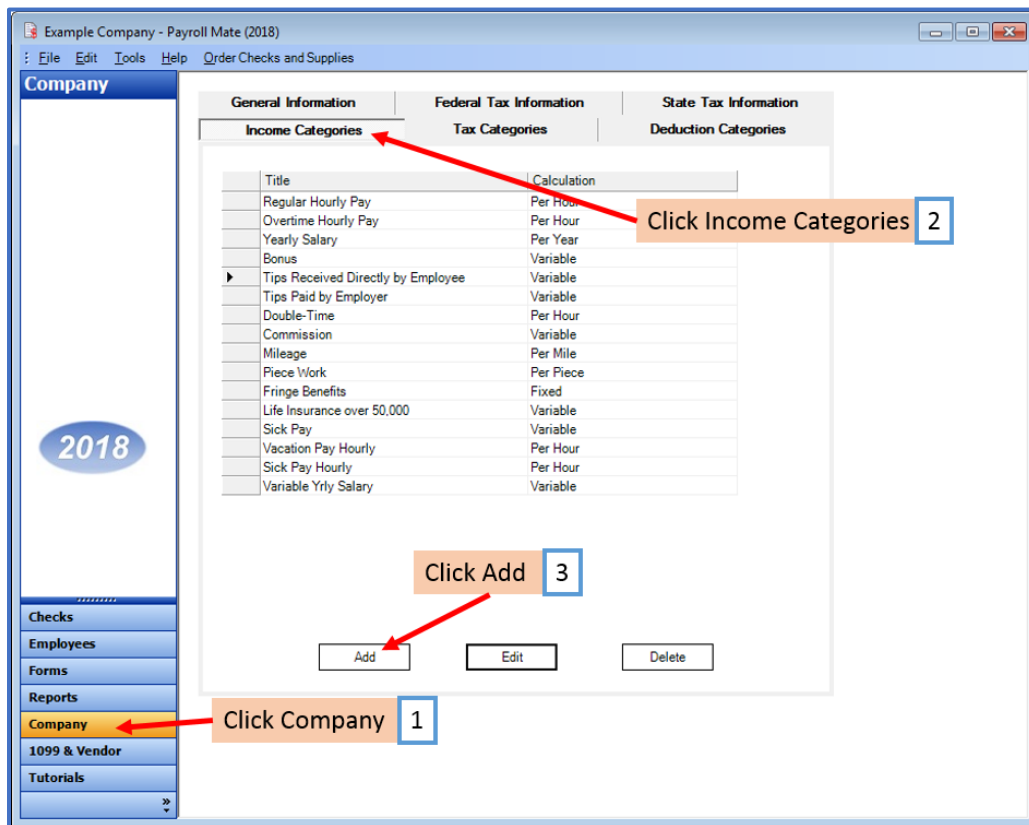


# How to Set Up Housing Allowance (Cash) inside Payroll Mate

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.

Clergy Housing (Cash) is a payment that is made to a duly ordained minister as a rental allowance for a house, furnishings, utilities, etc. These types of payments are typically exempt from income tax but subject to self-employment tax (calculated and paid by the minister) and will affect the net pay.

1. Click Company from Shortcuts
2. Click Income Categories
3. Click Add



4. Enter Title

5. Select Pay Type from drop-down menu

6. Enter W2 Box 14 Abbreviation

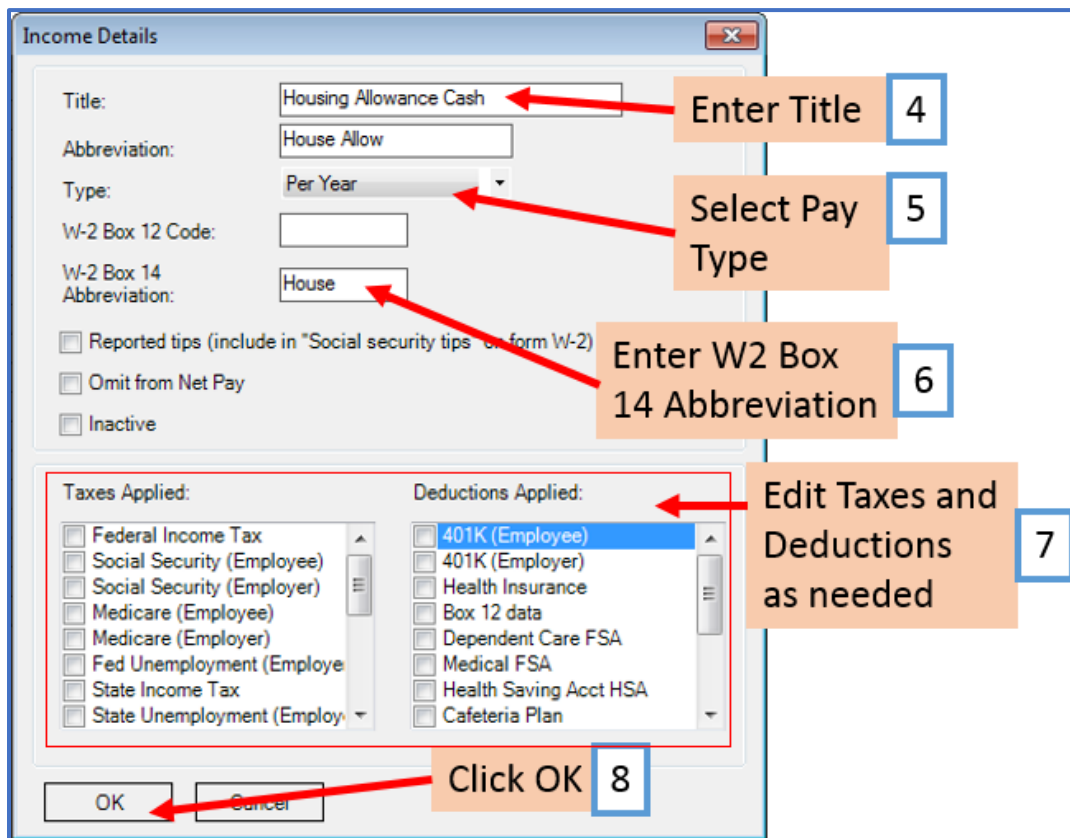
7. Edit Taxes and Deductions as needed

Note: Clergy Housing (Cash) is included in net pay. Typically, this income will be exempt from the following: Federal income tax, Social Security, Medicare, and Federal Unemployment. Uncheck taxes/deductions when creating the income. Mark W2 box 14. This will exclude it from W2 Boxes 1,3,5/941, it will be included in W2 Box 14.

Note: You cannot rely on this tutorial for tax advice and will need to consult a tax professional if you are unsure how deductions should be set up.

State tax laws vary. Please consult your tax advisor to determine if any state taxes are affected by this payroll item and update your setup accordingly.

8. Click OK



New Housing Allowance Cash income category is now in the list of Income Categories

The screenshot shows the 'Example Company - Payroll Mate (2018)' window. On the left is a navigation menu with 'Company' selected. The main area displays a table of income categories under the 'General Information' tab. The table has columns for 'Title' and 'Calculation'. The entry 'Housing Allowance Cash' is highlighted in red, and a red arrow points from a callout box to it. The callout box contains the text: 'Housing Allowance Cash income category is now in list'. Below the table are 'Add', 'Edit', and 'Delete' buttons.

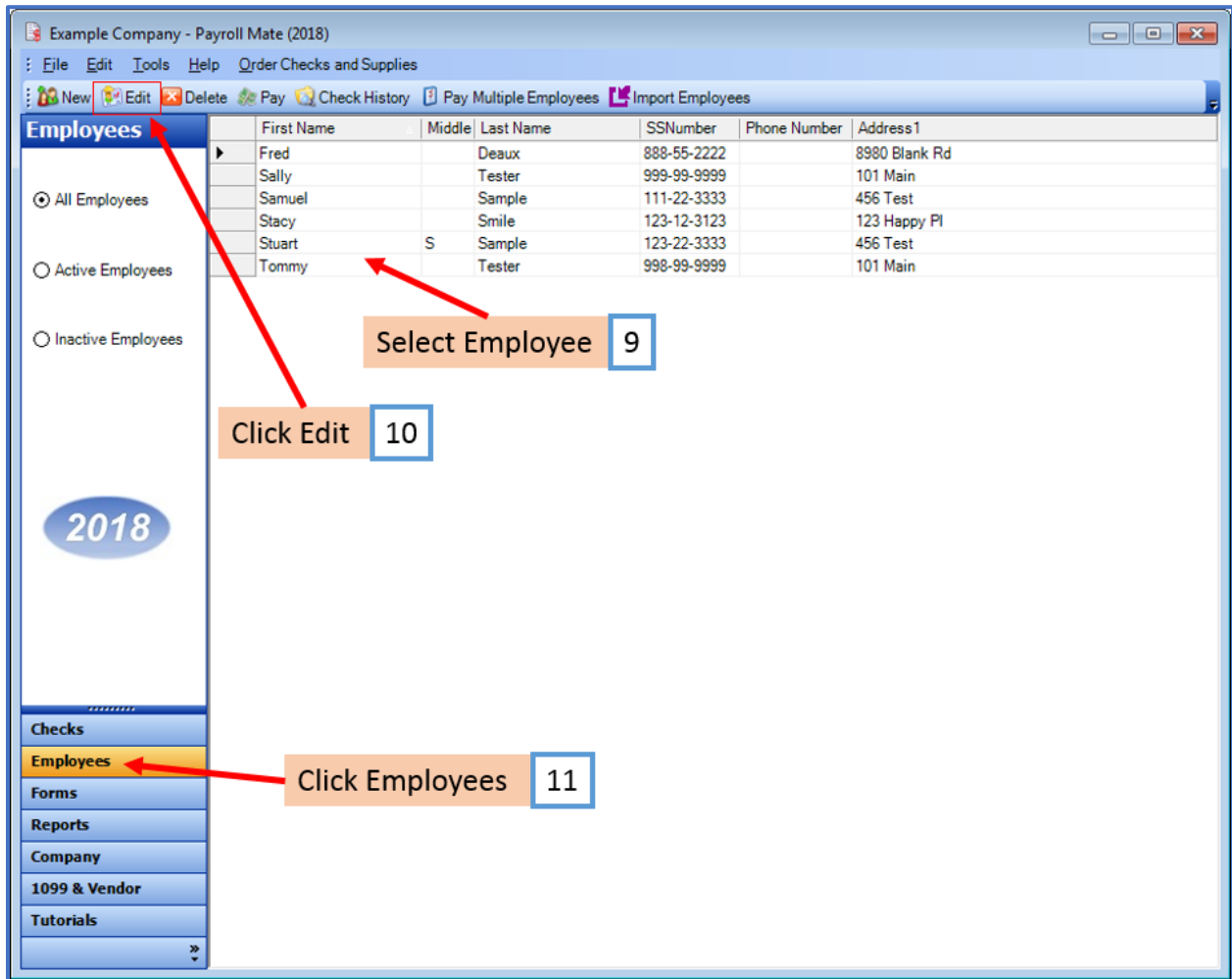
Title	Calculation
Regular Hourly Pay	Per Hour
Overtime Hourly Pay	Per Hour
Yearly Salary	Per Year
Bonus	Variable
Tips Received Directly by Employee	Variable
Tips Paid by Employer	Variable
Double-Time	Per Hour
Commission	Variable
Mileage	Per Mile
Piece Work	Per Piece
Fringe Benefits	Fixed
Life Insurance over 50,000	Variable
Sick Pay	Variable
Vacation Pay Hourly	Per Hour
Sick Pay Hourly	Per Hour
Variable Yrly Salary	Variable
Holiday Pay	Per Hour
Retroactive Pay	Variable
Severance Pay	Variable
Housing Allowance Cash	Per Year

You will need to apply the housing allowance (cash) pay income to each employee as needed

9. Click Employees from Shortcuts

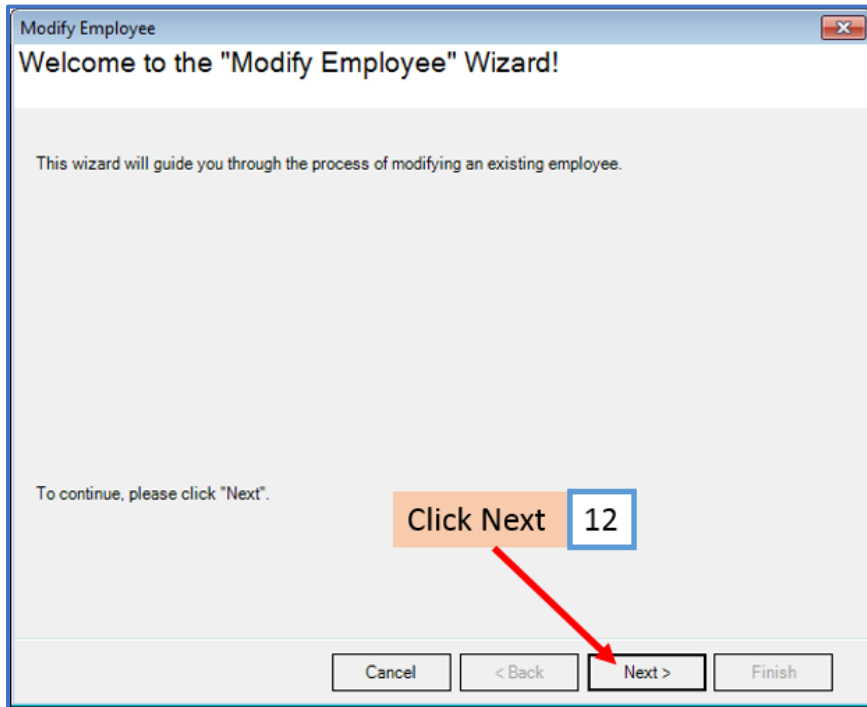
10. Select an employee from the list of employee's names

11. Click Edit

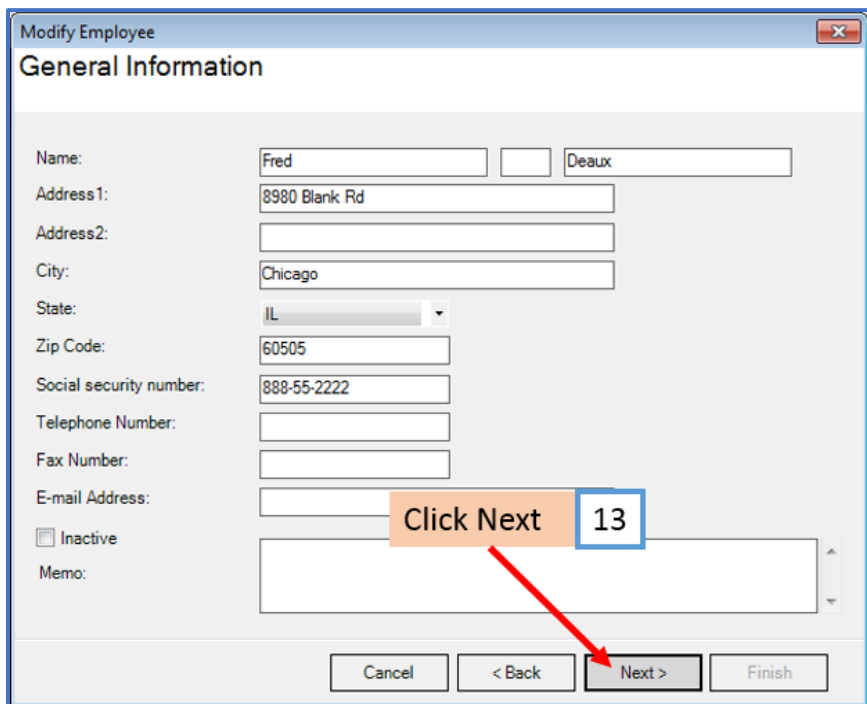


The Modify Employee Wizard will appear on the screen

12. Click Next



13. Click Next



14. Click Next

Modify Employee

### Tax Setup

Federal Income Tax Setup

Filing Status:

Number of Allowances:

Pay Frequency:

Additional Federal Withholding:

W-2 Options

Statutory Employee

Retirement Plan

This employee receives Advance EIC payment

Set the following Taxes to zero on the check

Federal Income  State Income  SS. & Med. (Employee)  SS. & Med. (Employer)

State Income Tax Setup

State:

Additional State Withholding:

IL-W4 Line 1:

IL-W4 Line 2:

Click Next 14

Cancel < Back Next > Finish

15. Checkmark to select housing allowance cash income as applicable

16. Click Next

Modify Employee

### Incomes

<input type="checkbox"/> Double-Time	[Per Hour]	<input type="text" value="0.00"/>
<input type="checkbox"/> Mileage	[Per Mile]	<input type="text" value="0.00"/>
<input type="checkbox"/> Piece Work	[Per Piece]	<input type="text" value="0.00"/>
<input type="checkbox"/> Fringe Benefits	[Fixed]	<input type="text" value="0.00"/>
<input checked="" type="checkbox"/> Vacation Pay Hourly	[Per Hour]	<input type="text" value="20.0000"/>
<input checked="" type="checkbox"/> Sick Pay Hourly	[Per Hour]	<input type="text" value="20.0000"/>
<input type="checkbox"/> Holiday Pay	[Per Hour]	<input type="text" value="0.00"/>
<input checked="" type="checkbox"/> Housing Allowance Cash	[Per Year]	<input type="text" value="6000.0000"/>
<input type="checkbox"/> Bonus	[Variable]	
<input type="checkbox"/> Tips Received Directly by Employee	[Variable]	
<input type="checkbox"/> Tips Paid by Employer	[Variable]	
<input type="checkbox"/> Commission	[Variable]	
<input type="checkbox"/> Life Insurance over 50,000	[Variable]	

Checkmark to select Housing Allowance Cash income and enter amount 15

Click Next 16

Cancel < Back Next > Finish

17. Click Next

The screenshot shows a window titled "Modify Employee" with a sub-header "Taxes". It contains a list of tax items, each with a checked checkbox and a "[Percentage]" label. The items are: Federal Income Tax, Social Security (Employee), Social Security (Employer), Medicare (Employee), Medicare (Employer), Fed Unemployment (Employer), State Income Tax, State Unemployment (Employer), Local Income Tax, State Disability Insurance (Employee), State Disability Insurance (Employer), NY Disability, and Chicago City Tax. At the bottom, there are four buttons: "Cancel", "< Back", "Next >", and "Finish". A red arrow points from a callout box containing the text "Click Next" and the number "17" to the "Next >" button.

18. Click Next

The screenshot shows a window titled "Modify Employee" with a sub-header "Deductions". It contains a list of deduction items, each with a checked checkbox, a label, and a value in a text box. The items are: 401K (Employee) with a "[Percentage]" label and value "4.000000"; 401K (Employer) with a "[Percentage]" label and value "2.000000"; Health Insurance with a "[Fixed]" label and value "25.000000"; and Box 12 data with a "[Percentage]" label and value "1.500000". At the bottom, there are four buttons: "Cancel", "< Back", "Next >", and "Finish". A red arrow points from a callout box containing the text "Click Next" and the number "18" to the "Next >" button.

19. Click Next

Modify Employee

### Direct Deposit

Include in Direct Deposit Process

Banking Information

Account Type:

Bank Routing Number:

Account Number:

Click Next 19

Cancel < Back Next > Finish

20. Click Next

Modify Employee

### Vacation / Sick Hours Settings

Method of Calculating Vacation and Sick Hours:

Per Check

Per Total Hours on Check

Vacation Hours Earned Per Check:

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 Check:

Maximum Sick Hours Earned Per Year:  limited hours per year; fill hours per year

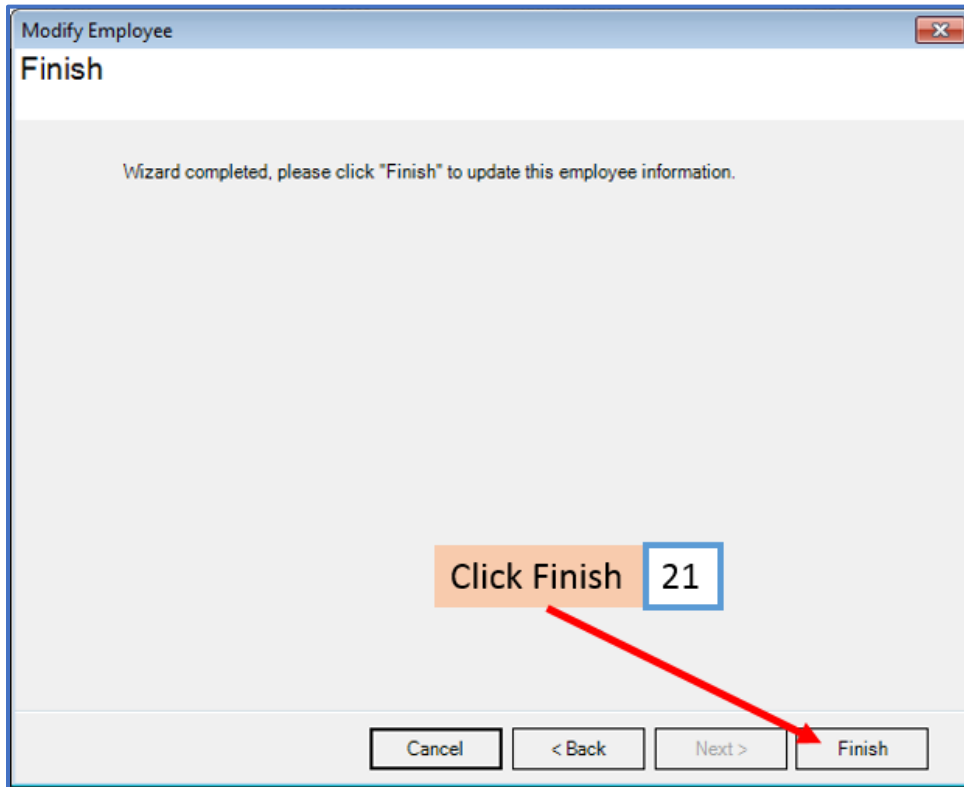
Click Next 20

Cancel < Back Next > Finish



21. Click Finish

Note: Your information will not be saved if you do not click Finish



Repeat steps 9-21 for each applicable employee

22. When creating a new payroll check for the employee the new income category will be visible

Check Details

General Information Pay Frequency: Weekly (52 Pay Periods)

Employee: Deaux, Fred Begin Date: May 14, 2018 Recalculate

Check #: 10 Pay Date: May 21, 2018 End Date: May 20, 2018

Income Details

Income:	Rate:	Type:	Quantity:	Amount:	YTD:
Regular Hourly Pay	20.0000	Per Hour	40.0000	800.00	1500.00
Housing Allowance Cash	6000.0000	Per Year	N/A	115.38	115.38

Vacation / Sick Hours

	Amount:	YTD:
Vac. hours earned	4.62	4.62
Vac. hours used	0.00	0.00
Sick hours earned	4.62	4.62
Sick hours used	0.00	0.00

Tax Details

Tax:	Amount:	YTD:
Federal Income Tax	79.96	148.40
Social Security (Employee)	49.60	93.00
Medicare (Employee)	11.60	21.75
State Income Tax	38.02	71.28
Local Income Tax	0.00	0.00
State Disability Insurance (Employee)	0.00	0.00
NY Disability	0.60	1.20
Chicago City Tax	0.80	1.50
Cook County Tax	58.00	108.75
Social Security (Employer)	49.60	93.00
Medicare (Employer)	11.60	21.75

Deduction Details

Deduction:	Amount:	YTD:
401K (Employee)	32.00	60.00
Health Insurance	25.00	50.00
Box 12 data	12.00	22.50
Medical FSA	25.00	25.00
401K (Employer)	16.00	30.00

Other Optional Details

Check Summary

	Amount:	YTD:	Total Incomes:	Total Taxes:	Total Deductions:	Net Pay:
Hours Worked	0.00	.00	This Check: 915.38	238.58	94.00	582.80
Weeks Worked	0.00	.00	YTD: 1615.38	445.88	157.50	1012.00

MEMO:

OK Cancel

**Housing Allowance Cash 22**