Setting up employee detail for in-house payroll

Goal: For processing payroll in-house using Ajera, set up options for salaried, hourly, or overtime pay. Enter, for each employee, payroll items such as any pay types, deductions, taxes, direct deposit, and fringe benefits.

Important! Before proceeding with this lesson, be sure to see the *Setting up employees* quick lesson. It describes how to set up general information, addresses, time and expense options for employees, and generic payroll information.

Before entering employee detail for payroll, be sure that your firm's payroll is set up in Company > Preferences. See the *Setting up company preferences* quick lesson.

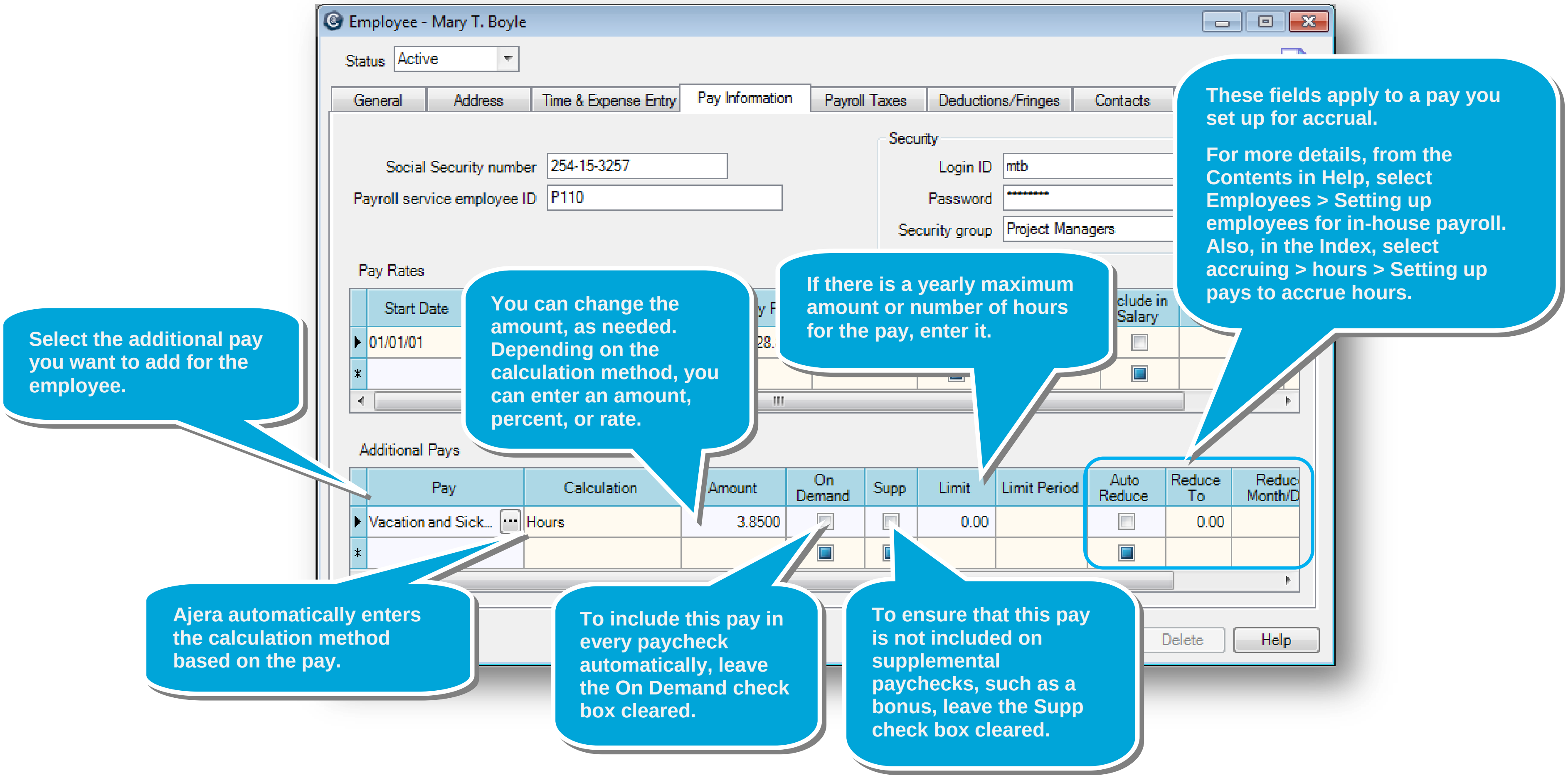
In this quick lesson

Step 1: Add any additional types of pay

In Ajera, types of pay are called *pays*.

When you set up in-house payroll, you define the pays your firm needs. In this lesson, you will add any additional pays for the employee, such as vacation accrual or automobile allowance.

Begin by first following the quick lesson, *Setting up employees.* Now, continue working on the Setup > Employees > Pay Information tab as follows.



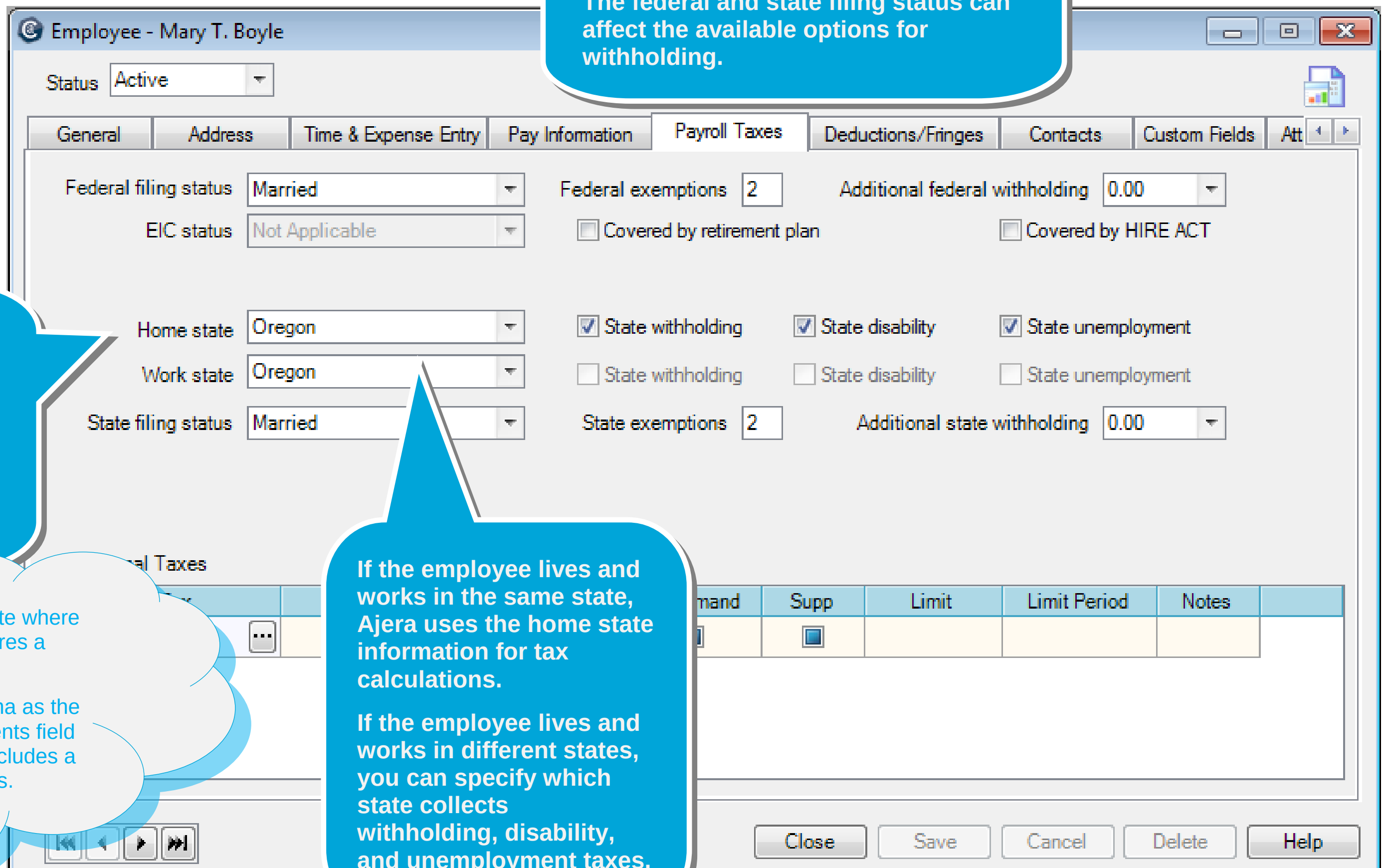
Step 2: Set up payroll taxes

Note: If you set up Ajera to process state withholding for multiple states (Company > Preferences > Payroll tab), be sure to follow the specific directions in Help, and skip this step. From the Contents in Help, select Payroll > Processing payroll in-house > State withholding for multiple states.

1. Click the **Payroll Taxes** tab.
2. Enter information provided by the employee on the W-4 and state withholding forms.

Select the employee's federal and state filing status, and enter the number of exemptions.

The federal and state filing status can affect the available options for withholding.



The state you entered in the Company > Preferences > Payroll tab > Home State field automatically appears here.

You can change it for this employee, if needed.

Ajera adds additional fields if the state where the employee pays income tax requires a special code.

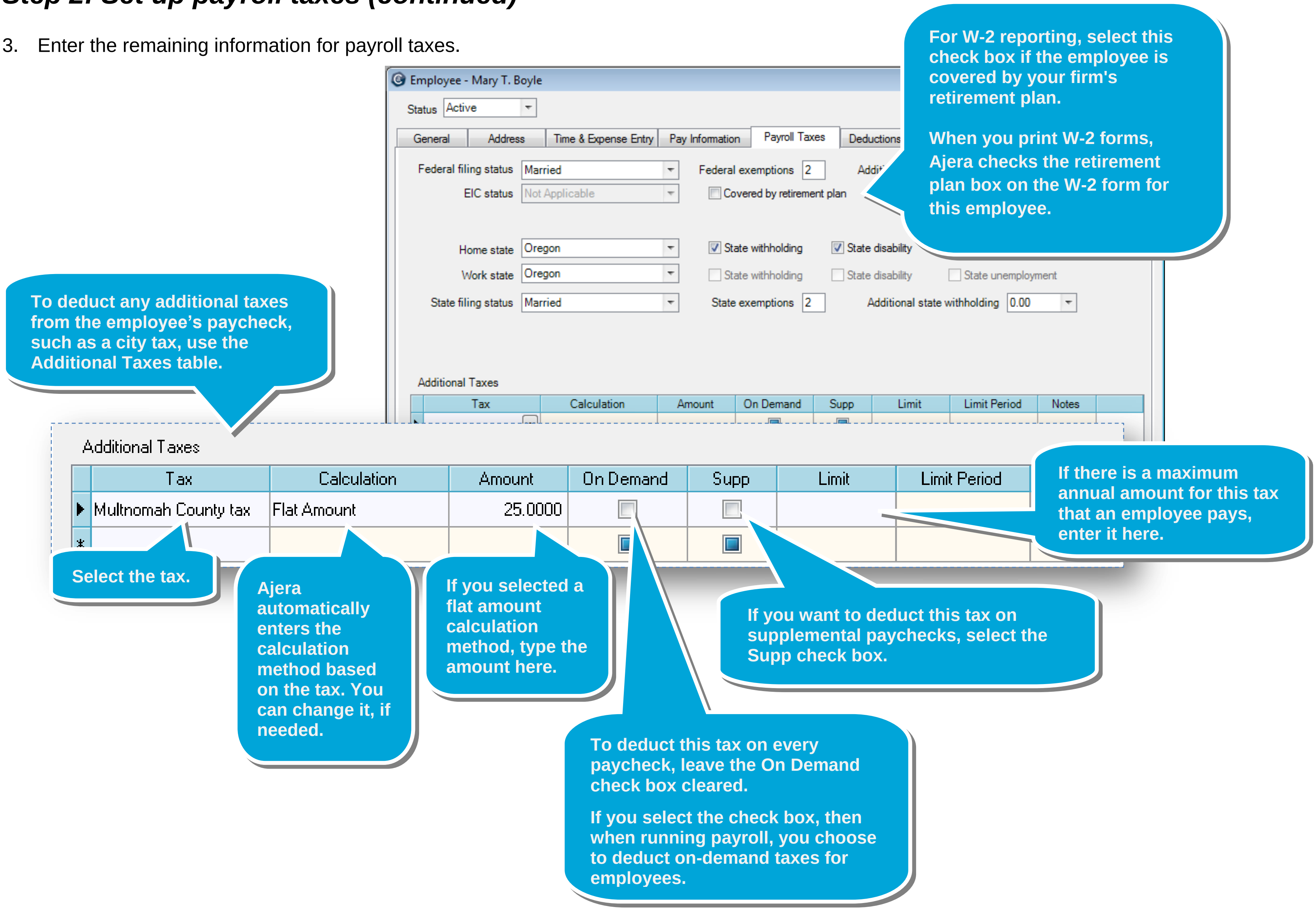
For example, when you select Indiana as the home state, the Number of Dependents field appears because that state's W-4 includes a line to specify dependent exemptions.

If the employee lives and works in the same state, Ajera uses the home state information for tax calculations.

If the employee lives and works in different states, you can specify which state collects withholding, disability, and unemployment taxes.

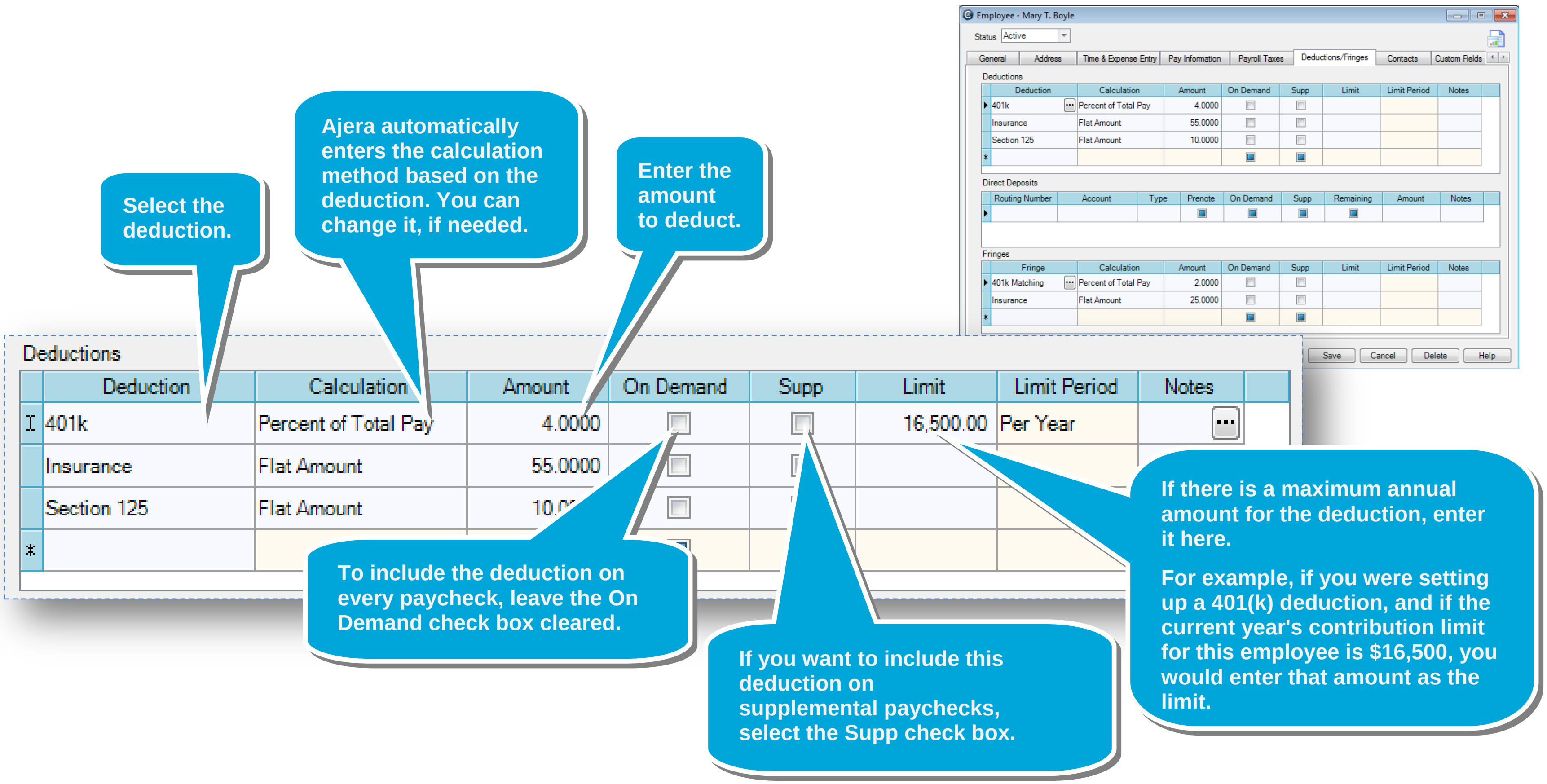
Step 2: Set up payroll taxes (continued)

3. Enter the remaining information for payroll taxes.



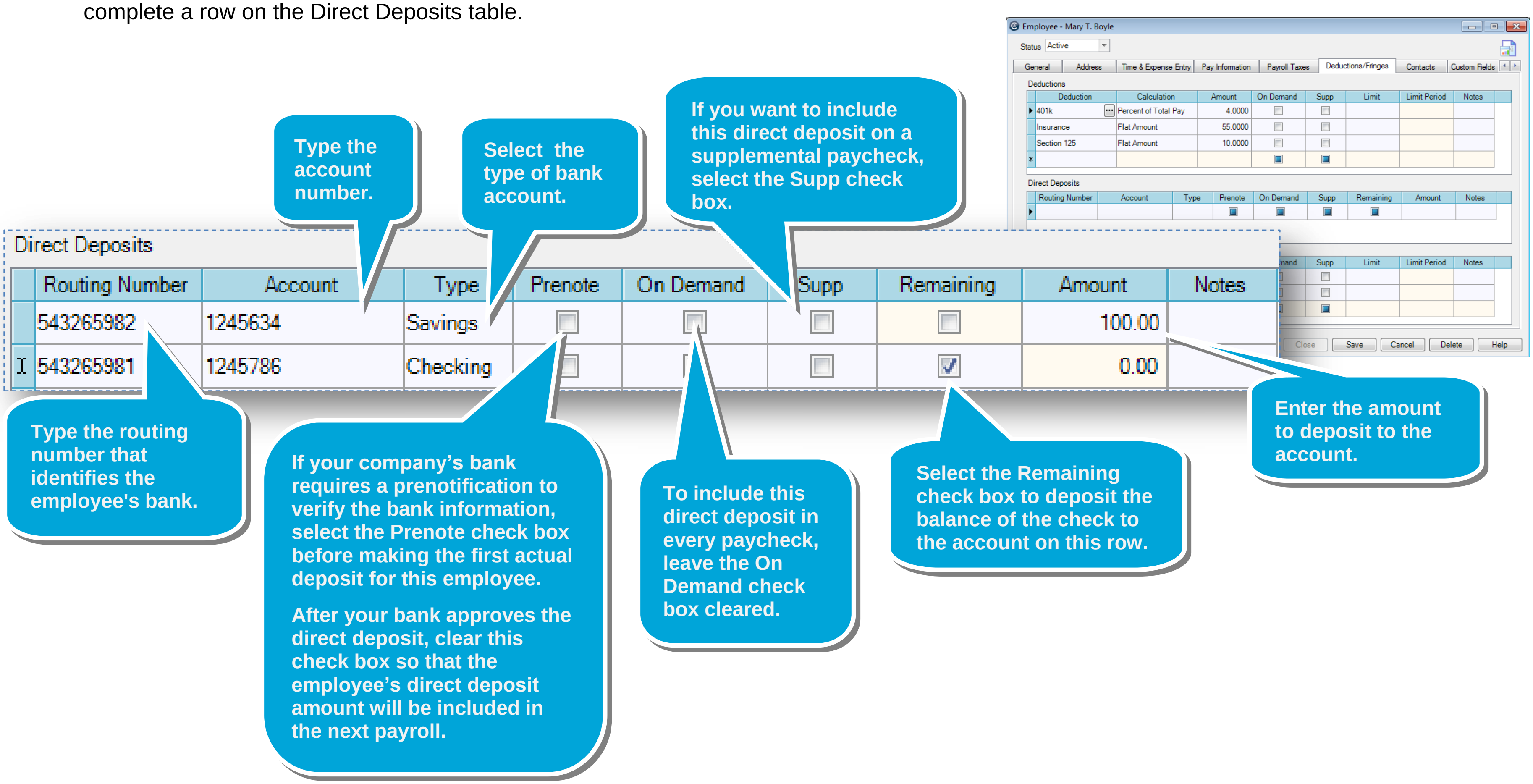
Step 3: Set up deductions, direct deposit, and fringes

1. Click the **Deductions/Fringes** tab.
2. For each deduction you want to enter for the employee, complete a row on the Deductions table.



Step 3: Set up deductions, direct deposit, and fringes (continued)

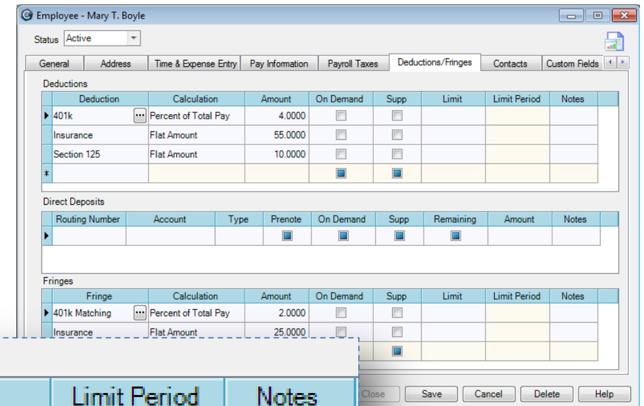
3. For each direct deposit you want to enter for the employee, complete a row on the Direct Deposits table.

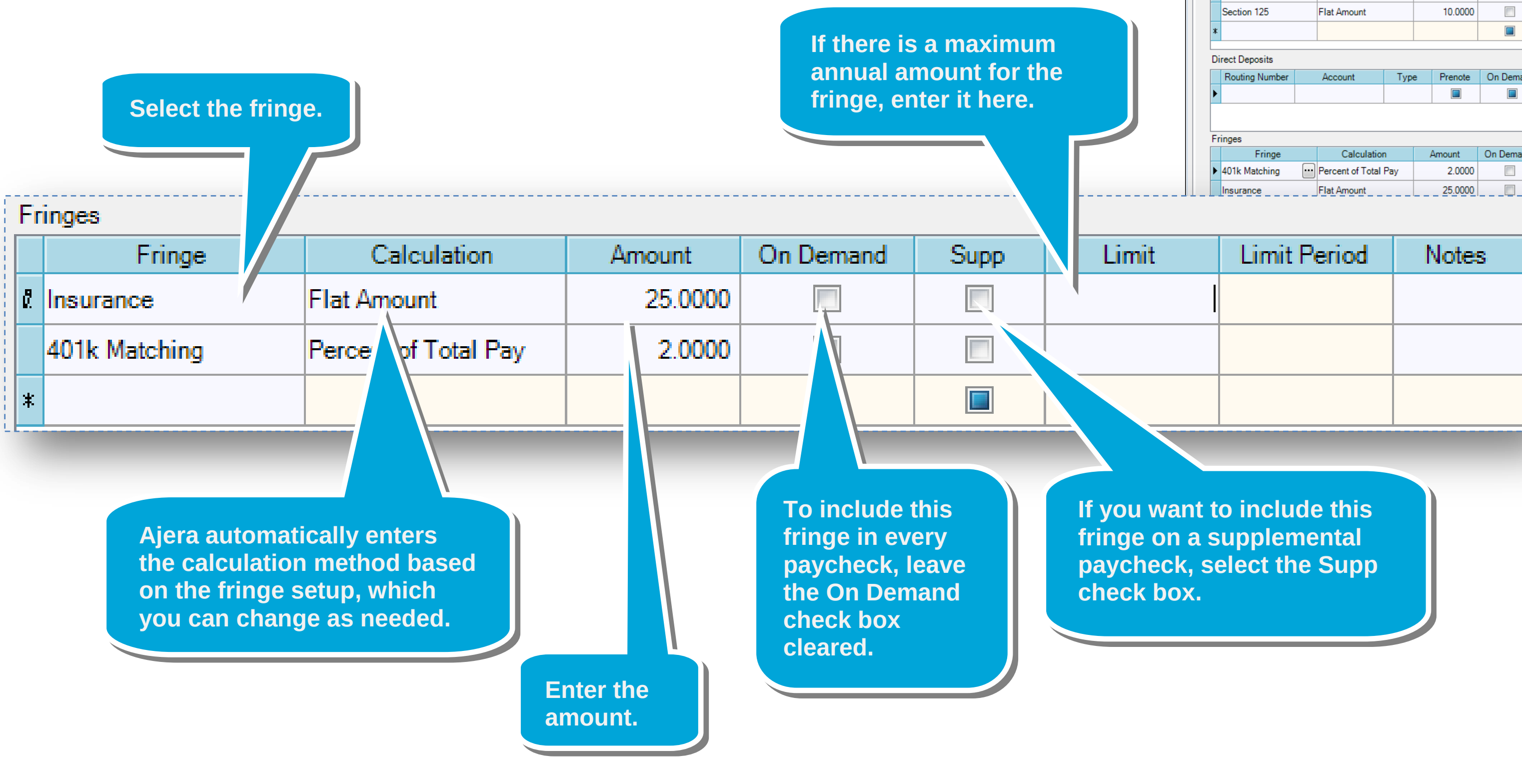


Step 3: Set up deductions, direct deposit, and fringes (continued)

4. In Ajera, fringe benefits, such as medical insurance or matching 401(k) contributions, are called *fringes*.

   For each fringe you want to enter for the employee, complete a row on the Fringes table.





Summary
In this lesson, you learned how to set up the employee for processing payroll in-house using Ajera.