

Payroll year-end checklist for Microsoft Dynamics SL

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Payroll in Microsoft Dynamics SL or in Microsoft Business Solutions - Solomon tracks important Employee W-2 information. At the beginning of a new year, there are some steps you can take to ensure your Payroll information is in balance. Below is a checklist outlining the general guidelines used for balancing and closing Payroll for the year. Your organization may have additional balancing steps.

1. Upon completion of the final Payroll processing for the year, print and review the following reports for balancing the Payroll module:

941 Quarterly Federal Tax Worksheet (02.750.00)
Unemployment Tax Worksheet (02.770.00)
Earnings & Deductions report (02.670.00), Detail and Totals formats

2. Balance the 941 Quarterly Federal Tax Worksheet and the Unemployment Tax Worksheet with the Earnings & Deductions report, Totals format.

Note - If there are discrepancies, note the differences on the reports and make the necessary corrections to the worksheets.

3. Make a BACKUP of the database that can be restored in case an undesired data loss occurs.

4. Use GL Closing (01.560.00) to close the module for the year. For Payroll in a Fiscal Year database, the Year is closed in the period that ends December 31.

Note - Payroll must be closed for the current year before you can process Payroll for the new year. Closing the Payroll year does not prevent W-2s from being processed.

5. Update deduction and earnings information for Employees such as new SUTA rates, new health insurance rates, etc.

6. Update Payroll tax table information.

7. Delete detail using Delete PR Detail (02.550.00). This may take some time depending on how much Payroll detail is retained in the system and the length of time since the delete process was last run.

8. Generate W-2s for Employees. Refer to W-2 Processing below.

W-2 Processing

The W-2 process in Microsoft Dynamics SL allows you to generate and print W-2s for your Employees and the Internal Revenue Service. All of the earnings and deductions to be printed on the W-2 including 401(k) information, dependent care information, etc., will be printed in the W-2 boxes as designated in Earnings Maintenance (02.270.00) and Deduction Maintenance (02.290.00).

1. Print and review the Earnings & Deductions report, Detail and Totals formats.
2. If you are generating a magnetic media file for the Internal Revenue Service, access W2 Magnetic Media (02.742.00) and verify the information is accurate.
3. Run the W2 Calculation (02.510.00) process.
4. Print the W-2 Forms (02.741.00) to plain paper and review the information for accuracy. Verify the totals balance with the totals from the Earnings & Deductions report, Totals format.

If changes are needed for specific Employees, you can make changes to W-2 amounts by opening the Options menu, checking Initialize Mode, accessing Employee W2 History (02.260.00), selecting the Employee that needs a correction, and entering the corrected information.

If changes are needed for specific deductions, you can make these changes in Deduction Maintenance. Once these types of changes are made, the W2 Calculation process should be rerun.

The Protect Edited W2 Information field in W2 Calculation specifies that W-2 information which has been edited for the calendar year will not change during subsequent W-2 form regeneration. This option can be selected and deselected as necessary and is not in effect during the initial processing run.

5. When the W-2 information is accurate, print the W-2s on the appropriate forms.
6. If generating a magnetic media file, access W2 Magnetic Media and generate the magnetic media file.

Note - Microsoft Dynamics SL will retain Employee W-2 information for as many years as specified in the Years To Retain Employee History field of PR Setup (02.950.00).

Payroll Reports Balancing Tips

1. Add the wages, withholdings, etc. from the four quarterly 941s filed for the year and verify that they match the totals on the W-2s and the totals on the Earnings & Deductions report, Totals format.
2. Use the Earnings & Deductions totals to balance the W-2 information for state wages and state withholding amounts to the forms that are filed with your state taxing authority.
3. Print the General Ledger Trial Balance (01.610.00), and compare with the Earnings & Deductions report, Totals format to balance the wage accounts, liability accounts, etc.
4. The QTD and YTD information on the Earnings & Deductions report and the Unemployment Tax Worksheet come from the data in Employee History (02.060.00). If an error is found on either report, you can use Initialize Mode to correct the information for an Employee in Employee

History and then reprint the report.

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APPLIES TO

- Payroll/Direct Deposit
- Advanced Payroll, when used with:
 - Microsoft Dynamics SL 7.0
 - Microsoft Dynamics SL 6.5
 - Microsoft Business Solutions–Solomon 6.0
 - Microsoft Business Solutions–Solomon 5.5
 - Microsoft Great Plains Solomon IV 5.0
 - Microsoft Great Plains Solomon IV 4.50

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