Knowledge Base Article

Article ID:	**4239**
Subject:	**Payroll Earnings and Deduction Settings**
Last Modified:	**February 5, 2008**
Applies to:	**Pro Gold i2 3.xx, 2.xx**

Summary: Pro Gold automatically has some basic earnings and deductions already created- Federal Tax (FEDTAX), Social Security Tax (SSTAX), Medicare Tax (MCTAX), and State Tax (MITAX, etc.) Any other earnings and deductions that need to be taken out of employee payroll need to be created and setup in Pro Gold.

Procedure: The steps below explain the payroll earnings and deduction settings in Pro Gold.

Step 1: Log into Pro Gold.
Step 2: In the **Payroll Tab**, select **Earnings and Deductions**.
Step 3: Use the arrows in the bottom left area of the screen to scroll through the earnings and deductions and select a particular item.
   a. Note: To create a new earning or deduction, click on the arrow with the asterisk (*) next to it. This will open a blank entry form to enter the new earning or deduction settings.
Step 4: Verify the settings for the earning or deduction are correct:
   a. **Deduction ID**: The code that will be used to select the earning or deduction for an employee(s).
   b. **Deduction Description**: The full name of the earning or deduction.
   c. **Earning or Deduction**: Select "Ear" to signify this as an earning or "Ded" to signify this as a deduction.
   d. **Payable Acct**: Select the General Ledger account that applies to the earning or deduction.
   e. **Vendor**: Select the vendor that will be paid the earning or deduction.
   f. **Reduces Federal Taxable Amount**: the earning or deduction reduces the taxable amount for Federal Taxes (Box 1 of the W2 form).
   g. **Reduces State Taxable Amount**: the earning or deduction reduces the taxable amount for State Taxes (Box 16 of the W2 form).
   h. **Reduces Social Sec. Taxable Amount**: the earning or deduction reduces the taxable amount for Social Security Taxes (Box 3 of the W2 form).
   i. **Reduces Medicare Taxable Amount**: the earning or deduction reduces the taxable amount for Medicare Taxes (Box 5 of the W2 form).
   j. **Deferred Compensation Setup**
      i. **W2 Box**: selects the box that the deduction will appear in on the W2 form (either Box 12 or 14)
      ii. **Box Position**: selects in which position of Box 12 or 14 that the deduction appears (either 1, 2, 3, or 4)
      iii. **Code/Label**: select the code/label that will appear in Box 12 or 14 with the deduction amount.
Step 5: Once the earning or deduction settings have been setup/verified, click "**Done**" to save the changes and close the Payroll Deduction Setup screen.

Additional Information: Below is a link you can use to access Enhancement HelpNet Center resources, which includes the Knowledge Base Article (KBA) Library, Pro Gold i2 Documentation, and Training Webcasts:

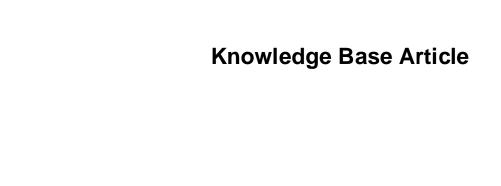 http://secured.progoldi2.com/webcast.aspx

•   The Enhancement HelpNet links are located on the right side of the web page.

Related articles: N/A

Keywords: Employee Payroll Deduction, Deductions, Earnings, Earning, W2 Form, Taxes, Setup, Create, 4239

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