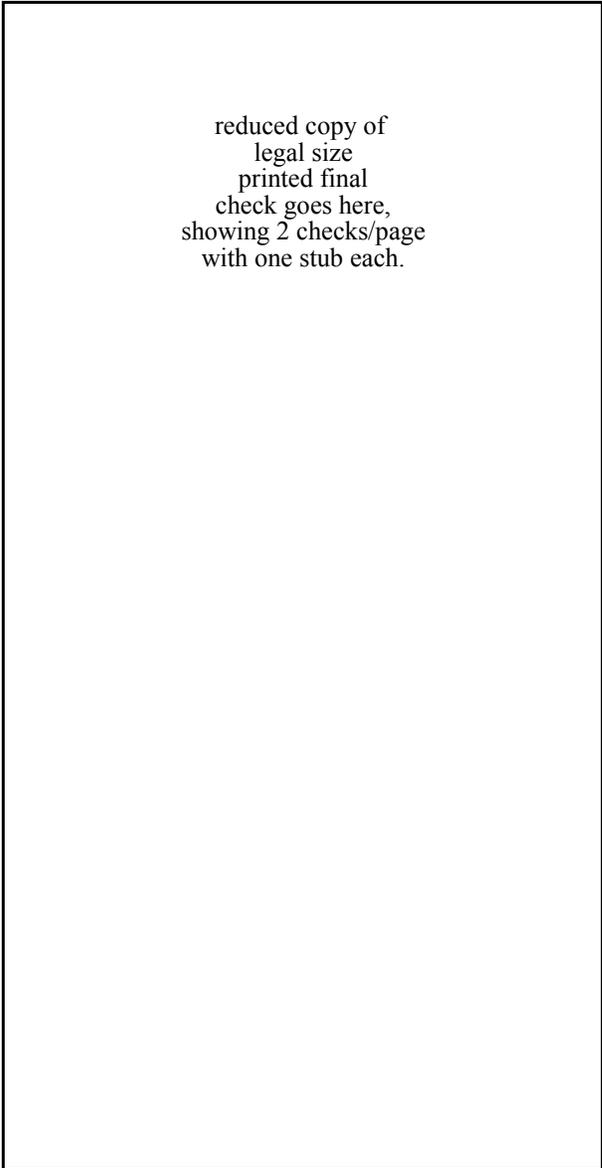


**Save money with checks as low as 4¢ each.
Order Create-A-Check to print
your *PayMaster*™ checks on blank check stock.**

Many of our users are very excited about the Create-A-Check program which prints *PayMaster* checks. Go from this blank check stock to the printed check on the far right in seconds. Instant checks with one pass through your laser printer complete with MICR (Magnetic Ink Character Recognition) encoding. Plus signatures and logos at your option. Just think what this means if you have multiple companies with different checking accounts.

With a HP LaserJet (II or III series), IBM 4029, or Xerox 4197 laser printer, a MICR toner cartridge and this special blank check stock, Create-A-Check software will print your *PayMaster* checks to look like this. 🖨️

Choose the single stub, two checks per page (8½x14) shown on the right or the double stub, one check per page (8½x11). (Please turn to page 2.)



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ALERT -- MAG MEDIA FILERS
To meet new IRS format, you need
PayMaster Version 6.0 or 6.0 Xtra.

Create-A-Check software cont'd

Benefits:

- Unlimited checking account combinations.
- No checks to inventory or control.
- Lower check costs -- as low as .04 per check for MICR toner cartridge and blank check stock.
- Reduced labor costs -- load the same check stock for all accounts.
- Increased auditing capabilities -- audit log for each check.

With *PayMaster* and Create-A-Check software installed on your computer, you can take advantage of these additional features:

- Blank check printing for handwritten checks.
- MICR fonts.
- Free testing for OCR/bank acceptance.
- Password security.
- Network compatibility.

reduced copy of
letter size check
(one check with
double stub)
goes here

Double stub, one check per page

Please see page 9 for system requirements, prices and order form.

Backup is critical

Backing up your *PayMaster* data onto the correct type of floppy disk is very important. If your diskettes are

not the correct type for your floppy disk drive and/or are not formatted properly, you may be able to back up the data onto them, **but you probably won't be able to restore the data.**

If you have a DD 5¼ drive, use only DD 5¼ diskettes. If you have a DD 3½ drive, use only DD 3½ diskettes. If you format HD diskettes on a DD drive, it may look like they're working OK, but you can't always get the information back.

If you have a HD 5¼ or 3½ drive, use the appropriate size HD diskettes. With HD drives and DOS 3.2 or higher, you can use either DD or HD diskettes, but you must format the DD diskette a special way on a HD drive, and you cannot do it through *PayMaster* or CharterHouse or most other software programs. You must do it from the DOS prompt, and the command depends on which version of DOS you have and whether it's a 5¼ or 3½ diskette.

The easiest and best thing to do is always use HD diskettes if you have a HD drive. Then you just format the regular way. If you must format a DD diskette in a HD drive, consult your DOS manual for the specific instructions. And, no matter which diskettes you use (DD or HD) for your backup, they should all be the same type.

THE BLUE PAGES

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Tax law changes

[All changes effective 1/1/93 unless otherwise indicated.]

Federal

FICA

- OASDI/Soc Sec wage base for 1993 is \$57,600.
- Medicare wage base for 1993 is \$135,000.
- Rates remain the same (6.2%; 1.45%).
- Maximum OASDI is \$3,571.20.
- Maximum Medicare is \$1,957.50.

New deposit rules.

- See your circular E. Safe Harbor is now \$100 or 2% of the taxes, whichever is lower.

IRS revising form 941.

- Non-payroll items such as annuities, backup withholding from financial institutions and withholding from gambling will no longer be on form 941. New form 945 for them.

State Withholding

CA New standard deduction amount for single and separate taxpayers \$2,343. Joint & unmarried HOH \$4,686. Credit for personal exemption \$62.

MT Retroactive to 1/1/92, imposed a 2.3% surtax. New tables effective 9/1/92 reflect the surtax.

State Unemployment

IL Taxable wage base \$9,000.

KY Computer-generated state unemployment form NOT acceptable in lieu of preprinted form.

MA Taxable wage base is \$10,800, retroactive to 1/1/92.

MN Taxable wage base \$14,300.

MO Taxable wage base \$7,500.

WA Taxable wage base \$18,500.

WY Taxable wage base \$11,000.

Other

Ohio -- Powell Village increased earned income credit ruled illegal. Rate returned to .5%.

More withholding changes?

Many state tax tables and often the federal tax tables change the first of each year, but we have not yet been notified. If you're on auto update, you'll get federal and/or state tax tables if appropriate. Watch for your state notices, or check with your accountant if you're not on auto update with us.

DOS 5.0

If you're using DOS 5.0, erase the format, backup and restore commands from *PayMaster's* program directory, and include the DOS directory in the path statement in your autoexec.bat file.

If you have *PayMaster* on more than one computer, and are backing up and restoring, it's best to have the same version of DOS on all of them.

All of us at Computer Aid Corporation wish you a Very Merry Christmas and a Happy and Prosperous New Year!



Before you print your W-2s:

1.
M
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k
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s
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r
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y
o
u
r
c
o
m
p
u
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e
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Only W-2 forms ordered from us are guaranteed to work with *PayMaster*. Not all printers print the boxes the same size and in the same place.

Call immediately if you haven't yet ordered your W-2s. Availability not guaranteed after December 15.

state ID for withholding is entered in your tax table (Version 6.0/6.0 **Xtra** users) via INIT/TAX/STATE/#/GENERAL. Users of earlier versions, check your division screen (INIT/DIVISION) to make sure it displays your correct state ID for *withholding* (no extra digits at the end), and not the state ID for *unemployment*. Your W-2s must show the state *withholding* ID. You need *PayMaster* Version 6.0/6.0 **Xtra** to print multiple state IDs on W-2s.

2. On the division screen, check the responses to the tax related questions for Add'l Income. If you gave year-end bonuses but did not want to withhold federal and state taxes, you responded *n* to "Withhold federal, state, local tax." Change those responses to *y*, (and make sure OASDI and Medicare are *y* also) if you want the amount included in the corresponding boxes on the W-2s.

Not sure what goes in Boxes 17, 18 and 23 on the W-2? See page 5 for that information plus other important W-2 information on deductions.

3. If you're filing mag media, make sure you have version 6.0 or 6.0 **Xtra** of *PayMaster* with a PYW2.EXE file dated 12/1/92 or later. That's the only one that will prepare the new format mag media W-2s. To print OASDI/Soc Sec and Medicare in separate boxes on your paper W-2s, you must use *PayMaster* Version 5.6 with a PYW2.EXE file dated 12/18/91 or later or Version 6.0/6.0 **Xtra** with a PYW2.EXE file dated 12/1/92 or later.
4. If allocating tips on an annual basis, do so prior to printing your W-2s. If allocating by hours, double check the receipts in your division file -- this is what's used for hourly annual allocation.
5. Print your reconciliation reports and make any necessary corrections:
 - OASDI/Social Security
 - Medicare
 - SDI (if appropriate)
 - Taxes (State) Paid
6. First print your W-2s on plain paper to double check them. You can print them as many times as you want. Hold the paper up to actual W-2s to

ensure it lines up correctly. Verify the figures with your four quarterly 941s. (Call if you'd like our **941 and W-2 worksheet** faxed to you.)

Make sure that only those employees who actually are *statutory* employees have an *x* in that box. [Responding *n* in the *federal?* *y/n* field on the employee screen puts an *x* in the *statutory* box on the employee's W-2.]

Make sure only those employees covered by a pension plan have an *x* in the pension box. Responding *y* in the *pension?* *y/n* field on the employee screen puts an *x* in the pension box on the W-2. [With an *x* in the W-2 pension plan box, special limits may apply to the amount of IRA contributions the employee may deduct.]

W-2 phobia?

Just can't face printing them? No problem. We'll print them for you. Call for prices and deadlines.

Form 8027 notes

- The line for charge receipts asks for *charge receipts on which there are charge tips*.
- If you allocate tips based on a payroll year, rather than accruing them, check the appropriate box on Form 8027.

NEW SOFTWARE SUPPORT HOURS

9:00 am - 6:30 pm EST, Monday-Friday
We will close at 12:00 noon Dec. 24 and 31
and will be closed Dec. 25 and Jan. 1.

Important W-2 information		
Additional Income <i>W-2 Income Type</i>	W-2 Box	Use for this type of income:
e	17 (L)	The substantiated, i.e. non-taxable, portion of the amount you reimbursed employees using a per diem or mileage allowance. NOTE: You must use your other Additional Income to record the portion of the reimbursement that is more than the amount treated as substantiated. This one would have a W-2 income type of <i>o</i> because it's to be included in Box 10.
f	23	Fringe benefits included in Box 10, such as a company-provided vehicle.
i	17 (C)	Cost of group-term life insurance coverage over \$50,000.
n	none	No dollar amount included on W-2.
o	10	"Other compensation" in Box 10 (example: annual bonus)
s	17 (J)	Sick pay not includable as income.

- ✓ In addition to entering the correct W-2 income type (*e, i, o*, etc), you must make sure that your responses to *withhold OASDI/Medicare, Federal, State, Local and SDI* are *y* to include the additional income amount in the proper boxes.
- ✓ State SDI goes in Box 18. And yes, NJ is split into SUI and SDI.
- ✓ 401(k) Deduction (for employee contribution to 401(k) -- The deduction name in your Division file (INIT/DIVISION) **must** read **401K** (no spaces) for the employee-contributed amount to appear in Box 17 labelled **D**. Yes, that's a capital K in 401K.
- ✓ If you have any pre-tax deductions with *n* as any response for the different taxes, and you could not collect the full amount from an employee's net pay, collect that amount in cash before year end. Then, increase the amount of that deduction in the employee's Year-to-Date Payroll file so the W-2 will be correct. (If your pre-tax deduction responses are all *y*'s, no collections or adjustments are necessary.)

End of Year Processing

This is probably the most important part of payroll (other than actually paying your employees, of course). See *PayMaster* manual page 3-485 for easy end of year processing instructions.

Just as you process end of month/quarter to clear out the MTD and QTD files, you **must** process end of year so YTD totals for each employee are reset to zero. At end of year, you do **not** have to process end of month/quarter. Processing end of year (EOY) takes care of that and also deletes unneeded employee records.

"Last Quarter" reports are **not** available after you process end of year. That data is zeroed out during the EOY processing.

ONLY after you have printed (and double-checked!) your reports (including W-2s) and backed up your data should you process end of year to clear the data files to zero. Refer to Q&A on page 7 if you don't have time to print your W-2s first.

Before you process end of year, you must print your reports: (Remember, you can print your payroll and employee reports to the printer or to a file.)

- ✓ Payroll report summary (detail optional).
- ✓ Quarterly reports -- 941, 940, wage.
- ✓ Employee report (optional, but suggested).
- ✓ 8027 annual tip allocation report. (If allocating tips on an annual basis, do so **before** printing the 8027 or the W-2s. Refer to your manual for annual allocation instructions.)
- ✓ Any other reports your state requires.
- ✓ The W-2s (see the important information on page 4 about what to do *before* printing your W-2s).

ORDER FORM FOR FEDERAL & 3 STATE TAX TABLES ON DISKETTE FOR PAYMASTER		
Diskette size (DD) [] 5¼" [] 3½"	Check one box and fill in appropriate amount	
[] check enclosed [] send COD All orders must be prepaid or COD.	\$50 for tax tables (up to 3 states)	\$50
Name of States Tax code 1:	Additional states -- \$10/state	\$
Tax code 2:	Shipping: CA, AK, HI \$10 for UPS 2nd day air; all others \$5 UPS ground	\$
Tax code 3:	COD charge \$5.00	\$
(List additional tax codes numbers and state names on separate sheet	VA residents add 4.5% sales tax	\$
	TOTAL	\$
Ship to: Name		
Company		
Street Address		
City/State/Zip		
Area code/telephone		

Mag Media Preparation

Yes, there have been changes to the 1992 mag media format. You must have *PayMaster* Version 6.0 or 6.0 **Xtra** to prepare the mag media filing of W-2s in the current format required by the Social Security Administration. (Please see the July 1992 issue of the **BLUE PAGES** or call us for a *PayMaster* 6.0/6.0 **Xtra** order form and prices.)

PayMaster will prepare the correct format state mag media for all those for which it is mandatory, plus CA. Also, if your state accepts the mag media federal specifications, you can use *PayMaster* for your state mag media filing.

As always, print your W-2s on plain paper and check your company name, address, federal and state IDs. Cross check the totals in each box against your four quarterly 941s. (We'll FAX our **941 and W-2 worksheet** upon request.)

Hint: When preparing your mag media, do your final paper W-2s first. Then, to prepare the mag media file, take a newly formatted floppy disk and put it in drive a: or b:. Print the W-2s again, printing to [D]isplay instead of [P]rinter this time. Respond *n* to *Reprint? y/n*. Use the PRINT SCREEN key to print the last W-2 that appears on the screen -- these are your W-3 totals. **Make sure you don't remove the floppy disk before it's done.** And it's not completely done until you're back at the main *PayMaster* menu. Then, from the DOS prompt double check your file before sending it to the SSA:

1. Do a directory listing to make sure your W2REPORT file has greater than zero bytes.
Type: *Dir a:* (or b:) [ENTER]
You'll see something like this (the 844544 is the size in bytes):
Directory of A:
W2REPORT 844544 1-31-93 11:45p

2. If you have a wide carriage dot matrix printer (make sure you first put in wide paper), you can print this file with the DOS *type* command, redirecting it to the printer:
Type: *Type a:w2report > prn* [ENTER]

Sorry, this will not work on a laser. Instead, take a look at it on the screen:

Type: *Type a:w2report* [ENTER]
or to be able to actually read part of it:
Type: *Type a:w2report | more* [ENTER]

Q & A

Q. I have to process my first payroll of 1993 and don't have time to print my W-2s first. What can I do?

A. If you've enough room on your hard disk to have another copy of the payroll data, *PayMaster* Version 6.0/6.0 **Xtra** will create a new subdirectory for you and copy the data into it. (Users of earlier versions, call for instructions.)

Decide on a new company I.D. code (e.g. 92W2). If more than one company, use company I.D. codes such as A92W2, B92W2, etc. At the *company I.D. code* prompt, enter the new code (92W2). At the prompt: 1) *Add a company*, 2) *Archive copy of existing company*, or 3) *Try again*, enter 2. Enter the name of the data drive where you want the subdirectory created (c, d, etc). At the prompt, enter the code of the source (original) company. *PayMaster* will create the new directory (under your program directory) and copy the data into it. Print a payroll summary report to make sure the data's OK. Change Division 1's name to 92W2 so you know at a glance you are using the 92W2 data (appears above the main menu).

Then, after backing up the data on two separate sets of floppies, process end of year on your real company data, using your original company code. When it's time to run the W-2s, use the 92W2 company code. Call if you need help.

Q. How can I be sure that my mag media file is OK before I send it off to the Social Security Administration?

A. Use DOS to print out the file and spot check the information and the totals. See Mag Media Preparation on page 6.

Q. My salaried employees who are tipped are ignored when there's allocation. How can I change that?

A. Change their pay type from **Salaried** to **Hourly**.

Q. I forgot to order the tax tables!

A. If you use the old tax tables for one or two pay periods, it's not critical. But order them now to make sure you have them for the next payroll. The OASDI/Soc Sec and Medicare percentages remain the same for 1993: 6.2% for OASDI/Soc Sec and 1.45% for Medicare. The 1993 taxable wage bases, however, do change. See page 3.

Q. We bought a new computer and I can't restore my *PayMaster* data. Is something wrong with my floppy diskettes?

A. If you used the wrong type diskette for your floppy drive, it may not work because it's formatted incorrectly. See our article "Backup is critical" on page 2 for important information. Then, back up the *PayMaster* data from your old computer again and restore it on your new computer.

Q. I need to change my company name. How do I do it?

A. Just give us a call. We'll give you a new authorization code for the changed company name.

Throughout the BLUE PAGES there are references to payroll tax laws and requirements in effect as of the date specified. These references to the laws and the explanations provided are designed to familiarize the employer with said laws, but are not meant to serve either as a legal or accounting opinion, or as any indication that reference to the Internal Revenue Code or Regulations issued thereunder and appropriate administrative or court rulings interpreting same is unnecessary. All persons using this newsletter should look to and rely upon their respective legal counsel and accountants with respect to these laws and requirements.

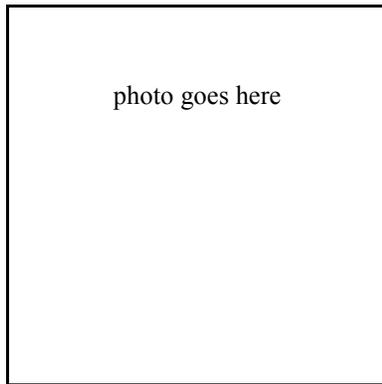
User Spotlight

"PayMaster does what IBM mainframe payroll programs do without costing \$10,000."

Jackie Jones is co-owner of Atlantic Information Services in Snow Hill, MD, a unique full-service bureau. They do accounting and payroll, provide secretarial services, and process mass mailings (everything a business doesn't like to do). In addition, they select software for their clients. Jackie selected *PayMaster* for their hotel/restaurant clients because "*PayMaster* does what IBM mainframe payroll programs do without costing \$10,000 for the software. Version 6.0 *Xtra* handles additional income, separate holiday, deferred compensation and foreign employees."

All of Jackie's clients like doing payroll in-house. Jackie says, "With *PayMaster* it's so easy to correct a mistake or add a missing person. Payroll is current all the time, you don't have to wait until next week or pay a service an arm and a leg to make the correction. You don't have to be a CPA to use the software."

Her clients include Dough Roller Inc., which has two hotels and five restaurants; Dumser's, a replica of a 1940 ice cream parlor with a jukebox and ice cream floats; and Boardwalk Inn, a Quality Inn, all in Ocean City, MD.



Jackie Jones of Atlantic Information Services

Dough Roller has been using Computer Aid software and support since 1986 (*PayMaster*'s division version, general ledger, accounts payable, and Q-Doc). Earlier that year, Jackie had bought payroll, GL and AP from a software developer in Florida. When it arrived, she tried it out and found that it did not correctly calculate overtime or the minimum wage adjustment on tipped employees. Even though she was unable to get a refund when the company did not correct the program, Jackie wrote off the loss, bought Computer Aid software, installed it and got the correct overtime and wage adjustment calculations!

Diane Lord, office manager at Dough Roller, is pleased with *PayMaster* because "I just graduated from college and had never done payroll before. *PayMaster* is easy to use and the telephone support is so good that I haven't had any problem that Computer Aid has not solved right away."

Beth Bowser, office manager at Dumser's, says "*PayMaster* made end of year processing much better. Previously we used ADP. One time they had to run W-2s four times before they were correct. The

problems were caused when they didn't correctly handle void checks. Tips and gross receipts were not always voided, so tip allocation was wrong. With *PayMaster*, as soon as a check is voided, I can see exactly what tips and receipts are. I know immediately that everything is OK. We also use the general ledger. Before, when our accountant did the financial statements, the owners and managers had to wait for them. Now, they get them as soon as they ask for them."

Jeff McCool, manager at Boardwalk Inn, says, "*PayMaster* is better than my IBM 5110 mainframe payroll program was because it is much faster, much more user friendly and still has the same features. It used to take me a whole day and part of the next to do payroll on the old system. Now I do everything from start to finish in four hours."

"I just trained our GL person to do payroll so I can go on vacation. Training took only 20 minutes because the software asks everything you need to know. If you can read, you can do payroll with *PayMaster*!"

"The support is wonderful. Last December, right at W-2 time, my hard disk went down! I called Computer Aid and they fixed me right up by helping me load the software onto a new hard disk. Whenever I called the IBM support number, I didn't talk to anyone who knew exactly what I was talking about. I left a message and they didn't call back until a half day later. Then I hoped they grasped where I was. I really appreciate the help from Computer Aid - they're totally familiar with the program. I talk in layman's language and they understand immediately and solve my problems."

Current Version 6.0/6.0 Xtra Users

You'll soon be receiving a 6.0/6.0 *Xtra* update to print your 1992 W-2s. Make sure you install it before printing them.

Create-A-Check software & supplies			
Prices below are for legal size check stock (2 checks/page) and the HP II and III. Letter size check stock (1 check/page) prices are lower; MICR toner cartridges and legal paper trays for the other printers are higher. Call for those prices.	Price	Quantity	Total
Create-A-Check software to work with <i>PayMaster</i> (includes 2 document tests and 120 days software maintenance) <input type="checkbox"/> version to print 8½x14, single stub, 2 checks/page <input type="checkbox"/> version to print 8½x11, double stub, 1 check/page	\$1,195		\$
signatures	each \$75		\$
logos (company logo) [bank logos available; call for prices]	each \$75		\$
Initial Supply Package - 2,000 sheets (4,000 single stub checks; 2/page) blank check stock - 2 MICR toner cartridges [choose new or recycled (with new drum)]	new \$379 recycled \$299		\$
Legal paper tray	\$79		\$
MICR toner cartridge (yield approx 6,000 sheets).	new \$159 recycled \$119		\$
Blank check stock: 1,000 sheets, 2,000 checks, 8½x14	\$45/1,000		\$
Color copy stock for 2nd copy: 1,000 sheets, 2,000 copies, 8½x14	\$30/1,000		\$
Annual software maintenance (after 120 day warranty), includes 4 document tests	\$240		\$
Shipping additional	call for cost		\$
<input type="checkbox"/> check enclosed <input type="checkbox"/> send COD (\$5 charge) All orders must be prepaid or COD.	\$5		\$
VA residents add 4.5% sales tax	VA 4.5%		\$
SHIP TO:	TOTAL		\$
Name			
Company			
Street Address			
City/State/Zip			
Area Code/Telephone			

System and supply requirements for Create-A-Check

- DOS 3.0 or higher.
- HP LaserJet (II, III series), IBM 4029, Xerox 4197. We're awaiting confirmation that the new HP LaserJet 4 will work with Create-A-Check.
- Legal paper tray required for 8½x14.
- 2MB hard disk space.
- EGA, VGA or SVGA monitor.
- 512K RAM.
- MICR toner cartridge for laser printer.
- Blank security check stock.

Version 6's double stub paycheck

Employees like the new double stub paycheck that *PayMaster* 6.0/6.0 **Xtra** prints because they can see at a glance the detail of all types of income and deductions, including pre-tax items. The July 1992 BLUE PAGES has an illustration of the double stub laser paycheck. It's the same as the Create-A-Check sample on page 2, but with the check at the top and the double stub below it.

We are phasing out the old style laser checks with the check in the middle of the page, but you can still print them with Version 6, using the PYCHECK.LAS file.

When you reorder laser checks you'll get the new double check stub style and will then use the PYCHECK.DBL file. Future versions of *PayMaster* will not be able to print the old style laser check.

If you have Create-A-Check (see article on page 1), you'll use that instead of *PayMaster* to print your checks.

With a dot matrix printer and the original *PayMaster* single stub with preprinted headings, Version 6.0 will print your checks with PYCHECK.REG.

Using the blank stub checks with a dot matrix printer? Use PYCHECK.NEW for the blank stub payroll check. Use PYCHECK.CHT for the blank stub CharterHouse check (combination payroll/accounts payable check).

Want to print the new double stub checks on a dot matrix printer? They are available, but only as a custom print job.

How to use a different PYCHECK file

Change directories so you're in the *PayMaster* program directory. Rename the PYCHECK.EXE file PYCHECK.OLD and rename the other one PYCHECK.EXE.

Our example assumes your program is in PRV6 and that you have a dot matrix printer and the original single stub check with preprinted headings.

```
cd \prv6 [ENTER]
rename pycheck.exe pycheck.old [ENTER]
rename pycheck.reg pycheck.exe [ENTER]
```

Please call us for prices and an order form.