifies the reporting quarter.
Year	Type the year (e.g., 2014) in which this reporting quarter falls.

Massachusetts Magnetic Media File

<u>The first time you run this program, you must select</u> ***Set***, then enter the following information. (Later, if any of this information changes, you can update it.)

At this field...	Make this entry...
Location Address	*Optional*. You can use this field to record a special location, such as a Suite, Floor or Room Number, at your company's main location. Enter the special location address, if any, or skip this field to leave it blank.
Delivery Address	The system displays your company's main delivery address as recorded in your ABS System's Registration File. If the correct street address is displayed, accept it. If you need to updated, enter the correct street address. ***Note:*** Changing this address will NOT update the address in the ABS Registration File.
Contact Name	Enter the name of the person responsible for submitting this report.
Telephone	Enter the contact person's phone number.
Extension	*Optional.* Enter the contact person's telephone extension.
Fax	*Optional.* Enter the contact person's fax number.
Other EIN used this year	If you have used another Employer Identification Number (EIN) during this tax year—on an IRS Form 941 or 943, or with W-2 data you submitted to the SSA—enter that EIN number. Otherwise, press ENTER to leave this field *blank*.

After you complete the *Set* screen, select ***<u>B</u>uild***, then provide the following information.

At this field...	Make this entry...
Build Magnetic Media?	Type **Y** to begin or press ENTER to exit.
Quarter	If you are building the file for reporting year-end W-2 information, use the *default* **0** (*zero*). Otherwise, type the <u>number</u> (1-4) which identifies the reporting quarter.
Year	Type the year (e.g., 2014) in which this reporting quarter falls. Or, press ENTER if you decide to exit.
Type of Employment	Type the appropriate 1-character code to identify the type of employees for which your company processes payrolls: **R** = regular **M** = military **A** = agriculture **Q** = Medicare qualified **H** = household **X** = railroad.
Filing Entity Code	If your company has been assigned an MNFC (Massachusetts Filing Entity Code), enter it.
Amended Return?	The *default* is **N**. If this file contains changes to information you previously submitted, type **Y**.

Michigan Quarterly Earnings Report (<u>Note</u>: Totals on Form UA-1017 can be used to complete Form MESC 1017.)

At this field...	**Make this entry...**
Print Quarterly Report?	Type **Y** to begin or press ENTER to exit.
Quarter	Type the <u>number</u> (1-4) which identifies the reporting quarter.
Year	Type the <u>year</u> (e.g., 2014) in which this reporting quarter falls.
MESC Account Number	Enter your MESC Account Number.
Multi Unit Number	Enter your MESC multi unit number.
Are Forms Aligned?	Type **N** to *print an alignment pattern* before you print the actual report. When your alignment is correct, type **Y**.

Mississippi Magnetic Media File

At this field...	**Make this entry...**
Build Magnetic Media?	Type **Y** to begin or press ENTER to exit.
Quarter	Type the <u>number</u> (1-4) which identifies the reporting quarter.
Year	Type the year (e.g., 2014) in which this reporting quarter falls.

New Hampshire Magnetic Media File

At this field...	**Make this entry...**
Build Magnetic Media?	Type **Y** to begin or press ENTER to exit.
Quarter	If you are building the file for reporting year-end W-2 information, press ENTER. Otherwise, type the <u>number</u> (1-4) which identifies the reporting quarter.
Year	Type the year (e.g., 2014) in which this reporting quarter falls.

New Jersey Quarterly Earnings Report *and* Magnetic Media File *New Jersey has changed the name of the magnetic media file to:* **WR[Employer Registration No.].TXT**

At this field...	**Make this entry...**
Print Quarterly Report?	Type **Y** to begin or press ENTER to exit.
Quarter	Type the <u>number</u> (1-4) which identifies the reporting quarter.
Year	Type the <u>year</u> (e.g., 2014) in which this reporting quarter falls.
Maximum Weeks	Enter the <u>number of weeks</u> (12, 13 or 14) in this reporting period.

New Jersey Magnetic Media File (*continued*)

Note: You only access the next 2 fields in the *Build* mode.

Employer Registration No.	Type your company's employer registration number.
Magnetic Authorization #	Type the number assigned your company for authorization to file on magnetic media.

Note: You only access the next field in the *Print* mode.

Are Forms Aligned?	Type **N** to *print an alignment pattern* before you print the actual report. When your alignment is correct, type **Y**.

New Mexico Magnetic Media File

At this field...	**Make this entry...**
Build Magnetic Media?	Type **Y** to begin or press ENTER to exit.
Quarter	Type the number (1-4) which identifies the reporting quarter.
Year	Type the year (e.g., 2014) for this reporting quarter.
File Name	You can enter a file name, such as WAGES.NM, of up to 40 characters. Enter the name you want to use to identify this file.

New York Quarterly Earnings Report *and* Magnetic Media File

At this field...	**Make this entry...**
Build Magnetic Media?	Type **Y** if you are ready to build the magnetic media file **or** print the report, or press ENTER to exit.
Quarter	For BUILD only. If you are reporting year-end W-2 information, press ENTER. Otherwise, type the number (1-4) which identifies the reporting quarter.
Year	Type the year (e.g., 2014) in which this reporting quarter falls.

Note: The system only stops at the next field if you entered **0** (zero) at QUARTER.

Type of Employment	Type the appropriate 1-character code to identify the type of employees for which your company processes payrolls: **R** = regular **M** = military **A** = agriculture **Q** = Medicare qualified **H** = household **X** = railroad.
Is This A Test?	For Build Only. Type **Y** if you are creating a test file before submitting it. Otherwise, type **N**.
Last Qtr This Year?	The *default* is **N**. Only type **Y** if this report or magnetic media file is for the last quarter of this calendar year.

North Carolina Quarterly Earnings Report *and* Magnetic Media File [ESCNC.WGS]

At this field...	Make this entry...
Print Quarterly Report?	Type **Y** to begin or press ENTER to exit.
Quarter	Type the <u>number</u> (1-4) which identifies the reporting quarter.
Year	Type the <u>year</u> (e.g., 2014) in which this reporting quarter falls.
Last Name First (Y/N)?	Type **Y** if the names in your Employee File are *stored in <u>last name first</u> order*; otherwise, press the ENTER key.
Include Zero-Wage Employees (Y/N)?	Type **Y** if you want the report to include employees who had no (zero) wages for this quarter; otherwise, type **N**.
Remitter Number	The North Carolina ESC assigns this number to companies that report payroll data electronically. Type the <u>number</u> ESC assigned your company. [If you don't know the number, call ESC at (919) 733-9600.]

Note: If you are generating the Magnetic Media File [ESCNC.WGS], the system automatically <u>skips the next field</u>.

Are Forms Aligned (Y/N)?	Type **N** to *print an alignment pattern* before you print the actual report. When your alignment is correct, type **Y**.

Ohio Quarterly Earnings Report *and* Magnetic Media File

At this field...	Make this entry...
Print Quarterly Report?	Type **Y** to begin or press ENTER to exit.
Quarter	If you are building the file for reporting year-end W-2 information, press ENTER. Otherwise, type the <u>number</u> (1-4) which identifies the reporting quarter.
Year	Type the <u>year</u> (e.g., 2014) in which this reporting quarter falls.

Ohio Quarterly Earnings Report *and* Magnetic Media File (*continued*)

Are Forms Aligned (Y/N)?	Type **N** to *print an alignment pattern* before you print the actual report. When your alignment is correct, type **Y**.

Note: You only access the next 4 fields in the *Build* mode.

Work Site	If your company has been assigned a Work Site Number, enter it. Otherwise, leave this field blank.
Contact Name	Enter the name of the person responsible for submitting this report.
Contact Telephone	Enter the contact person's phone number.
Contact Extension	*Optional.* Enter the contact person's telephone extension.

Oregon Quarterly Earnings Report *and* Magnetic Media File

For the Quarterly Earnings Report:

At this field...	**Make this entry...**
Print Quarterly Report?	Type **Y** to begin or press ENTER to exit.
Quarter	Type the number (1-4) which identifies the reporting quarter.
Year	Type the year (e.g., 2014) for this reporting quarter.

Note: The system only stops at the next field if you entered **0** (zero) at QUARTER.

Use Plain Paper (N/F/S)?	Type **N** if you will print this report on a pre-printed form rather than plain paper. Type **F** if this is a File Copy. (The system will print "File Copy—Do Not Send This Form To The State.") Type **S** if this is a State Copy. (The system will print "Send This Form To The State.")

Note: In the Build mode, the system skips the next field, FORMS ALIGNED?.

Forms Aligned (Y/N)?	Type **N** to *print an alignment pattern* before you print the actual report. When your alignment is correct, type **Y**.

For the Magnetic Media File:

Complete the same fields as listed above. When you are done, the system will produce a file named **F132.TXT** for use in the state of Oregon Diskette Wage Reporting Program. You must contact the state agency to receive diskette(s) for the wage reporting program.

Oregon Quarterly Earnings Report *and* Magnetic Media File (*continued*)

To create the Federal format file (W2REPORT), use the Magnetic Media W-2s function which is listed on the Filing Menu. When you do, you must make the following two entries:

At INCLUDE STATES?, enter **Y**.
At QUARTER, enter the number (**1-4**) that identifies the reporting quarter.

Puerto Rico W-2s (Follow the "Employee W-2s"instructions in Table 6.8 in your Payroll System *User manual*.

South Carolina Quarterly Earnings Report *and* Magnetic Media File

At this field...	**Make this entry...**
Print Quarterly Report?	Type **Y** to begin or press ENTER to exit.
Quarter	Type the number (1-4) which identifies the reporting quarter.
Year	Type the year (e.g., 2014) in which this reporting quarter falls.
Forms Aligned (Y/N)?	Type **N** to *print an alignment pattern* before you print the actual report. When your alignment is correct, type **Y**.

For the Magnetic Media File: After you complete the required fields, the system will produce a file named **SCDATA.TXT** for use in the state of South Carolina Diskette Wage Reporting Program. You must contact the state agency to receive diskette(s) for the wage reporting program.

To create the Federal format file (W2REPORT), use the Magnetic Media W-2s function from the Filing Menu. When you do, you must make the following two entries:

At INCLUDE STATE?, enter **Y**.
At QUARTER, enter the number (**1-4**) that identifies the reporting quarter.

Tennessee Quarterly Earnings Report

At this field...	**Make this entry...**
Print Quarterly Report?	Type **Y** to print the report or to generate the magnetic media file; or, press ENTER to exit.
Quarter	Type the number (1-4) that identifies the reporting quarter.
Year	Type the year (e.g., 2014) in which this quarter falls.

Texas Quarterly Earnings Report *and* Magnetic Media File

At this field...	**Make this entry...**
Print Quarterly Report?	Type **Y** to begin or press ENTER to exit.
Quarter	Type the number (1-4) which identifies the reporting quarter.
Year	Type the year (e.g., 2014) in which this reporting quarter falls.

Texas Quarterly Earnings Report *and* Magnetic Media File (*continued*)

Account Number	This is a 2-part number: 2 digits, then 6 digits. It is assigned your company by the Texas Employment Commission. Type your company's account number.
County Code	Type the <u>code</u> which identifies the county in which your company is based.
Tax Rate	Type the <u>tax rate</u> for that area. (If the rate is 3%, type **3.00**; if it's 3½%, type **3.5**.)
Unit Number	Type your company's unit number. (Please refer to TEC publications for instructions.)
Suffix Code	Type the *suffix code* assigned your company by the Texas Workforce Commission. Or, type the word TEST if the file you are building is a <u>test file</u>.
Computer	<u>For Build Only</u>: Type up to an 8-character name which identifies the manufacturer of your computer system. (Examples: IBM, Compaq, Dell.)
NAICS Code	<u>For Build Only</u>: Enter your company's 6-digit North American Industry Classification System (NAICS) Code.
Are Forms Aligned?	<u>For Print Only</u>: Type **N** to *print an alignment pattern* before you print the actual report. When your alignment is correct, type **Y**.

Virginia Quarterly Earnings Report *and* Magnetic Media File

At this field...	**Make this entry...**
Print Quarterly Report?	Type **Y** to print the report or to generate the magnetic media file; or, press ENTER to exit.
Quarter	Type the <u>number</u> (1-4) that identifies the reporting quarter.
Year	Type the <u>year</u> (e.g., 2014) for this reporting quarter.

Vermont Magnetic Media File

At this field...	**Make this entry...**
Build Magnetic Media?	Type **Y** to begin or press ENTER to exit.
Quarter	Type the <u>number</u> (1-4) which identifies the reporting quarter.
Year	Type the year (e.g., 2014) for this reporting quarter.
Internet Format?	If you are submitting this report via the Internet, type **Y**. This will cause the system to create a special CSV file suitable for submission over the Internet. Type **N** if you are <u>not</u> submitting this report via the Internet.

West Virginia Quarterly Report *and* Magnetic Media File

If you are printing the quarterly report, the first field will be, PRINT REPORT?. If you are generating the magnetic media file, it will be BUILD MAGNETIC MEDIA? All other fields are the same for both functions.

At this field...	**Make this entry...**
Print Report? (or, Build Magnetic Media?)	Type **Y** to begin or press ENTER to exit.
Quarter	Type the <u>number</u> (1-4) which identifies the reporting quarter.
Year	Type the <u>year</u> (e.g., 2014) for this reporting quarter.
Computer Manufacturer	Type up to an 8-character name which identifies the manufacturer of your computer system. (Examples: IBM, Apple, Dell, NCR.)
Contact Telephone	Enter the contact person's *telephone number*.
Due Date	Enter the date (mmddyy) this report is due.

Note: The system automatically *skips* the next 2 fields in the *Build* mode.

Top Preprinted?	If you are printing the report <u>on plain paper</u>, type N. If you are using a form with a <u>*pre-printed heading*</u>, press ENTER.
Are Forms Aligned?	Type **N** to *print an alignment pattern* before you print the actual report. When your alignment is correct, type **Y**.