

Federal Payroll Information effective January 1st, 2011

This information was pulled from the Federal Government's Circular E, Employer's Tax Guide at www.irs.gov/publications (page numbers listed below for reference). Make changes (highlighted in yellow) in your Payroll software before you run your first payroll for 2011 (assuming you have closed the 2010 payroll year).

Under Payroll Utilities Menu in the Special Company Maintenance

page		Amount	%
19	Change Employee Social Security Wage Limit to:	\$ 106,800.00	4.20%
19	No change to Employer Social Security Wage Limit	\$ 106,800.00	6.20%
19	No change to Employee Medicare Wage Limit	\$ 999,999.99	1.45%
19	No change to Employer Medicare Wage Limit	\$ 999,999.99	1.45%
29	No change to FUTA Wage Limit (January 1-June 30, 2011)	\$ 7,000.00	0.80%
29	Change FUTA Wage Limit to: (July 1 - Dec. 31, 2011)	\$ 7,000.00	0.60%

Under Payroll Executive Menu Maintain Federal Tax Tables

The number of lines in the tables must be changed to 6 before entering the amounts.

Annual Withholding Allowance: \$3700.00 (page 35 table 5)

Page 37 - Table 7	Line	Over	Base	%
Single and Head of Household	1	\$ 2,100	0.00	10.0%
	2	\$ 10,600	\$ 850.00	15.0%
	3	\$ 36,600	\$ 4,750.00	25.0%
	4	\$ 85,700	\$ 17,025.00	28.0%
	5	\$ 176,500	\$ 42,449.00	33.0%
	6	\$ 381,250	\$ 110,016.50	35.0%

Page 37 - Table 7	Line	Over	Base	%
Married	1	\$ 7,900	0.00	10.0%
	2	\$ 24,900	\$ 1,700.00	15.0%
	3	\$ 76,900	\$ 9,500.00	25.0%
	4	\$ 147,250	\$ 27,087.50	28.0%
	5	\$ 220,200	\$ 47,513.50	33.0%
	6	\$ 387,050	\$ 102,574.00	35.0%

There is a discussion of how to maintain these fields in your Payroll Manual. Please double check these figures with your Accountant. This document is also published from year-to-year on our website under tech support --> white papers --> Federal Payroll Information

