

Clarity US - How to update Social security ER and Medicare ER

Payroll taxes Social security ER and Medicare ER used to be defined as percentage or formula. We have introduced new payroll category types 'Social security' and 'Medicare' for payroll taxes.

The screenshot shows the 'Payroll category' setup window. At the top, there are tabs for 'List', 'General', 'Form assignments', 'Advanced', and 'Other'. The 'General' tab is selected. Below the tabs, there are fields for 'Category' (Payroll tax), 'Number' (701), and 'Name' (Social security tax (ER)).

The 'Basic information' section contains the following fields:

- Number: 701
- Name: Social security tax (ER)
- Abbreviation: SSTax (ER)
- Tax level: Federal (dropdown)
- Type: Formula (dropdown menu is open, showing options: Regular, Formula, Script, Percentage, and Social security tax (highlighted))
- Formula: (empty field)

The 'Flags' section contains the following checkboxes:

- ☒ Show on payst
- ☒ Show on Edit pa
- ☒ Default to new employee
- ☐ Used for job costing
- ☐ Used for payroll quick entry

At the bottom of the window, there are buttons for 'Duplicate', 'Close', and 'Help'.

(Figure 1)

At payroll category setup (Figure 1) select type 'Social security' or 'Medicare': from the top menu **go to Setup > Payroll settings > Payroll categories > select payroll tax Social security (ER)**. Review the "Tax level:" and in the "Type:" field select the "Social security tax" from the drop down list.

Payroll category

Category: Payroll tax Number: 702 Name: Medicare tax (ER)

List General Form assignments Advanced Other

Basic information

Number: 702
 Name: Medicare tax (ER)
 Abbreviation: MedTax(ER)
 Tax level: Federal

Type: Percentage
 Regular
 Formula
 Script
 Percentage
 Social security tax
Medicare tax

Flags

☒ Show on paystub
☒ Show on Edit paystub
☒ Default to new employee
☐ Used for job costing
☐ Used for payroll quick entry

Duplicate Close ? Help

(Figure 2)

For the Medicare (Figure 2): go to **Setup > Payroll settings > Payroll categories** > select payroll tax **Medicare tax (ER)**. Review the "Tax level" and in the "Type:" field select the "Medicare tax" from the drop down list.