

How to enable FICA deferring

The screenshot shows a window titled "Payroll Control Information" with a menu bar (File, Edit, Actions, Help) and a "General" tab. The window contains several input fields and checkboxes:

- Period Starting Date:** 07-07-2020
- Period Ending Date:** 7-13-2020
- Pay Date:** 7-13-2020
- Starting Check Number:** (empty)
- Period:** 7-2020
- Payroll #:** 000694
- Payroll Pay Frequency:** Any Period (dropdown)
- Estimated:** 152
- Actual:** 1
- Deduction List:** 1 Standard List (dropdown)
- FIT Supplemental:** None (dropdown)
- Division:** any (dropdown)
- Department:** any (dropdown)
- Computed:**
- Checks Printed:**
- Posted:**
- Errors:**
- Locked:**
- Closed:**
- Gross Up:**
- SIT Supplemental:**

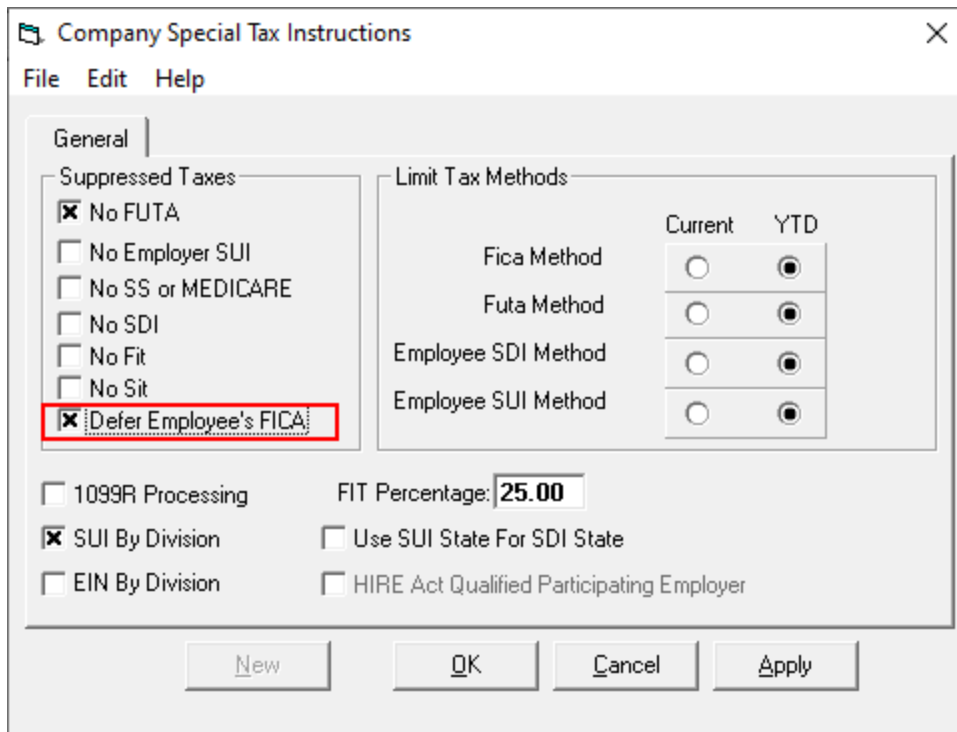
Special Handling:

- No Automatic Processing
- No Weeks
- No Arrears
- No Accruals
- No Special Taxes
- No Pre-Compute Processing
- No SDI
- Defer Employee's FICA

Comment: (empty text area)

Buttons at the bottom: New, OK, Cancel, Apply.

Enables on Payroll level (users can enable or disable FICA deferring for each payroll separately, for example choose which division or department in current payroll should have FICA deferred).



Enables FICA on a global level (overrides payroll FICA option, which means that even if Payroll Control Information does not have deferring enabled it still will defer employee's FICA). This option is useful if all employees are going to defer FICA.

Deferring FICA process

Social Security entry is 0, when FICA deferred, here is example:

Check Detail

File Edit Action Help

Check Header Information

Employee #: **101** Employee Name: John Gregory Payroll: **694** MCK: **00** Type: Pay Date: **7-13-2020** Check #: **0** Net: **486.39**

Check Status

State: **MA** Weeks Worked: **1** Days Worked: **0** Days Out: **0** Frequency: **W** Ach: **N** Cleared?: **N**

Check Detail

Gross Type	Units	Gross
Salary		.00
Regular	40.00	800.00
Over-Time	.00	.00
Double-Time	.00	.00
Vacation	.00	.00
Holiday	.00	.00
Sick	.00	.00
Other Pay		.00
Total Gross		800.00
Cash Gross		800.00

Employee Employer

	Tax	Gross
FIT	225.82	800.00
Social Security	.00	800.00
MEDI	11.60	800.00
MA SIT	70.19	800.00
MA SDI	.00	.00
MA SUI	.00	.00
Tax w/h	307.61	

Employment Information

Division	2
Department	100
Location	HQ
Union	M
Job Class	0
Empl.Type	1

Taxing Method

Regular

Total Voluntary Deductions: 6.00 Notation: 11.54

Id	Deduction	Amt taken	Not taken	PreTax for
501	Union Dues	6.00	.00	
202	Den. Co. Cost	11.54	.00	notation

Cancel

During compute process new "deferred fica amount:" entry allows to control deferring for each employee separately, here how it looks like with Trace enabled during compute process:

```

compute Company fica, medicare & futa
co. fica gross = 800.00
co. fica gross after pre-tax deds = 800.00
co. fica = 49.60
co. medi gross = 800.00
co. medi gross after pre-tax deds = 800.00
co. medi = 11.60
futa gross = 800.00
futa gross after pre-tax deds = 800.00
futa = 4.80
deferred fica amount 49.60
after fica & medicare, net is 788.40
compute fit*****
fit gross = 800.00
payrolls: 0
gross after payrolls = 800.00
supplemental code =
gross after prior = .00
gross after non-resident alien additional = 238.50

```

It is also possible to control the FICA deferring process for each employee separately. All you need to do is to add new User Defined Data with **DFICAEMP** name. It could have following values:

- **A** - defer FICA always, regardless of bi-weekly gross (even if gross is more than 4000\$)
- **E** - except from FICA deferring (do not defer), regardless of bi-weekly gross (even if gross is less than 4000\$)
- **Anything else (Empty or single space)** - ignore **DFICAEMP** User Defined Data parameter

Here is example of setup:

User Defined Data Definitions

Form Name: DFICAEMP

Deferred FICA

Always or Exclude: DFICAEMP

Available values:
 A - always defer regardless of bi-weekly gross
 E - except from deferring regardless of bi-weekly gross

User Defined Item

Item Definition

Item Name	Type (a/n/d)	Characters
DFICAEMP	A	1
Decimals	Title	Left
0	Always or Exclud	1635
Top	Width	Screen
405	1350	DFICAEMP
Tab:		Valid Values
1		

Example of user exempt from FICA deferring:

John Gregory

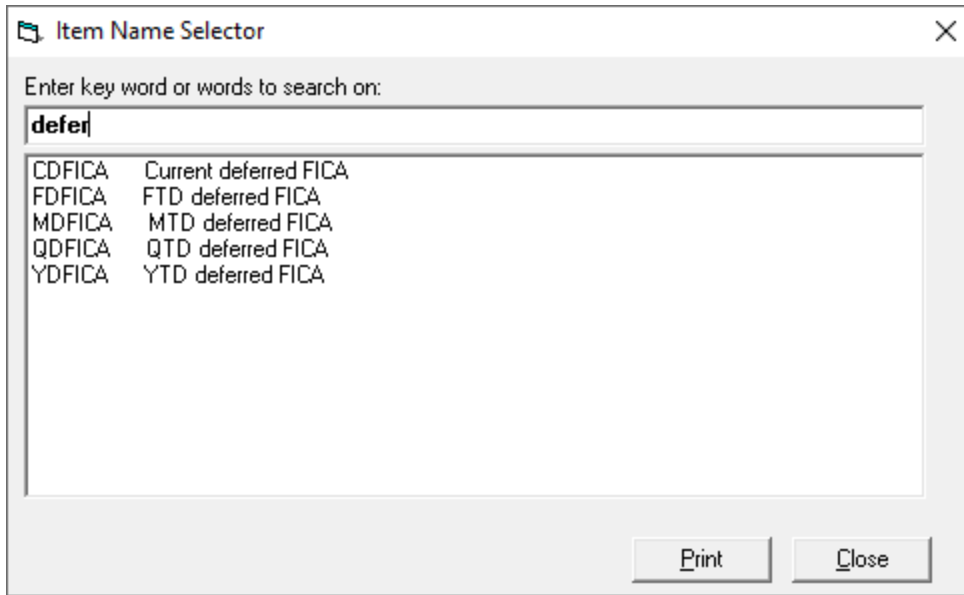
101

Deferred FICA

Always or Exclude: E

Another way to specify FICA deferring is to use computation definition **DFCEMEXC**. It should return same values, as User Defined Data **DFICAEMP** above (A, E, or empty/no value), but **DFICAEMP** should be disabled (set as empty) or removed, otherwise it overrides **DFCEMEXC**.

All deferred FICA values are stored and available as new spreadsheet values:



Example of spreadsheet report for posted payroll:

	A	B	C	D	E	F
1	Employee Number	Employee Name	Payroll Number	Multiple Check Seq No	Deferred FICA	YTD Deferred FICA
2	101	Gregory, John	694	0	49.60	49.60

Stored in CHECKS table
different for each check
Stored in EMPTAX table
useful to run reports

New spreadsheet items allow tracking deferred amounts for employees. It is also possible to run User Designed Reports using new items:

Employee Number	Deferred FICA
101	49.60
103	0.00
202	0.00