How to Set Up California Employment Training Tax (ETT) inside Payroll Mate

This tutorial is for information purposes only. It is your responsibility to make sure the payroll setup is correct. Consult your accountant or tax advisor if you are unsure how a certain payroll item or your payroll in general should be set up.

Make sure you have the correct Company open inside Payroll Mate

- 1. Click Company from shortcuts menu
- 2. Click Tax Categories
- 3. Click Add



4. Enter Tax Information

Note: As of this writing employers subject to ETT pay one-tenth of 0.1 percent (.001) on the first \$7,000 in wages paid to each employee in a calendar year. The tax rate is set by statute at 0.1 percent (.001) of UI taxable wages for the employers with positive UI reserve account balances and employers subject to Section 977(c) of the California Unemployment Insurance Code. The maximum tax is \$7 per employee, per year (\$7,000 x .001). ETT is an employer-paid tax.

4a. Enter W2 Options as needed (contact CA for questions regarding W2 reporting)

little:	CA Emp Train Tax		
Abbreviation:	CA Emp Train		
Calculation:	Percentage		
Quarterly Rates:	0.100000 0.100000 0.100	0000 0.100000	
Wagebase:	7000.00	Leave No Was	Blank for ge Base
Max Amount per Check:		Leave I Max	Blank if N
Paid by:	Employer	•	
			_
W-2 Options			1-
W-2 Options W-2 Box 12 Code:	W	2 Options	4a
W-2 Options W-2 Box 12 Code: W-2 Box 14 Abbreviation:	W	2 Options	4a
W-2 Options W-2 Box 12 Code: W-2 Box 14 Abbreviation: Use on Box 19 (Local i	ncome tax)	2 Options	4a

5. Click OK

Note: If you have any custom incomes, you will receive the following notice

6. Click OK



7. New Tax Category is now listed

Example Company - Payro	oll Mate (2018)			
<u>Eile E</u> dit <u>T</u> ools <u>H</u> elp	Order Checks and Supplies			
Company	o 117 ii			
	General Information	Federal Tax Information	State Tax Information	
	Income Categories	Tax Categories	Deduction Categories	
	Title	Calculati	on	
	Federal Income Tax	Calculat		
	Social Security (Employ	ee)		
	Social Security (Employ	eer)		
	Medicare (Employee)			
	Medicare (Employer)			
	Fed Unemployment (Em	ployer)		
	State Income Tax			
	State Unemployment (Er	mployer)		
	Local Income Tax			
	State Disability Insurance	ce (Employee)		
	State Disability Insurance	ce (Employer)		
	New York City Tax			
2010	NY Disability	Percenta	je	
2018	Chicago City Tax	Percenta	ge	
	Cook County Tax	Percentag	je	
	CA Emp Train Tax	Percenta	je	
Checks	New Tax	Category 7		
Forme				
Torms	Δdd			
Reports			2000	
Company				
1099 & Vendor				
Tutorials				
×				

Note: If you need to update custom income categories to apply the ETT tax refer to steps 8-12 If this does not apply to you, please proceed to step 13

To update custom income categories

- 8. Click Income Categories
- 9. Select the custom income

10. Click Edit



- 11. Checkmark to apply new tax to this income
- 12. Click OK

ome Details	
Title:	Variable Yrty Salary
Abbreviation:	Variable Yrl
Type:	Variable -
W-2 Box 12 Code:	
W-2 Box 14 Abbreviation:	
Reported tips (to	edit this box, delete this income and re-create)
Omit from Net Pa	У
Inactive Ch	eckmark to apply new tax 11
Taxes Applied:	Deductions Applied:
 Local Income Ta State Disability I State Disability I State Disability I New York Cit I NY Disability Chick go City Ta Dook County Ta 	x v v 401K (Employee) nsurance (En v 401K (Employee) v 401K (Employer) Health Insurance Box 12 data
CA Emp Train T	Click OK 12
011	

You will need to repeat steps 8 through 12 for each custom income category

To update employees to apply the new tax

- 13. Click Employees from shortcuts menu
- 14. Select employee to edit
- 15. Click Edit



This will open the Modify Employee Wizard

16. Click Next

Modify Employee	—X
Welcome to the "Modify Employee" Wizard!	
This wizard will guide you through the process of modifying an existing employee.	
To continue, please click "Next".	
Click Next 16	
Cancel < Back Next > Finish	

Modify Employee		×
General Informatio	n	
Name:	Samuel Sample	
Address1:	456 Test	
Address2:		
City:	Chicago	
State:	IL •	
Zip Code:	60605	
Social security number:	111-22-3333	
Telephone Number:		
Fax Number:		
E-mail Address:		
Inactive		
Memo:	Click Next 17	
	Cancel < Back Next > Finish	

18. Click Next

Modify Employee			
Tax Setup			
Federal Income Tax Setup			W-2 Options
Filing Status:	Single	-	Statutory Employee
Number of Allowances:	0	•	Retirement Plan
Pay Frequency:	Weekly (52 Pay Periods)	-	This employee receives
Additional Federal Withholding:	0.00		
Set the following Taxes to zero or	the check		
Federal Income 🔲 State	Income SS. & Med.	(Employee)	SS. & Med. (Employer)
State Income Tax Setup			
State:		IL	•
Additional State Withholding:		0.00	
IL-W4 Line 1:		0	
IL-W4 Line 2:	Click Next 1	.8	
	Cancel	< Back	Next > Finish

Modify Employee			×
Incomes			
			_
🔽 Regular Hourly Pay	[Per Hour]	23.0000	
Overtime Hourly Pay	[Per Hour]	0.00	
Yearly Salary	[Per Year]	0.00	
Double-Time	[Per Hour]	0.00	
🥅 Mileage	[Per Mile]	0.00	
Piece Work	[Per Piece]	0.00	=
Fringe Benefits	[Fixed]	0.00	
Vacation Pay Hourly	[Per Hour]	0.00	
Sick Pay Hourly	[Per Hour]	0.00	
Bonus	[Variable]		
Tips Received Directly by Employee	[Variable]		
Tips Paid by Employer	[Variable]		
Commission	[Variable]	Click Next 19	-
[[Cancel	<pre> < Back Next > Finish</pre>	

20. Checkmark the new tax category to apply to this employee

21. Click Next



Modify Employee			
Deductions			
401K (Employee)	[Percentage]	0.00	
401K (Employer)	[Percentage]	0.00	
Health Insurance	[Fixed]	0.00	
Box 12 data	[Percentage]	1.500000	
		Click Novt	22
		Click Next	22
		\	
		Cancel < Back Next >	Finish

23. Click Next

Modify Employee		×
Direct Deposit		
🔲 Include in Direct Deposit Pro	cess	
Banking Information		_
Account Type	Checking +	
Bank Routing Number		
Account Number		
	Click Next 23	
	\	
	Cancel < Back Next > Finish	

Modify Employee	
Vacation / Sick Hours Settings	
Method of Calculating Vacation and Sick Hours:	Per Check
	Per Total Hours on Check
	0.0000
Vacation Hours Earned Per Total Hours on Check	0.0000
Maximum Vacation Hours Earned Per Year	Keep blank for unlimited hours per year; fill with 0.00 for zero hours per year.
Sick Hours Earned Per Total Hours on Check	0.0250
Maximum Sick Hours Earned Per Year	Keep blank for unlimited hours per year; fill with 0.00 for zero hours per year
	Click Next 24
Cancel	<pre> < Back Next > Finish</pre>

25. Click Finish

Modify Employee	×
Finish	
Wizard completed, please click "Finish" to update this employee information.	
Click Finish 25	
Cancel < Back Next > Finish	

You will need to repeat steps 13 through 25 for each employee

26. When creating a new payroll check for the employee the new tax category will be visible

Check Details									
General Informatio	n		Pay	Frequency: V	Veekly (52 Pay	Periods)		
Employee: Sample	, Samuel			•	Begin Date:	April	09, 2018	•	Recalculate
Check #: 10	Pa	ay Date: April	16, 2018		End Date:	April	20, 2018		teodicolate
Income Details							Vacation / Sick Ho	urs	
Income:	Rate:	<u>Type:</u> (Quantity:	Amount: YT	<u>D:</u>			Amount	YTD:
Regular Hourly Pay	23.0000	Per Hour 4	0.0000 9	20.00 363	4.00		Vac. hours earned	0.00	0.00
							Vac. hours used	0.00	0.00
							Sick hours earned	1.00	1.00
							Sick hours used	0.00	0.00
fax Details				De	duction Detail	5			
State Income Tax		45.54	45.54		Deduction: A	mount:	YTD:		
Local Income Tax		0.00	0.00				1.11		
State Disability Insu	rance (Employe	e) 0.00	0.00						
NY Disability		0.60	0.60						
Chicago City Tax		0.92	0.92						
Cook County Tax		66.70	66.70		New	/ tax	will show o	on _	
Social Security (Em	ployer)	57.04	57.04	=	nevi		roll check	2	ь
Medicare (Employe	r)	13.34	13.34		пех	. pay	I UII CHECK		
Fed Unemployment	t (Employer)	5.52	5.52						
State Unemployme	nt (Employer)	4.60	4.80						
State Disability Insu	urance (Employe	r) 0.00	0.00						
CA Emp Train Tax		0.92	0.92						
other Optional Det	alls	1.55	Check Summa	iry		-			
	Amount:	YID:	71: 01 1	I otal Income	total	laxes:	I otal Deductio	ns: Net	Pay:
Hours Worked	0.00	118.00	This Check:	920.00	292.8	0	0.00	627	20
Weeks Worked	0.00	3.00	YTD:	3634.00	292.8	0	0.00	334	1.20
MEMO:									
	ОК		Cancel						
	UK		Cancel						