

What's New in Elite Salon & Spa Payroll™, Release 3.6.5 (for 2010)

1. Arizona State Tax.

The formula for calculating Arizona state taxes has been updated.

2. New U.S. Form 941 for Quarter Two of 2010.

Effective quarter two of 2010, the Internal Revenue Service revised U.S. Form 941:

- a. Question number two has been added to allow the user to indicate qualified employees hired under The H.I.R.E. Act for the current quarter. The first box asks for the number of qualified employees paid wages/tips under the H.I.R.E Act for the first time in the current quarter. The second box asks for the total number of qualified employees paid wages/tips for the current quarter. The third box requires the dollar amount of all qualified employees' exempt wages. This amount would be the total eligible gross wages subject to the social security tax exemption for the current quarter.
- b. Question number three has been added to allow the user to indicate qualified employees hired under the H.I.R.E Act for the period of March 19 through March 31, 2010. The first box asks for the number of qualified employees paid wages/tips for the first quarter. The second box requires the dollar amount of all qualified employees' exempt wages. This amount would be the total eligible gross wages subject to the social security tax exemption for the first quarter.

Below is the screen that appears prior to filing a U.S. Form 941. Please consult your tax advisor for more information on The H.I.R.E Act.

Additional Questions for U.S. Form 941

1. Do you intend to enter an overpayment to be included on Line 11 of this U.S. Form 941 that you applied from filing U.S. Form 941-X or U.S. Form 944-X in the current quarter? Yes No

Enter the overpayment from 941-X or 944-X:

If you are entering an overpayment in the field above, please verify that U.S. Form 941-X or U.S. Form 944-X has been filed with the Internal Revenue Service. For more information, please consult with your tax advisor.

2. Did you hire any new employees after February 3, 2010, and before January 1, 2011? Yes No

Enter the number of qualified employees first paid exempt wages/tips this quarter:

Enter the total number of qualified employees paid exempt wages/tips this quarter:

Enter exempt wages/tips paid to qualified employees this quarter:

3. Did you pay exempt wages/tips during the period of March 19 - 31, 2010? Yes No

Enter the number of qualified employees paid exempt wages/tips during the period of March 19 - 31, 2010:

Enter exempt wages/tips paid to qualified employees during the period of March 19 - 31, 2010:

4. Do you intend to enter COBRA premium assistance payments to be included on Line 12a of U.S. Form 941? Yes No

Enter the COBRA premium assistance payments:

Enter the number of individuals provided COBRA premium assistance for the amount you are claiming on Line 12a of the U.S. Form 941 for this quarter:

Only report the premium assistance payments you made for the assistance eligible individuals who have paid their reduced premiums. This amount should be 65% of the total COBRA premiums for assistance eligible individuals without regard to the reduction. Do not include any amounts paid to you by the COBRA assistance eligible individuals. For COBRA coverage provided under a self-funded plan, COBRA premium assistance payments are treated as having been made for each assistance eligible individual who pays 35% of the COBRA premium. For more information regarding COBRA premium assistance payments, please consult with your tax advisor.

What's New in Elite Salon & Spa Payroll™, Release 3.6.2 (for 2010)

This release corrects an error in the formula used to calculate taxes for the state of Louisiana.

What's New in Elite Salon & Spa Payroll™, Release 3.6.1 (for 2010)

The formula for calculating state withholding taxes for Louisiana has been updated for 2010.

What's New in Elite Salon & Spa Payroll™, Release 3.6 (for 2010)

1. New U.S. Form 940 for 2009

This tax form must be filed by taxpayers by January 30, 2010.

2. Updated [Employer's Annual Federal Unemployment Tax (FUTA) Tax Return]

Screen

Question number 6 has been added to allow the user to indicate if wages were paid in a state that is subject to credit reduction. A state that has not repaid money it borrowed from the federal government to pay unemployment benefits is called a *credit reduction state*. Currently, this applies to paid wages subject to the unemployment tax laws of **Michigan only**. If applicable, the user may then enter the amount of taxable FUTA wages paid in Michigan. This information will be used to complete the U.S. Form 940 for 2009 and the Schedule A (Form 940) for 2009: Multi-State Employer and Credit Reduction Information. Please consult your tax advisor for more information.

The screenshot shows a software window titled "Employer's Annual Federal Unemployment (FUTA) Tax Return". At the top, there are input fields for "Year: 2009", "Filing Date: 01/06/2010", and "State unemployment tax payments made: \$0.00". Below this, there are six numbered questions with radio button options for "Yes" and "No".

1. Did you pay unemployment contributions to only one state? Yes No
Check the box for every state in which you were required to pay state unemployment tax this year.
 AK CD GA IN MD MS NH OH SC VA WY
 AL CT HI KS MI MT NJ OK SD VT PR
 AR DC IA KY MN NC NM OR TN WA VI
 AZ DE ID LA MO ND NV PA TX WI
 CA FL IL MA ME NE NY RI UT WV

2. Were all wages that were taxable for FUTA tax also taxable for your state's unemployment tax (SUTA)? Yes No

3. Were ALL of your taxable FUTA wages excluded from state unemployment tax? Yes No

4. Were SOME of your taxable FUTA wages excluded from state unemployment tax? Yes No

5. Did you pay any state unemployment tax late? Yes No

6. Did you pay wages in a state that is subject to CREDIT REDUCTION? Yes No
(Michigan) Total taxable FUTA wages paid in MI

At the bottom of the window, there are four buttons: "Default", "Prey" (with a left arrow), "Print" (with a printer icon), and "Cancel" (with a red X icon).

3. Unchanged Wage Base for Social Security

The wage base for social security is \$106,800.00 unchanged for 2010.

4. Updated Federal Withholding Taxes

The formula for calculating federal income tax has been updated for 2010.

5. Updated State Withholding Taxes

The formulas for calculating state taxes have been updated for 2010 for the following states:

California
Connecticut
Delaware
Hawaii
Indiana
Kentucky
Maine
Massachusetts
Michigan (several cities changed taxes, state tax remains unchanged)
Minnesota
Missouri
New Jersey
New York
North Dakota
Oklahoma
Pennsylvania (several cities changed taxes, state tax remains unchanged)
Rhode Island
Vermont
Wisconsin

Note: Louisiana state taxes will be available in Release 3.6.1