

Checklist for New Employers Setting Up Payroll Taxes in QuickBooks

We recommend that you print this checklist and instructions.

Setting up your company to pay payroll-related taxes on time is a **critical last step** in Payroll Setup. Completing this step lets QuickBooks remind you when your payroll tax payments are due. If you fail to pay your payroll taxes on time, you will incur **penalties and fees** levied by the taxing agencies.

In order to complete this last step in Payroll Setup, you need the information listed on this checklist. As a new employer, you're responsible for registering with both federal and state taxing agencies. Because responses from government agencies can take a little time, begin collecting this information as soon as possible so you can complete Payroll Setup ahead of any tax payment deadlines.

As soon as you have the information that is specific to you, **return to Payroll Setup and complete the Taxes section.**

What You Need to Finish Payroll Setup

For your federal taxes:

- Determine whether to file federal Form 941 or Form 944** _____

Most new employers must file **Form 941** (Employers Federal Tax Return-Quarterly). (The IRS will notify you if you need to file Form 944 (Employers Federal Tax Return-Annual) instead.)

- Federal Unemployment Insurance (FUTA) Payment (Deposit) Schedule:** _____

Your FUTA payments must be deposited on a **quarterly** basis unless you've been notified otherwise by the IRS.

- Start the electronic payment enrollment process with the IRS**

The IRS generally requires that you make your federal payroll tax payments electronically, and if you have QuickBooks Enhanced Payroll, you can make these payments through QuickBooks. However, you must first enroll for electronic payment with the IRS, obtain a 4-digit PIN, and set up a password. Since obtaining the PIN from the IRS can take as much as two weeks, start the enrollment process as soon as possible by logging on to www.EFTPS.gov. (Note: You don't need the PIN to complete Payroll Setup.)

- Federal Payment (Deposit) Schedule:** _____

The IRS requires that you deposit your tax payments—federal income taxes withheld from employees' paychecks, plus both the employer and employee Social Security and Medicare taxes—either monthly or semiweekly, depending on your tax liability during a specific lookback period. New employers are generally considered to be **monthly** depositors for the first calendar year of business, but you should check with the IRS or your tax advisor to be sure.

For each state in which your employees work:

If you don't already have the following information for each state where your employees work, you need to contact the appropriate agency or agencies to obtain it. To find agencies and contact information for each state, go to payroll.intuit.com/support/PTS/index.jsp. (Choose the state in the Agency section, and then click the Agency Contact tab in the Information section.)

- State Employer Account Number:** _____

When you hire your first employee, you must register with the state in which the employee works and obtain an account number. Some states call this an **employer identification number** or state agency ID.

State Payment (Deposit) Schedule: _____

States require that you deposit your tax payments—taxes withheld from employees’ paychecks as well as company-paid taxes—quarterly, monthly, or after each payroll, depending on the state and the company circumstances. Once you’ve registered with your state agency, the agency generally sends this information in a letter or e-mail.

State Unemployment Insurance (SUI) Contribution Rate: _____

Most states have a default state unemployment insurance (SUI) contribution rate for new employers. QuickBooks set this default rate when you set up your employees in Payroll Setup. However, this rate changes based on state rules and your company’s experience. Remember to update the SUI rate in Payroll Setup whenever you receive notification from the state.

Other State Taxes (if applicable)

Some states require you to pay other payroll-related taxes such as assessments, surcharges, administrative fees, or job-training taxes. If your state requires additional taxes, list them here along with their payment schedules and rates.

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- _____
- _____

Local Payroll Taxes (if applicable)

Some localities require you to pay payroll-related taxes. To learn more about local payroll taxes, go to payroll.intuit.com/support/PTS/statelocaltax.jsp and click **Local Taxes**. Note the applicable taxes, payment schedules, and rates here.

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Once you have collected all the information about your tax payments here, you can return to Payroll Setup and complete the Taxes section.

How to Return to Payroll Setup

1. In QuickBooks, select **Payroll Setup** from the **Employees** menu.
2. Click the **Taxes** link on the left and follow the screen by screen instructions.

Additional Resources

In addition to the QuickBooks in-product help content, you might find these resources useful:

- [New Employer Guide](#) to Payroll Setup
- [Payroll New User Center](#)
- [Payroll training videos](#)
- Intuit Payroll [general support content](#) and free Payroll support