OSAS

PAYROLL

401K DEDUCTION

You will need to determine what the 401K deduction needs to start with before entering the new deduction.

Go to Payroll

Go to File Maintenance

Go to Tax Tables

Table ID: W2CODE

Look for R041 = Roth 401. The code that needs to appear on the W2 for Roth 401K is AA, therefore you must have the first 4characters of the deduction description be R041.

Go to Payroll

Go to Codes Maintenance

Go to Deductions

Hit A to add a new deduction.

Enter the description as R041 K Employee.

Emplr? NO

Liab Acct-enter the liability GL account number.

Def Comp – YES

Calc On – Can be Gross Pay or Net Pay. If you don’t know, call your accountant.

If the company will be matching the employee’s contribution you will need to set up the 401K Match

Hit A to add a new deduction

Enter the description as \*R041 K Match. The \* must be first or the two deductions will add on the W2 which is incorrect.

Emplr? YES

Liab Acct-enter the liability GL account number.

Accr Ded Acct – enter the accrued deduction GL account number.

Def Comp-YES

Calc On – Can be Gross Pay or Net Pay. If you don’t know, call your accountant.

Go to Payroll

Go to Codes Maintenance

Go to Withholdings

 If the deduction or earning code is pretaxed from Federal tax hit F for Federal.

The valid employee and employer codes will appear at the bottom of the screen.

5. Enter each code that the deduction or earning code is pretaxed on at the Tax Code field.

6. Page Down.

7. On the left are the deductions and on the right are the earnings. Hit tab to move between deductions and earnings.

8. To exclude the deduction or earning code from the tax code entered, move the cursor to the deduction or earning code and hit enter. Exclusion field will change from NO to YES. To go back to NO hit enter again.

9. Steps 4-8 will need to be done for each Federal tax code that the deduction or earning code is excluded from.

10. If the deduction or earning code is pretaxed from State tax hit S for State.

11. Repeat steps 5-8 until all State tax codes that are excluded from tax are set up.

12. If the deduction or earning code is pretaxed from Local tax hit L for Local.

13. Repeat steps 5-8 until all Local tax codes that are excluded from tax are set up.

Go to Payroll

Go to File Maintenance

Go to Employees

Enter Employee ID and YES to Scheduled Deductions

Hit A to add a new deduction

Select the 401 employee deduction.

12345-Hit F1 for help with determining what code to enter for each week that the deduction will be taken.

If a percentage, in Amount enter the percent as a number (4.0)

If a dollar amount, in Amount enter the dollar amount (10.00)

If you entered E or D in 12345, enter a balance (normally the maximum amount allowed for the deduction.

Expire Date – enter the date that the amount will expire. Normally this is year end (12/31/xx).

Do the same for the \*401 match is it applies.

Do not enter a balance or expire date.

Your 401K deduction and match have been set up.