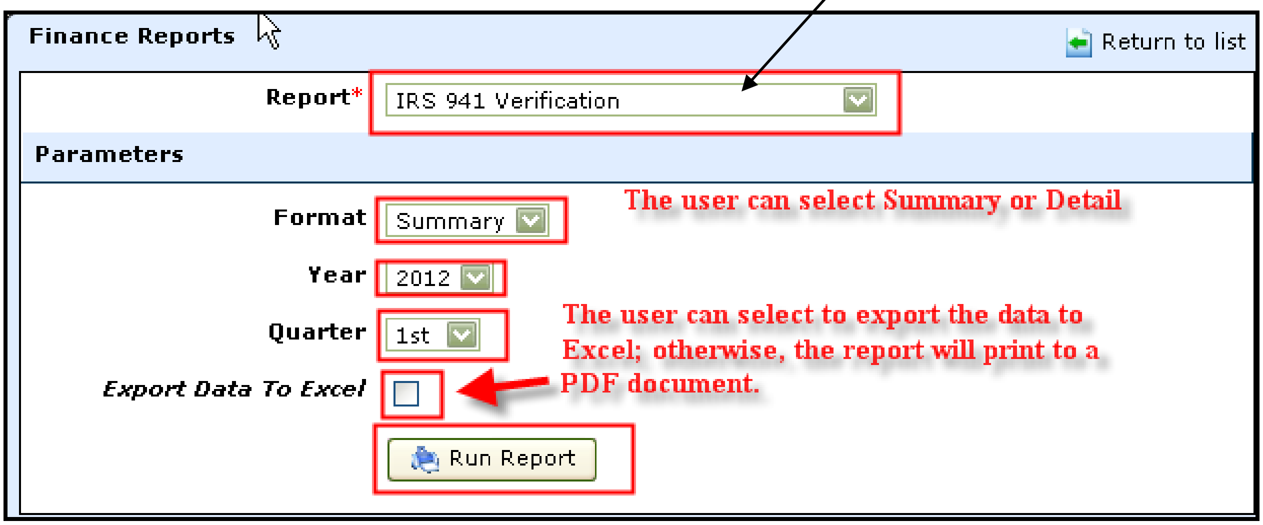
Quarterly
Table of Contents

941 Quarterly Checklist

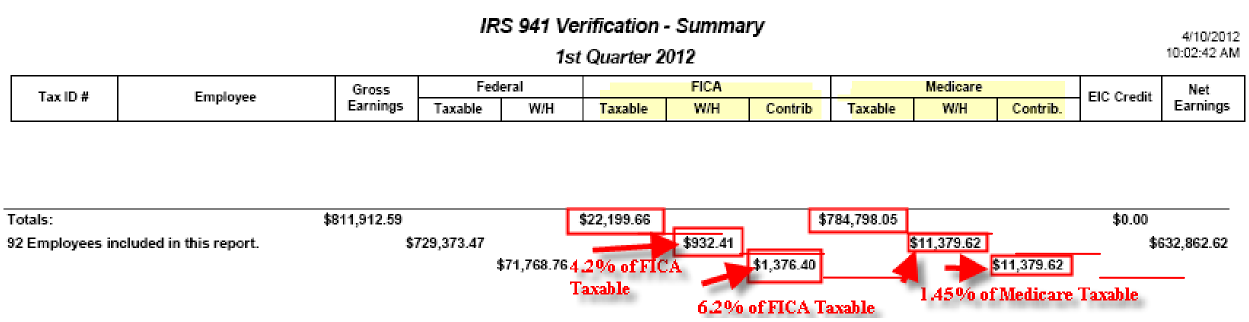
Check Quarter: ☐ 1st Qtr ☐ 2nd Qtr ☐ 3rd Qtr ☐ 4th Qtr

<u>Finance > Reports > Payroll</u>

- ☐ Run and print the IRS 941 Verification for the appropriate quarter



- ☐ Verify the FICA Taxable x 4.2% = FICA W/H (Employee's FICA Contribution)
- ☐ Verify the FICA Matching x 6.2% = FICA Match (District's FICA Contribution)
- ☐ Verify the Medicare Taxable x 1.45% = Medicare W/H (Employee's Medicare Contribution)
- ☐ Verify the Medicare Taxable x 1.45% = Medicare Match (District's Medicare Contribution)



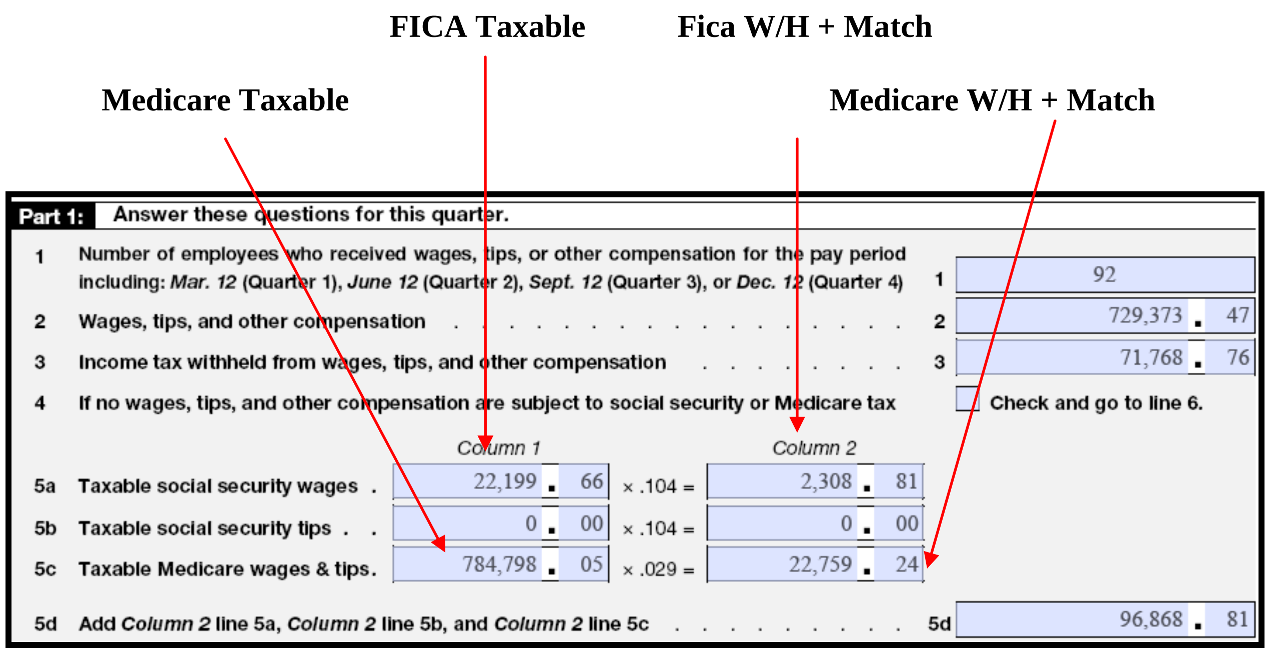
IRS 941 Verification - Summary

1st Quarter 2012

4/10/2012
10:02:42 AM

Tax ID #	Employee	Gross Earnings	Federal		FICA			Medicare			EIC Credit	Net Earnings
			Taxable	W/H	Taxable	W/H	Contrib	Taxable	W/H	Contrib.		
Totals: 92 Employees included in this report.		$811,912.59	$729,373.47	$71,768.76	$22,199.66	$932.41	$1,376.40	$784,798.05	$11,379.62	$11,379.62	$0.00	$632,862.62

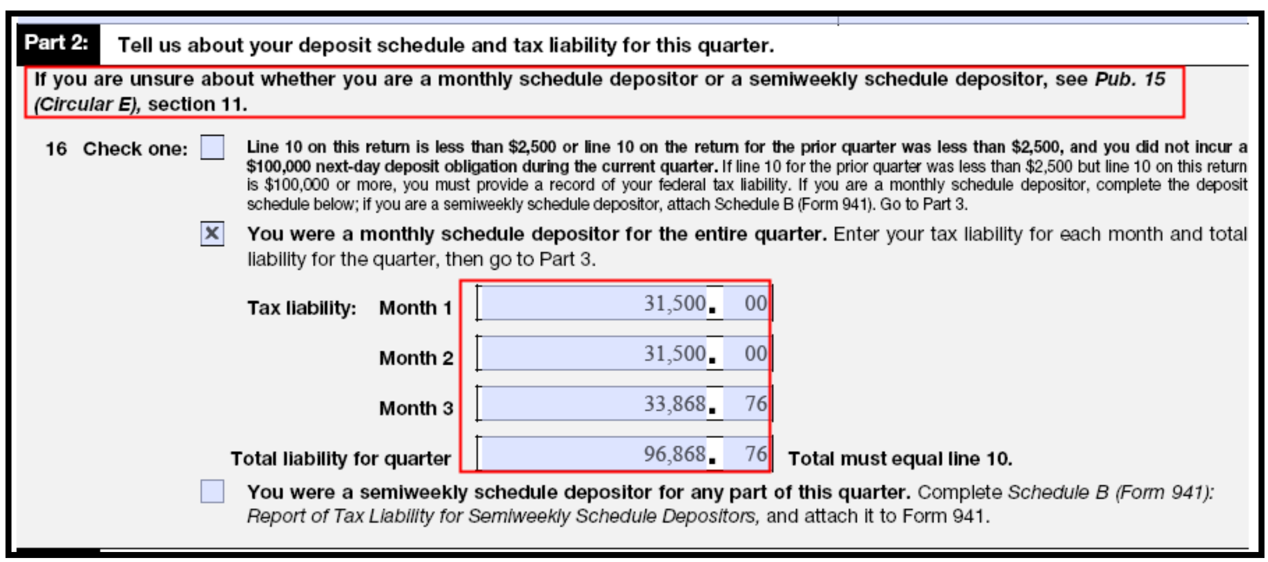
- Login to the EFTPS website: https://www.eftps.gov/eftps and print payment history, usually the 90 day history
- Compare the quarterly payments to the IRS 941 Verification to ensure it matches
- Complete the 941 Form (from the IRS website) with the information taken from the last page of the IRS 941 Verification. The fillable IRS Form 941 may be downloaded from the IRS website at http://www.irs.gov/formspubs/ .



Part 1: Answer these questions for this quarter.

1	Number of employees who received wages, tips, or other compensation for the pay period including: *Mar. 12* (Quarter 1), *June 12* (Quarter 2), *Sept. 12* (Quarter 3), or *Dec. 12* (Quarter 4)			1	92
2	Wages, tips, and other compensation			2	729,373.47
3	Income tax withheld from wages, tips, and other compensation			3	71,768.76
4	If no wages, tips, and other compensation are subject to social security or Medicare tax				☐ Check and go to line 6.
		Column 1		*Column 2*	
5a	Taxable social security wages	22,199.66	× .104 =	2,308.81	
5b	Taxable social security tips	0.00	× .104 =	0.00	
5c	Taxable Medicare wages & tips	784,798.05	× .029 =	22,759.24	
5d	Add *Column 2* line 5a, *Column 2* line 5b, and *Column 2* line 5c			5d	96,868.81

- Run the Employee Payment Summary in Finance > Reports by month to complete page 2 of the form 941



Part 2: Tell us about your deposit schedule and tax liability for this quarter.

If you are unsure about whether you are a monthly schedule depositor or a semiweekly schedule depositor, see *Pub. 15 (Circular E)*, section 11.

16 Check one:

☐ **Line 10 on this return is less than $2,500 or line 10 on the return for the prior quarter was less than $2,500, and you did not incur a $100,000 next-day deposit obligation during the current quarter.** If line 10 for the prior quarter was less than $2,500 but line 10 on this return is $100,000 or more, you must provide a record of your federal tax liability. If you are a monthly schedule depositor, complete the deposit schedule below; if you are a semiweekly schedule depositor, attach Schedule B (Form 941). Go to Part 3.

☒ **You were a monthly schedule depositor for the entire quarter.** Enter your tax liability for each month and total liability for the quarter, then go to Part 3.

Tax liability:	Month 1	31,500.00
	Month 2	31,500.00
	Month 3	33,868.76
Total liability for quarter		96,868.76 — Total must equal line 10.

☐ **You were a semiweekly schedule depositor for any part of this quarter.** Complete *Schedule B (Form 941): Report of Tax Liability for Semiweekly Schedule Depositors*, and attach it to Form 941.

☐ Complete the Schedule B – remember, you are reporting the TAX LIABILITY on the date the wages were paid. **Be sure to enter these dates appropriately to avoid any penalty charges for making the EFTPS payment late.**

Month 1

1	.	9	.	17	.	25	.
2	.	10	.	18	.	26	.
3	.	11	.	19	.	27	.
4	.	12	.	20	.	28	.
5	.	13	.	21	.	29	.
6	.	14	.	22	.	30	.
7	.	15	55,312.99	23	.	31	.
8	.	16	.	24	.		

Tax liability for Month 1: 55,312.99

Month 1

1	.	9	.	17	.	25	.
2	.	10	.	18	.	26	.
3	.	11	.	19	.	27	.
4	.	12	.	20	.	28	.
5	.	13	.	21	.	29	.
6	.	14	.	22	.	30	.
7	.	15	31,500.00	23	.	31	.
8	.	16	.	24	.		

Tax liability for Month 1: 31,500.00

Month 2

1	.	9	.	17	.	25	.
2	.	10	.	18	.	26	.
3	.	11	.	19	.	27	.
4	.	12	.	20	.	28	.
5	.	13	.	21	.	29	.
6	.	14	.	22	.	30	.
7	.	15	31,500.00	23	.	31	.
8	.	16	.	24	.		

Tax liability for Month 2: 31,500.00

Month 3

1	.	9	.	17	.	25	.
2	.	10	.	18	.	26	.
3	.	11	.	19	.	27	.
4	.	12	.	20	.	28	.
5	.	13	.	21	.	29	.
6	.	14	.	22	.	30	.
7	.	15	33,868.76	23	.	31	.
8	.	16	.	24	.		

Tax liability for Month 3: 33,868.76

Fill in your total liability for the quarter (Month 1 + Month 2 + Month 3) ▶
Total must equal line 10 on Form 941 or Form 941-SS.

Total liability for the quarter: 96,868.76

For Paperwork Reduction Act Notice, see separate instructions. Cat. No. 11967Q Schedule B (Form 941) (Rev. 6-2011)

941 Quarterly Deadlines

When To File Form 941

Your Form 941 is due by the last day of the month that follows the end of the quarter.

The Quarter Includes . . .	Quarter Ends	Form 941 Is Due
1. January, February, March	March 31	April 30
2. April, May, June	June 30	July 31
3. July, August, September	September 30	October 31
4. October, November, December	December 31	January 31

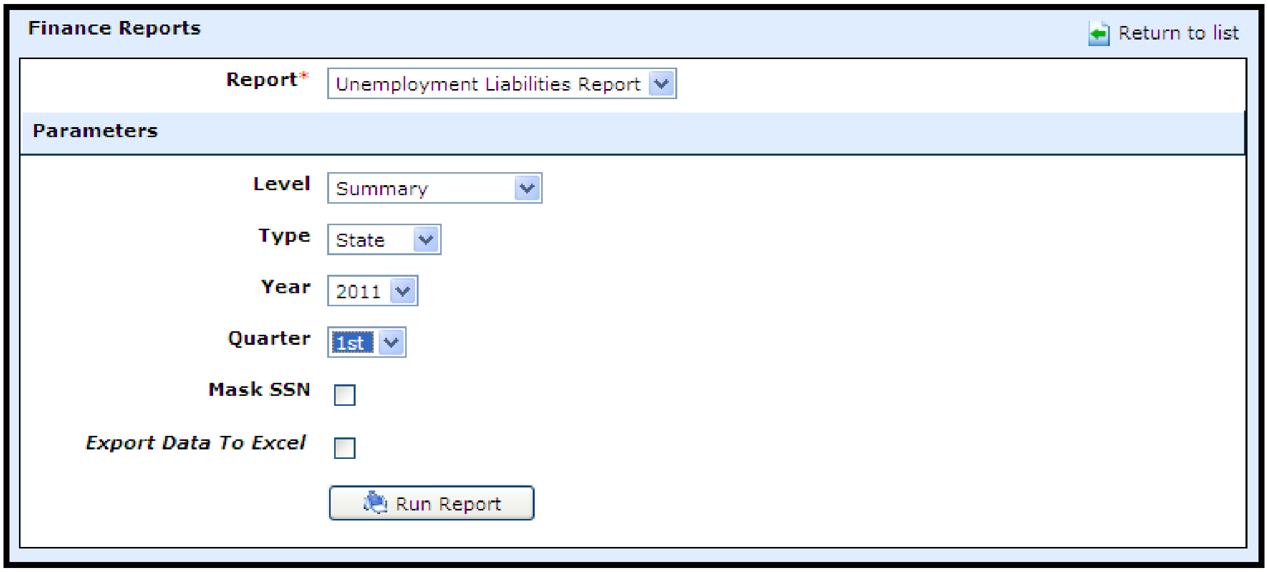
TWC/Unemployment Checklist

Check Quarter: ☐ 1st Qtr ☐ 2nd Qtr ☐ 3rd Qtr ☐ 4th Qtr

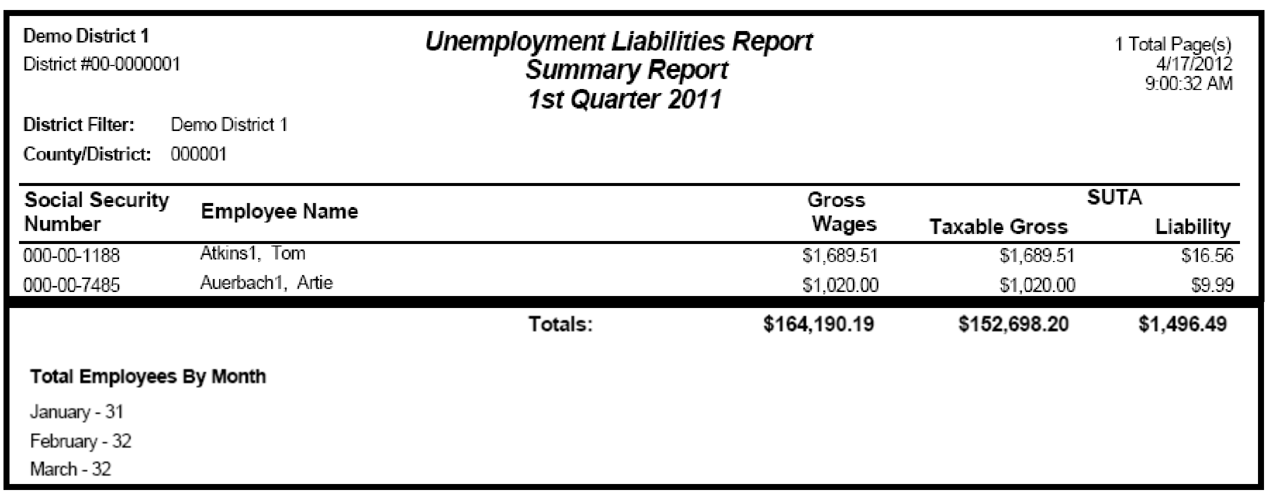
To report state unemployment tax liabilities to the Texas Workforce Commission each quarter, follow these steps in WebSmart.

Finance > Reports > Payroll > Unemployment Liabilities

- Run the Unemployment Liabilities report using the parameters for the appropriate quarter.



The report will be similar to the snapshot below:



Demo District 1
District #00-0000001

Unemployment Liabilities Report
Summary Report
1st Quarter 2011

1 Total Page(s)
4/17/2012
9:00:32 AM

District Filter: Demo District 1
County/District: 000001

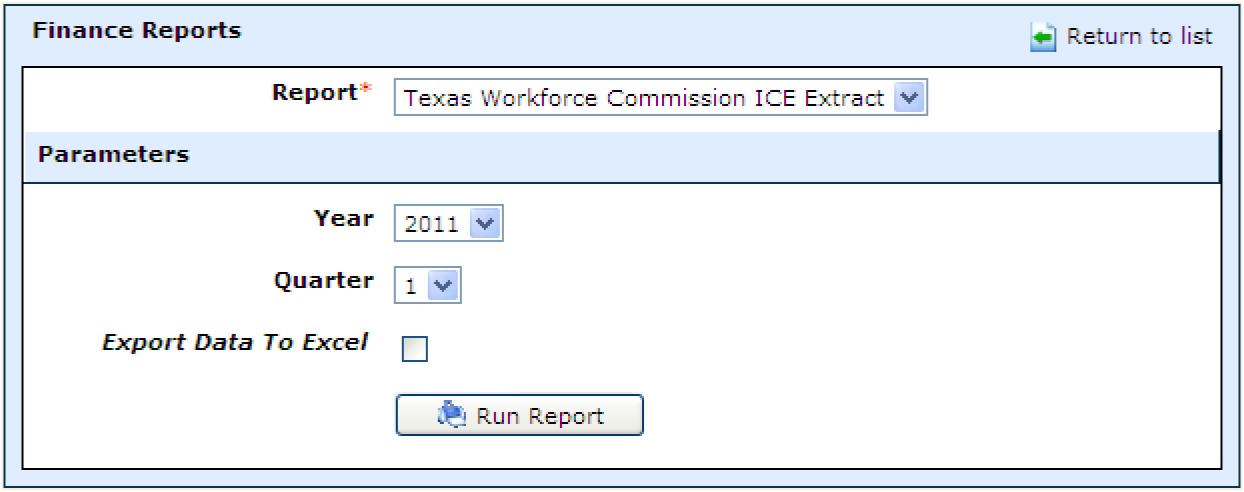
Social Security Number	Employee Name	Gross Wages	Taxable Gross	SUTA Liability
000-00-1188	Atkins1, Tom	$1,689.51	$1,689.51	$16.56
000-00-7485	Auerbach1, Artie	$1,020.00	$1,020.00	$9.99
	Totals:	**$164,190.19**	**$152,698.20**	**$1,496.49**

Total Employees By Month

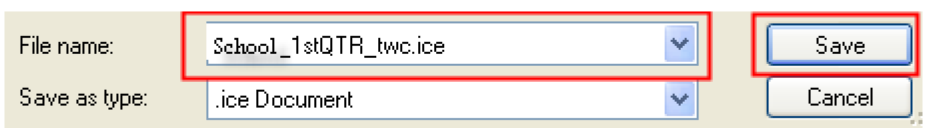
January - 31
February - 32
March - 32

<u>**Finance > Reports > Third Party Finance Extracts**</u>

- Run the Texas Workforce Commission ICE Extracts
- Select the appropriate Year and Quarter
- Select Run Report



- Select **Save**
- Save the text file to Desktop with the following parameters:
  - **File name:** “SchoolName_#QTR_TWC.ice”
    - Example: School_1stQTR_TWC.ice
  - **Save as type:** .ice Document

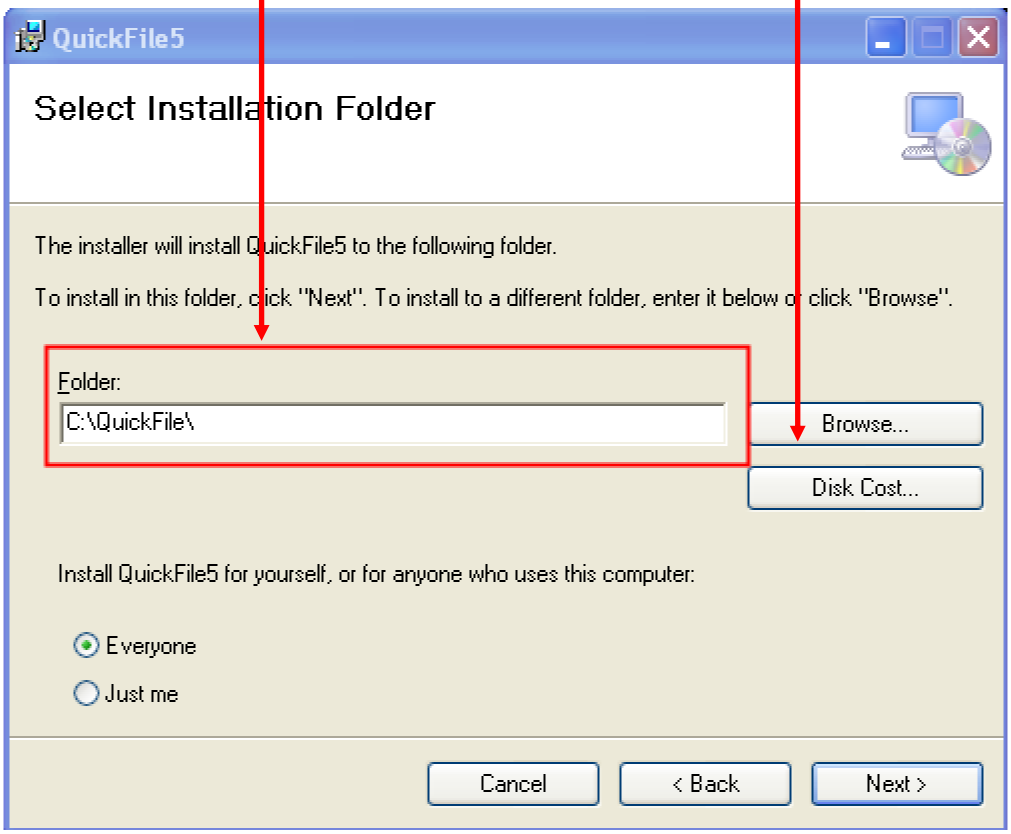


If you are submitting the TWC File through TASB, you can submit this file directly through TASB’s website.

Texas Workforce Commission – QuickFile5 – Initial Setup

If you are submitting the file through Texas Workforce Commission's website, you must use Quick File 5, which is a free software program available to download from the Texas Workforce Commission's website: http://www.twc.state.tx.us/ui/tax/quickfile.html . If you need to download the program, click on Download Quickfile and select Run and follow the QuickFile5 Setup Wizard.

The setup wizard will automatically default to a folder C:\QuickFile\; however, if you'd like for the downloaded files to go to another folder, click on the Browse button and find the location you desire.



NOTE: **Remember this folder location.**

You will need it when uploading the files on the Texas Workforce Commission website.

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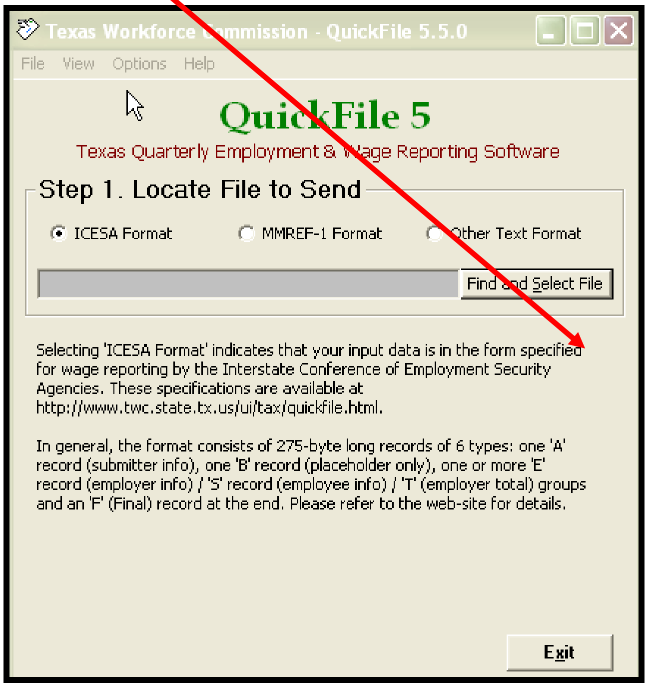
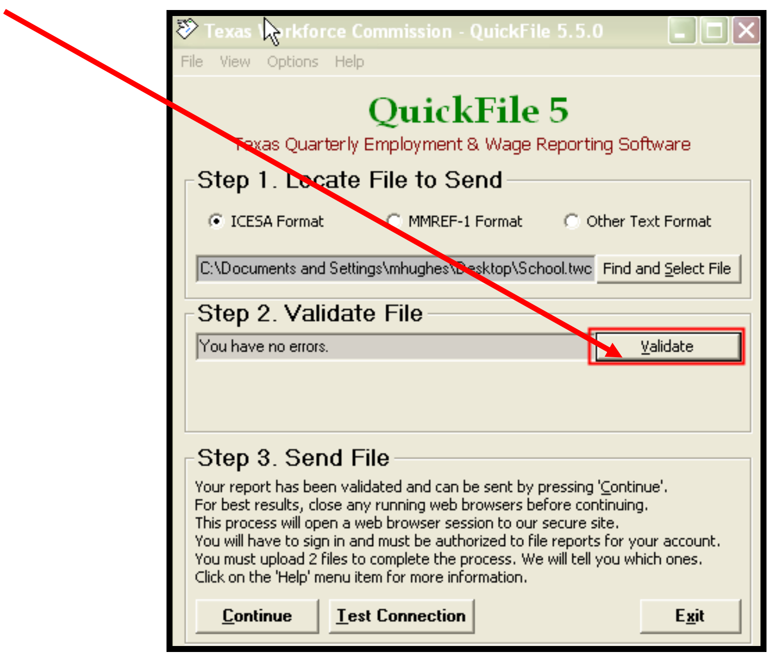
To send the TWC File using QuickFile5:

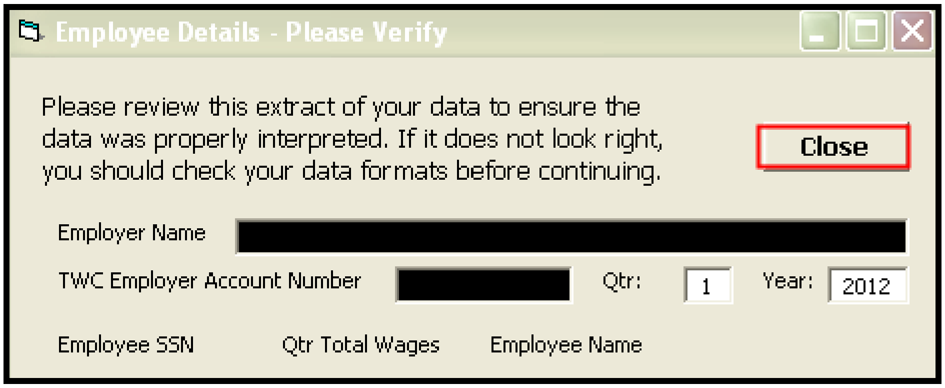
- Open Quick File 5
- Leave default options (see example below)
- Select **Find and Select File**



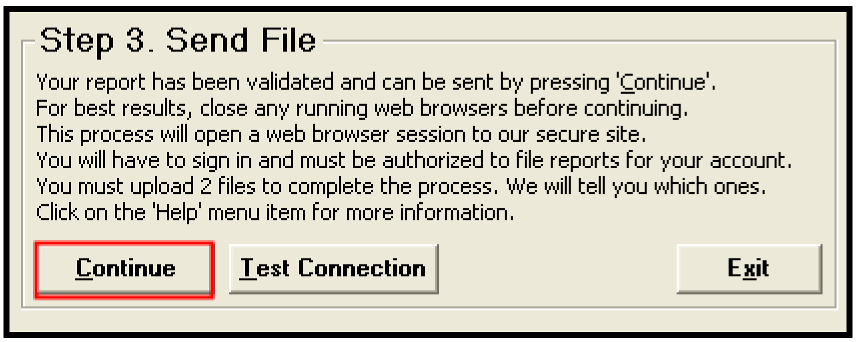
- Select the ".ice" file, which you previously downloaded to your Desktop
- Select **Validate** until you have no errors (see example below)



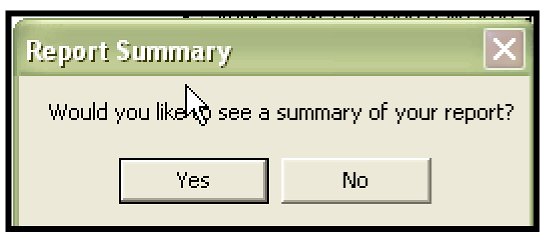
- The following message will appear to verify the data in the file.
- Review the data and select **Close**.



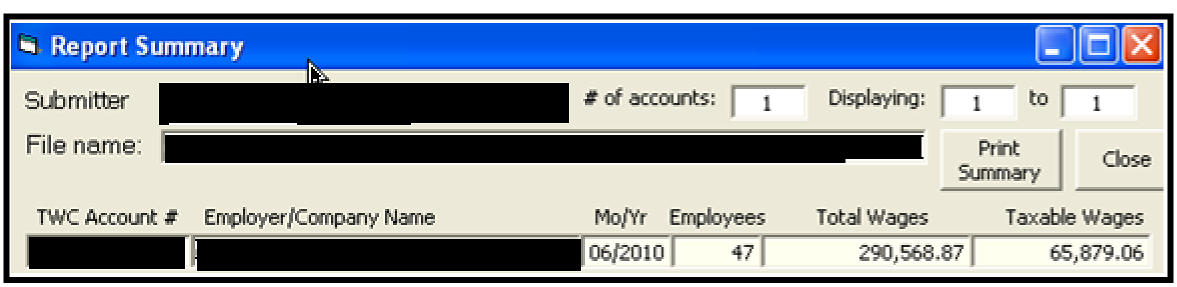
- Select **Continue**



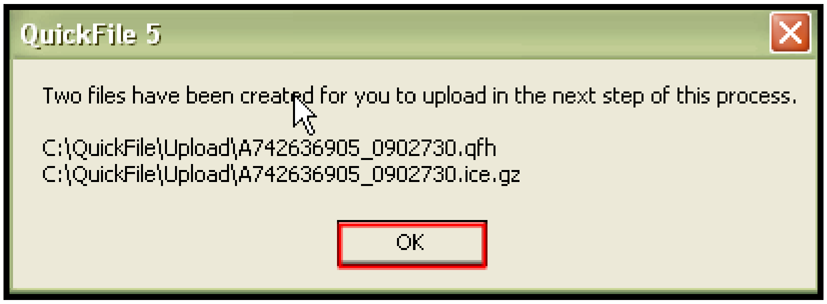
- Select **Yes or No** to see the summary of the report



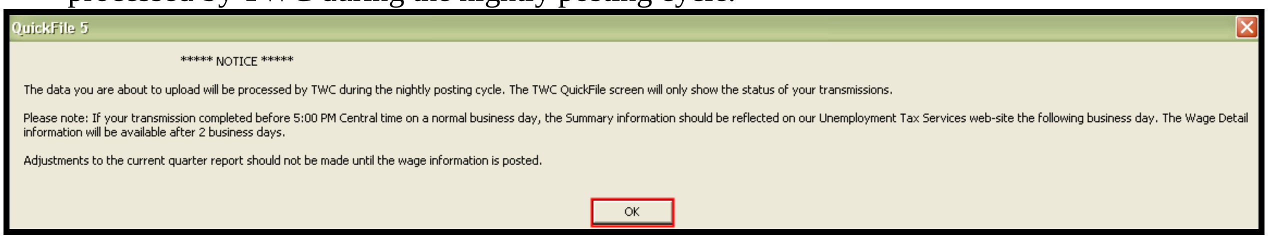
- If you Select **Yes**, the following summary will appear



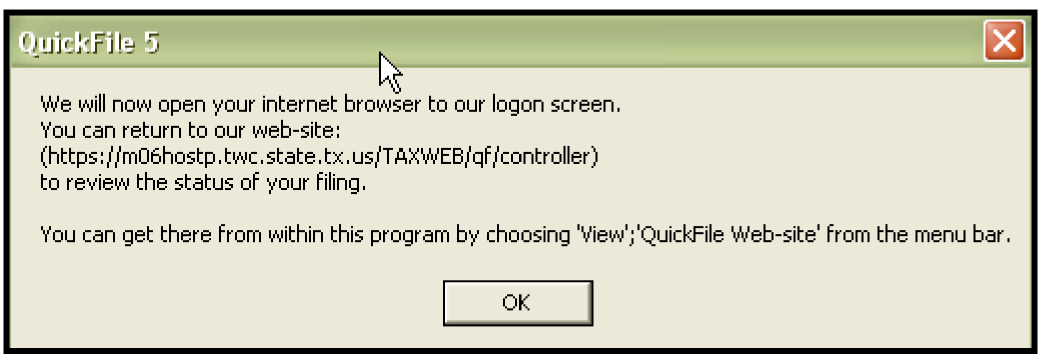
- Select **Print Summary** – the summary figures should correspond to figures found on the Unemployment Liabilities report.
- Select **Close** – The 2 files will generate automatically and you'll receive the following message:
    - If you select **No** – the following prompt will automatically appear.



- Select OK. The following prompt will then appear as a reminder that the TWC file will be processed by TWC during the nightly posting cycle.



- Select **OK**. The following prompt indicates the user will be redirected to the TWC QuickFile login screen.



NOTE: Be aware that the 2 files uploaded from QuickFile5 will automatically default to the specified folder upon the initial QuickFile installation.

Remember this folder location. You will need it when uploading the files on the Texas Workforce Commission website.

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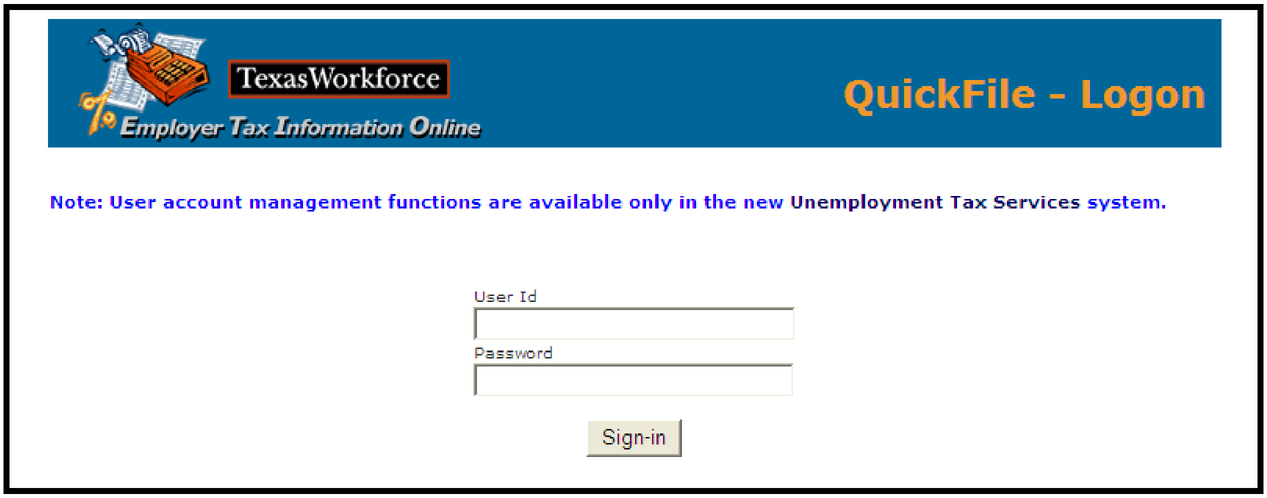
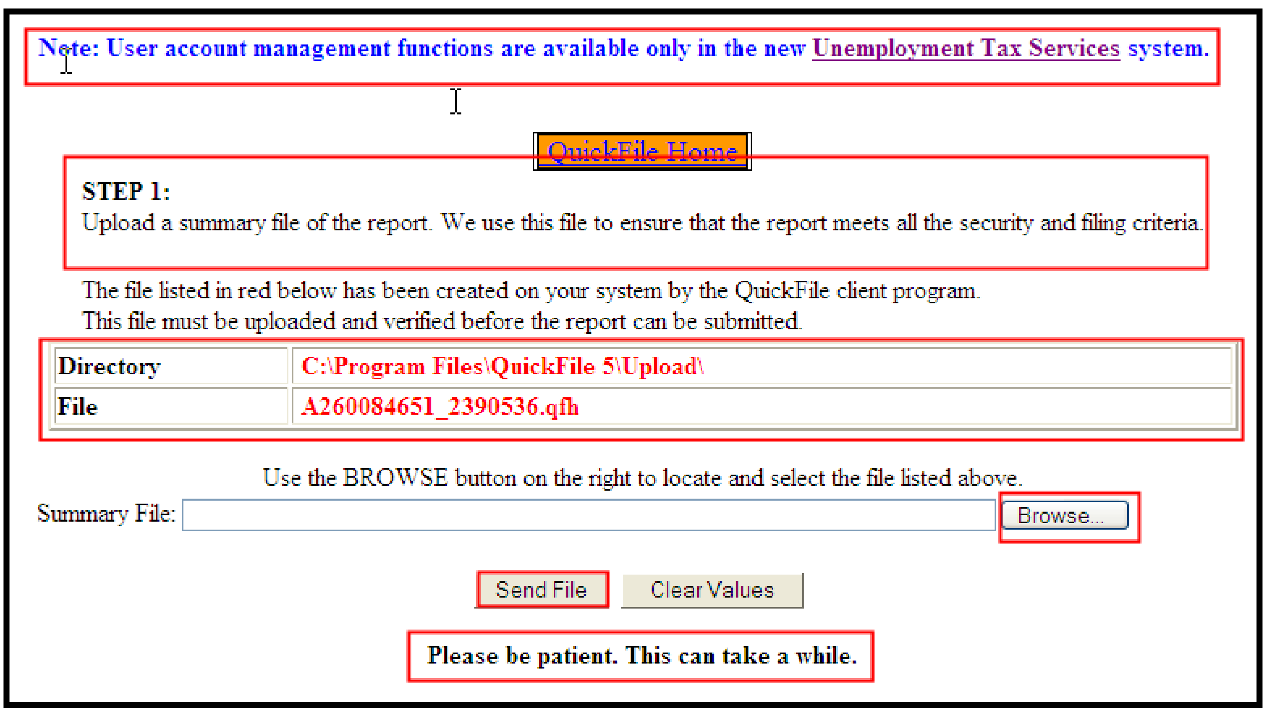
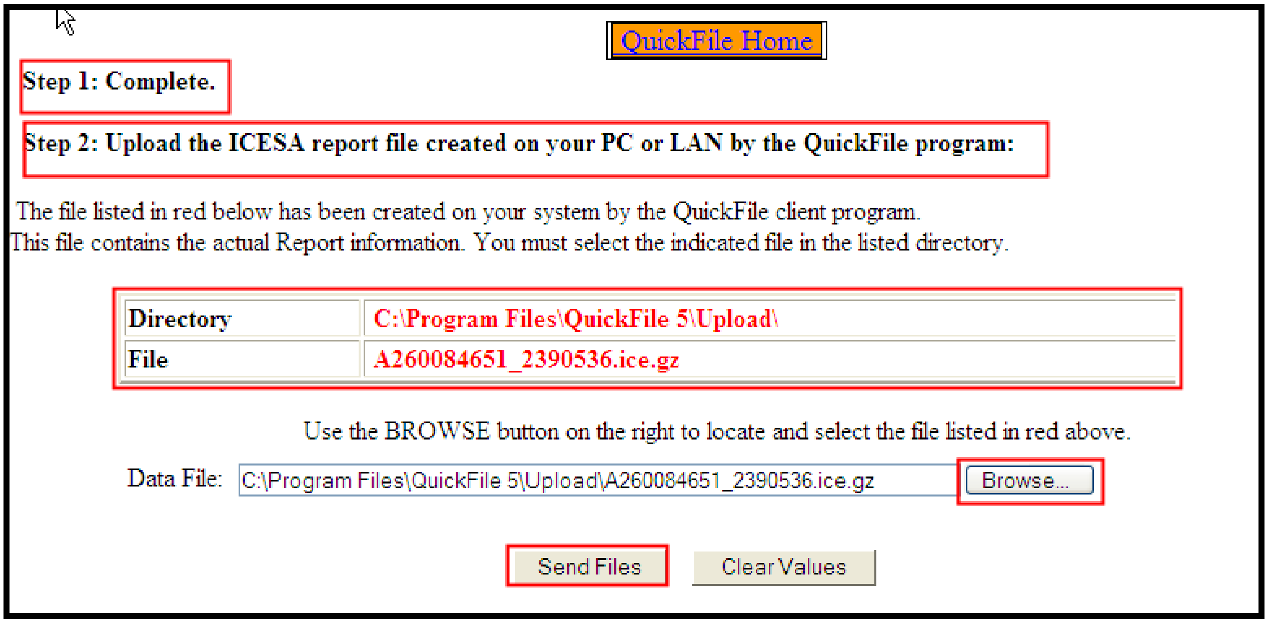
- TWC log in will automatically pop up.
    - Log in with school's username and password
    - Select **Sign-In**



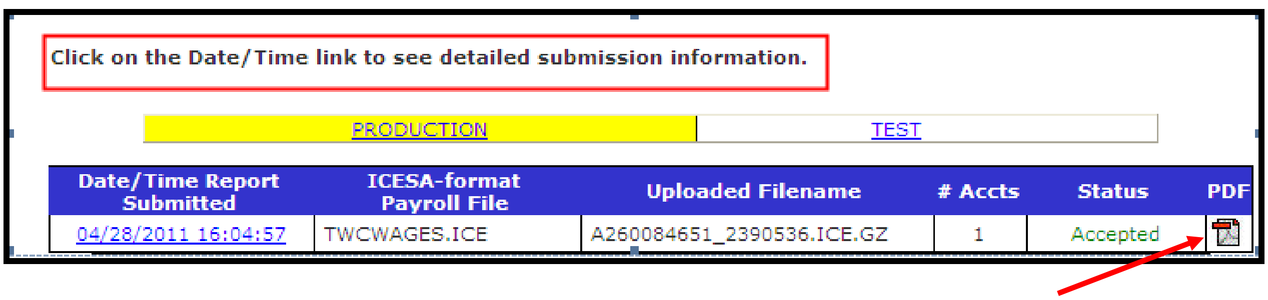
- Upload and send files in order prompted by the QuickFile website as seen below. (When browsing for the .qfh and ice.gz files on your computer, remember the folder location from the steps above.
    - **Step 1** – Select **Browse** to find the file indicated on the screen.
    - Select **Send File**. – this could take a few minutes as indicated in the note below.



- Step 1 will show as Complete and give the user instructions for the following steps.
- **Step 2** – Select Browse to find the file indicated on the screen.
- Select **Send File**. – this could take a few minutes as indicated in the note below.



- The following prompt will be displayed.



- **Review & Print** – Select the PDF document on the right, which opens the verification that TWC has accepted the filed wages. (see example screenshot on the following page.)

QUICKFILE - Texas Workforce Commission

Texas Workforce
Commission Controller
P O BOX 149363
Austin TX 78714-9363

TWC USE :
Postmark date ______________________________

This amount is estimated at this time. When you log on after a 24 hour period, the payment amount (if any) will be posted on the validation remittance.

Employers Acc #	Employer Name	*Tax Due	Remittance Paid
99-999999-99	**ANYWHERE ISD**	$\boxed{32,356.87}$	
		32,356.87	

*Note: The Tax due is calculated by using the tax rate and taxable wages entered. If incorrect information is entered and the tax due is incorrect, TWC will notify the employer of additional tax and interest.

- At this point, the file has successfully been submitted to TWC, and the district must wait at least 24 hours to verify the payment amount.
- Log off TWC's Quickfile website.

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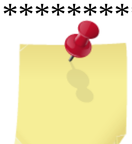

NOTE: The Tax Due amount may not be the amount you actually pay to TWC, which is why it's important to wait the 24 hour period before logging into the TWC Logon website.

The Tax Due amount may vary from the Unemployment Liabilities report generated from WebSmart by a few cents due to rounding. In this case, the submitter would enter a credit memo or bill to balance the difference to post the payment in WebSmart.

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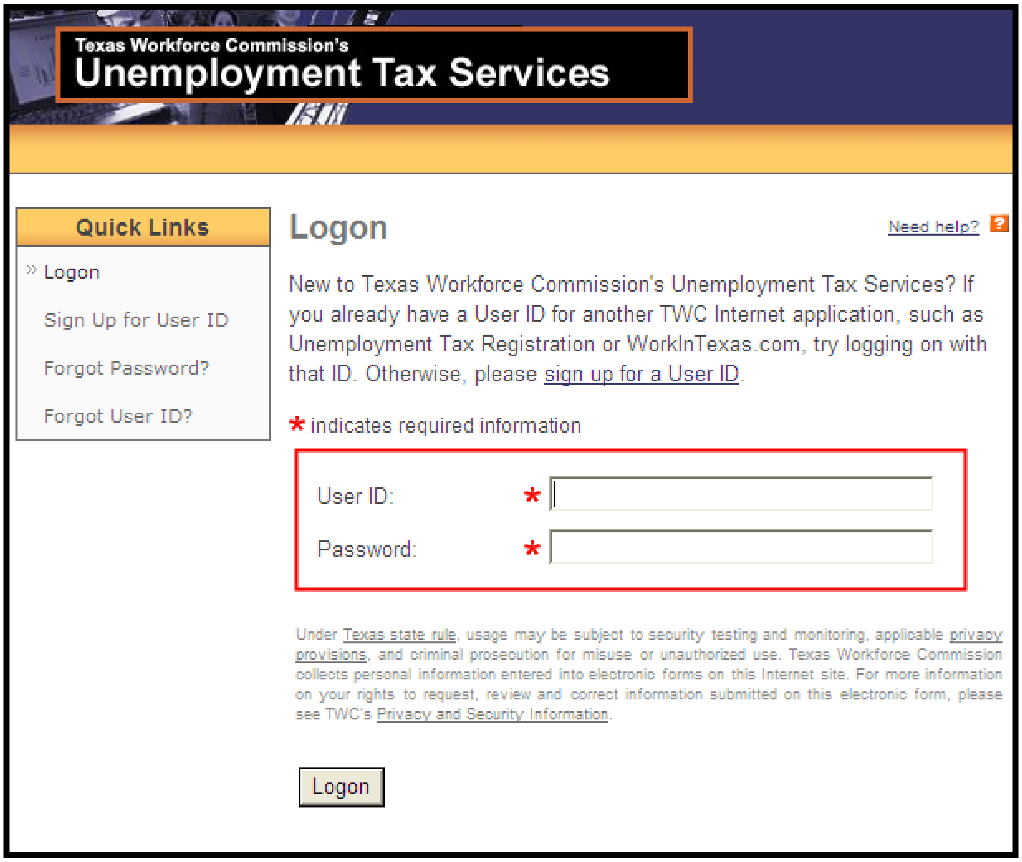
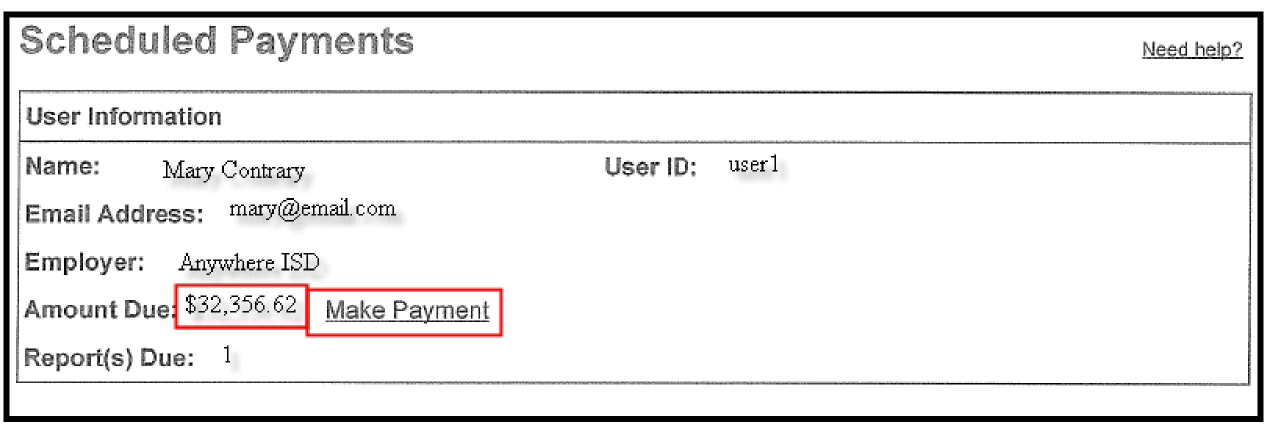
AFTER a 24 HOUR PERIOD – Check the status of the TWC Report

On TWC Logon page:

- Log directly onto the TWC Logon website: https://services.twc.state.tx.us/UITAXSERV/security/logon.do
- Enter the district login information:



- Once logged in, the user will see a page similar to the one below.
    - If the Amount Due is 0.00, you are finished.
    - If there is an Amount Due shown, continue to the next section on Paying Your Unemployment Tax



Paying Your Unemployment Tax – Through QuickFile

Quickfile offers several options for paying your unemployment taxes; however, within districts, the two most common are through the ACH (debit) or a district check. We'll explain both in this section. If you are unsure of your payment option, contact TWC.

ACH Payment

- The free ACH service allows employers to submit quarterly tax payments via ACH instead of having to mail in the remittance copy to TWC to complete their quarterly filing and payement process. The following Payment Process is located on TWC's website at http://www.twc.state.tx.us/ui/tax/qstep_pay.html :

Payment Process

Logon and, from My Home, select the Payments tab. The system leads you through each step of the unemployment tax payment process.

- Select a payment option: Bank Account (Online ACH Debit) or Credit Card (American Express, Discover, MasterCard or Visa).
- Submit the payment (if paying by Online ACH Debit or Credit Card). The confirmation page displays for you to view and print a copy for your records.

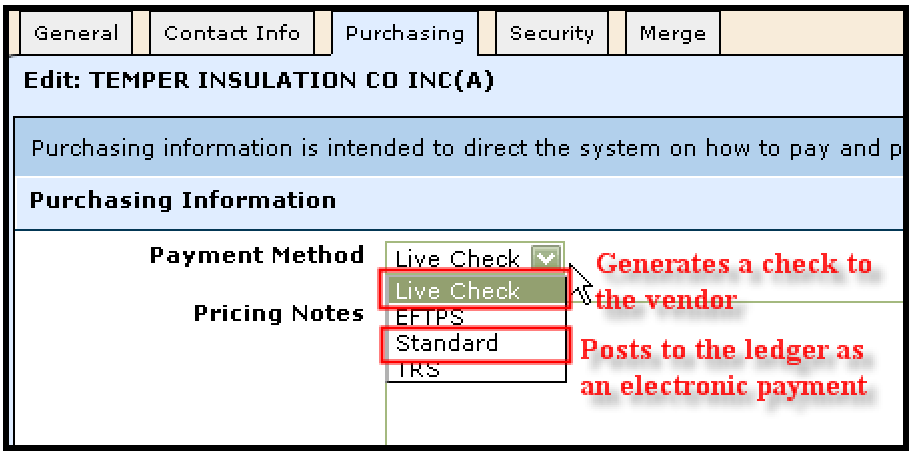
Mailing a Check

- If you are paying by check, select Check (By Mail) as the Payment Option and print the remittance form. Keep a copy of the remittance form (with the entered payment amount) for your records and mail in the original with your payment.

Posting Your Unemployment Tax in WebSmart

If your district pays TWC for unemployment the TWC bills generated in WebSmart through the payroll process may not match the dollar amount actually owed to TWC to the penny, due to rounding. If it doesn't, the user must create a credit memo or bill to adjust the amount owed to reflect the amount paid during the TWC process.

If you are paying electronically, make sure the vendor is set up in the vendor maintenance screen to post as a Standard electronic payment on the Purchasing tab; otherwise, if you are submitting a check, the payment method will indicate **Live Check.**



In this example, the scenario is as follows:

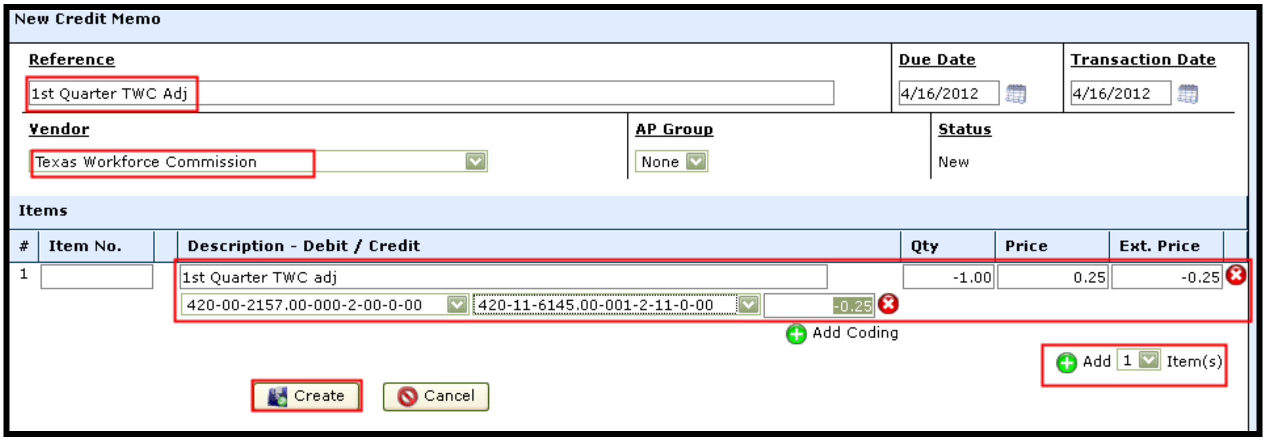
- The Unemployment Liabilities report from WebSmart indicates $32,356.87
- The TWC remittance indicates a total Due of $32,356.62
- The difference in WebSmart is higher by $0.25 than the amount due/paid; therefore a Credit Memo of $0.25 needs to be created in WebSmart to match the TWC remittance.

Creating a Credit Memo to Adjust the Amount Due

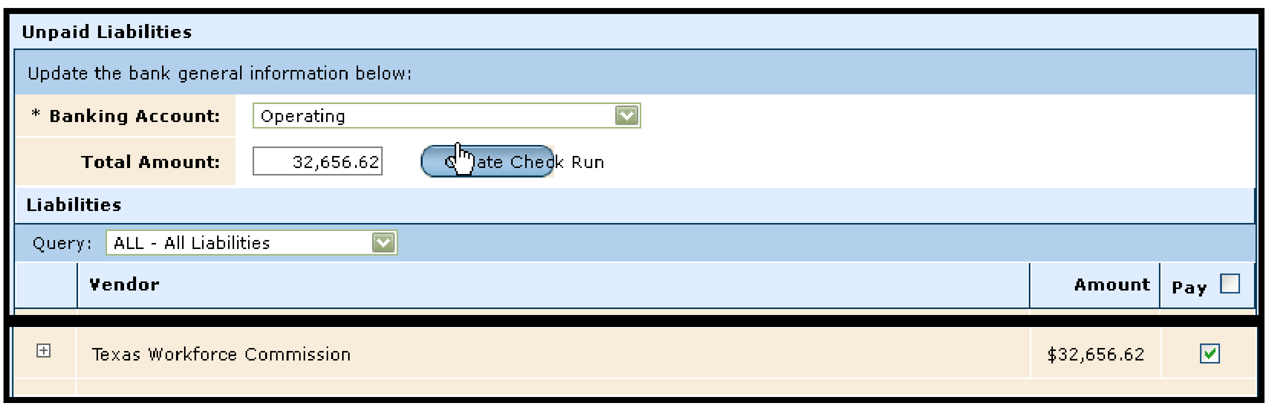
- Go to **Finance** > **Purchasing & AP** > **Payables** > **Credit Memos**
- If the amount paid to TWC is less than the Unemployment Liabilities report, Select **Create Credit Memo** in WebSmart
- Enter a **Reference** number or description
- Enter the **Transaction Date**
- Select the Unemployment **Vendor** (Texas Workforce Commission in this example – see below)
- Select **Add 1 Item(s)**
- Enter **Qty** of negative 1
- Enter **Price** (0.25 in this example)
- Tab to the **Extended Price**
- Tab to the account code fields
- Enter the debit/credit
    - **Debit** the Unemployment liability account (420-00-2157.00-000-2-00-0-00 in this example – see below)

- **Credit** the Unemployment payroll expense account (420-11-6145.00-001-2-11-0-00 in this example – see below)

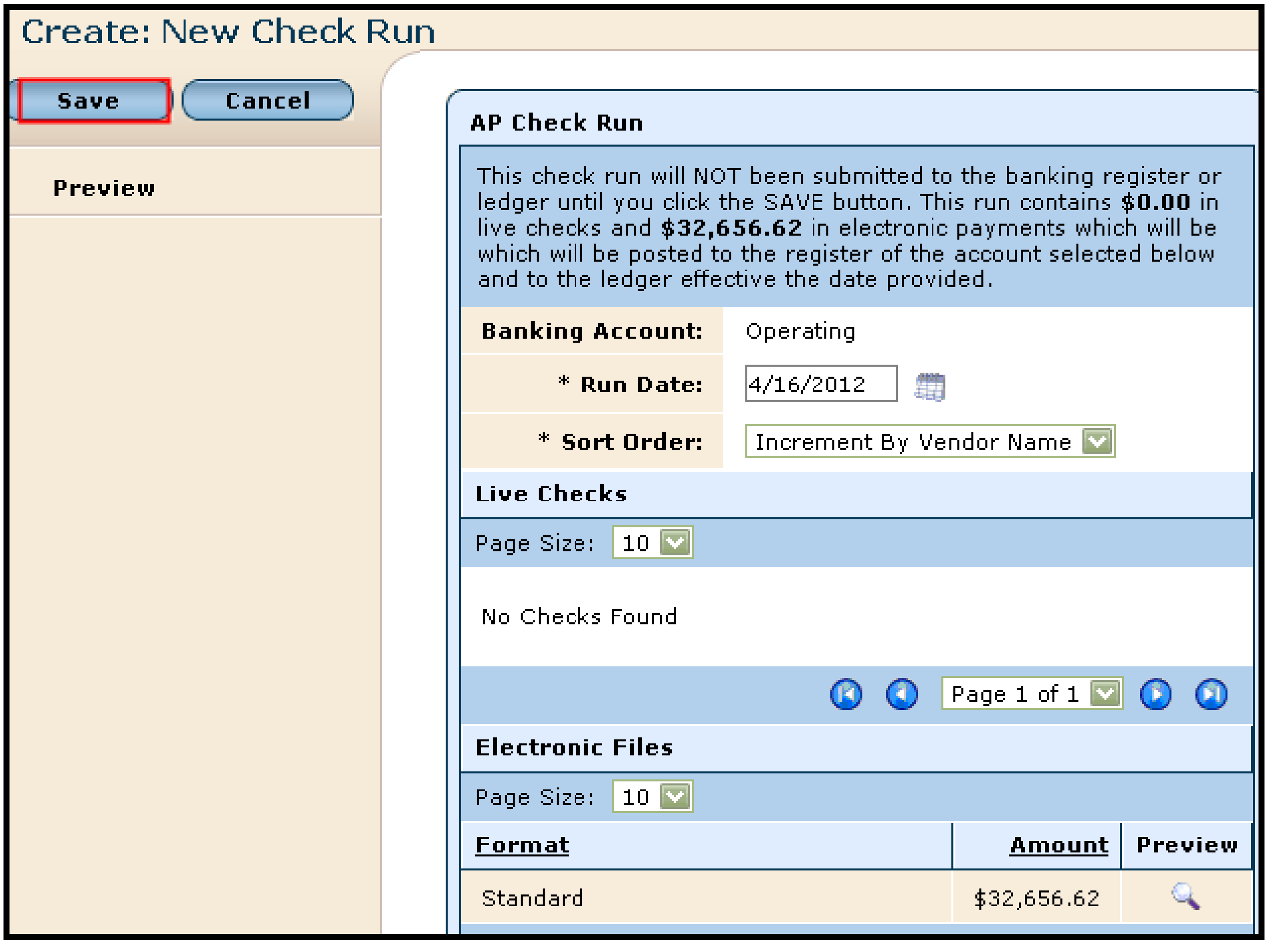
- Select **Create**



- Go to **Finance** > **Purchasing & AP** > **Payments** > **Make Payments**
- Select the bills and the credit memo for the Unemployment vendor so that the total amount posting to the ledger matches to the total amount paid.
- Select **Create Check Run** as indicated below



- Select **Save** to post the transaction to the General Ledger. This process Debits the Unemployment liability account and credits cash.



Creating a Bill to Adjust the Amount Due

Sometimes, the Unemployment Liabilities report could be less than the actual amount due to TWC (or other Unemployment Vendor. In this case, you would create a bill to adjust the Unemployment payment.

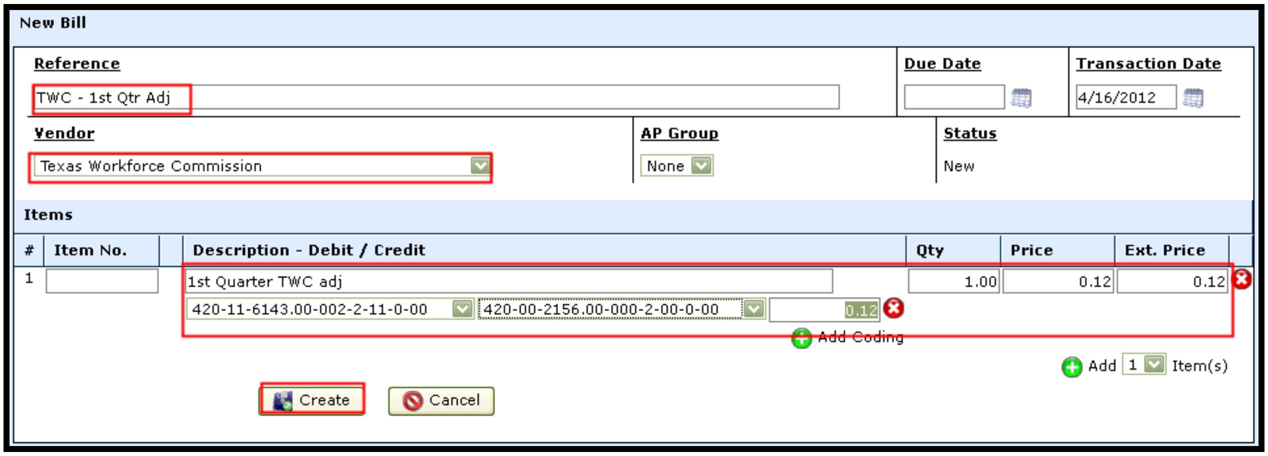
In this example, the scenario is as follows:

- The Unemployment Liabilities report from WebSmart indicates $32,356.50
- The TWC remittance indicates a total Due of $32,356.62
- The difference in WebSmart is less than the amount due/paid by $0.12; therefore a Bill of $0.12 needs to be created in WebSmart to match the TWC remittance.

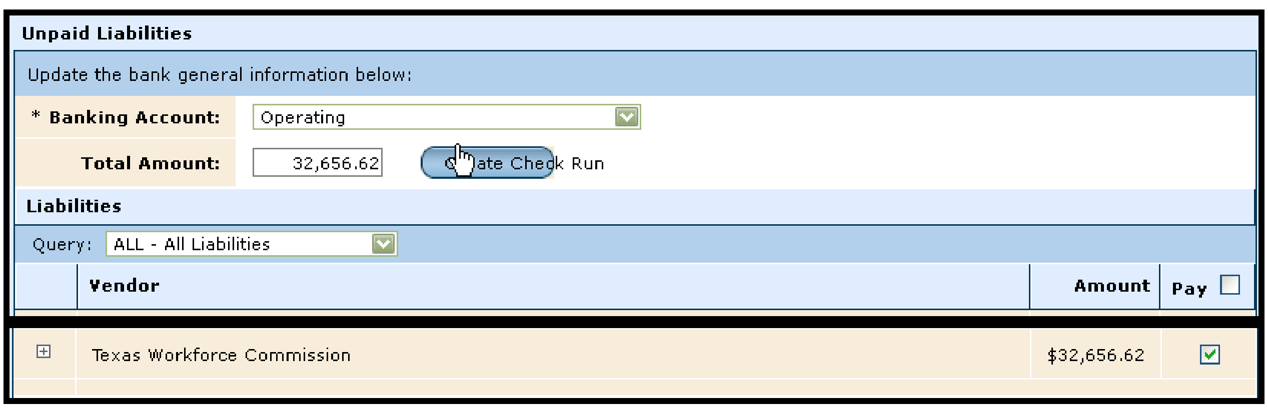
In WebSmart

- Go to **Finance** > **Purchasing & AP** > **Payables** > **Bills**
- If the amount paid to TWC is more than the Unemployment Liabilities report, Select **Create Credit Bill** in WebSmart
- Enter a **Reference** number or description
- Enter the **Transaction Date**
- Select the Unemployment **Vendor** (Texas Workforce Commission in this example – see below)
- Select **Add 1 Item(s)**

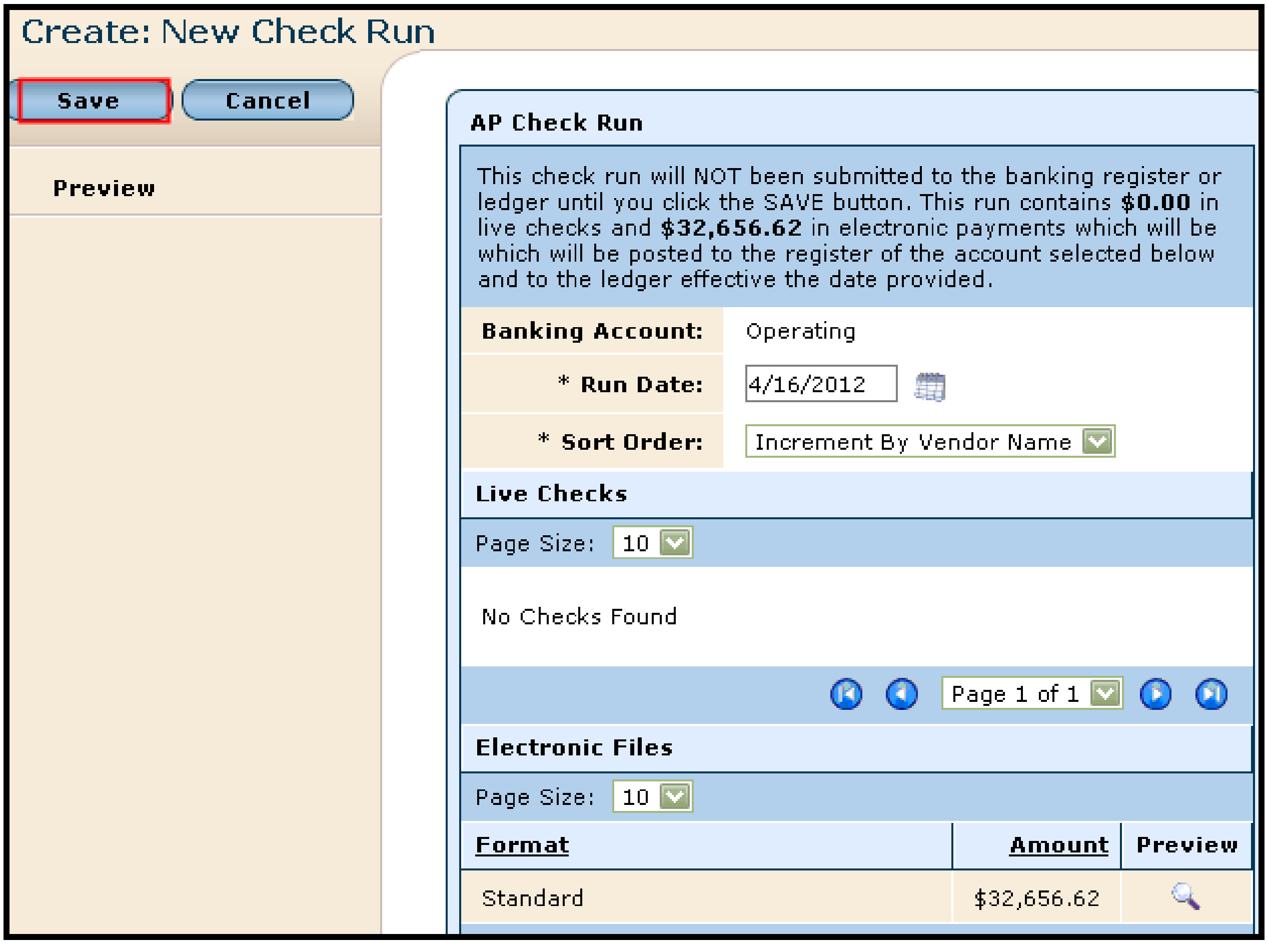
- Enter **Qty** of 1
- Enter **Price** (0.12 in this example)
- Tab to the **Extended Price**
- Tab to the account code fields
- Enter the debit/credit
  - **Debit** the Unemployment payroll expense account (420-11-6143.00-002-2-11-0-00 in this example – see below)
  - **Credit** the Unemployment liability account (420-00-2156.00-000-2-00-0-00 in this example – see below)
- Select **Create**



- Go to **Finance > Purchasing & AP > Payments > Make Payments**
- Select ALL bills for the Unemployment vendor so that the total amount posting to the ledger matches to the total amount paid.
- Select **Create Check Run** as indicated below



- Select **Save** to post the transaction to the General Ledger. This process Debits the Unemployment liability account and credits cash.


Create: New Check Run
Save
Cancel
Preview
AP Check Run
This check run will NOT been submitted to the banking register or ledger until you click the SAVE button. This run contains $0.00 in live checks and $32,656.62 in electronic payments which will be which will be posted to the register of the account selected below and to the ledger effective the date provided.
Banking Account:
Operating
* Run Date:
4/16/2012
* Sort Order:
Increment By Vendor Name
Live Checks
Page Size:
10
No Checks Found
Page 1 of 1
Electronic Files
Page Size:
10
Format
Amount
Preview
Standard
$32,656.62