



DESKTOP PAYROLL

Getting Started Guide



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Getting Started Guide

Welcome to QuickBooks® Desktop Payroll

QuickBooks Desktop Payroll gives you the tools you need to efficiently manage your payroll. Because it works inside your QuickBooks Accounting software, QuickBooks Desktop Payroll is easy to set up and use. And because it's a subscription service, you can be sure that QuickBooks Desktop Payroll is keeping you up-to-date with the latest tax tables, tax forms, and other regulatory changes that affect payroll.

QuickBooks Desktop Payroll makes your important payroll activities easy:

- 1. Pay employees easily¹**—Just enter time and let QuickBooks Desktop Payroll do all the payroll math: earnings, payroll taxes, and deductions. Then pay your employees using free direct deposit or print their paychecks from your computer.
- 2. Pay your taxes**—QuickBooks Desktop Payroll tracks your payroll taxes and other payroll-related liabilities as you go and reminds you when payments are due so you can avoid late payments and penalties. You can pay taxes electronically with E-File & Pay² or you can print checks from QuickBooks.
- 3. File tax forms**—If you have a Payroll Enhanced subscription, QuickBooks Desktop Payroll automatically fills in federal and most state tax forms for you. You can file forms electronically with E-File & Pay², or you can print them from QuickBooks. If you have a Payroll Basic subscription, you can generate tax reports and work with your accountant to file.

¹ Nominal fees apply. See current prices at www.payroll.com.

² Federal and state forms and the E-File & Pay feature are available only to Payroll Enhanced subscribers. Check the website payroll.com/EFilePayStates for E-File & Pay availability for your state. You may need to register with tax agencies to use E-File & Pay. Payroll Basic does not include tax forms or E-File & Pay.

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Tips for new employers

If you're hiring your first employees, these tips can help you get started:

1. W-2 or 1099?

- Do you want the work performed on company premises?
- Will you provide the tools the worker needs to do his or her job?
- Do you want to control the hours the person works?

If you mostly answered "yes," you probably want to hire a W-2 employee, not a 1099 independent contractor. For more detailed information, see IRS Pub. 15-A (www.irs.gov/pub/irs-pdf/p15a.pdf).

2. Get your Employer Identification Number (EIN)

Every business needs an EIN from the IRS for federal tax reporting and tax payment. It's easy to apply (go to www.irs.gov and search "Apply online EIN"). Many states also require that businesses request a state tax account or identification number.

3. Employee paperwork (I-9, W-4)

Gather I-9 forms from employees to ensure eligibility to work in the United States, plus tax-withholding forms such as the federal W-4 and equivalent state forms. (After activating QuickBooks Desktop Payroll, go to **Employees > Employee Forms** for blank I-9s and W-4s.) Finally, the business must report employees to the state within 7 to 20 days of hire, depending on the state. (Check www.sba.gov/content/new-hire-reporting-your-state for the rules for your state.)

4. Labor Law Posters

With even one employee, you are required by law to display labor law posters. Intuit makes it easy to stay up to date with our Poster Compliance Service (intuitposters.com). Fees apply.

5. Workers' Compensation

Pay your workers' comp premiums automatically with payroll using our Workers' Comp Payment Service (intuitworkerscomp.com). Check workers' comp off your to-do list for the year! Fees may apply.

Getting started

Activate your Desktop Payroll subscription

If you purchased QuickBooks Desktop Payroll in a retail store, install and register QuickBooks. Then click **Employees > Payroll > Install Payroll from Box**.

If you're already using QuickBooks without a Desktop Payroll subscription, you can purchase and activate Desktop Payroll by going to the QuickBooks Home page and clicking **Turn On Payroll**. (Alternatively, click **Employees > Payroll > Turn on Payroll in QuickBooks**.)

In each case, provide your company information, including your EIN, and debit or credit card information for monthly fees based on the number of employees you pay (and the base service price, if you're purchasing through QuickBooks).

(If you purchased Desktop Payroll on the web or by phone, you received a letter with your Payroll service key. From QuickBooks, click **Employees > Payroll > Enter Service Key** and follow the instructions in the letter.)

At the end of activation, QuickBooks Desktop Payroll automatically updates your Payroll service key, downloads the latest federal and state tax tables and (for Payroll Enhanced only) tax forms, and opens the Payroll Setup wizard to guide you through setting up payroll.

Set up payroll

The Payroll Setup interview guides you through setting up everything you need to run payroll and pay employees, from employees' information to payroll taxes and common compensation and benefits items.

Payroll Setup is easy, and the interview helps you each step of the way. You should set aside 20 minutes to an hour.

Tip: Use the checklist at payroll.intuit.com/support/newuser to see what information you'll need to collect.

From the **Employees** menu in QuickBooks, click **Payroll Setup** to start the interview.

1 Choose whether you're a new employer with no payroll history or whether you have paid employees by any method during the current calendar year. Your answer lets Payroll Setup customize the interview for your situation.

2 Work through the steps, supplying requested information and clicking Continue on each screen. If you don't have some of the information you need, note it and come back to Payroll Setup to supply it later.

The screenshot shows the 'QuickBooks Payroll Setup' window. The title bar reads 'QuickBooks Payroll Setup'. The main content area has a header 'Let's start you down the right path with Payroll'. Below this is a question: 'Have any of your employees ever received a paycheck from your business?'. A sub-note says: 'When we say paycheck, we mean a payroll check (with taxes and withholdings included)'. There are two radio button options: 'Yes, at least one employee received a paycheck' and 'No, there aren't paychecks for any employee'. The 'Yes' option is selected. On the left side, there is a sidebar with 'QuickBooks Payroll Setup' and a progress indicator '1 Introduction'. At the bottom left of the sidebar are links for 'Free Payroll Support', 'New Employer Guide', and 'Payroll Setup Checklist', and a 'Finish' button. At the bottom right of the main area is the text 'UPSI_2292'.

Click any time you need to leave the interview. To resume Payroll Setup where you left off, go to **Employees > Payroll Setup**.

Be sure to come back and complete the entire interview to ensure that QuickBooks Desktop Payroll has all your tax liabilities and payroll history (if any) correctly recorded.

The Payroll Center

Use the Payroll Center to manage all your payroll-related activities. To get there, click the **Payroll Center** icon on the QuickBooks **Home** page, or go to the **Employees** menu and click **Payroll Center**.

From this tab, pay your employees by free direct deposit or by check. You enter hours, and QuickBooks does the tax math.

From this tab, file federal and most state tax forms. QuickBooks fills in the information; you just review and either file electronically from QuickBooks¹ or print and mail.

From this tab, see when your tax liabilities are due and how much you owe. Pay electronically from QuickBooks¹ or print and mail checks.

The screenshot shows the QuickBooks Payroll Center interface. On the left, there is a calendar for May 2016 and June 2016. The main area is titled 'Create Paychecks' and includes a table for 'Payroll Schedules' and a table for 'Recent Payrolls'. The 'Recent Payrolls' table has the following data:

DATE	STATUS	PAYCHECK COUNT	GROSS PAY	NET PAY
05/21/2016	To Print	1	450.00	362.87
05/29/2016	To Print	1	1,000.00	736.46
05/19/2016	To Print	1	300.00	251.16
05/19/2016	To Print	1	1,000.00	736.46
05/17/2016	To Print	2	1,200.00	908.59
05/16/2016	To Print	1	100.00	90.85

At the bottom, there are sections for 'Quick Guides', 'Other Activities', 'Reports', and 'Suppliers & Services'. Callouts from the text boxes point to the 'Employees' tab, the 'Free Payroll Support' link, the 'Payroll Schedules' table, the 'Recent Payrolls' table, and the 'Get Workers' Comp Quote' link.

Click the **Employees** tab to add employees and change employee information.

Manage your **Desktop Payroll** subscription and account information.

Get services like Intuit's **Poster Compliance Service** or **Workers' Comp Payment Service**.²

¹ Tax forms and the E-File & Pay feature for federal and selected state forms are only available with Payroll Enhanced. Check payroll.com/EFilePayStates for available states. You may need to register with tax agencies to use E-File & Pay.

² Additional fees apply.

Paying employees

Create paychecks

Use the **Create Paychecks** area of the Pay Employees tab to pay your employees.

PROCESS PAYROLL BY	STATUS	PAYROLL SCHEDULE	PAY PERIOD	CHECK DATE

Click to set up payroll schedules.

1 Click to start creating paychecks. Or, if you have a payroll schedule, select the scheduled payroll in the table and click **Start Scheduled Payroll**.

2 Specify the check date and pay period end date.

EMPLOYEE	HOURLY	SALARY	TOTAL HOURS
<input checked="" type="checkbox"/> Brad Smith		10.00	10.00
<input checked="" type="checkbox"/> Scott Cook			

3 Select the employees to be paid and enter hours for employees. When you click **Continue**, QuickBooks calculates the checks.

Review and Create Paychecks

1 Enter Payroll Information → 2 **Review & Create Paychecks** → 3 Print & Distribute Paychecks

How do I pay my employees?

PAYROLL INFORMATION

PAY EMPLOYEES: [Field] PAY PERIOD ENDS: 08/27/2016 BANK ACCOUNT: boi
 NUMBER OF PAYCHECKS: 2 CHECK DATE: 05/23/2016 BANK ACCOUNT BALANCE: -3,086.39

CHECK OPTIONS

Print paychecks on check stock First Check#: 1
 Handwrite & Assign check numbers

Open Paycheck Detail...

Employee	Gross Pay	Taxes	Deductions	Net Pay	Employer Tax	Contributions	Total Hours	Direct Dep
Brad Smith	200.00	-27.87	0.00	172.13	25.10	0.00	10.00	
scott cook	500.00	-101.48	0.00	398.52	62.75	0.00		
	700.00	-129.35	0.00	570.65	87.85	0.00	10.00	

< Back Finish Later **Create Paychecks**

4 Review the paycheck information. To see more details for any check, click on employee name.

5 Click to create the paychecks.

6 Click to print the paychecks or to print pay stubs.

Confirmation and Next Steps

1 Enter Payroll Information → 2 Review & Create Paychecks → 3 **Print & Distribute Paychecks**

You have successfully created 3 paychecks:
 2 for printing 1 for direct deposit [Learn more](#)

Next steps:

Print your paychecks/stubs, and distribute to employees.

Send your payroll info to Intuit for processing.

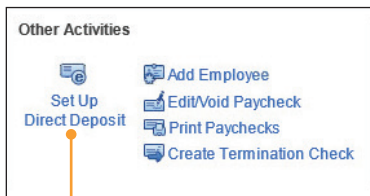
Do you want to pay your liabilities now?

7 If you're using free direct deposit or another service that requires sending payroll information to Intuit, be sure to click Send to Intuit.

Set up direct deposit

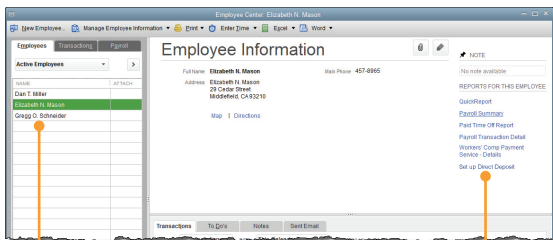
Before you can pay employees by free direct deposit, you need to tell us two things: where the money will come from (your bank account) and where the money will go (each employee's bank account).

To start, go to the **Other Activities** area of the Pay Employees tab.



- 1 Click to tell us about your bank account. We'll validate it by making two very small debits, which we ask you to verify. Allow 2-3 days.

Then, go to **Employees > Employee Center** to set up bank account information for employees who want to be paid by direct deposit.



- 2 Select the employee from the list.

- 3 Click to enter the employee's bank account information for direct deposit.

Note: You can also set up independent contractors (1099 vendors) for direct deposit by going to **Vendors > Vendor Center**. Payment is made when you write a check or pay a bill. Direct deposit payments for employees or 1099 vendors require two business days to deposit. Direct deposit payments to employees are free; additional fees apply for direct deposit to 1099 vendors.

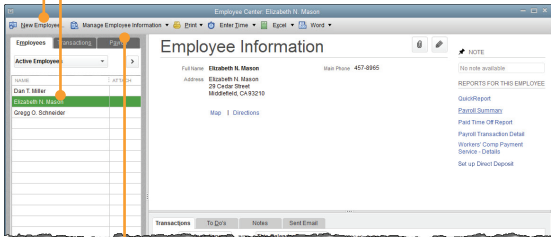
Manage employees

When you use Payroll Setup, QuickBooks sets up the initial information for your employees, but during day-to-day operations, you'll need to add new employees or change information for existing employees.

To start, go to **Employees > Employee Center**.

1 Click add a new employee.

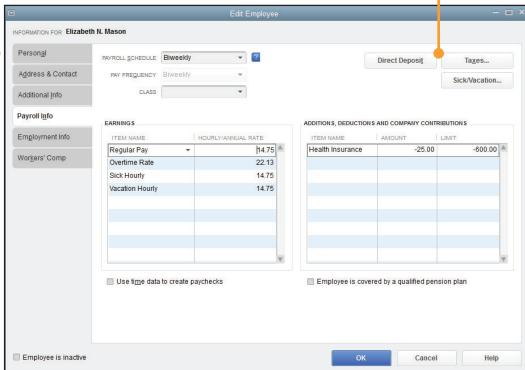
OR Double-click an employee name to change information for that employee.



Tip: Click to specify default settings you want to apply to all new employees.

2 Complete the fields on each of the tabs. Use the **Payroll Info** tab to enter earnings items and deductions that apply to the employee.

Don't forget to click these to supply direct deposit, sick & vacation, and federal, state, and local tax items, as needed.



Manage payroll items

When you turn on Payroll and when you use Payroll Setup, QuickBooks sets up certain default payroll items, as well as any you specify, for earnings, taxes, and benefits, but during day-to-day operations, you may need to create new items or change existing items.

To start, go to **Employees > Manage Payroll Items > New Payroll Item** (or **View/Edit Payroll Item List**). In most cases, you can use the EZ Setup option.

- 1 Select the type of payroll item you need to add.

Add new payroll item

Payroll item type

Select the type of payroll item you want to create.

- Compensation (Hourly Wage, Salaried Wage, Bonuses...)
- Insurance Benefits (Health Insurance, Dental Insurance...)
- Retirement Benefits (401K, Simple IRA...)
- Paid Time Off (Sick Time, Vacation Time)
- Other Additions (Reimbursements, Company Contributions...)
- Other Deductions (Garnishments, Union Dues...)
- Custom Setup (includes Federal, State and Other Taxes)

Back Next Finish Help Cancel

- 2 Click to go to the next screen. The payroll item wizard guides you through entering the information QuickBooks needs to set up the new payroll item.

- 3 When you've completed all screens, click **Finish**.

Keep tax tables up to date

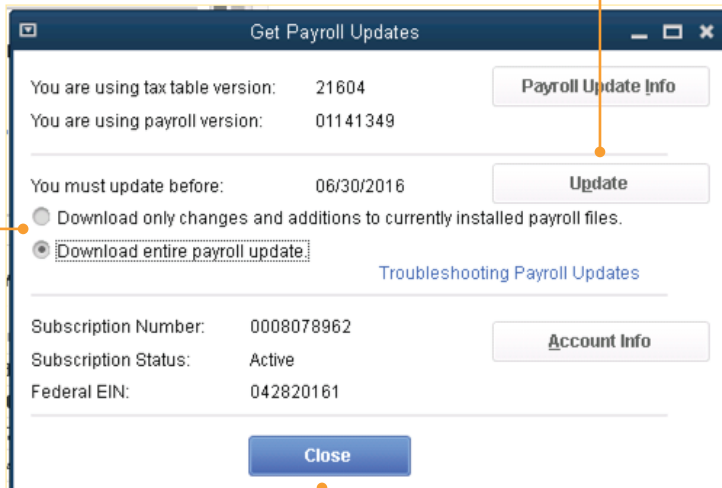
By default, QuickBooks Desktop Payroll has automatic updates enabled so it checks for new tax tables, tax forms (for Payroll Enhanced), and payroll feature updates each time you start.

If you turn off automatic updates or just want to make sure you have the latest, you can check for updates at any time.

To start, go to **Employees > Get Payroll Updates**.

1 Choose whether to download only changes and additions to current payroll files (fastest) or to download the entire payroll update.

2 Click to start the update.



3 Click when the download is complete and you've read the description of the updates included.

Paying taxes and other liabilities

When you use Payroll Setup, QuickBooks sets up and tracks your accrued payroll taxes and reminds you when payments are due. Use the Pay Liabilities tab to add or change scheduled tax payments and other payroll-related payments like health insurance premiums or retirement contributions.

1 Click next to the payments you want to make.

2 Click to review payment checks.

The screenshot shows the 'Pay Liabilities' section of the QuickBooks Payroll Center. The main table lists various liabilities with columns for 'SEND BY', 'PERIOD', 'METHOD', 'PERIOD END', and 'AMOUNT DUE'. Below this is the 'Payment History' section, which has a sub-tab for 'E-Payments'. In this section, there are columns for 'DATE', 'TYPE', 'STATUS', 'CHECK NUMBER', 'PERIOD END', 'PAYEE', 'PAYMENT', 'ACCOUNT', and 'AMOUNT'. A callout box points to the 'To Print' button in the 'Payment History' table. Another callout box points to the 'E-File & Pay' button in the 'Quick Guides' section.

SEND BY	PERIOD	METHOD	PERIOD END	AMOUNT DUE	
07/30/16	2 Months	NY Disability Insurance	Check	02/2016	3.79
08/01/16	2 Months	NY Unemployment Insurance	Check	02/2016	442.31
08/01/16	2 Months	NY 10 and Re-employment Service	Check	02/2016	3,306.51
08/01/16	2 Months	NY Withholding, NYC and Varies	Check	02/2016	4,440.00
08/01/16	2 Months	Federal 941/944/943	Check	02/2016	57.68
08/01/16	2 Months	Federal 940	Check	02/2016	57.68

DATE	TYPE	STATUS	CHECK NUMBER	PERIOD END	PAYEE	PAYMENT	ACCOUNT	AMOUNT
05/16/2016	Check	To Print	To Print	06/30/2016	NYS Income Tax-NY - Varies ...	bol		237.88
05/16/2016	Check	To Print	To Print	06/30/2016	United States - Federal Withh...	bol		1,208.76
05/16/2016	Check	To Print	To Print	06/30/2016	Commissione - NY - MCTMT IT	bol		4.75
05/16/2016	Check	To Print	To Print	06/30/2016	NY SF Disabl	bol		13.49

Click to set up taxes you want to pay electronically using E-File & Pay.¹ You'll set up a bank account for e-payments, and you may need to enroll in agency e-pay programs.

Click to make changes to scheduled payments, such as how you pay or when the payment is due.

¹ The E-File & Pay feature for federal and selected state forms is only available with Payroll Enhanced. Check payroll.com/EFilePayStates for available states. You may need to register with tax agencies to use E-File & Pay. Many states require those who pay electronically to file electronically.

Filing tax forms

If you have a Payroll Enhanced subscription, QuickBooks automatically fills in federal and state tax forms for you. You can conveniently file forms and pay taxes electronically with E-File & Pay, or you can print and mail them. (If you have a Payroll Basic subscription, you can generate tax reports and work with your accountant on tax filings. Payroll Basic does not include tax forms.)

1 Select a form and click to review the form and then file electronically or print and mail.¹

The screenshot shows the 'File Forms' section in QuickBooks. At the top, there are tabs for 'Pay Employees', 'Pay Liabilities', and 'File Forms'. The 'File Forms' section contains a table with the following data:

FORM	FEDERAL/STATE	FILING PERIOD
Quarterly Form 941/Sch. B (For Report...	Federal	Quarterly
Quarterly Form 941/Sch. B - Employer's...	Federal	Quarterly
Quarterly Form 941-X - Adjusted Emplo...	Federal	Quarterly
Annual Form 940/Sch. A (For Reporting ...)	Federal	Annually
Annual Form 940/Sch. A - Employer's A...	Federal	Annually

Below the table is a 'Filing History' section with 'Saved Filings' and 'E-Filings' tabs. The 'E-Filings' tab is active, showing a table with columns for 'PERIOD END DATE', 'FORM', and 'SAVED PDF'. At the bottom of the interface, there are four panels: 'Quick Guides', 'Other Activities', 'Reports', and 'Supplies & Services'. The 'Other Activities' panel contains links for 'Manage Filing Methods', 'E-File State W-2', 'Change Filing Method', and 'E-File State Quarterly'. The 'Reports' panel contains links for 'Tax Form Worksheets', 'Local Tax Summary', and 'Report Center...'. The 'Supplies & Services' panel contains links for 'Order 1099-ABC Forms' and 'Order W-2 Forms'.

Click to set up forms you want to file electronically using E-File & Pay.¹

Click to change how you file tax forms: print or electronically.

¹ Tax forms and the E-File & Pay feature for federal and selected state forms are only available with Payroll Enhanced. Check payroll.com/EFilePayStates for available states. You may need to register with tax agencies to use E-File & Pay. Many states require those who file electronically to pay electronically.

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Have questions or need help?

- **Refer to the in-product Help** in QuickBooks to get step-by-step instructions on payroll tasks.
- **Connect with other users and experts** at <https://community.intuit.com/quickbooks-desktop>.
- **Visit www.payroll.com/support** to browse support topics or contact an agent.
- **Talk to a trained QuickBooks expert near you** if you need further help. Find one at: www.findaproadvisor.com/payroll. Hands-on, personalized assistance is available for free.