A GUIDE TO QUICKBOOKS ONLINE (QBO)

MANUAL PAYROLL ENTRY

Doing it right, every time.

Key Points to Cover

WHAT THIS PRESENTATION INCLUDES

- Where to find Federal & State Tax Tables
- Review of Federal Withholding (As of 2021)
- Breakdown of Employee & Company responsibilities
- Steps to complete manual entry of a payroll check in QBO

FEDERAL TAX WITHHOLDING

The tax tables for federal withholding are found at **https://irs.gov**.

STATE TAX WITHHOLDING

Each state maintains its own tax tables, which can be found on their respective **Department of Revenue** websites.

Steps for entering
MANUAL PAYROLL CHECKS

STEP 1

First, ensure all employees are properly entered into QBO. To do this, go to **Payroll** > **Employees.** Also, make **sure** that **you DO NOT** Turn Payroll On.

Step 1

GO TO
PAYROLL > **EMPLOYEES**

From this screen, you can easily access and add employees to your company file. Employees should be entered as an **employee** rather than a vendor to assist in keeping your records separate and organized. From the Payroll menu item, you can also access all 1099 vendors to easily review their records or create 1099s at the end of the year.

Need to pay employees?

You can easily pay employees from within QuickBooks. Before entering any employee information, save time by enabling QuickBooks Payroll. QuickBooks Payroll will then allow you to set up and pay employees in just a few simple steps.

Not right now

Turn payroll on

The first time you attempt to add an employee, QBO will ask if you would like to turn payroll on. You must select "**Not Right Now**," as you are not using the payroll feature found in QBO; you are simply adding an employee. If you select Turn payroll on, you will be charged for the payroll service!
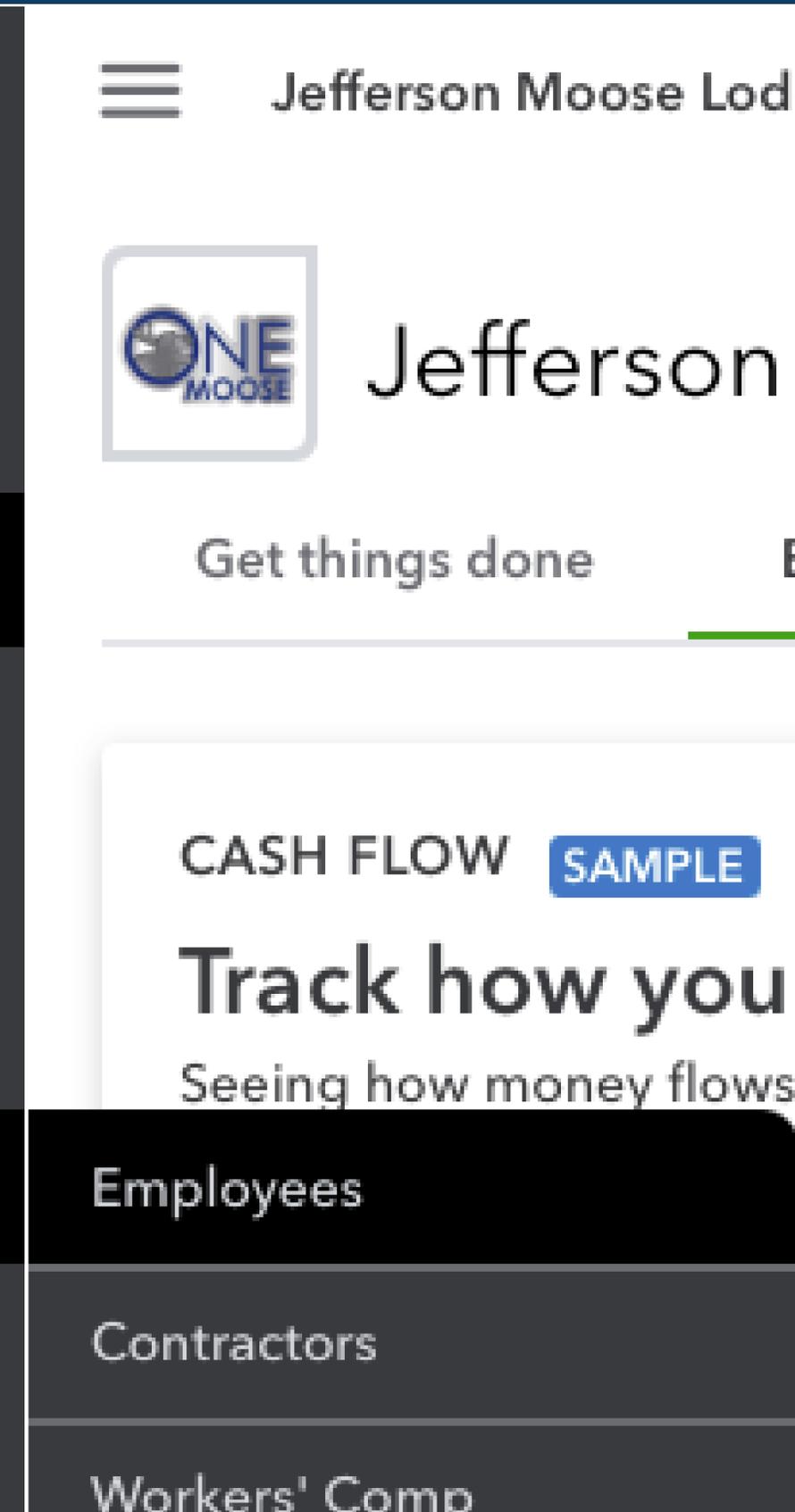
Steps for entering
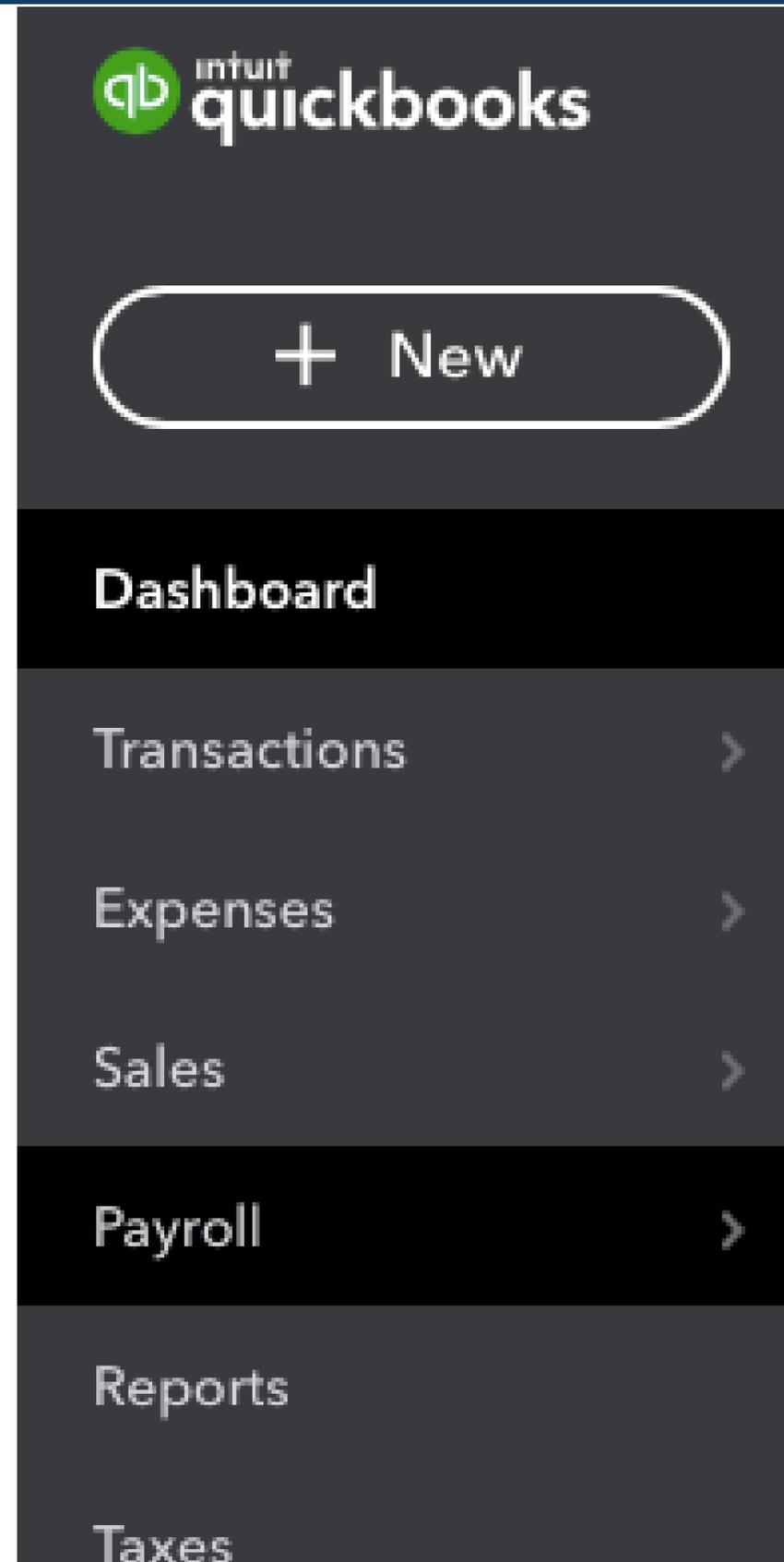## MANUAL PAYROLL CHECKS

STEP 1

First, ensure all employees are properly entered into QBO. To do this, go to **Payroll** > **Employees.** Also, make **sure that you DO NOT** Turn Payroll On.

STEP 2

Add all employee information, including SS#, address, and pay rate.

Step 2

ADD EMPLOYEES

Ensure all information for employees is added, including their:
- First & Last Name
- Address
- Phone Numbers
- Pay Rate
- Social Security #
- Hire Date
- Date of Birth

Employee Information

Title   *First name   *Last name

[   ]   [John   ]   [Doe   ]

*Display name as

[John Doe   ▼]

Print on check as ☑ Use display name

[John Doe   ]

Address map

[555 East RK Way   ]

[Princeton   ]   [WV   ]

[24740   ]   [Country   ]

Notes

[   ]

Cancel

Email

[john.doe@gmail.com   ]

Phone   Mobile

[   ]   [(304)

Billing rate (/hr)

[10.00]   ☐ Billable by defau

Social Security No.

[123-12-1234   ]

Employee ID   Gender

[15   ]   [Male   ▼]

Hire date   Released

[05/01/2019   📅]   [📅]

Date of birth

[05/29/1998| 📅]

Privacy

Steps for entering
MANUAL PAYROLL CHECKS

STEP 1

First, ensure all employees are properly entered into QBO. To do this, go to **Payroll** > **Employees.** Also, make **sure that you DO NOT** Turn Payroll On.

STEP 2

Add all employee information, including SS#, address, and pay rate.

STEP 3

Pay the Employee by going to **+ New** > **Check.**

Step 3

GO TO + NEW > CHECK

Now that all employees are entered, we can create checks for them. To do this, go to **+ New** > **Check** to create a new payroll check.

qb intuit
quickbooks

Jefferson Moose Lo

+ New

Employees   Contracto

CUSTOMERS

Invoice

Receive payment

Estimate

Credit memo

Sales receipt

Refund receipt

Delayed credit

Delayed charge

VENDORS

Expense

Check

Bill

Pay bills

Purchase order

Vendor credit

Credit card credit

Print checks

Steps for entering
MANUAL PAYROLL CHECKS

STEP 1

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STEP 2

Add all employee information, including SS#, address, and pay rate.

STEP 3

Pay the Employee by going to **+ New** > **Check.**

STEP 4

Choose the **employee**, **payment account**, **payment date,** and assign the **categories** associated with the payroll check.

Step 4

INPUT PAYROLL INFORMATION

Next, enter the information into the check to pay the employee, including the following:

1. Choose the Employees name from the Payee dropdown.
2. Choose the bank account where the check will be written from.
3. Choose the date on which the employee was paid.
4. Enter the check number used to write the check. (Print Later if you print your checks).
5. Assign the categories outlined on the next page.

1

🕐 **Check #To print**

Payee

Choose a payee	⊙∨ ▼
Buckner	Vendor
Moose International	Vendor
State Dept of Revenue	Vendor
Water Company	Vendor
Bingo	Customer
Dues	Customer
John Roberts	Customer
SQ	Customer
John Doe	Employee

2

Bank Account

1000.00 Cash	▼	Balance $83,553.37
1000.00 Cash		
1005.00 General Checking	Sub-account of Cash
1006.00 Bingo Checking	Sub-account of Cash
1007.00 Gaming Checking	Sub-account of Cash
1008.00 Other Checking 1	Sub-account of Cash
1009.00 Other Checking 2	Sub-account of Cash
1010.00 Savings	Sub-account of Cash
1020.00 CDs	Sub-account of Cash
1025.00 Petty Cash	Sub-account of Cash

3

Payment date

01/22/2021

‹		January				›
S	M	T	W	T	F	S
27	28	29	30	31	1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31	1	2	3	4	5	6

2020　**2021**　2022

4

Check no.

337

☑ Print later

5

#	CATEGORY	DESCRIPTI
➕ 1	5130.00 SQ Payroll & Benefit:SQ Salary Expense ▼	
⠿ 2	5130.00 SQ Salary Expense　　Sub-account of SQ Payr...	

#	CATEGORY	DESCRIPTION
1	5130.00 SQ Payroll & Benefit:SQ Salary Expense	Gross Payroll (Positive) - Hours * Pay rate (or Salary) Post to: 5105/5110/5130/5160
2	2210.00 Payroll and Benefit:Payroll Tax Liabilities	Social Security Employee (Negative) - 6.2% (As of 1/2021) Post to: 2210.00
3	2210.00 Payroll and Benefit:Payroll Tax Liabilities	Medicare Employee (Negative) - 1.45% (As of 1/2021) Post to: 2210.00
4	2210.00 Payroll and Benefit:Payroll Tax Liabilities	Federal Withholding Company (Negative) - Tax table found at https://www.irs.gov Post to: 2210.00
5	2210.00 Payroll and Benefit:Payroll Tax Liabilities	State Withholding Employee (Negative) - Found on State DOR website Post to: 2210.00
6	5135.00 SQ Payroll & Benefit:SQ Payroll Tax Expense	Social Security Company (Positive) - 6.2% (As of 1/2021) Post to: 5115/5135/5165
7	5135.00 SQ Payroll & Benefit:SQ Payroll Tax Expense	Medicare Company (Positive) - 1.45% (As of 1/2021) Post to: 5115/5135/5165
8	5135.00 SQ Payroll & Benefit:SQ Payroll Tax Expense	State Unemployment (Positive) - Percentage assigned yearly by state Post to: 5115/5135/5165
9	5135.00 SQ Payroll & Benefit:SQ Payroll Tax Expense	Federal Unemployment (Positive) - 0.6% of first $7,000 paid each year Post to: 5115/5135/5165
10	2210.00 Payroll and Benefit:Payroll Tax Liabilities	Transaction to record Company Liability (Negative) Post to: 2210.00

Enter the payroll information found above. It is recommended that you enter the descriptions shown above as a reminder. The description includes the percentages for federal, the categories to be posted to, whether the amount is a negative or a positive number, and a description of each charge.

You must select the proper categories, depending on whom you are paying.

Gross Pay - Before Tax

5105.00 - ADMIN

Select this account if paying the Administrator.

5110.00 OFFICE STAFF

Select this account if paying the Office Assistant.

5130.00 SQ STAFF

This account would be used for any SQ Staff such as Stewards or SQ Manager.

5160.00 KITCHEN STAFF

This account would be used for any cooks or kitchen staff.

You must select the proper categories, for each item below, depending on whom you are paying.

Social Security - Company, Medicare - Company, State Unemployment, and Federal Unemployment

5115.00 - ADMIN & OFFICE STAFF

Select this account if paying the Administrator.

5135.00 SQ STAFF

Select this account if paying the SQ Staff such as Stewards or SQ Manager.

5130.00 KITCHEN STAFF

This account would be used for any cooks or kitchen staff.

Steps for entering
MANUAL PAYROLL CHECK

STEP 1

First, ensure all employees are properly entered into QBO. To do this, go to **Payroll** > **Employees.** Also, make **sure that you DO NOT** Turn Payroll On.

STEP 2

Add all employee information, including SS#, address, and pay rate.

STEP 3

Pay the Employee by going to **+ New** > **Check.**

STEP 4

Choose the **employee**, **payment account**, **payment date,** and assign the **categories** associated with the payroll check.

STEP 5

Enter the amounts, calculate each tax amount, cut the check, and pay the employee.

CATEGORY	DESCRIPTION	AMOUNT
5130.00 SQ Payroll & Benefit:SQ Salary Expense	Gross Payroll (Positive) - Hours * Pay rate (or Salary) Post to: 5105/5110/5130/5160	500.00
2210.00 Payroll and Benefit:Payroll Tax Liabilities	Social Security Employee (Negative) - 6.2% (As of 1/2021) Post to: 2210.00	-31.00
2210.00 Payroll and Benefit:Payroll Tax Liabilities	Medicare Employee (Negative) - 1.45% (As of 1/2021) Post to: 2210.00	-7.25
2210.00 Payroll and Benefit:Payroll Tax Liabilities	Federal Withholding Company (Negative) - Tax table found at https://www.irs.gov Post to: 2210.00	-61.00
2210.00 Payroll and Benefit:Payroll Tax Liabilities	State Withholding Employee (Negative) - Found on State DOR website Post to: 2210.00	-29.00
5135.00 SQ Payroll & Benefit:SQ Payroll Tax Expense	Social Security Company (Positive) - 6.2% (As of 1/2021) Post to: 5115/5135/5165	31.00
5135.00 SQ Payroll & Benefit:SQ Payroll Tax Expense	Medicare Company (Positive) - 1.45% (As of 1/2021) Post to: 5115/5135/5165	7.25
5135.00 SQ Payroll & Benefit:SQ Payroll Tax Expense	State Unemployment (Positive) - Percentage assigned yearly by state Post to: 5115/5135/5165	4.80
5135.00 SQ Payroll & Benefit:SQ Payroll Tax Expense	Federal Unemployment (Positive) - 0.6% of first $7,000 paid each year Post to: 5115/5135/5165	3.00
2210.00 Payroll and Benefit:Payroll Tax Liabilities	Transaction to record Company Liability (Negative) Post to: 2210.00	-46.05

Enter the gross pay, and calculate the taxes based on the gross pay. Also, ensure to record the company liability under Category 2210 as a negative number. To calculate this, add SS Company, Medicare Company, State and Federal Unemployment numbers together.

Pro Tip!

CREATE A RECURRING TRANSACTION

Save yourself time by creating a Recurring transaction in QBO. This will allow you to save the check and use it for later. You can do this by adding the Categories and descriptions to the check and clicking the **Make recurring** at the bottom of the screen. Then save the template.

	6	5135.00 SQ Payroll & Benefit:SQ Payroll Tax Expense	Social Security Company (Positive) - 6.2% (As of 1/2021) Post to: 5135.00
	7	5135.00 SQ Payroll & Benefit:SQ Payroll Tax Expense	Medicare Company (Positive) - 1.45% (As of 1/2021) Post to: 5135.00
	8	5135.00 SQ Payroll & Benefit:SQ Payroll Tax Expense	State Unemployment (Positive) - Percentage assigned yearly by state Post to
	9	5135.00 SQ Payroll & Benefit:SQ Payroll Tax Expense	Federal Unemployment (Positive) - 0.6% of first $7,000 paid each year Post t
	10	2210.00 Payroll and Benefit:Payroll Tax Liabilities	Transaction to record Company Liability (Negative) Post to: 2210.00
	11		

Cancel   Print check   Order checks   Make recurring   More

Pro Tip!

USE A PAYROLL SERVICE PROVIDER

Yep, you heard that right. Payroll can be a difficult puzzle to piece together. With the different tax rate adjustments and overall tax liability, it is best to get a professional service to do your payroll. There are hundreds available to choose from. While we do not recommend a specific company, we recommend using a payroll service to ensure proper reporting, tax deductions, and prompt payroll tax submissions.