



## AccountMate Year-End Preparations Article # 1255

### Technical Note: Reports Affected by the W-2/1099 Year-End Closing and Period-End Closing for the Last Period of the Current Fiscal Year

**Difficulty Level:** Beginner Level AccountMate User

**Version(s) Affected:** AccountMate 8 for SQL and Express  
AccountMate 7 for SQL, Express and LAN  
AccountMate 6.5 for LAN with Upgraded Payroll

**Module(s) Affected:** PR

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### DESCRIPTION

It is again that time of year when companies close their books and try to get their businesses in order before starting a new fiscal year. What makes this more challenging is that for many companies the fiscal year ends right in the middle of the holidays. The best way to manage the stress is to start getting ready right now. This article will help you prepare for this event in your annual business cycle.

One way to help streamline your year-end process is to make a checklist. A checklist will help keep you from missing anything, from the start of the process right up to the generation of reports. AccountMate Payroll reports may change after performing W-2/1099 Year-End Closing and Period-End Closing for the last period of the current fiscal year. This article lists the reports that will not show the same information after a tax year is closed; and it identifies certain reports that provide limited transaction details following the last period-end closing for the current fiscal year.

### SOLUTION

#### I. Reports Affected by W-2/1099 Year-End Closing

The following reports should be generated before running the **W-2/1099 Year-End Closing function** to close the current tax year.

##### 1. Employee Reports

Employee Reports provide information about your employees and independent contractors. This information includes year-to-date earnings, withholding amounts and leave accruals for the current tax year. Performing the W-2/1099 Year-End Closing affects some of the Employee Reports in the sense that some of the year-to-date information such as employee earnings, tax withholding

amounts and leave accruals show data for the current year only. The following reports are affected:

a) Employee Detail Listing

In addition to the employee's personal, wages and tax data, this report also shows the employee's accumulated earnings, leave benefits and deduction amounts for the current tax year.

b) Employee Salary Listing

The Employee Salary Listing includes information about each selected employee's pay type, pay period, pay rate, regular hours per week, performance and salary review dates, and settings for overtime, tips and electronic payments. You have the option to show the selected employee's vacation, holiday, personal, sick and other leave hours for the current tax year. If it is essential to include the employee's paid leave information in this report, it is recommended that you generate this report before performing W-2/1099 Year-End Closing.

c) Employee Paid Leave Listing

The Employee Paid Leave Listing presents the employee's leave code settings. It also displays the employee's leave benefit hours that were carried over, accumulated, used and the balance for the current tax year.

d) Employee Earnings and Tax Withholdings Listing

The Employee Earnings and Tax Withholdings Listing provides quarterly and year-to-date information about each selected employee's earnings and payroll taxes for the current tax year.

## 2. Quarterly Reports

The Quarterly Reports function allows you to generate quarter-to-date tax withholding reports. You can generate these reports for the current and previous tax years only. As such, you must print these reports for the previous tax year before closing the current tax year so you can keep the previous year's records for audit purposes.

a) QTD Tax Withholdings Report

The QTD Tax Withholdings Report provides information about employee earning, withholdings and deductions as well as the employer payroll taxes for each quarter of the current or previous tax year.

b) State Quarterly Return

The State Quarterly Return shows the information required to fill out the state's payroll tax return for each quarter of the current or previous tax year.

c) Local Quarterly Return

The Local Quarterly Return provides the information required to fill out the quarterly payroll tax return for a local tax jurisdiction. This report can be generated for each quarter of the current or previous tax year only.

3. **Annual Reports**

Annual Reports provide the information you need to complete the annual federal and state payroll tax returns as well as the W-2 and 1099 forms. Just like the Quarterly Reports, you can generate the Annual Reports for the current and previous tax years only. You must print these reports for the previous tax year before closing the current tax year so you can keep the previous year's records for audit purposes.

a) YTD Tax Withholdings Report

The YTD Tax Withholdings Report shows employee earnings, withholding taxes, deductions and the employer's contribution to payroll taxes during the current or previous tax year.

b) W-2 Report

The W-2 Report displays the employees' earnings and the federal, state and local payroll taxes for the current or previous tax year.

c) 1099 Report

The 1099 Report displays both the previous and current year-to-date payments to independent contractors.

4. **Other Reports**

There are other reports that are affected by the W-2/1099 Year-End Closing function. They are listed below:

a) Tax Forms

Tax forms or tax returns such as W-2 Form, 1099-MISC Form, Form 941, Form 940, DE-9 and DE-9C Forms and other federal, state and local tax forms can be generated using the **Tax Forms** function.

**Notes:**

- *While the Tax Forms screen allows you to print the tax returns using data accumulated for either the current or previous tax years, AccountMate will print the returns using the layout installed by the latest tax forms update. For example: the 2013 tax update installed the 2012 W-2/W-3 tax form while your current PR tax year is 2013. AccountMate will print the W-2/W-3 data using the 2012 tax form layout. This is true even if you select Current Year (2013) in the Tax Year section.*
- *These papers must be used when printing the following forms:*

- W-2
  - Plain paper only for 2 up (Federal filing)
  - Perforated blank paper for 4 up (Employer, Employee and State copies). The Employee copy can have the instructions printed on the back, but it is not required.
- W-3: Plain paper only (Federal filing)
- 1099-MISC
  - RED pre-printed form for 2 up (Federal filing)
  - Perforated blank paper for 4 up (Payer, Recipient and State copies). The Recipient copy can have the instructions printed on the back, but it is not required.
- 1096: RED pre-printed form (Federal filing)

b) Report of Wages

The Report of Wages provides information about the employees' quarterly gross earnings for the current and previous tax years only. This report provides information that can be used to fill out the quarterly payroll tax returns.

c) Departmental Analysis Report

The Departmental Analysis report shows each department's actual number and percentage share in the company's total paid employee hours, earnings and payroll costs. This report will only show information pertaining to the current tax year.

d) Deduction Listing

This report comes with an option to show the accumulated quarterly deduction amount. When this option is selected, the report will show the quarterly and year-to-date deduction figures for the current tax year.

## **II. Report Affected by Performing Period-End Closing for the Last Period of the Current Fiscal Year in AccountMate 7**

The following report should be generated before performing **Period-End Closing** for the last period of the current fiscal year.. Data in certain tables are moved to history when closing the last period of the current fiscal year after which the information in this report will change.

- **Work Hours Analysis Report**

The Work Hours Analysis report allows you to compare each employee's total earnings against a break down of each one's work hours. This report will only show information pertaining to the current tax year.

**Note:** This report can be generated to include historical data in AccountMate 8.

Preparation is the key to a successful year-end. With this checklist of reports, you are now a step ahead on your year-end preparations. By adhering to the suggestions in this document, you will substantially reduce your stress knowing that you have printed and stored the necessary reports for the historical tax and fiscal years so that they are available anytime someone wants them for audit and other purposes.

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