

## Be prepared for your revised W-2s. Sign up now for *PayMaster's* Auto Update

Revised W-2? "Again?" you ask. "Yes, again" says the Social Security Administration (SSA).

The SSA, in its quest for the perfect form, has completely rearranged and renumbered the boxes for the 1993 W-2. The proposed new form is shown at the right.

NEW!

Rearranged boxes

Paper **and** mag media W-2 formats have changed every year for at least the last five years. Whenever the SSA changes the W-2s, we change the *PayMaster*<sup>TM</sup> program so it will both calculate the information correctly and print the appropriate information in the correct boxes.

Make it easy on yourself by signing up **NOW** for *PayMaster's* annual Auto Update program. Then you know you'll always have the proper version of *PayMaster* to print on these new forms.

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#### W-2 ORDER FORM INSIDE.

1992 prices for 1993 W-2 forms!  
Save even more money (15%) if your prepaid order is received by September 30.

*Remember -- only W-2s ordered from us are guaranteed to work with PayMaster.*

## REVISED W-2S continued from page 1.

With Auto Update, you're invoiced once a year. You automatically receive *PayMaster* updates (averaging two per year) and, once we have your tax table requirements on file, the tax tables. Shipping, handling, and diskette materials are included in the Auto Update price, as is support for installing the new program (and converting the data if that's necessary). There is an additional charge for revised manual pages, based on printing costs.

Users on annual Telephone Support get a discount on Auto Update if both run for the same dates. **ORDER FORM ON PAGE 4.**

### END OF QUARTER

June 30 is the end of the second quarter.

Remember to process end of quarter before processing your first payroll dated July. Only then will your second quarter **and** third quarter wage and 941 reports will be correct.

After processing end of quarter, you can print reports for "Last Quarter."

## Short format reports

Have a wide carriage dot matrix printer and many employees? *PayMaster* offers short formats for both the pre-check register and the payroll report.

### PRE-CHECK REGISTER

The short format pre-check register prints **Current**, **Current/QTD/YTD** etc. based on the register format you've chosen in INIT/DIVISION.

Our example on the next page shows **Current**. This report shows: last name, code, and control number; regular, overtime, misc, vac/holiday, and sick units; regular, overtime, misc, vac/holiday, and sick wages; wage adjustment, total wages, additional income total, and tips; OASDI, Medicare, federal, state, and local/SDI withheld; and misc ded total, EIC, and net pay.

### PAYROLL REPORT

The short format payroll report prints by division and is the one that will really save you time and paper. You can print **Current**, **MTD**, **QTD**, **Last Quarter**, **YTD** or **QTD and YTD**. Our example on the next page shows **QTD and YTD**.

Report shows: name, code, SSN, hired date, end date, and comment; columns for regular, overtime, and

misc wages; holiday, vacation, sick, and addtl income 1-2 (or 1-5 if 6.0 **Xtra**); wage adj, reported tips, allocation, and EIC; FICA (OASDI & Medicare added together), federal, state, local withholding, and SDI; bank deduction and misc. deductions 1-5 (or 1-9 if 6.0 **Xtra**), plus advances, added together; and net pay.

Page totals appear at the bottom of each page and final totals at the end of the report.

### TO PRINT THESE SHORT FORMAT REPORTS

Choose INIT/SYSTEM from *PayMaster*'s main menu. Change your printer columns to 132 and press <home> or <esc>. Now, when you print the pre-check register, you'll be asked "short format? y/n." When you print a payroll report, you'll have 3 choices instead of 2: <1>Complete report <2>Summary <3>Short format.

To print a company summary payroll report when you have more than one division, choose <2>Summary, then <2>Company summary.

### THE BLUE PAGES

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## Take advantage of auto update and telephone support

Auto update helps you **avoid big penalties** by:

- ◆ Printing your W-2s correctly.
- ◆ Meeting all federal reporting requirements.
- ◆ Meeting the growing number of state special format, scannable, and mag media reporting requirements.
- ◆ Complying with future health insurance requirements.

Annual telephone support helps you:

- ◆ When you're stuck in the middle of getting payroll out, you get help.
- ◆ If you're having trouble with quarterlies or at the end of the year, you get help.
- ◆ If your key payroll person leaves, your new employee can be brought up to speed for the nominal cost of \$60.
- ◆ Plus, you can use our toll-free 800 number, and you receive discounts on check orders and program upgrades or auto update.

If you sign up for both Auto Update and Telephone Support at the same time, there's a \$75 discount. If you have one and now want to add the other, call us to coordinate your renewal dates. This way, we'll make sure you get the combined discount at renewal time.

<i>PayMaster</i> Annual Contracts	Number of Divisions and/or Companies			
	1	Up to 10	Up to 30	Up to 50
<b>PRICES</b>				
Telephone Support (per location; up to 2 people)*	\$260	\$300	\$400	\$500
Maximum hours of support	7	8	9	10
Automatic update**	\$300	\$330	\$380	\$430
Combination Telephone Support & Auto Update (\$75 discount)**	\$485	\$555	\$705	\$855

\* If one of your employees leaves, there is a \$60 charge to add a new employee.

\*\* Shipping, handling, and diskette materials are included in the Auto Update price, as is support for installing the new program (and converting the data if necessary). The only additional charge is for revised manual pages. Custom program users -- additional \$50 per custom module, charged at time of program upgrades.

<b>Order Form for Auto Update and/or Telephone Support</b>	
Please sign me up for:	Price (from above)
Auto Update	
Telephone Support	
Both, so I can get the \$75 discount	
Contact Name:	
2nd Name if Telephone Support	
Company	
Street address	
City/state/zip	
Area code/telephone	

### Tax law changes

#### Federal

Duplicate W-2 issued to employee should be marked "Reissued statement." Do **not** send Copy A to SSA.

Same basic premise that caused underwithholding in 1992 is still in place in the 1993 withholding tables.

## State unemployment

1993 taxable wage bases:

DC	\$9,000
MD	8,500
OK	\$10,400
AR	\$8,500 (\$9,000 1994)
VI	\$22,000
ME	Employers will be charged assessment of .7% of taxable wages, retroactive to 1/1/93. Will rise to .8% in 1994.

More and more states are requiring mag media unemployment if 250 or more employees:

DC	Effective 1/1/93.
VA	Effective 1/1/94.

## State withholding

KY Requires state-provided forms and detailed list of employees. Form 42A801 Employer's Return of Income Tax Withheld. Form 42A803 Employer's Return of Income Tax Withheld/Annual Reconciliation.

NE New % tables.

## State minimum wage

DC Eff. 10/1/93, minimum wage is federal minimum wage plus \$1.00. If an employee is currently above that rate their current rate remains in effect until the minimum reaches that level.

## Other state changes

NM Eff. 7/1/93, employers must provide each employee with a written receipt showing name of employer, gross pay, hours worked, total wages, benefits earned & itemized deductions.

AK, CA, HI, MA, MN, WA, WV

These states require employers to send W-4 to the state for new hires and reinstated employees. Reason? So they can track people down for child support and tax garnishment.

## Q & A

**Q.** I have a server who got a zero pay check. Why? He's really good and makes a lot in tips.

**A.** If the tips are kept by the server rather than being paid in the paycheck, he can get a zero paycheck.

The more tip income, the more taxes to be withheld from the paycheck. Sometimes there are not enough wages to cover taxes, especially when the server makes a lot in tips.

Throughout the BLUE PAGES there are references to payroll tax laws and requirements in effect as of the date specified. These references to the laws and the explanations provided are designed to familiarize the employer with said laws, but are not meant to serve either as a legal or accounting opinion, or as any indication that reference to the Internal Revenue Code or Regulations issued thereunder and appropriate administrative or court rulings interpreting same is unnecessary. All persons using this newsletter should look to and rely upon their respective legal counsel and accountants with respect to these laws and requirements.

**Q.** We have a new computer with one drive (C). Our payroll data was on drive D in the old computer. How do I change the company path?

**A.** Backup your data from the old computer onto floppy disks.

After installing the *PayMaster* program (but not the data yet) on the new computer, go into *PayMaster* and **add a company** with new path (same subdirectory as on old computer, but different drive). (See the following Q/A for instructions for adding a new company.)

Enter the authorization number. Exit *PayMaster* and go to DOS. In your new data subdirectory, enter the DOS command: *rename pycompny.dat pycompny.bak*.

Restore your data (from DOS, not *PayMaster*). Still in the new data subdirectory, enter the DOS command: *copy pycompny.bak pycompny.dat*. You should be all set with your data when you go back into *PayMaster*.

If you have more than one company and want to do them all at once, call us and we'll talk you through DEBUG instead of doing the above.

**Q.** How do I add a new company with *PayMaster* version 6.0?

**A.** First, call us for an authorization code.

Then, if you're in *PayMaster*, exit to DOS. Go into *PayMaster* again. At the prompt, **Enter company I.D. code:** enter the 5-character code you wish to use. *PayMaster* will ask **[1]Add a company, [2]archive a copy of existing company or [3]try again?** Choose *1*.

At **Data drive:** enter the drive letter (without colon) where you want to store the data. *PayMaster* will display:

**Suggested data path: C:\prv6\flora.**  
**Enter data path: C:\prv6\flora.**

If you want a different data path, just enter it or press <ENTER> to accept the suggested one.

*PayMaster* now asks **Enter company name:** Enter the company name as it should appear on your 941s and W-2s.

*PayMaster* then asks: **Re-enter company name.** Re-enter the company name.

*PayMaster* asks **Enter authorization code:** Do so, and you should be all set.

**Q.** If my payday is July 2, but the pay period ends in June, should that payroll be in the 2nd or 3rd quarter?

**A.** 1) Payroll, for payroll purposes (tax withholding, employer FICA, unemployment, 941s, W-2s, etc.) goes by the date of the paychecks, so it's 3rd qt.  
2) Payroll, for general ledger purposes (if on an accrual basis) goes by the dates of the pay period, so it's 2nd qt.

**Q.** We're in Ohio & have two local taxes. Help! How can our W-2s be correct?

**A.** If you have multiple local taxes, put school tax as local tax. Put local tax as misc deduction 1 (a percentage of income).

W-2 order form:

back of W-2 order form (for mailing)



## User spotlight

### "Computer Aid's Restaurant Payroll and Accounting System has saved Anita's \$82,000 per year in accounting fees!"

Anita's Mexican Restaurants, a family-owned business with a real Anita, has six restaurants, a commissary and office in the Northern Virginia area. The restaurants are located in Chantilly, Herndon, East Vienna, West Vienna, Burke and Fairfax.

Anita's has been in business since 1974 and was using ADP to process payroll for their 300 employees and an outside accounting service for accounts payable and general ledger.

Tammy Williams and Denise Davis at Anita's corporate office

Denise Davis, controller at Anita's Mexican Restaurants, came to Anita's in 1991. Her mission was to computerize their operations. She had worked for Vie de France where the accounting was done on minicomputers -- Basic 4, System 36, System 38 and AS400.

After much research, Denise ruled out minicomputers and decided on networked PCs using Computer Aid's *PayMaster* payroll program and AP, GL and Fixed Assets programs.

"For the money, it was the most cost-effective solution and gave the greatest flexibility."

She had never used Novell's Netware or Computer Aid's software before. In July 1991 they started using *PayMaster* on Netware 3.11. They did this without even running one parallel payroll run! Tammy Williams, the payroll manager, went it alone (with just a little phone support from Computer Aid) because Denise was in class learning how to use the network!

Denise said, "What a different experience this was. Previous payroll conversions have taken nine months to a full year. The cost for those accounting systems ranged from \$50,000 to \$200,000. The cost of the hardware was \$500,000 or more. Hardware **and** software for the whole Computer Aid system cost under \$20,000!"

"In three months, by October 31, 1991, *PayMaster* had paid for itself. It's very user friendly and handles tips better than any other program I've ever used. It is LIGHT years ahead of ADP. You enter data at your leisure. Batch input as opposed to putting in each person individually saves so much time. The very first payroll checks were done one and a half days earlier than with ADP."

"Balancing taxes is easy. The Form 8027 is extremely helpful and, an added bonus, the W-2's went so smoothly!"

"The general ledger is the best I've ever used. You can make corrections so easily -- don't need to reverse entries and post unnecessary detail into the journals. The other systems were so inflexible. Once a period was closed you had to go back to the hard copy. You couldn't get all the detail for one particular account. Now within three seconds, I have the information!"

"The reversing and recurring journals are great. You can add to them! The other systems required everything be entered during one session! Another big plus is subtotals within journals along with an audit trail of entries made during other periods."

Denise says, "Computer Aid's Restaurant Payroll and Accounting System has saved Anita's \$82,000 per year in accounting fees! "Another benefit of bringing the accounting in-house is that we get TIMELY monthly financial statements. Previously the income statement and balance sheet were prepared on a quarterly basis. And then they were always late, so our reports were running 6-9 months behind."

#### Computer Aid Corporation



#### SUPPORT HOURS

9:00 am to 6:00 pm Eastern Time  
Monday - Friday

## Take advantage of pre-tax deductions. Better benefits can help you retain staff.

*PayMaster 6.0 Xtra* can handle all of your deductions, no matter the tax implications.

For example, in June one of our customers is going to change their health care coverage from taxable to a pre-tax cafeteria plan. No problem. All they need do, with *PayMaster 6.0 Xtra* is:

1. Leave original health deduction with tax responses as is (so W-2s will print correctly).
2. Add the pre-tax cafeteria plan deduction with no taxes withheld.

Have version 6.0 regular and are running out of deduction fields? Call us about upgrading to 6.0 **Xtra**.

Their deductions (from the Division screen) might look like this. The previous, taxable, health insurance is deduction 1; the new pre-tax cafeteria plan is deduction 4.