

# Payroll Deduction Setup

Last Modified on 12/28/2021 11:07 am CST

The following instructions should be used for setting up a payroll deduction and setting up and posting an annuity (401K) deduction.

## Setup

### General Ledger

Add a new general ledger account at *Accounting / File / Open / G/L Accounts* for the payroll deduction. This is usually a liability account, similar to a *Federal/State Tax Withholding* account. The payroll deduction will post into this account. If this is an annuity, set up another general ledger account for the employer match (if applicable). This will be an expense account similar to a *Payroll Taxes* expense account.

### Payroll

Add the new payroll deduction at *Accounting / Setup / Preferences / Payroll*. Choose the appropriate *Exempt from* checkboxes. If unsure of what taxes the deduction is exempt from, contact the plan administrator or accountant. Select the new general ledger liability account in the *G/L Acct* column.

Pay				Voluntary Deductions				Exempt From				Default		
	Headings	<G/L Acct>	Delete	Headings	FICA	Fed	St	Loc	FUTA	SUTA	<G/L Acct>	Delete		
1	▶ Regular	6040-00	<input type="checkbox"/>	1 ▶ Insurance (...)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6200-00	<input type="checkbox"/>		
2	Overtime	6040-00	<input type="checkbox"/>	2 Cafeteria	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2250-00	<input type="checkbox"/>		
3	Double time	6040-00	<input type="checkbox"/>	3 401k	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2260-00	<input type="checkbox"/>		
4	Vacation	6040-00	<input type="checkbox"/>	4 Uniforms	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6030-00	<input type="checkbox"/>		
5	Sick	6040-00	<input type="checkbox"/>	5 United Way	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2270-00	<input type="checkbox"/>		
6	Personal	6040-00	<input type="checkbox"/>	6 Misc #1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2270-00	<input type="checkbox"/>		

Edit the employee at *Accounting / File / Open / Employees*. On the *Deductions* tab, enter the dollar amount for the deduction. If the deduction is a percent of the wages, enter a percentage and select the *Percent* column.