IN THE BUSINESS OF YOUR SUCCESS®

EasyPayNet℠
Bonus Payrolls

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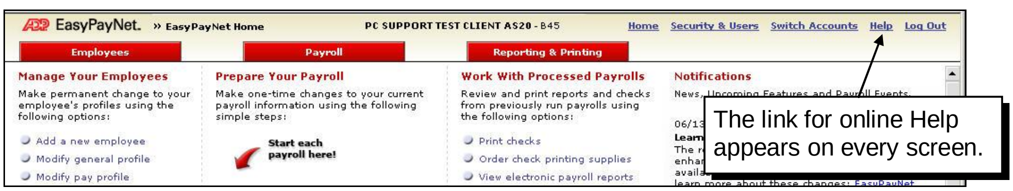
This document contains step-by-step procedures for the following bonus payroll situations.

✓ Before you begin to issue bonus checks, review the information below:

- **Large bonus checks:** Your ADP® service representative will inform you if you are required to wire transfer funds to the ADP Tax Center to ensure a timely deposit, thus avoiding any penalties and interest.
- **Pre-calculated checks:** If you require assistance determining pre-calculated bonus check amounts, use the EasyPayNet Paycheck Calculator on the Pre-Calculated Check page under Payroll tab. Refer to page 7.

  You can also check out the Payroll and Tax area for calculators on our Resource Center Web site at: https://www.adp.com/rc_calculators.asp.

✓ For more information about the procedures in this document, refer to the *EasyPayNet Quick Reference Guide* available on the EasyPayNet Home page or refer to EasyPayNet's online Help. Look for the Help link in the upper right corner of any EasyPayNet screen. See the illustration below.



✓ Please review the payroll tutorial that is available in the EasyPayNet application. You can access the tutorial by clicking the tutorial link at the bottom of the EasyPayNet Home page.

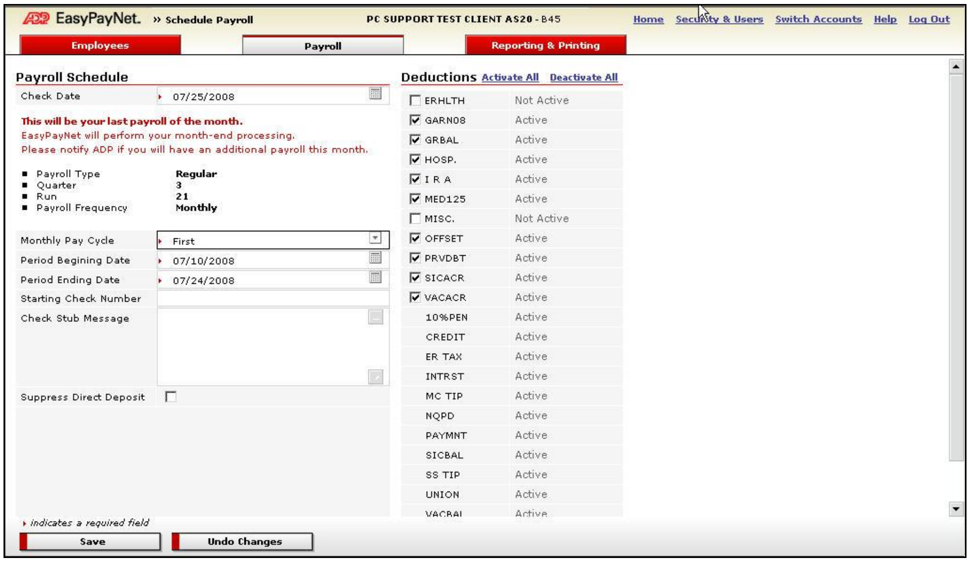
Issuing bonus checks in a separate payroll

Use the following procedure if you plan to issue bonus checks as a separate payroll.

✓ Before you begin the following procedure, be sure to enter any permanent changes to employee information (i.e., name, Social Security number, address, etc.).

To issue bonus checks as a separate payroll:

1. On the EasyPayNet Home page, click **Edit Your Payroll Schedule**. The Schedule Payroll page appears.



2. Verify or change the **Check Date** entry.

3. In the Monthly Pay Cycle field, select **Special** from the drop-down list.

4. Verify or change the **Period Beginning Date** and **Period Ending Date** entries.

5. Add a Check Stub Message, if desired. The message can contain up to 66 characters.

6. If you plan to distribute live checks to all employees for the bonus payroll, and you have Direct Deposit, select the **Suppress Direct Deposit** check box.

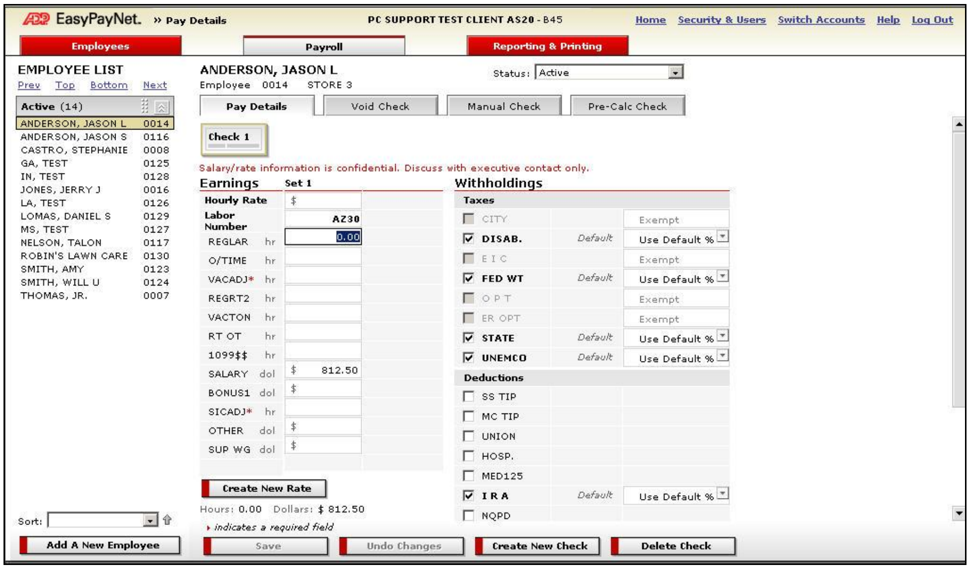
7. In the Deductions column, click **Deactivate All** and select the deductions that will be active on the company level for the bonus payroll.

8. Place the cursor on the **Payroll** tab and select either the **ezEntry** or the **Pay Details** option.

✓ If you select Pay Details, see the steps on the next page. If you select ezEntry, see the steps on page 4.

If you select Pay Details:

Pay Details page



1. If you are issuing pre-calculated bonus checks, select each employee on the Pay Details page and clear the prefilled salary amounts.

   Then, place your cursor on the **Payroll** tab and select **Pre-Calculated Check**. Follow steps 3 through 7 on page 7.

2. If you are not issuing pre-calculated bonus checks, select an employee on the Pay Details page and in the Earnings column, *delete the Salary entry* and locate the appropriate earnings name for the bonus. This example uses BONUS1. See the chart below for the possible earnings names.

   Then, in the amount field, type the employee's dollar bonus amount.

Use this earnings name:	For this tax effect:
BONUS1	Withhold all taxes at the table rates (unless the employee has overrides).
SUP WG ⚠ If you use SUP WG, do not take pre-tax deductions.	Withhold federal (at 25.0% rate up to $1,000,000, then 39.6%) and state income tax at the applicable supplemental wage rate.
BONUS2 ⚠ If you use BONUS2, do not take pre-tax deductions.	Do not withhold federal or state income tax. FICA is withheld.

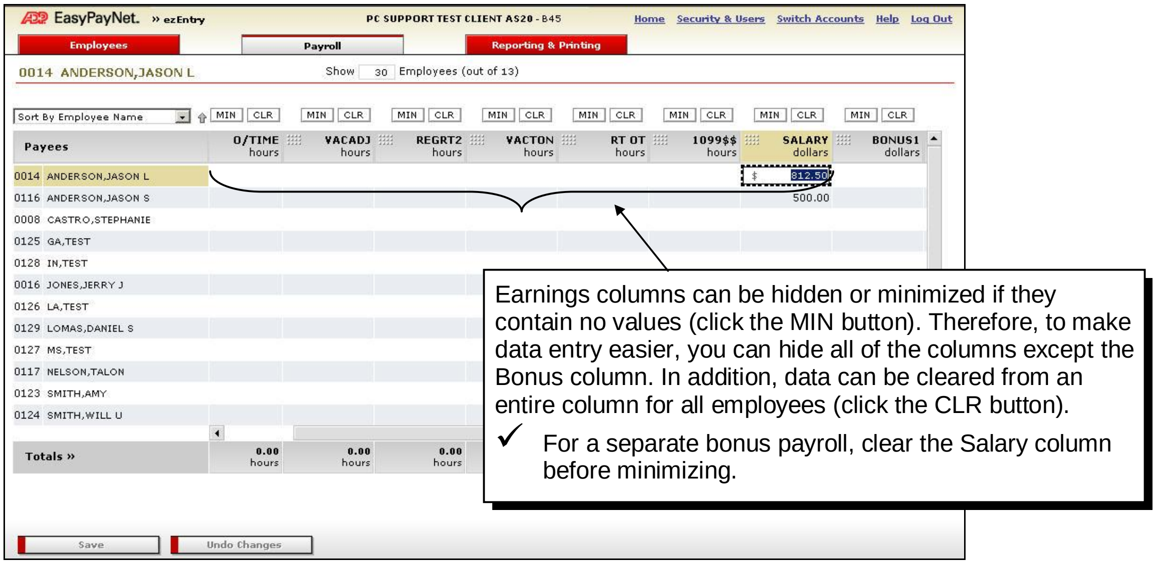
3. Repeat step 2 until you have entered the bonus pay data for all employees.

4. When complete, click the **Save** button.

5. Review and submit the payroll using your normal routine.

If you select ezEntry:

ezEntry page



1. Enter the correct earnings amount for each employee in the bonus column.

2. When complete, click the **Save** button.

3. Review and submit the payroll using your normal routine.

Issuing bonus checks as second checks in a regular payroll

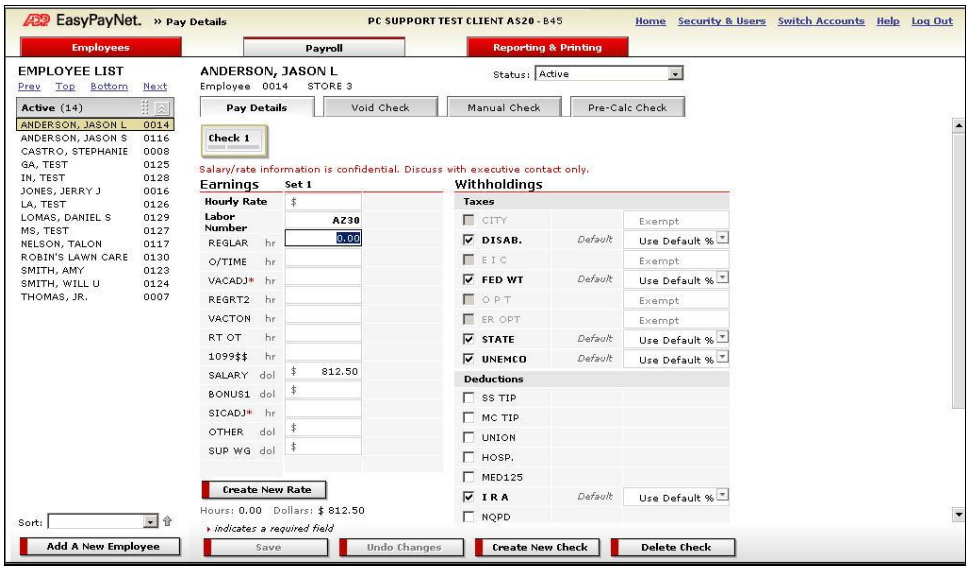
- ✓ Before you begin the following procedure, be sure to enter any permanent changes to employee information (i.e., name, Social Security number, address, etc.) and confirm pay period information on the Payroll Schedule.

- ✓ The bonus amounts will be included in the year-to-date figures on all respective employees' check stubs.

To issue a bonus check as a second check in a regular payroll:

1. Place the cursor on the **Payroll** tab.

2. Select the **Pay Details** option. The Pay Details page appears prefilled.



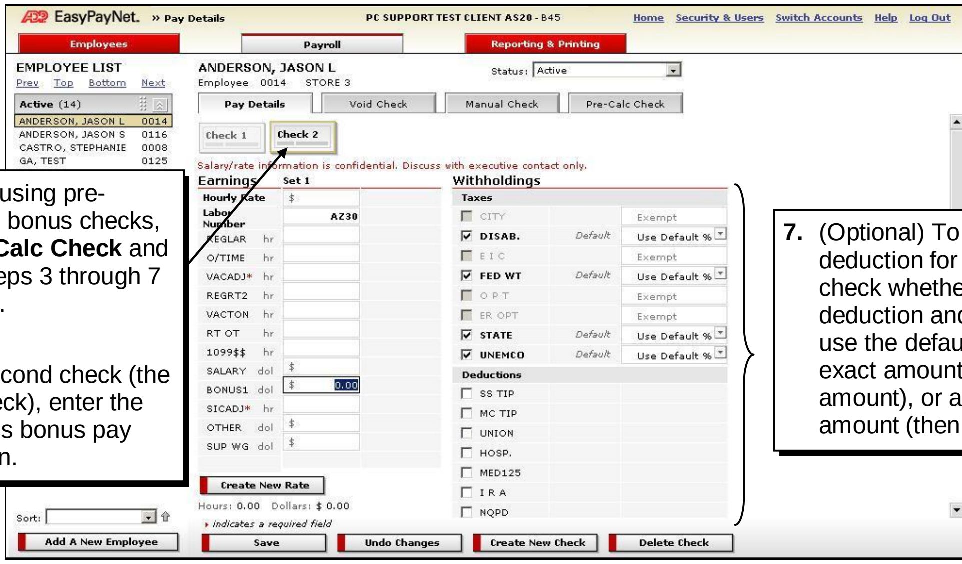
3. From the employee list, select an employee for whom you want to add a bonus check.

4. For an employee's first check in the regular payroll, add the employee's pay information by clicking the desired field and typing the appropriate hour or dollar amount.

   - ✓ The entries for the first check are saved automatically.

5. Click the **Create New Check** button. The Check 2 page appears. See the next page.

Check 2 page



6. If you are using pre-calculated bonus checks, click **Pre-Calc Check** and refer to steps 3 through 7 on page 7.

– OR –

For the second check (the bonus check), enter the employee's bonus pay information.

7. (Optional) To change a tax or deduction for *this* bonus check, check whether to take the deduction and, if so, whether to use the default percentage, an exact amount (then enter an amount), or an additional amount (then enter an amount).

8. Repeat steps 3 through 7 until the information for all the employees has been entered.

9. Click **Save**.

10. Review and submit the payroll using your normal routine.

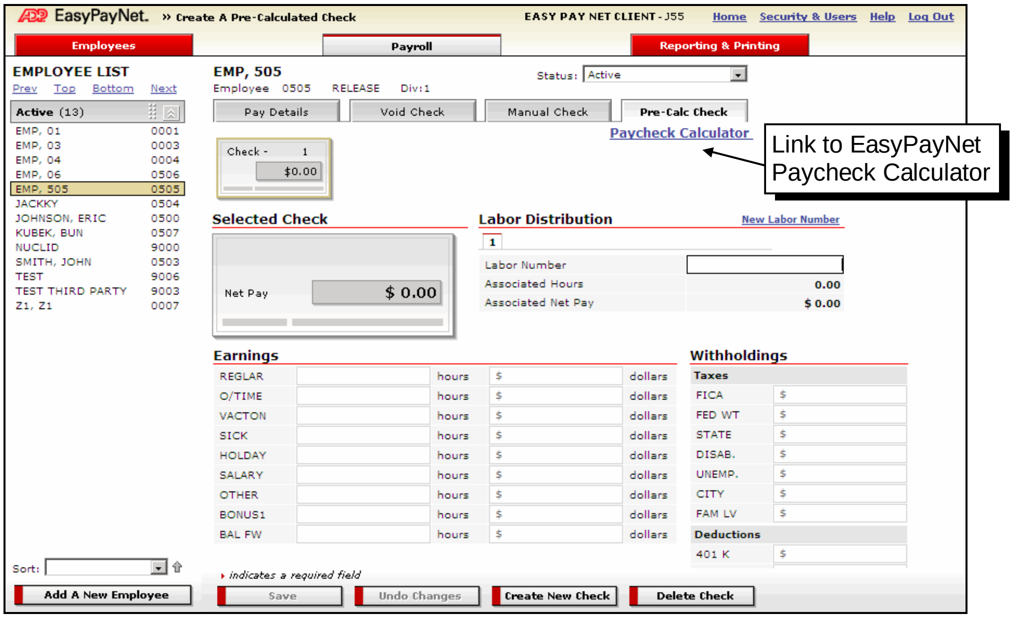
Issuing pre-calculated bonus checks

Use the following procedure if you want to issue pre-calculated bonus checks. A pre-calculated check is one that uses the earnings, deductions, and taxes that you determine—not table calculations. If you require assistance determining pre-calculated bonus check amounts, use the EasyPayNet Paycheck Calculator.

To issue a pre-calculated check:

1. Place the cursor on the **Payroll** tab.

2. Select the **Pre-Calculated Check** option. The Create a Pre-Calculated Check page appears.



3. From the employee list, select the employee for whom you want to issue a pre-calculated check.

4. Enter the earnings and withholdings amounts. The Net Pay amount will be automatically calculated as you enter amounts in the sections below it.

   – OR –

   Click **Paycheck Calculator** and enter the desired net or gross amount. The calculator calculates the appropriate entries. Then, click **Create Pre-Calc Check from Results**. The appropriate entries for the check are applied. You can change the earnings category for the gross amount, if desired.

5. Repeat steps 3 and 4 until you have created all the bonus checks.

6. Click **Save**.

7. Review and submit the payroll using your normal routine.