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W-2 Process

Before You Begin

Payroll Calendar Year End Processing

Summary of Procedures Before you Begin the Close

Please review the entire instructions before starting your Calendar Year End Close.

1. Before you run the last payroll of the calendar year, be sure you have accounted for all taxable vehicle usage (fringe benefit) and dependent care.
2. Be sure you have entered all manual payroll checks.
3. Be sure you have taken care of all voided payroll checks.
4. Be sure you have entered all third-party sick pay. For questions on entering third-party sick pay, copy the following link into your web browser http://lgdocs.lgcinternal.com/fg/cye/av/w2/FlexGenW2Process.htm
5. Be sure to review the Deduction Flag Comparison Report. It will show any employees that do not match the Deduction Control. Review for accuracy. You can access this report from the main payroll menu. Reports>History>Other>Ded Flag Comparison. If there are any names on this report, please call LGC to help with possible corrections.
6. Balance and prepare your quarterly tax return for the fourth quarter.
7. Balance your calendar year-to-date totals with the sum totals of the four quarterly reports. (Click here or go to page 23 for an example of these reports and instruction on how to balance.) Use the summary history report. You can access these reports from the main payroll menu. Reports >History >Summary >Summary
8. If you have differences between the sum of the quarterly reports and the history reports, you should first check your voided checks and manual checks.
9. Be sure you have the correct spelling for each employee’s name and their correct social security number entered into the payroll system.
10. Be sure you have the correct mailing address for each employee entered into the payroll system.
11. If you have employees who have left throughout the calendar year, be sure you have the correct mailing address for these people.
12. 'Visa SSN' parameter has been added to Employee Master screen - If the 'Visa SSN' flag is 'YES', the edit check during the W-2 process will not exclude the employee. The employee will show up with a 'WARNING' on the W-2 Error/Warning Report. If you have employees that have a Visa number as their Social Security Number, you will need to change this flag to ‘YES’ before starting the W-2 process. Employee, Employee Master.

13. Be sure you have set up the deduction control for the Employer-Sponsored Health Care deductions. Other, Control, Control A-L, Deduction Code. See page 3 for more information.

After you have balanced your calendar year-to-date totals back to the totals of the four quarterly reports and you have completed the steps outlined above, you are ready to begin the process of preparing W-2 forms for your employees.

For complete instructions on filing W-2 and W-3 information, see http://www.irs.gov/pub/irs-pdf/iw2w3.pdf

Make a DAILY BACKUP and label it "Pre-Calendar Year End".

ACA Information
Please refer to the Affordable Care Act documentation for any questions regarding this information.

Local income tax ded Code - This option has been added to the payroll parameter maintenance to generate local income tax collected through a deduction and report related information in Box 18, 19 & 20 on the W2 forms.

Continue to Employer-Sponsored Health Care

(Rev. 11/21/2017)
Employer-Sponsored Health Care

The Affordable Care Act requires employers to report the cost of coverage under an employer-sponsored group health plan for the W-2 on box 12, code DD. For more information about what deductions are required to be reported, see [https://www.irs.gov/affordable-care-act/form-w-2-reporting-of-employer-sponsored-health-coverage](https://www.irs.gov/affordable-care-act/form-w-2-reporting-of-employer-sponsored-health-coverage).

To set up a deduction for employer-sponsored health care, go to the main payroll menu, Other, Control, Control A-L, Deduction Code. You will select the deductions that are required and enter to the option Form W-2 Box 12 and select 34 DD ER Health Coverage from the F2 lookup. Then enter to the option Emplyr Sponsored Health Ins and select 01 Yes, from the F2 lookup. You will save your changes by selecting F4 Update.

*Below is an example of the deduction code control.*

![Deduction Code Control Example](image)

It is required that you set up all deduction(s) that qualify for “Employer- Sponsored Health Ins” (according to IRS guidelines) within the deduction code control. Once you have completed this process you will go to the main payroll menu, Period End, Year-End, Misc/Hlth Cv, Employer-Sponsored Hlth Care.
Employer-Sponsored Health Care

The following options are only required if you have not had the deduction code control set up for employer contribution for the entire calendar year for the Employer-Sponsored health insurance and/or need to make changes to the deduction amount.

**Build Health Coverage File** - Build by Calendar Year and selected deduction codes. Deduction(s) must have “Employer Sponsored Health Insurance” flag set to “Yes” on the deduction(s) control. Create New file – Yes, overwrites previously built file. No, will append to previous file (for adding additional deductions). This option can be run multiple times, if needed.

**Health Coverage Rpt By Name** - The report will show you the employees by name for the required employer health coverage deductions. The employee, employer and total health coverage amounts are listed. This report is built by calendar year.

**Health Coverage Rpt By Payroll** - The report will show you the employees by payroll for the required employer health coverage deductions. The employee, employer and total health coverage amounts are listed. This report is built by calendar year, beginning and ending payroll number.

**Health Coverage Rpt By EIN** - The report will show you the employees by EIN number for the required employer health coverage deductions. The employee, employer and total health coverage amounts are listed. This report is built by calendar year.

**Health Coverage Maint.** - Allows you to maintenance the PYED file created for employer health coverage deductions. You can maintain the total health coverage amount or zero it out per employee. This report is built by calendar year. The scroll order options are by Name, Payroll, or Deduction. Keep in mind, if for any reason you have to rebuild the health coverage file, the “YES” feature “overwrites the file”, which will clear the adjustments made within this option.

**Export Health Cover File - PYED** - Allows you to export the file, a path of your choice using the browse option in Tab-delimited format. The file name is HEALTH.TXT.

**Import Health Cover File-Text** - Allows you to import a file (Comma or Tab delimited) with corrected amounts. This could be the file exported or one created. File path and name are required. The column letter needs to correspond with the fields available.

**Corrected Health Coverage Rpt** - This report only shows corrections made to the employee(s) amounts per deduction. This is the final report. It will show the before and after amounts. The amounts from this process are updated to the W-2’s.

[Continue to Year End Menu]

(Rev. 11/21/2017)
Year End Menu

To begin the W-2 process, you will access the payroll main menu and use the year-end menu, which is found under the period end section of the payroll menu.

The year-end menu options are shown below.
Misc/Hlth Cv

Each of the options on the Misc/Hlth Cv menu will be briefly explained below.

**Misc Code Add-On Maint** - This option gives the opportunity to attach W-2 miscellaneous codes and non-qualified plan distributions to employees as shown below.

**Misc Code Add-On Report** - This program will list the employees on the Miscellaneous Code Add-On File.

**Miscellaneous Codes Add-On Maintenance**

This allows you to enter any miscellaneous code from the F2 lookup for deductions that are reported in Box 12. If a deduction code exists for this plan in your payroll, you will need to make sure the correct code is marked on the deduction screen, Other, Control, Control A-L, Deduction Code.

Example of Misc Code Add on: Roth plans 401 and 403 and Health Savings (HSA), and Non-taxable Third Party sick pay.
The miscellaneous code add-on report can be sorted by name or by employee id.

Continue to W-2 Process Menu Options

(Rev. 11/21/2017)
W-2 Process Menu Options

Each of the options on the W2 Process menu will be briefly explained below.

**Number of W-2’s Needed** This will give an estimated total of the W2’s you will need to order.

**Reporting Process** This option provides a step by step process for the W-2 process. Follow the steps in order to complete your W-2 forms.

**W-2 Copy Report** This will give a complete copy of the information printed on W2’s that can be printed on plain paper. It prints 2 employees per 8 1/2 x 11 page.

**Backup W-2 Files** This will make a copy of your W2 files to the W2FILES directory.

**Select W2 File To Copy** This option allows a dated W-2 file to be copied to a diskette, flash drive, or folder depending on your setup. **SSA no longer accepts 3 1/2" diskettes.**

**Create State W-2 File** If your system is set up for State Income Tax and it has been reported with your check history. This option will create the State reporting file for you based on the "state" referenced within your control file. The file will be placed under the files directory and is named GBTEXT.FLE.

**W2c Reporting Process** This menu allows access to building the W2c file and the printing of the W-2c forms.

[Continue to Circular E](#)

(Rev. 11/21/2017)
Circular E

Note: **You must load the December update you received from LGC before you change the Circular E year.**

Select the Circular E year. Use the 'Lookup' option to select the correct year. If you have run your last payroll for 2017, choose 2018. You may have to page down to see 2018. **Do not run this until you have completed all payrolls for 2017.** If you have loaded the update but do not see 2018 try going to System Opt, Run Freestanding SCL and run the scl that is on the instructions that print after the Calendar year end update is loaded. Below is an example of the menu option. The new CIR E for 2018 has not been approved by the IRS yet. The print screen below is just an example of what the screen will look like.

![Circular E Years Menu](image1)

![Select Circular E Year Menu](image2)

Continue to W-2 Reporting Process

*(Rev. 12/15/2017)*
W2 Reporting Process

The W2 Process menu is shown below. A brief description of each option is included.

1. W2 Parameters

This option allows you access to update information about your office as the employer who is filing the W-2 forms. If you have more than one EIN, the EIN entered here is the one that will be used in the heading on the W-2 file. All EIN's will be processed. See screen below for more information.

**Note:** If filing electronically, you must have a User ID number. If you had a User ID last year, it is good indefinitely until you deactivate it online. Your password expires every 90 days. To change your password, go to [www.ssa.gov/bso/bsowelcome.htm](http://www.ssa.gov/bso/bsowelcome.htm). You can update your password by entering your expired password then selecting a new password. If you do not have internet access, you can call Registration and Access to Services Assistance at 1-800-772-6270 Monday through Friday, 7:00 AM to 7:00 PM Eastern Time. (Refer to page 21 for more information about obtaining a User ID or changing a password.)

Be sure the W2 Tax Year is set to **2017**. If not, change it on this screen before proceeding.

**NOTICE:** Effective October 2007, your Personal Identification number (PIN) is now referred to as your User ID.

- **Assigned File Name:** W2REPORT --- This MUST be correct in order for LGC to print your W-2's
- **Inventory Number:** 1
- **User ID:** Your unique User ID
- **Email Address:** A valid Email Address is required
- **W2 Type:** 01 W2ORIGINAL
- **WFID Blank:** Blank
- **W-2 Laser Ptr:** If you are using a laser printer for your forms, it should be 01 YES
  Otherwise, it should be 02 No --- If LGC is printing your W-2's this MUST be YES
- **w/4 W2's:** If you are using a laser printer you will select 01 for 2 employees per page; 03 for 1 employee on 4 squares; 04 for the 4 square mailers. It should be 02 NO if you are not using a laser printer. If LGC is Printing your w-2's this MUST be 04 W-2 Laser 4-P Mailer.
Note: The Submitter Name and Address on the W-2 Parameter Maintenance Screen is not the address that prints on the W-2's. The address that prints on the W-2's comes from the Payroll Number Control under Other, Control, Control N-Z, Payroll Number.

The W-2 Parameter Maintenance has been updated to meet the requirements for the W2 E-File. When the update is loaded, it will copy the Employer contact information to the Submitter’s contact information. The Submitter’s contact and Employer’s contact information are usually the same unless you have a designated employee as the Employer’s IRS contact. For example, the office administrator verses the payroll clerk.

The field for “Kind of Employer” on the W-2 Parameter Maint. is required by the IRS and will be included on the W2REPORT file. The type “S” State and Local Government Emp will be defaulted.

Customers need to select the appropriate type based on IRS classification. Lookup is available.
2. Build Working File

This option creates the work file for preparing the W-2 forms. You will be prompted for the year you are running and a beginning and ending date. If you only want one employee you can enter that in the 'Select One SSN:' line. Leave this field blank to select all employees. See screen below for more information. It is recommended that you have everyone out of the payroll system while you run Step 2.

![Image](image.png)

NOTE: If you make changes to an employee after you have run this option, you will have to run the option again to see those changes on the W-2 form.

3. Error/Warning Report

This report shows all employees who may possibly have errors. It is important you review this report carefully before you proceed. If you need assistance with this, please contact LGC Phone Support. A sample of this report is shown below.

**IF YOU HAVE ERRORS THEY MUST BE CORRECTED BEFORE CONTINUING.**

![Image](image.png)

NOTE: Errors show first, warnings come last. Employees with a 'Warning' will still get a W-2 form. But, a form will not be printed if the employee shows with an 'Error' unless the error is corrected. If you correct errors, you must run Step 2 again. The E/W column reflects if the employee has an error or a warning.
4. Totals Report

This report shows summary totals for your W-2 processing. See sample report below. The totals should be checked against the History Summary Report totals.

<table>
<thead>
<tr>
<th>EIN: 99-9999999</th>
<th>Employer: SAMPLE OFFICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total W-2's:</td>
<td>218</td>
</tr>
<tr>
<td>FIT Wages:</td>
<td>1,011,601.61</td>
</tr>
<tr>
<td>Medi Wages:</td>
<td>1,046,726.68</td>
</tr>
<tr>
<td>FIT:</td>
<td>104,507.62</td>
</tr>
<tr>
<td>Medi Tax:</td>
<td>15,177.64</td>
</tr>
<tr>
<td>SS Wage:</td>
<td>1,046,726.68</td>
</tr>
<tr>
<td>SS Tax:</td>
<td>43,942.52</td>
</tr>
<tr>
<td>Dep Care:</td>
<td></td>
</tr>
<tr>
<td>ITCS:</td>
<td>40,294.17</td>
</tr>
<tr>
<td>DONTB:</td>
<td>38,814.76</td>
</tr>
</tbody>
</table>

5. W2 Report

When you select this option, the following screen will be displayed. If you want ALL employees, press <enter> at the name fields. To select the range of employees for the report, press the ‘Lookup’ option key by each name field. When finished with the range selection, press <enter>. When prompted by “Is This Screen correct?” select ‘Yes’ and then select Continue ‘OK’ to print the report.
This report shows all of the information as it will be printed on the W-2 forms. This shows totals for each employee. It is important that you review this report carefully. If there are any errors, they need to be corrected before you proceed to the next step. (Call LGC Help Desk support for assistance in making the corrections.). A portion of a sample report is shown below.

Once you have reviewed this report and feel satisfied that it is correct, you should proceed to the next step.

If LGC is printing your W-2 forms:

**IF you had an ERROR on the report in step 3, this MUST be corrected before you send anything to LGC. If this step shows an error, you must contact LGC support to correct the error before you can submit anything to LGC for printing.**

Stop here and escape out of the W-2 Process menu.

Please read the following steps carefully and select the appropriate steps for your office:

**Steps IF LGC is going to transfer over your files for W-2 processing.**

- On the Payroll YEAR END menu, under W-2 Process, Select Backup W-2 Files
- This option will run quickly, and bring you back to the menu.
- If LGC is also printing your Affordable Care Act forms. You will need to create the ACA files needed before you call LGC to retrieve your W-2 files. The ACA and W-2 files need to be retrieved at the same time by LGC. Please refer to Affordable Care Act documentation on how to create the files needed for LGC to print the ACA forms.
- If LGC is printing BOTH forms (W2 and ACA) we will not begin printing until we have both of your W2 and ACA data files. If we do not have your data for both W2 and ACA forms by January 23, 2018,
we cannot guarantee printing and delivery to you by the deadline of January 31, 2018.

- Review and initial the W-2 totals Report (Step 4). This report will need to be faxed with your initials on it to LGC at the same time we pull the files. **The fax number is 931-380-1258.** Attention: W-2 Printing. BE SURE YOUR OFFICE NAME IS READABLE on the report.

- You can now call LGC and request the Software Deployment department, informing the receptionist you are ready to have W-2 and ACA files pulled for printing.

- If an employee is able to take your call at the time, you will be asked to allow us remote connection (BOMGAR, TeamViewer, etc.) to transfer the files. You may be asked to leave your name for an employee to call you back shortly.

Await further instructions from LGC, which will be sent to you with your W-2 forms. It is OK to run payroll checks and proceed with business as normal as long as you have set your Circular E to 2017 (Click [here](#) or go to page 9 for instructions).

6. **Print W2's**

This is the option that will print the W-2 forms.

You should be sure that everyone who uses the printer you are going to use for W2’s knows that you are using that printer and not to print anything until you give notice that you are finished.

The printer settings should be set to 10 CPI (characters per inch) and 6 LPI (lines per inch).

Refer to your owner’s manual for your printer for assistance in making these changes. Call LGC Hardware Support Dept. if you need assistance.

**Note:** For Tally printers only, you will also need to set the page length to 75.

For line printers, (example OKI 395 & Tally), you will have the option to run the alignment routine at the beginning of printing. If you choose to do this, you will print one form with XXX’s and 99999's to help you get the numbers and boxes aligned properly. After you choose to end the alignment routine, the system will finish the form it is on with XXX’s and 999’s. Then it will start printing the first real W-2 Form!

If you are printing with a laser printer be sure an LGC representative has set this up for you well in advance and has tested that it will print correctly. The laser printers do not have the alignment option. Call LGC Phone Support if you need assistance. LGC suggests making copies of the W2 forms and doing a test print prior to printing on the actual W2’s.

See Forms and Reports (Click [here](#) or go to page 27) for a sample W-2. This shows where each field will print on the W-2 forms.
IRS Addresses

http://www.socialsecurity.gov/employer/paperFormInstr.htm

Paper Forms W-2/W-3

U.S. Postal Service
Social Security Administration
Data Operations Center
Wilkes-Barre, PA 18769-0001
(Certified Mail Use ZIP 18769-0002)

Paper Forms W-2/W-3
Private Delivery Service (FedEx, UPS, etc.)
Social Security Administration
Data Operations Center
Attn: W-2 Process
1150 E. Mountain Drive
Wilkes-Barre, PA 18702-7997

Paper W-2c Corrections
U.S. Postal Service
Social Security Administration
Data Operations Center
P.O. Box 3333
Wilkes-Barre, PA 18767-3333

Corrections
Private Delivery Service (FedEx, UPS, etc.) and Certified
Social Security Administration
Data Operations Center
Attn: W-2c Process
1150 E. Mountain Drive
Wilkes-Barre, PA 18702-7997
7. W3 Form

This option prints the W-3 form that you will include with your W-2 copies when you report to the IRS. This report is printed only if you will be paper filing. If you are reporting electronically, this option will have N/A out beside it.

Transmittal Of Wage And Tax Statements
Please Submit Below Information
On An Original W-3 Form
W-3 form
Tax Year 2011

Kind Of Payee
X 341
Military
943
CT-1
Hashid Emp
MQSE
Third-Party Sick Pay

Total W2's: 218

1. Wages: 1,011,631.61
2. FIT: 104,507.62
3. SS Wage: 1,046,725.68
4. SS Tax: 43,962.52
5. Medi Wage: 1,046,725.68
6. Medi Tax: 15,177.64

EIN: 95-9999999
Employer: SAMPLE OFFICE
127 TURNER HIGH CIRCLE
COLUMBIA
TN 38401

State: TN ID:
Contact: CONTACT’S NAME
Telephone: 959-999-9999
E-mail: lgc@lgdpc.com
Fax: 931-380-1258

Affidavit

Under penalties of perjury, I declare that I have examined this return, and accompanying documents, and, to the best of my knowledge and belief they are true, correct and complete.

Signature: ___________________________ Title: ___________________________ Date: ___________________________

* End of Report: Local Government Data Demo *
8. Build Reporting File

This option builds the file you will send to the IRS. It gives a browse option to allow you to copy your file to a diskette, flash drive, or folder depending on your setup. You will use this file to submit your returns to the IRS electronically. **The IRS has set a deadline of filing the electronic W2 file to them of January 31, 2018.**

**Do not send the diskette to the SSA.**

**Note:** Social Security no longer accepts magnetic tapes, cartridges, or 3 1/2" diskettes. All wages must be filed either *electronically* or on paper. You can transfer your file from the diskette to the SSA/IRS website. See below.

Following is a suggested site for the transmitting of the W2REPORT file that can be sent electronically to the SSA/IRS.

[http://www.socialsecurity.gov/employer/bsotut.htm](http://www.socialsecurity.gov/employer/bsotut.htm)

Congratulations! You have completed the W-2 process.

(See next page for "Other Year End Procedures".)

Continue to Other Year End Procedures

(Rev. 11/22/2017)
Other Year End Procedures

Roll Leave

For the selected payroll(s), this option will add the number of days or hours from the first leave type “total accumulated” field to the second leave type “total accumulated” field. The amount to add is determined by three options, (1) Total Accumulated, (2) Excess over a prompted amount, and (3) Up to a prompted amount. Only one option may be selected.

**Press the F1 help key to get more information about what each field represents.**
Reset Process

This option will reset deductions, leave, times paid, W-2 miscellaneous file and increment teacher’s experience by one year. These items should be reset at least once per year. See screen below.

**NOTE:** If you reset your deductions and leave on a fiscal year basis, you will not execute this option until the fiscal year end.

**Press the F1 help key to get more information about what each field represents.**

---

Select Circular E Year

Use this option to copy the new calendar year’s Circular E data file into use. Circular E data will update the Social Security amounts, federal amounts, federal and state tax tables, and the TCRS base rates. (Click here or go to page 9)

**Note:** If you are running a January payroll, you have to log in with a January date.

Continue to Obtaining a User ID/Password

(Rev. 11/22/2017)
User ID and Password

Obtaining a User ID/Password

**NOTICE:** Effective October 2007, your Personal Identification number (PIN) is now referred to as your User ID.

Must I get a User ID before I submit my file?

Yes

How do I get a User ID/Password?

Monday–Friday, 5:00 AM to 1:00 AM Eastern time, Saturday, 5:00 AM to 11:00 PM Eastern Time and Sunday, 8:00 AM–11:30 PM Eastern Time for online access. The Internet web site is [www.socialsecurity.gov/bso/bsowelcome.htm](http://www.socialsecurity.gov/bso/bsowelcome.htm), select ‘Business Services Online’, select ‘Register’ or call 1-800-772-6270 Monday through Friday, 7:00 AM to 7:00 PM Eastern Time. See website for hours of operation.

What information do I have to provide to get a User ID?

1. The EIN of the company for which you work. If you are a third party submitter, you need the EIN of your own company, not the EIN of the company(s) for which the wage report(s) is/are being submitted. If you are self-employed, you do not need to provide a EIN.

2. Your Social Security Number (SSN), name (first, middle initial, or name and last name) as shown on your social security card, date of birth, your telephone number, E-mail address, and/or FAX number (optional) to contact you, and your mailing address.

3. Company name, phone number, and address.

How is my request approved?

The IRS will match your name, date of birth and SSN against our records and verify that you work for the company that will submit the file. If the information is verified, they issue a User ID immediately and mail you a password that you should receive within 10-14 days. Your employer will be notified of your registration.

Continue to Using a User ID/Password

(Rev. 11/21/2017)
Using a User ID/Password

How do I use the User ID I receive?

There are two times when you can use your User ID:

1. As an electronic signature: Employer submitter: You will use the User ID as your signature for the file in the MMREF format; Insert your User ID into the file in the User ID field in the RA record positions 12 – 28. This should be the User ID of the person responsible for the file and attesting to its accuracy. It would generally be the same individual who would be signing the attestation statement on the Form W-3. You will be attesting to that “under penalties of perjury, you declare that you have examined this file’s data and that to the best of your knowledge and belief, it is true, correct, and complete”. Third-Party or Payroll Practitioner Submitter: You will use the User ID as your signature for the file in the User ID field in the RA Record positions 12 – 28. This should be the User ID of the person responsible for the file and attesting to its accuracy. This attestation is based on the information available and assurances provided by the client. You should include as part of your standard business practices a provision in our contractual agreement that requires your client to give assurances that the file you are attesting to is to the best of their knowledge true, correct, and complete.

2. To use the Business Services Online (BSO) As a designated individual authorized by your company you will use your User ID to use the Business Services Online to carry out various payroll activities. You’ll need your User ID (and password) to upload files and to check the status of your file. The person uploading the file or checking the status of the file will use his or her own User ID and password. This does not have to be the same person who is inserting their User ID in the file as explained above.

How do I use the password I receive?

Use the password with the User ID to access the BSO. You must change your password the first time you use the system. Your password will expire after 90 days, the next time you log in you will be prompted to change it. If you do not use the BSO, save the password you receive. A password is required to log in to BSO.

When may I start using my User ID and password?

Immediately, upon receipt.

How long may I use the User ID?

Indefinitely, until you deactivate it online.

Continue to Forms and Reports

(Rev. 11/21/2017)
# Forms and Reports

## 941 Report - Quarter 1

<table>
<thead>
<tr>
<th>Name: SAMPLE OFFICE</th>
<th>Date Quarter Ended: 03/31/20XX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Addr: 714 ARMSTRONG LANE</td>
<td>Employer ID #: 99-99999999</td>
</tr>
<tr>
<td>City: COLUMBIA</td>
<td></td>
</tr>
<tr>
<td>State: TN</td>
<td></td>
</tr>
<tr>
<td>Zip: 38401</td>
<td></td>
</tr>
</tbody>
</table>

1. Number of employees: 211
2. Wages, tips, and other compensation: $956,055.20
3. Total income tax withheld from wages, tips: $98,569.36
4. Taxable social security wages and medicare wages and tips:
   - 4a Taxable social security wages: $995,140.49 x 0.0104 = $103,494.61
   - Actual social security taxes: $103,494.65
   - Difference: $0.04
   - 4b Taxable medicare wages & tips: $995,140.49 x 0.0090 = $89,589.07
   - Actual medicare taxes: $89,589.24
   - Difference: $0.17
5. Total FICA taxes (lines 4a + 4b = line 5d) = $132,353.68
6. Total taxes before adjustments (lines 3 + 5d = line 6) = $230,923.04
7. Tax adjustments:
   - 7a Total adjustments: __________
8. Total taxes after adjustments = $230,923.04
9. Advanced earned income credit payments made = 0.00
10. Total taxes after adjustment for advance EIC (lines 8 - 9 = line 10) = $230,923.04
11. Total deposits for this quarter = __________
12. Balance due = __________

First Month Liability: $79,045.90
Second Month Liability: $75,635.76
Third Month Liability: $76,182.28
Total Liability For Quarter: $230,923.04

*End of Report: Local Government Data Demo*
# History Summary - Quarter 1

**Selected Date:** 11/01/20XX to 02/28/20XX  
**Payroll:** 0001 101-31 LOCAL GOVERNMENT CORP  
0002 101-32 SHERIFF'S DEPT  
0003 101-33 VOL. FIREN.  
0004 116-12 S/W PICKUP FUND  
0005 116-01 BANK CO. AMBULANCE  
0006 207-01 S/W ENTERPRISE FUND  
0007 312 CONTRIBUTION & TAIL  
0008 101 - FLICK SUPERINTENDENT MNL

| Decent Salary | 1,209,612.00 | FIT Taxable Gross | 956,855.20 | 38,285.29 TCRS Employee | 34,471.51 Deductions Sheltered from FIT (NDNTB Employee)  
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Security Wage</td>
<td>595,140.49</td>
<td>Medicare</td>
<td>955,140.49</td>
<td>Social Security</td>
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<td>SIT Taxable Gross</td>
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<td>FIT</td>
<td>88,063.36</td>
<td>SIT</td>
<td>14,410.62</td>
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<tr>
<td>FIT</td>
<td>88,063.36</td>
<td>SIT</td>
<td>14,410.62</td>
<td>SIT</td>
<td>14,410.62</td>
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<tr>
<td>TCRS</td>
<td>38,285.29</td>
<td>Employees</td>
<td>52,217.82</td>
<td>TCRS</td>
<td>38,285.29</td>
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<tr>
<td>Advanced Earned Income Credit</td>
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<td>Other Deductions</td>
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<td>Advanced Earned Income Credit</td>
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<tr>
<td>NDNTB</td>
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<td>Employees</td>
<td>26,667.78</td>
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<td>26,667.78</td>
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<tr>
<td>Cafeteria Plan</td>
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<td>Plan Benefits</td>
<td>956,855.20</td>
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<td>34,411.51</td>
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<tr>
<td>Net Pay</td>
<td>787,940.07</td>
<td>Retirement - Exempt Form</td>
<td>956,855.20</td>
<td>Net Pay</td>
<td>787,940.07</td>
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### Deductions and Adjustments

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<tr>
<th>Code</th>
<th>Description</th>
<th>Amount</th>
<th>Notes</th>
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<tbody>
<tr>
<td>0102</td>
<td>AFPLC - NS</td>
<td>5.20</td>
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<tr>
<td>0104</td>
<td>COBDCO - NS</td>
<td>340.18</td>
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<tr>
<td>0107</td>
<td>COSTCO - NS</td>
<td>197.57</td>
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<td>AFPLC - a</td>
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<td>0118</td>
<td>AMER. NS</td>
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<td>0121</td>
<td>PREPAID LEGAL</td>
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<td>CONSDO ACC - DS</td>
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<td>DENTAL (4)</td>
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<tr>
<td>0128</td>
<td>AMER. GUIP. NS</td>
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<td>STRATF NS</td>
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<td>DSGNS NS</td>
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<td>USENS NS</td>
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<td>USENS NS</td>
<td>3,455.00</td>
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<td>MEDICAL DED</td>
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<td>0143</td>
<td>MEDICAL DED</td>
<td>45,186.34</td>
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</table>

* Class Regular and Vol Ded

**Total Number of Employees:** 211
History Summary – Entire Year

Fringe Benefit can affect your FIT Taxable Gross, SS, and Medicare wage. Fringe benefit will be listed in the Adjustments section at the bottom of the report. If you mark an employee as Deceased on the Employee Master screen, No FIT or FIT Taxable will be reflected for the next check paid.

Difference between Social Security and Medicare Wages could be an employee who is exempt from Social Security or has met the Social Security Maximum Limit. An employee that is retired or marked to be exempt from FICA could affect your wage amounts. This will be shown as “Wages Exempt from FICA” under the Gross Salary amount.

**DDNTB stands for Deductible Non-Taxable Benefits.
**NDNTB stands for Non-Deductible Non-Taxable Benefits.

Total Number of Employees: 218
**Forms and Reports**

**FIT Taxable Amount** = Take Gross Salary minus TCRS (employee), minus Deductions sheltered from FIT, plus Fringe Benefits.

**Social Security Wage** = Take Gross Salary minus Deductions ‘Sheltered from Soc Sec.’ plus Fringe Benefits.

**Medicare Wage** = Take Gross Salary minus Deductions ‘Sheltered From’ Medicare plus Fringe Benefits.

**TCRS Employee** = Take the Retirement Gross and multiply by the % that the employees pay in.

**TCRS Employer** = Take the Retirement Gross and multiply by the % that the employer pays in.

**Other Deductions Employee** = Take the Total of all deductions listed at bottom of this report. (Will have to add Class totals to obtain Total Deduction Amount.

**Cafeteria Plan** = Total of only those deductions with the Cafeteria Plan field set to 01 (Yes) on the Deduction control. It doesn’t matter how they were marked for being sheltered or not.

**Deductions ‘Sheltered From’ FIT** = Reads check history for all deductions marked as being sheltered from FIT.

**Deductions ‘Sheltered From’ Soc. Sec.** = Reads check history for all deductions marked as being sheltered from Social Security.

**Deductions ‘Sheltered From’ Medicare** = Reads check history for all deductions marked as being sheltered from Medicare.

**Wages Exempt From Soc. Sec.** = Amount from employees that are marked to be exempt from Social Security.

**Wages Exempt from Medicare** = Amount from employees that are marked to be exempt from Medicare.

**Employment Security Wage** = Reads check history for all wages being marked as subject to Emp. Sec.

**Note:** If the “Cafeteria Plan:” field is different than the “Deductions ‘Sheltered from’ FIT:”, the difference should be your TSA amounts. If there are still differences, you should run the “Ded Flag Comparison” report from history to show you which deductions were marked differently than the control file.

To run this report, you should access the Payroll Main Menu: Reports, History, Other, Ded Flag Comparison.

Use the date range of 01/01/20XX through 12/31/20XX.

Select all deductions that might be affected by the cafeteria plan flag. If you are unsure, you can select all deductions.

**W2 Totals**

This should match the totals from a history summary report for the whole calendar year.

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**FIT Taxes**

- **FIT Taxes:** 1,011,631.61
- **FIT:** 104,576.62
- **SS Taxes:** 1,046,720.62
- **SS Tax:** 43,942.82

**Medicare Taxes**

- **Medicare Taxes:** 1,046,720.62
- **Medicare Tax:** 55,177.61
- **AZIC:** Dep Care:
- **TQSE:** 40,294.17
- **TZMB:** 35,044.75

**Other Deductions**

- **Other Deductions:** 40,294.17
- **Benefits:** 35,044.75

*End of Report: Local Government Data Demo*
**W2 Report**

**FIT Wages** = Box 1  
**Medi Wage** = Box 5  
**TCRS** = Box 14

**FIT** = Box 2  
**Medi Tax** = Box 6  
**DDNTB** = Box 14

**SS Wage** = Box 3  
**AEIC** = Box 9  
**NDNTB** = Box 14

**SS Tax** = Box 4  
**Dep Care** = Box 10  
**EmpR Spon Health Care** = Box 12

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**W2 Form**

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*Cat. No. 1013-D*

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(Rev. 11/21/2017)
Support and Navigation

Contacting LGC Support

Local Government Corporation Tech Support:

800-737-1826
7:00 a.m. - 5:00 p.m.
Central Standard Time

Request Support Online

Using our online support request form is the most efficient way to let us know you need our help. To create an online support request, go to our website www.localgovernmentcorporation.com, login and under LGC Home, click Request Support. Using the online support request form, you can give as much detail on the issue as you want and you can attach files and screen shots

(Rev. 11/21/2017)