

Paying and Filing Payroll Taxes and Liabilities

As an employer, you're responsible for withholding, paying, and reporting income taxes for your employees, as well as other liabilities included on pay cheques like Canada Pension Plan (CPP) and Employment Insurance (EI) contributions. Yes, this is where things get serious. But don't worry, you've got this! The main thing to remember is that when you pay employees, you have to pay the government for taxes you take out of their pay cheques.

QuickBooks Online Payroll makes it easy to track and file your payroll liabilities and submit the required forms.

This QuickGuide will show you how to:

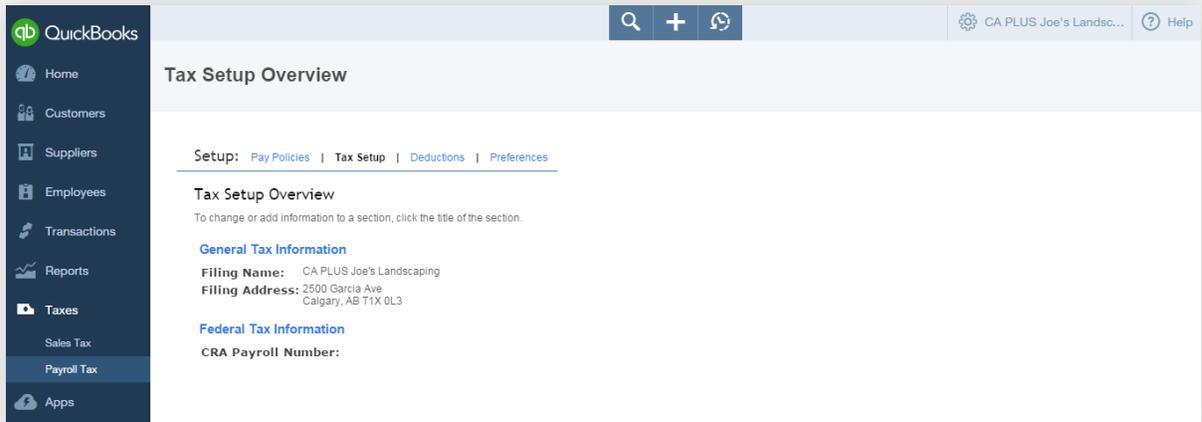
- Set up company payroll tax information.
- Pay taxes and other liabilities.
- Enter tax history (if necessary).
- Access other common payroll reports and forms.

Setting Up Company Payroll Tax Information

- 1** From the left-hand navigation bar, select **Taxes**, then select **Payroll Tax**.
- 2** In the Payroll Tax Centre window, click **Edit your Tax Setup**.
- 3** In the Tax Setup Overview window, select **Federal Tax Information** and enter your Canada Revenue Agency (CRA) payroll number. You received this number when you registered your business with the CRA. This number will be printed on T4 slips and other payroll forms.

Paying and Filing Payroll Taxes and Liabilities

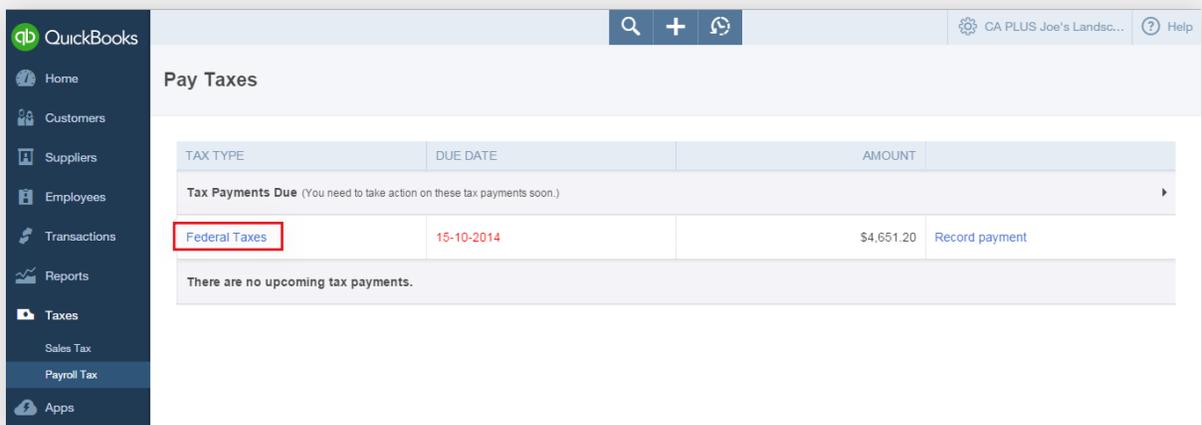
- 4 Enter your T4 Transmitter Number (also called a Magnetic Media number) in the T4 Transmitter Number field. This number is required to send your T4s electronically to the CRA. If you don't have a transmitter number, contact the CRA to obtain one.



- 5 Click **OK** to save the information.

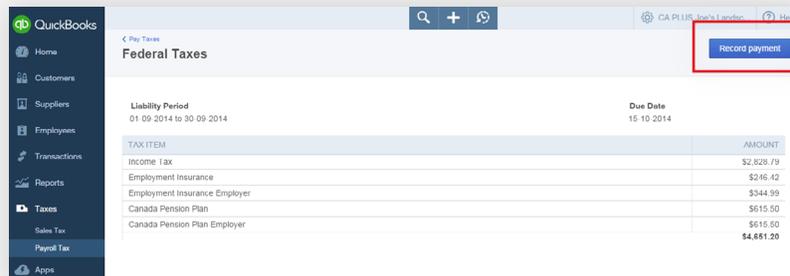
Paying Taxes and Other Payroll Liabilities

- 1 From the left-hand navigation bar, select **Taxes**, then select **Payroll Tax**.
- 2 In the Payroll Tax Centre window, click the **Pay Taxes** button.
- 3 In the Pay Taxes window, select **Federal Taxes** to view the details of the tax payment.

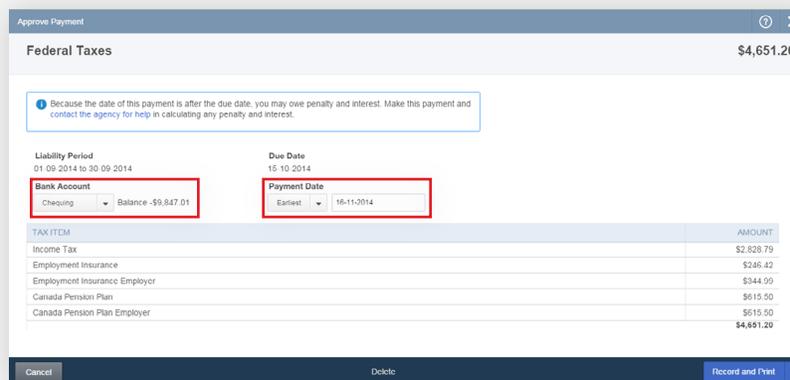


Paying and Filing Payroll Taxes and Liabilities

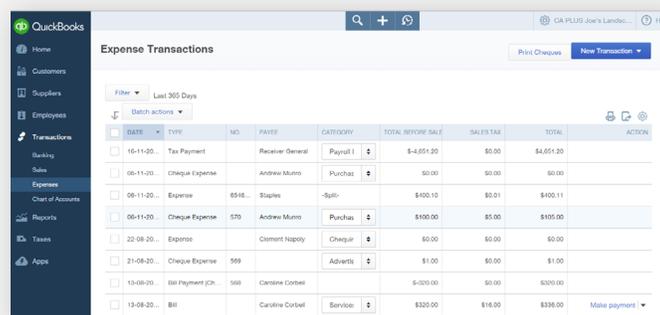
- If everything looks correct, click the **Record Payment** button.



- From the Approve Payment window, select **Earliest**, **Other** or **Latest** in the Payment Date field. This is the date that will appear on the liability payments.



- Click the **Record and Print** button to print the PD7A worksheet. Use this worksheet to fill in your monthly PD7A amounts online or on the original forms sent by the CRA. Submit your PD7A to the CRA along with CPP contributions, E1 premiums, and income tax remittance. **Do not** submit the worksheet.
- To pay your payroll taxes, select **Transactions** from the left-hand navigation bar. Select **Expenses**.



Paying and Filing Payroll Taxes and Liabilities

- 8 The Expense Transactions window displays tax payments that can be paid. Select the payment(s) you want to pay and click the **Print Cheques** button.
- 9 In the Print Cheques window, click the **Preview and Print** button.

Entering Tax History

If you are just starting with QuickBooks Online Payroll and have processed pay for your employees this calendar year, you'll need to record the tax payments that you have already made so your records and statements are accurate. If you have not processed payroll for the current year, you will not have any history to record.

- 1 From the left-hand navigation bar, select **Taxes**, then select **Payroll Tax**.
- 2 In the Payroll Tax Centre window, select **Enter Prior Tax History**.
- 3 In the Prior Tax Payments window, click the **Add Payment** button.
- 4 In the Create Prior Tax Payment window, enter information for all tax payments that have been made for the current year before you started using QuickBooks Online Payroll. Click **OK** to save and add another payment.

TAX ITEM	AMOUNT
Income Tax*	0.00
Employment Insurance*	0.00
Employment Insurance Employer*	0.00
Canada Pension Plan*	0.00
Canada Pension Plan Employer*	0.00
Total Cheque Amount	\$0.00

Note: Enter payments as positive numbers and any tax credit as a negative number.

Paying and Filing Payroll Taxes and Liabilities

Printing The Tax Liability Report

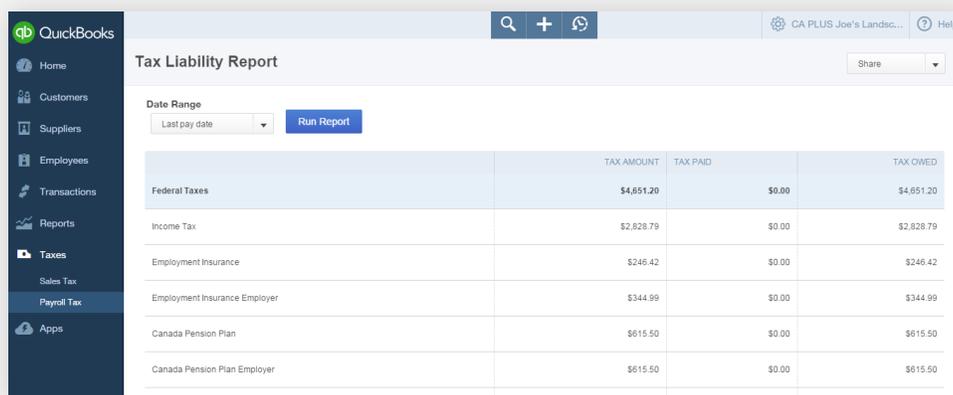
Use the Tax Liability report to see the outstanding payroll liabilities for your business.

- 1 From the left-hand navigation bar, select **Taxes**, select **Payroll Tax**, and then select **View your Tax Liability Report**.

You can change the time period covered by making a selection in the Date Range field.

Note: If your company paid a liability incurred within the date range of the report, the report omits that liability, even if the payment occurred after the ending date of the report. This report creates totals by payroll item, not by agency.

- 2 Click the **Run Report** button to view your tax liabilities for the selected period.



	TAX AMOUNT	TAX PAID	TAX OWED
Federal Taxes	\$4,651.20	\$0.00	\$4,651.20
Income Tax	\$2,828.79	\$0.00	\$2,828.79
Employment Insurance	\$246.42	\$0.00	\$246.42
Employment Insurance Employer	\$344.99	\$0.00	\$344.99
Canada Pension Plan	\$615.50	\$0.00	\$615.50
Canada Pension Plan Employer	\$615.50	\$0.00	\$615.50

About Other Payroll Reports And Forms

The many monthly and annual payroll reports you need to print and file are available in QuickBooks Online Payroll. QuickGuides are provided to step you through the processes of completing T4s and Record of Employment forms. See these guides for more information on accessing and printing these important documents.