



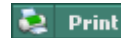
How To

Sage ERP Pro

215-1000741 - SSEC is Not Being Set to the New 4.2 Percent Rate

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Special Considerations or Warnings

Warning: None

Note: None

This article is currently unpublished pending review.

Solution

Employers should implement the new SSEC tax rate as soon as possible in 2012 and no later than Jan.31, 2012. For any Social Security tax over-withheld during January, employers should make an offsetting adjustment in workers' pay as soon as possible but and later than March 31, 2012. The employee's SSEC rate was reset back to 4.2% after the release of the December 2011 PUP. The SSEC will have to be manually adjusted.

To adjust the employee's SSEC rate, please follow the steps below to adjust the rate back to 4.2%.

- Select Payroll Module
- Maintain / Taxes / Tax Master
- Select Tax Id "SSEC"
- If the Rate is 0.062 then make a change to 0.042.
- Press the <Edit> button and change the rate from 0.062 to 0.042
- Click the <SAVE> button

If you already have run the payroll check with 6.2%, employers should make an offsetting adjustment in worker's pay as soon as possible but not later than March 31, 2012.

The employee checks have been printed with 6.2 rates.

On the next run, employer can adjust the SSEC rate below to 2.2 rates to offset the adjustment.

Original: 4.2%

1st check: $\$100.00 * 0.042 = 4.20$

2nd check: $\$100.00 * 0.042 = 4.20$

Net:8.40

Offsetting adjustment:

1st check: $\$100.00 * 0.062 = 6.20$ (over paid with 2.00)

2ND check: $\$100.00 * 0.022 = 2.20$ (offsetting to 2.2%)

Net: 8.40

On the next run, they can change the SSEC rate back to 2.2 and print the check.

After this check run they should change the SSEC rate back to 4.2%

Business Reason

Due to last minute changes received from the IRS for the SSEC rate it was not possible to include in the December 2011 PUP release.

Does this article apply to my products?

Products: Sage ERP Pro

Applications: Payroll,

Version Applicable: 7.5, 2010, 2011,

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