

End-of-Calendar Year 2011 Payroll Procedures for Data-Basics Plus Users

- Print all payroll checks for the year.
- Before processing payroll for 2012:
 - Update the tax tables for 2012 (see page 3 of this document). You should also receive state and local information from your taxing authorities; be sure to revise your state and local tax rates if needed.
 - Change the FICA Limit for Employees and Employees from 106,800 to 110,100. The Employee Rate should remain at 4.2% and the Employer Rate at 6.2%. To do so:
 - Log into the Plus Software
 - Select Payroll
 - Select Tax Tables
 - Select Edit FICA Rate and Limit
 - Change the Employee Limit to 110,100.
 - Save your changes
 - Select Payroll
 - Select Tax Tables
 - Select Edit FICA Rate and Limit
 - Change the Employer Limit to 110,100.
 - Save your changes
- Generate W-2 forms for employees.
 - TIP: Your tax forms are standard forms: individual printer settings may cause misalignment. Therefore, be sure to print a test alignment of your tax forms before running your actual printout.
- Run W-2 statements after you generate the last payroll check for the calendar year and before running the Purge Payroll History function.
 - TIP: You need not condense/compress the Employee History File before running the Purge Payroll History or Payroll End of Year functions.
- Print copies of all payroll reports. (After purging, you will not be able to get the information again and you'll want to have hard copies for your files.)
- Backup your data files.
- Run the Purge Payroll History File function.
- To print paychecks for the new year before processing W-2s for the previous year, update the tax tables and FICA Employee Percent, and process a 2012 payroll. When you have printed your W-2s for 2011, use the Purge Payroll History File function. NEVER use the Payroll End of Year Function if you have already printed paychecks for the new year or if you want to retain employee sick and vacation accrual benefits.
 - TIP: Unless you need the information, purge the Payroll History File shortly after printing W-2s to conserve disk space.

End-of-Fiscal Year General Ledger Procedures

- Backup your data files.
- Activate a batch for the closing entries in the General Ledger Journal. The Batch Ending Date should be 1/1/12.
- Use the Record Closing Entries Function to close income and expense accounts to retained earnings; make your ending date 12/32/11.
- Before making closing entries to end your fiscal year, you must make all of your labor journal entries, print a Post Payroll GL Report and post the amount to General Ledger. Enter all AR and AP Journal information for the fiscal year and make all year-end adjustments.
 - TIP: If you maintain your General Ledger on both a cash and accrual basis, you must perform the Record Closing Entries Function twice: once for your accrual-basis Income Statement accounts and once for your cash-basis Income Statement accounts. An accrual or cash only batch must be used for each.
 - TIP: You may print GL reports for the next fiscal year before closing out the present year. Simply, enter a future date as the start of fiscal year date.

2012 Federal Tax Tables

New Federal Tax Tables for Wages Paid in 2012

Taken from Notice 1036 of the IRS

SINGLE

Not over 2150.00 0

Over -	But Not Over-	of excess over -
2,150.00	10,850.00 10%	2150.00
10,850.00	37,500.00 870.00 plus 15%	10,850.00
37,500.00	87,800.00 4,867.50 plus 25%	37,500.00
87,800.00	180,800.00 17,442.50 plus 28%	87,800.00
180,800.00	390,500.00 43,482.50 plus 33%	180,800.00
390,500.00	999,999.99 112,683.50 plus 35%	390,500.00

Amount Per Allowance: 3,800

MARRIED

Not over 8,100.00 0

Over --	But Not Over--	of excess over
8,100.00	25,500.00 10%	8,100.00
25,500.00	78,800.00 1740.00 plus 15%	25,500.00
78,800.00	150,800.00 9,735.00 plus 25%	78,800.00
150,800.00	225,550.00 27,735.00 plus 28%	150,800.00
225,550.00	396,450.00 48,665.00 plus 33%	225,550.00
396,450.00	999,999.99 105,062.00 plus 35%	396,450.00

Amount Per Allowance: 3,800

Social Security Withholding

Employee:	Limit	Rate
	110,100.00	4.2

Employer:	Limit	Rate
	110,100.00	6.2

Last Updated on 12/23/2011 By Jean Knox