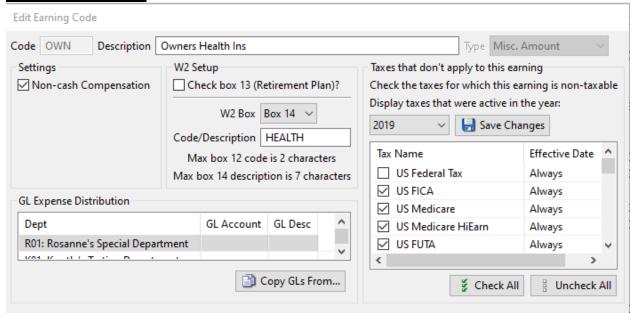
# **Health Insurance Payments-Owner**

## 2 Ways to set it up.

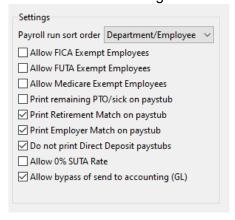
Option 1- Setup Non-Cash Compensation Earning Code w/bypass send to accounting on.

## **Earning Code Setup**



Setup a Non-Cash Compensation code. With the Federal and State taxes being the only taxes that apply. WE ARE NOT A PAYROLL COMPANY AND CANNOT ADVISE HOW TAXES SHOULD BE SETUP. PLEASE MAKE SURE YOU ARE REVIEWING HOW TO SETUP THE TAXING UP WITH A CPA IF YOU ARE UNSURE.

Have the setting to Allow Bypass of send to accounting checked in dealership setups.

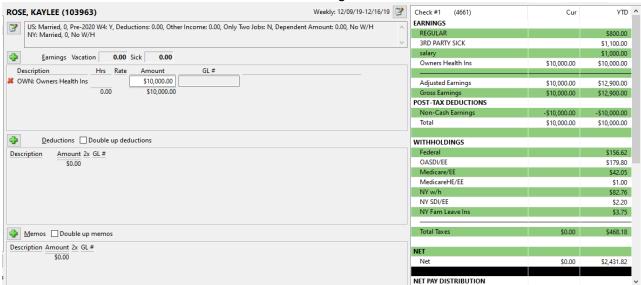


### **Payroll Processing**

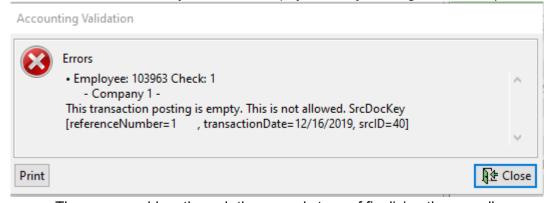
In the payroll, the taxes would then be setup as "**no W/H**" for the Special Withholding box for State and Federal in the payroll for that employee(s)



Their check would then show as adding the earning amount to the wage bases for state and federal and then showing the taxes as 0.



Then approve payroll run and select Bypass of Send to Accounting. (This is very important. If you don't select this it will not let you finalize the payroll and you will get this error.)

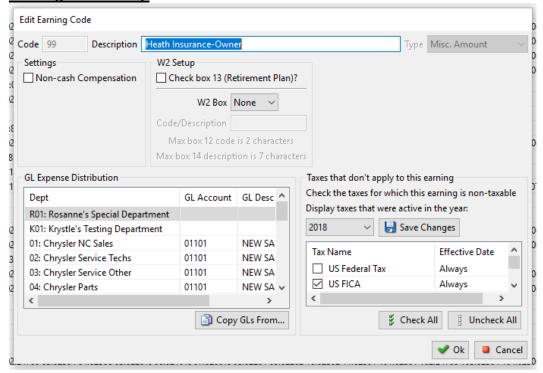


Then you would go through the normal steps of finalizing the payroll.

## **Option 2-Setup Earning and Deduction Code**

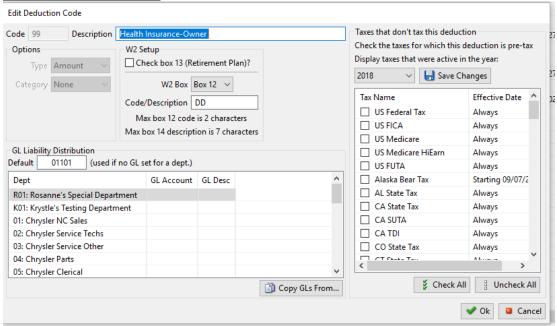
Allows payroll to be posted to accounting, creating a corresponding record in the journal.

### **Earning Code Setup**



With the Federal and State taxes being the only taxes that apply (note: NOT SETUP as Non-Cash Compensation). WE ARE NOT A PAYROLL COMPANY AND CANNOT ADVISE HOW TAXES SHOULD BE SETUP. PLEASE MAKE SURE YOU ARE REVIEWING HOW TO SETUP THE TAXING UP WITH A CPA IF YOU ARE UNSURE.

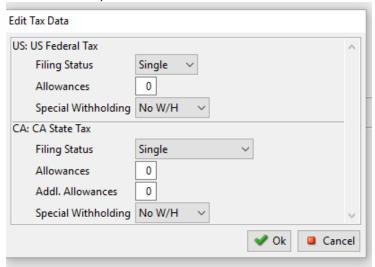
## **Deduction Code Setup**



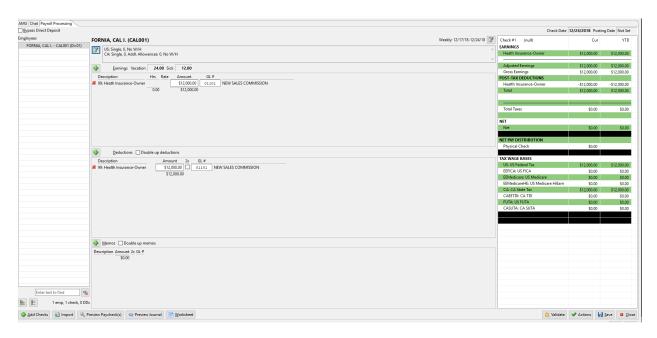
NOTE: Set the earning & deduction code up using the same GL and, in the deduction, make sure none of the taxes are checked. You can also have it set to "bypass send to accounting" to avoid it posting anything to accounting.

### **Payroll Processing**

In the payroll, the taxes would then be setup as "**no W/H**" for the Special Withholding box for State and Federal in the payroll for that employee(s). (Unless you would like to collect those taxes from the employee and then you would have to adjust the deduction to account for the tax difference and account for it there.)



Their check would then show as adding the earning amount to the wage bases for state and federal and then showing the taxes as 0.



The preview journal should look like this. If you have "bypass send to accounting" setup there will not be any entry.

