

HOW TO SET UP AND MANAGE PAYROLL DEDUCTIONS FOR UNION DUES

Question

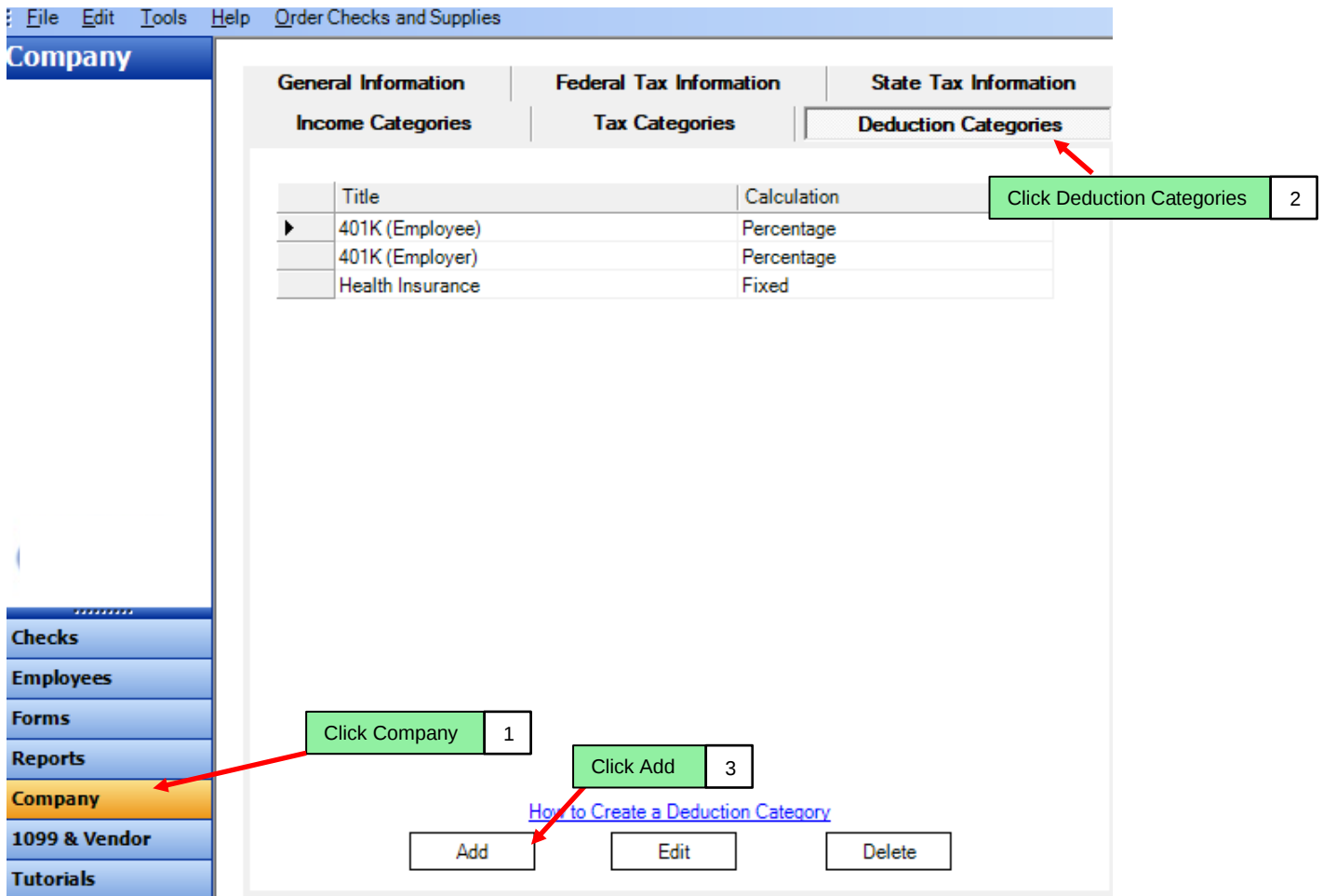
PLEASE REFER TO THE STEPS BELOW:

Answer

Payroll Mate doesn't contain a pre-defined union dues deduction. However, you can create a user defined deduction and apply it at the employee level.

Create a user defined deduction (for union dues):

1. Click **Company**
2. Click **Deduction Categories**
3. Click **Add**



The screenshot shows the Payroll Mate software interface. On the left is a vertical navigation menu with options: Checks, Employees, Forms, Reports, **Company** (highlighted in orange), 1099 & Vendor, and Tutorials. The main window has a menu bar (File, Edit, Tools, Help, Order Checks and Supplies) and a tabbed interface with three tabs: General Information, Federal Tax Information, and State Tax Information. Under the State Tax Information tab, there are three sub-tabs: Income Categories, Tax Categories, and Deduction Categories. The Deduction Categories tab is active, showing a table with the following data:

Title	Calculation
401K (Employee)	Percentage
401K (Employer)	Percentage
Health Insurance	Fixed

Below the table are three buttons: Add, Edit, and Delete. A red arrow points from the 'Add' button to a green callout box labeled 'Click Add' with a small box containing the number '3'. Another red arrow points from the 'Deduction Categories' tab to a green callout box labeled 'Click Deduction Categories' with a small box containing the number '2'. A third red arrow points from the 'Company' menu item to a green callout box labeled 'Click Company' with a small box containing the number '1'. A blue link labeled 'How to Create a Deduction Category' is located below the buttons.

4. Please review the pop-up message, click **I Understand** once you have read through the terms.

Attention

 You are about to custom add a new deduction category.

Please remember that this newly created category will directly affect your tax forms and reports.

You may need to seek tax advice from your tax professional before creating this new category.

Once you have finished creating this deduction category and before you start creating real checks, we strongly recommend that you create one or more dummy checks and confirm that all related incomes, taxes and deductions are properly reflected on all tax forms and reports.

Once you start creating actual payroll checks it will be very difficult to fix any errors you may have overlooked at this point.

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5. Deduction Details box will appear. Enter **Title** for the **Union Dues Deduction**
6. Select a **Calculation** for the deduction from the drop-down menu. You may need to seek advise on which method to use (fixed amount or percentage).
7. Select **Paid by Employee** from the drop-down menu.
8. Enter the **Deduction** amount, depending on what calculation was chosen
9. Click **OK**

Enter the Title you want 5

Deduction Details

Title: Calculation: Percentage 6

Abbreviation: Paid by: Employee 7

Default Quarterly Rates: Cutoff: Leave Blank for No Cutoff

☐ Inactive 8

W-2 Options

☐ Use on Box 10 (Dependent Care Benefits)

☐ Use on Box 12

☐ Use on Box 14 (Other)

Pre-tax payroll deductions are deductions that lower your employee's taxable wages.

When you check any of the taxes in the list below you are lowering the taxable wages for that tax by the amount of the deduction you are creating here.

Exemptions 9

Enter amount of deduction, depending on what calculation was chosen

If this tax has exemptions, select the Exemptions arrow. Check the taxes from which this deduction will be exempt. The taxable wages for any tax you check will be reduced by the amount of this deduction.

10. You will see your deduction listed by **Title and Calculation**

General Information		Federal Tax Information	State Tax Information
Income Categories		Tax Categories	Deduction Categories
	Title	Calculation	
▶	401K (Employee)	Percentage	
	401K (Employer)	Percentage	
	Health Insurance	Fixed	
	Deduction	Percentage	

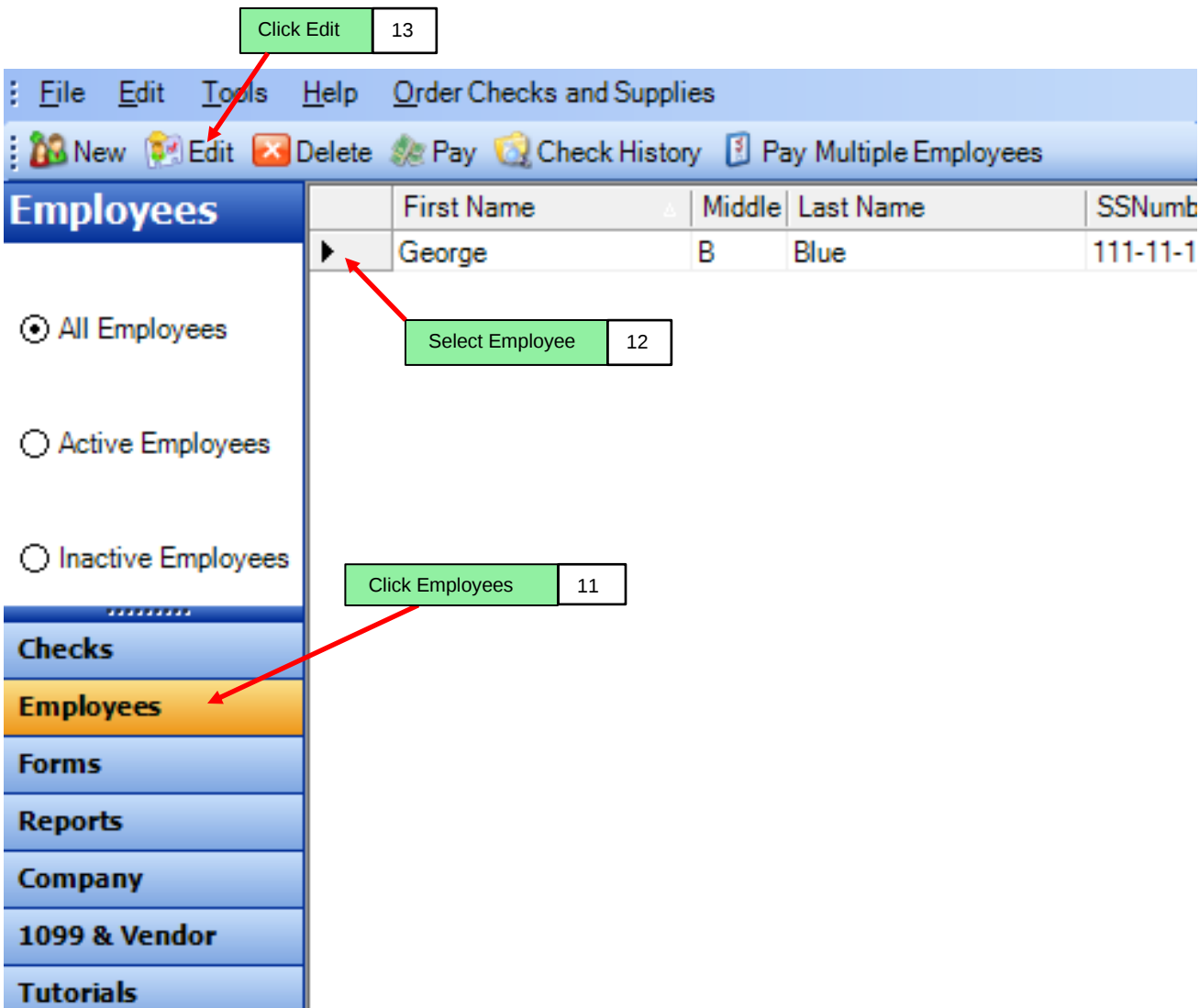
[How to Create a Deduction Category](#)

Deduction you created will be displayed

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Apply it to the employee(s):

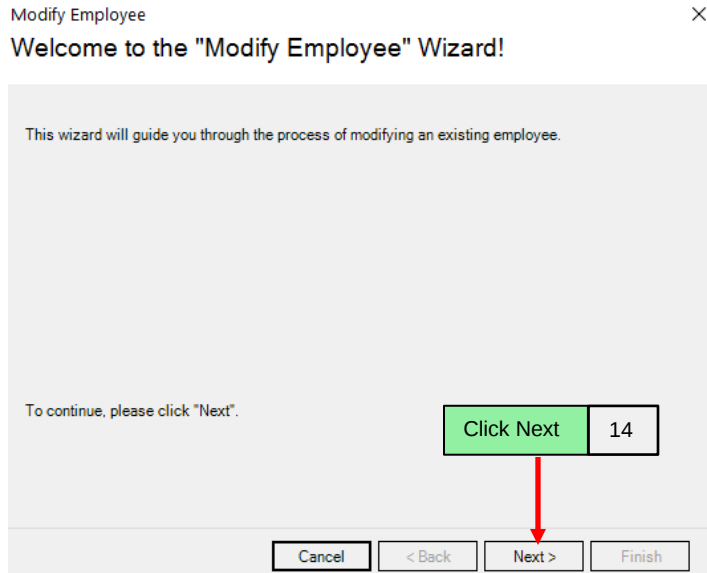
11. Click **Employees**
12. **Select the employee** you would need to add the deduction to
13. Click **Edit**



The screenshot shows the Payroll Mate software interface. On the left is a navigation menu with options: All Employees (selected), Active Employees, Inactive Employees, Checks, **Employees** (highlighted), Forms, Reports, Company, 1099 & Vendor, and Tutorials. The main window displays a table of employees. The first row is selected, showing the employee George. The table has columns: First Name, Middle, Last Name, and SSNum. The 'Edit' button is visible in the top toolbar.

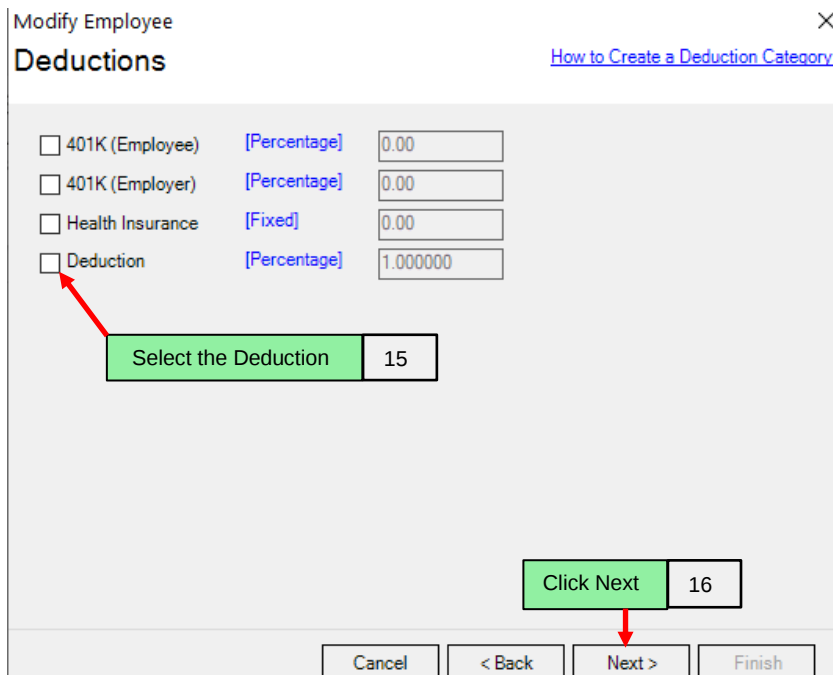
	First Name	Middle	Last Name	SSNum
☒	George	B	Blue	111-11-1

14. You will be taken to the Modify Employee Wizard, click **Next** until you see the **Deductions** page



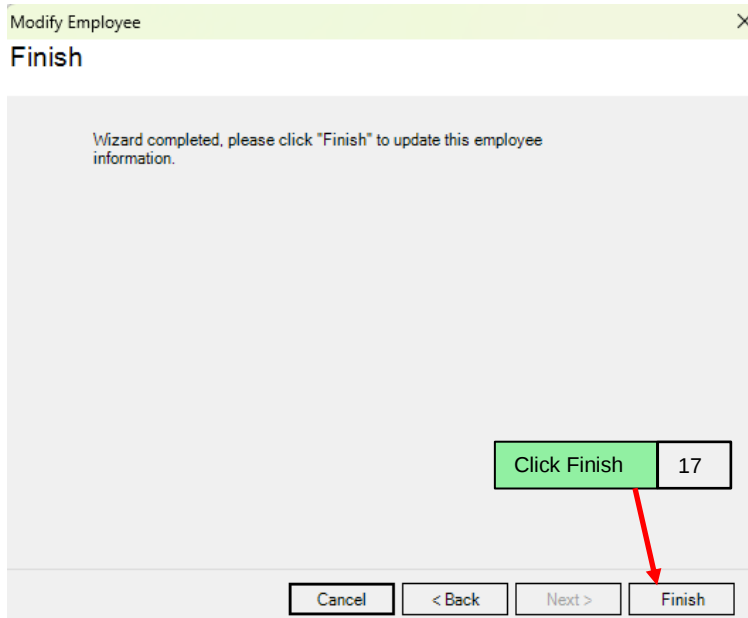
15. Select the **union dues deduction** you just created for this employee. The deduction should contain the calculation you created when you created the deduction in steps 5-9.

16. Click **Next**



Continue to click Next until you reach the Finish screen.

17. Click **Finish**



Modify Employee

Finish

Wizard completed, please click "Finish" to update this employee information.

Click Finish 17

Cancel < Back Next > Finish

This deduction will now appear on all future checks for this employee.