

FINANCE PROCEDURE MANUAL	TITLE: Payroll Tax Payments	
	NUMBER: FIN-PAY-013	VERSION: 01
	ISSUED DATE: 9/30/2010	REVISION DATE: 4/25/2014

➤ **Purpose:**

Explain how the College remits payroll taxes to proper government authorities.

➤ **Definitions:**

Electronic Federal Tax Payment System (EFTPS): A tax payment system provided by the U.S. Department of Treasury for paying federal taxes electronically via the internet or phone.

Journal Entry: The recording of a business transaction and its monetary value in the accounting system (PantherNet).

PantherNet: The online Enterprise Resource Planning (ERP) system used to track and maintain operations at the College including financial, student, and payroll/personnel records.

Tax Report: After each pay period closes, a Payroll report is processed in PantherNet to determine the amount of payroll taxes due to government agencies.

➤ **Responsibility:**

Payroll: pull up tax report in PantherNet, electronically transfers tax payment, and prepares journal entry to record payment of taxes.

Accounting Specialist for Bookkeeping: Prepares journal entry for tax payment and reconciles book and bank entries.

Assistant Controller, Reports & Treasury: Approves journal entry.

➤ **Procedure Details:**

1. After each payroll is completed, payroll staff consults the tax report to determine the amount of payroll taxes due.
2. Payroll staff electronically transfers payroll tax using EFTPS.
3. Payroll staff advises the Accounting Specialist for Bookkeeping to prepare journal entry to record the payment of payroll tax.
4. The Assistant Controller of Reporting & Treasury approves the journal entries.

➤ **References:**

The Internal Revenue Code Title 26 of the United States Code (USC):

http://uscode.house.gov/download/releasepoints/us/pl/113/100+u1/pdf_usc26@113-100+u1.zip

College Board Policy:

6Hx-18-4.32

<http://www.palmbeachstate.edu/boardoftrustees/documents/BoardPolicies/Section4/4.32.pdf>