



You must comply with tax law changes... AutoUpdate guarantees you can!

You have enough to worry about without being concerned whether your payroll complies with the latest tax law changes. An annual subscription to AutoUpdate for *PayMaster*TM **guarantees** you will always have the latest program changes — whatever you need to:

- run your current year's W-2s correctly,
- file your quarterly reports correctly, and
- take advantage of tax breaks, e.g., FICA credit on excess tips.

Stan Schroeder, President of Chicago for Ribs, Inc. in Temecula, CA, has been on AutoUpdate from the beginning. Stan says "I wouldn't be without *PayMaster*! Every time California changes the DE-6 quarterly wage report, Computer Aid updates *PayMaster* and the program does the report correctly. By using *PayMaster*'s calculations and report, I got my Excess FICA Credit on Tips the first year it was available."

An AutoUpdate subscription, running concurrently with an annual Telephone Support subscription, gets you a discount on both annual subscriptions. ■

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You must get payroll out on time, and file on time... Telephone Support guarantees you can!



'Support' — what is it exactly?

Support is what you want when you need to:

- get your checks to print on a new printer,
- handle a strange garnishment order, or
- start a new year before you close out the previous year.

Even new babies love annual Telephone Support. Two weeks ago, when Tyler Benjamin Grubb was born, he was really glad that Mom Amy was able to stay with him in the hospital, and that Dad Neil, with the help of Computer Aid, was able to get payroll done for the Black Horse Restaurant that Mom and Dad operate in Chester Spring, PA. The employees were happy to get their paychecks and Tyler Benjamin was glad to see Dad again before visiting hours were over.

Standard Telephone Support answers all of your questions about how to use *PayMaster*. And there's

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Telephone Support

PayMaster 7.22.2 shipping soon

Mag media, some states, and deferred compensation plans other than 401(k) require that you have the new version of *PayMaster* for 1997 W-2s. Users on AutoUpdate will receive it soon. All others, please call for price and order information.

Important: You must first install *PayMaster* 7.2 and convert your data before you install 7.22.2.

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another advantage — users on Telephone Support get a 10% discount on any Computer Aid payroll checks.

If you're not on Telephone Support and want to start, call us and we'll pro-rate it to run concurrently with your AutoUpdate — allowing you to get the combined discount.

Some long-time users don't often need support. But when you have staff turn-over, it's comforting for them to be able to call when they have a question. That's why we let people start annual Telephone Support any time during the year.

Think you know it all and want to take a chance on not having Telephone Support? We'll still help you. Just call and pay with a credit card (\$75 per hour with a \$60 minimum).

Of course, users on annual Telephone Support get priority. Many of our long-time users prefer the annual subscription because they can just pick up the phone and call whenever they have a problem or question.

Call us today if you'd like to start an annual AutoUpdate or Telephone Support subscription. ■

Dealer spotlight cont'd from page 5
restaurants. And Dan was on his way to building his own company, Advanced Analytical Computer Systems.

Thousands of users across the United States are now using Dan's software to control their food and liquor costs. One of the first was his Dad's business neighbor — Stan Schroeder, the owner of a nearby restaurant. Stan realized that controlling food cost was essential

to the success of his Chicago for Ribs restaurants, so Stan helped Dan test his new Inventory Control/Cost Analysis Program.

Dan says, "Stan called one day to ask if I knew of a payroll program for restaurants to do his payroll in-house. I said 'yes.' I share an office with an accountant, who had a client being audited by the IRS. The IRS auditor, Alice Ford, was working there one day and couldn't help but overhear me talking to someone looking for restaurant payroll. Alice told me about Donna Rosen, who had developed a restaurant payroll program. Donna also worked in the Audit Division of the IRS."

"Many of my inventory software users were asking for a total solution: payroll, general ledger, and accounts payable. There was no way I could be enough of a specialist to understand payroll. However, when Alice agreed to demo *PayMaster*, Donna's payroll program, at the California Restaurant Show, and Donna agreed to handle telephone support once it was sold, I became a distributor for *PayMaster* from Computer Aid and OCC (later CharterHouse) Accounting."

"I can provide my customers with a payroll program for restaurants that works because it's supported by some real payroll specialists. After I find someone who needs payroll, I feel very confident turning them over to Donna."

"She makes sure that *PayMaster* is what they need before selling it. Then, her company, Computer Aid, helps them install it. And, **they** do **all** the support. I don't have to know payroll tax law, or the details of how *PayMaster* works. All I have to know is that it **does** work. And I have plenty of satisfied customers who tell me that it does."

"This gives me time to work on my new program — IPRO (Inventory and Product Manager) for Windows, an update to my IPRO for DOS inventory cost control program. IPRO for Windows offers customizable reports and is flexible enough so you can get pretty much everything you want out of it."

"I've kept all the functionality of my original program and added everything that my customers requested. IPRO for Windows handles commissary set-up, as well as inventory items in multiple locations and from multiple vendors. While I'm programming, selling *PayMaster* has helped pay my bills. And, my inventory program customers are even happier because I found a great payroll program for them." ■

THE BLUE PAGES

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Tax law changes

All changes are effective 1/1/98, unless otherwise noted.

Federal

- **Social security wage base** for 1998 is \$68,400. No limit on wages subject to **Medicare** (In *PayMaster*, enter 999999.99).
- **FICA rate** remains 7.65% (6.2% social security and 1.45% Medicare).
- **Maximum 401(k) employee contribution** increases to \$10,000.

State child support

GA UIFSA 1/1/98.

NC UIFSA conforms to federal requirements 10/1/97.

OH UIFSA 1/1/98.

Please refer to the Personal Responsibility and Work Opportunity Reconciliation Act article in the September 1997 BLUE PAGES.

State minimum wage

AR Effective 10/1/97 \$5.15.
Tipped employees \$2.575

CA Minimum wage goes to \$5.75
3/1/98.

CO Effective 10/1/97 \$5.15.
Tipped employees \$2.13.

MN 1/1/98 small employers to
\$4.90.

VT Effective 10/1/97 \$5.25.
Tipped employees \$2.89.

State miscellaneous

CA Overtime changes to after 40 hours/week instead of after 8 hours/day **only** for these industries: manufacturing, professional, technical, clerical, mechanical, public

housekeeping, mercantile industry and transportation industry.

State new hire reporting

NC Effective 10/1/97.

Please refer to the Personal Responsibility and Work Opportunity Reconciliation Act article in the September 1997 BLUE PAGES.

State SDI

NJ Employee deduction .425% (.4% + .025% for Workforce Development Partnership Program)

State unemployment

Taxable wage bases for 1998

CT \$13,000

IA \$15,700

MN \$17,200

MO \$8,500

NC \$12,600

NJ \$19,300

NM \$14,700

NV \$18,000

NY \$12,500

WA \$22,500

State withholding

AR Standard deduction increases from \$1,000 to \$2,000.

CA New tax withholding tables. SDI remains the same.

IA Tax rates decrease 10%
1/1/98.

MA SIMPLE retirement accounts are state taxable wages (unlike the federal government).

MD 1/1/98 four counties lower income tax rates:

Allegheny & St. Mary's reduce from 60% to 58%;
Carroll from 58% to 55%;
Worcester from 30% to 20%.

ME New tax withholding tables.

MS Withholding standard deduction amounts increase 1/1/98.

NC 1/1/98 employers must withhold 4% on all payments greater than \$600 made to nonresident independent contractors.

NE New tax withholding tables.

NM New tax withholding tables.

OH 1/1/98 several local tax changes.

SC New tax withholding tables.

Employers required to file magnetic media W-2s for federal tax are now required to do so for state.

... and probably more to come.



Software support hours

9:00 am - 6:00 pm Eastern Time
Monday - Friday

We will close at noon Dec 24
and 31, and be closed all day
Dec 25 and 26, and Jan 1.

Please remember to use our street address for any overnight deliveries:
501 Church St, NE, Suite 104
Vienna, VA 22180-4734

Q&A

Q. I have to process my first payroll of 1998 and don't have time to print my W-2s first. Help!

A. If you've got enough room on your hard drive, you can have *PayMaster* (Ver 6.x/6.x **Xtra** and later versions) create a new subdirectory for you and copy the data into it. ***Make sure you do this before processing end-of-year on the data.***

Decide on a new company ID code for the 1997 data, e.g., 97W2. For multiple companies, use ID codes such as A97W2, B97W2, etc. The prompts are shown in **bold**. What you enter is in *italics*. Our example uses 97W2 as the new code and subdirectory under C:\PAYDATA. The company we're creating the 97W2 directory for is Flora Enterprises, whose company ID code is *flora*. (So the code of our *source* company is *flora*.)

1. **Enter company ID code:**
97W2
2. **1)Add a company,**
2)Archive copy of existing company, or 3)Try again: *2*
3. **Data drive:** *C*
4. **Suggested data path:**
C:\PAYDATA\97W2
Enter data path:
C:\PAYDATA\97W2
Enter a new path if you wish, or press **e** to accept this data path.
5. **Enter code of source company:** *flora*

PayMaster will create the new directory in the path specified and will copy the data into it. When it's done, you're at the password prompt. Enter your regular password. You're now in the 97W2 company (INIT/COMPANY/COMPANY displays data path). Add 97W2 to the Division name(s) (via INIT/DIVISION/DIV) so you know at a glance you are using the 97W2 data (appears above the main menu). Print a payroll summary to make sure the data's OK.

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 ID code**. When it's time to run the W-2s, use the **97W2 ID code**.

- Q. How can I be sure that my mag media file is OK before I send it off to the SSA?
- A. Use DOS to print out the file and spot check the information and the totals. See Mag Media Preparation on Page 3 of Insert.
- Q. I forgot to order the tax tables. What can I do?
- A. Fill in the form on Page 4 of Insert (even if you're on AutoUpdate) and send it in now so you'll have them for your next payroll. Using the old tax withholding tables for one or two pay periods isn't critical. OASDI and Medicare percentages remain the same for 1998. The 1998 OASDI taxable wage base has increased.

Q. If my printer jams up in the middle of printing my W-2s, am I stuck?

A. You **can** resume printing your W-2s. Choose REPORTS/W-2 as you normally would. Respond **Y** to **All employees?** Respond **Y** to **Resume an interrupted run?** At the **Print from employee =** prompt, enter the code of the first employee to print. *PayMaster* will print from there, including the W-2 subtotals and total.

Q. How long does a floppy disk last? Is it any problem if I use the same floppy disks for backup year after year?

A. Floppy disks do not last forever. How long? It depends on how often they're used and how well they're treated. To prevent a situation where you need to restore data and get the dreaded error message: "Error reading Drive A: Abort, Ignore, Retry," you might want to follow these two suggestions:

1. Reformat your used floppies once a year before using them over again. Formatting checks for bad sectors. If you find any, get rid of that diskette.
2. Use brand new formatted floppy disks when you back up your end-of-year data, and back it up not just once, but on two diskettes or sets of diskettes. ■

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 produces payroll for me on time — hassle-free. I wouldn’t run my businesses without it and will never use a service again. In-house payroll is much easier and more accurate than a service, if you have a good program.”

Stan Schroeder, President, Chicago for Ribs, Inc.; Owner, Graphics Unlimited Lithography; and President, Schroeder Enterprises

Stan Schroeder of Temecula, CA invested in a Redondo Beach restaurant in 1981. A year later, when his partners couldn’t make money, Stan took over the operation of Chicago for Ribs, well known for its barbecued ribs and chicken.

Over the years, Chicago for Ribs, Inc. has grown to six restaurants in CA. Stan owns and operates the one in Pasadena. Five are licensed to others (in Redondo Beach, Brentwood, Huntington Beach, Long Beach, and Westchester). And there are two in Indonesia and one in Japan. Stan also owns a printing company, Graphics Unlimited Lithography.

The first year Stan operated the restaurant, he used a payroll service. “I was so surprised and upset when I got a penalty for \$18,000 for not filing things properly. The payroll service had produced the tax forms and given them to me to file along with the payment check. Of course, I filed what they gave me. When I asked them for the backup records so I could research the problem, they couldn’t give them to me. And, they said it was my fault — that because I wrote the checks, the errors were mine!”

“I paid the penalty and then decided to look for a payroll program so I could do payroll in-house. Dan Gimpel, the son of a nearby

restaurant owner, had just written an inventory cost control program. I was helping Dan test his program and asked him if he could get me a payroll program with the new tip allocation calculation that had just become law.”

“When Dan first contacted Donna Rosen at Computer Aid, she was not familiar with the CA tax tables or State Disability Insurance. I explained our tax needs and very soon *PayMaster* was ready for California. I was excited and relieved when I got the program, because I had stopped the payroll service and had no other alternative.”

Sue Sholler and Stan Schroeder “*PayMaster* produces payroll on time — hassle-free — year after year. It is so much easier than using the payroll service. And much more accurate. When I owned the printing company and four of the restaurants before licensing them, Sue Sholler, our bookkeeper, did payroll for all five companies, as well as their Accounts Payable and Accounts Receivable. What’s great is that when I have questions, she can answer them right away!”

“I wouldn’t be without *PayMaster*! Every time California changes the DE-6 wage report, Computer Aid updates *PayMaster* and the program

does the report correctly. I got my Excess FICA Credit on Tips the first year it was available using *PayMaster*’s calculations and report.”

Sue says “I love *PayMaster*. It is very accurate and easy to use. The garnishment works really well. I’ve been using *PayMaster* for eight years now. Before that I worked for a service bureau that did payroll on a mainframe computer. *PayMaster*’s batch entry is just as good as the very expensive custom program they used.”

“I file the payroll FTD deposits by phone. *PayMaster*’s Federal Tax Deposit page is really good. I don’t have to think about anything — I just use the printout. *PayMaster* really makes my work easy.” ■

Dealer spotlight

“When I find someone who needs payroll, I feel very confident turning them over to Computer Aid.”

Dan Gimpel, President, Advanced Analytical Computer Systems

Dan Gimpel started his career path at his father’s restaurant, Bon Appetit, in Redondo Beach, CA, but not in the management or food service area.

Dan was more interested in computers than restaurants, and found a way to combine both fields. In 1979, he saw a restaurant inventory program running on a \$30,000 specialized CyTech computer and got the idea to offer the same thing for less than \$10,000. By late 1980, the program was ready for his Dad’s four

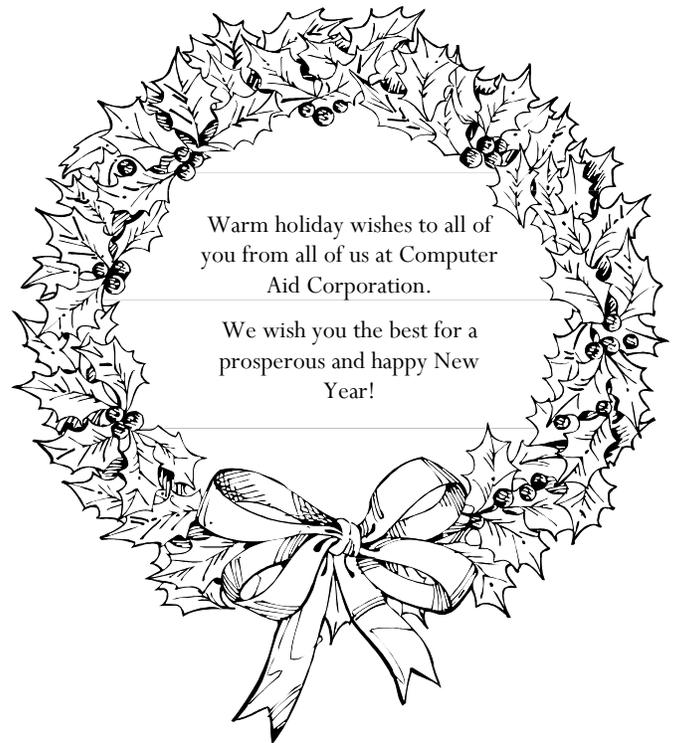
Continued on page 2

Using Quicken? CharterHouse? Digital Dining? PeachTree?

Now you can get not only your **payroll** checks from us, but Accounts Payable **bank** checks as well, plus all the other paper forms you need to process accounting.

Whether it's checks for payroll, checks for accounts payable, W-2 and 1099 forms, 941 and Schedule B forms, or invoices, Computer Aid has it all.

Call or fax us to request a catalog — 1-800-327-4AID;
Fax 703-281-3461.



December 1997

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Details inside

- Bank checks and payroll tax forms
- AutoUpdate and Support
- Important W-2 information

Phone numbers:

Stan 909-695-2351

office

fax 909-695-2544

e-mail graphics@iinet.com

Sue Sholler is at same number.

Dan Gimpel: 818-735-7840

800-899-2227

fax 818-735-0650

gimpellini@aol.com



SK — ask Dan for photo

Amy and Neil Grubb

phone 610-458-5132

fax 610-458-1109

home 610-942-9018

I^{PRO} for DOS was a re-write from scratch, but it could convert the data from the old program, so it was considered an upgrade.

Both were avid users of the computer technology of that time — Dan programming on a TRS-80 Model II computer with 8" floppy disk drives; Stan working on a Compaq portable the size of a sewing machine, with only floppy drives.

Leave this out completely until it's defined.

Tax Law Support (implies a different level of support; it's a different type of support).

24-hour a day; 7 day a week support, faster turn-around.

Do you have questions about:

- cafeteria plans
- pension
- 941 reconciliation

In response to this need, we'll be introducing a new service in 1998 — Support Plus. This premium support will include standard telephone support **plus** payroll tax law support. We think you'll appreciate this new service. Current users on support will receive a letter explaining the new Support Plus plan that will be available. You will, of course, be able to continue on your current Telephone Support plan if you wish. If you're interested in starting the new Support Plus plan before your standard Telephone Support subscription expires, just give us a call. ■