

## 2013 Payroll Tax Table Update Instructions

(Effective January 7, 2013)

### READ THIS FIRST!

The mandatory programming change for the separation of **FICA** calculations for **Employers** at **6.2%** versus **Employees** at **4.2%** for **2012** has officially **“expired”** and your **Infinity POWER Payroll** program will automatically **“revert”** back to the **6.2%** rate for both **Employers** and **Employees** automatically by simply changing your system date to any date within the calendar year **“2013.”** This, of course, assumes that you are either on **Version 7.3** or **Version 7.4** with the latest updates!

No further software update is required for this change to the Employee’s portion of FICA. However, as of **Friday, January 4, 2013**, the Internal Revenue Service (**IRS**) issued their final policies for **2013** based on the President signing the new bills from Congress. The latest **DP/Update** available now will provide for all of the latest changes issued by the **IRS**, including an increase in an Employee’s Primary Exemption being raised from **\$3800** to **\$3900**.

You must update your software to the latest version of **Infinity POWER (Version 7.4 or Version 7.3)** to get this update. If Congress changes the rules later in **2013**, another **“DP/Update”** download will be made available upon notification of the rule changes by the **IRS**.

## No Changes to W-2s or 1099s were made in 2012!

### Installing the Latest Updates

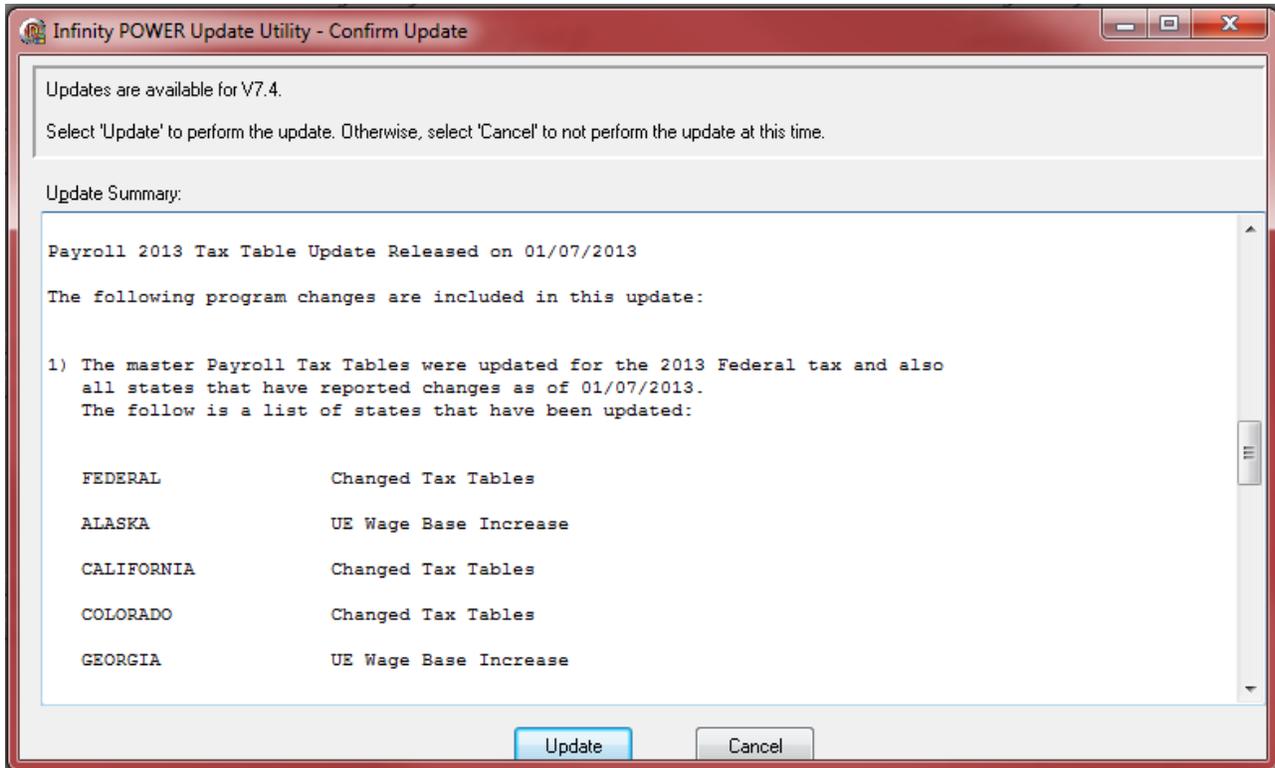
The **2013 Federal Tax Tables**, as well as the **State Tax Tables** for all states which have reported their **2013** rates, have been updated. The **2013 Payroll Tax Tables** updates are now published on the **DP/Update** download site for **Infinity POWER** users on **Versions 7.3x** and **7.4x**. Users on any version number that is lower than **Version 7.3** **MUST** upgrade to meet the current Payroll requirements. Further, these updates are available for Windows versions of the **Infinity POWER** products **ONLY!** This includes both the **“Windows Graphical”** and **“Character-Based”** versions of the **Infinity POWER** products. **NO FURTHER** programming releases are being made for **SCO UNIX** or **LINUX**.

If you are presently on **Version 7.3 or higher** and have a direct **Internet** connection on your accounting servers or workstations, you can now choose the **“Check for Updates”** option from the **“Help”** menu within **Infinity POWER** to download these files.

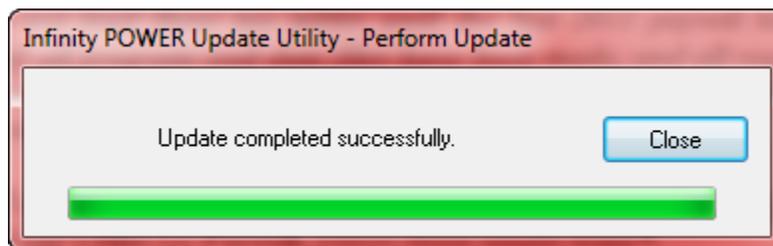


If you have a newer version of the Microsoft Windows Operating System (*i.e. Windows 7 or Windows 8*), you may be prompted by the system as to whether to allow the software to download the update from **Data Pro Accounting Software**. If you are prompted by a button that appears at the bottom of screen flashing, click on it and answer **Y(es)** to continue the **DP/Update** feature.

As the update continues, the screen will display all of the updates for each software version in date sequence order for each update as it has been released. Therefore, the information shown on the following screen for **Version 7.42**, for instance, may appear further down in the update listing rather than directly at the top of the screen, based on whether you have completed any updates previously. You can scroll down to insure you have the latest update information to be posted to your system.



Choose to start the update and when completed successfully, the following screen will appear:



Click on the “**Close**” button to proceed.

Then, you will need to run the **Payroll** option “**Update Tax Table From Master File**” from the “**Set Up and Maintenance**” **Payroll** menu. *If you have a prior version of the product before Version 7.3, you will need to upgrade first to Version 7.4 (current version) before proceeding!*

Users still have the option to input their table changes manually by using the **Percentage Method of Withholding Tables** in the **Circular E** published by the **IRS** for **Federal Tax Tables** and/or the **State Tax Tables** released by your state. Be sure to use the “**Annual Tables**” if you are inputting the tables manually.

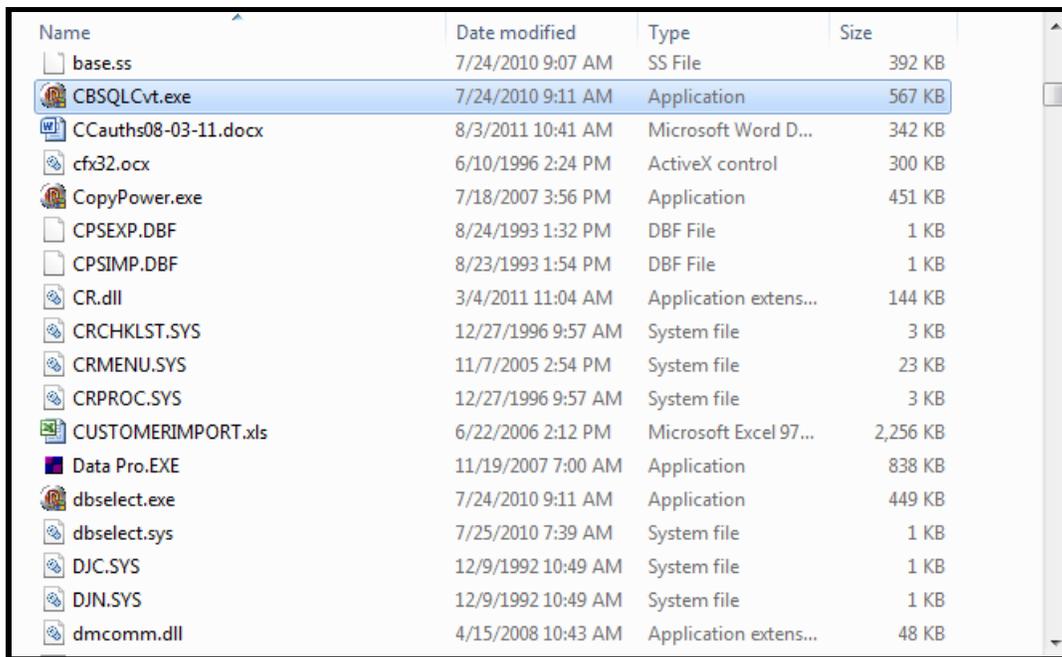
### **\*\*\*MICROSOFT SQL SERVER USERS\*\*\***

If you have installed the **Microsoft SQL Server** database as your core database structure to be used with your **Infinity POWER** software applications (*instead of FoxPro or dBase*), the preceding option that allowed you to download the **Payroll Tax Tables** using the **DP/Update** option will have the files in the native “**dbf**” file format.

For **SQL Server** users, the “**dbf**” file format must first be converted into an **SQL** format before the **Tax Tables** in **Payroll** can be updated. **Data Pro** provides a standard utility with the **Infinity POWER** software programs that allows data files to be converted in both directions (**dbf to SQL – SQL to dbf**). Follow the next set of steps to prepare the **Payroll Tax Table** update for use in an **SQL Server** environment.

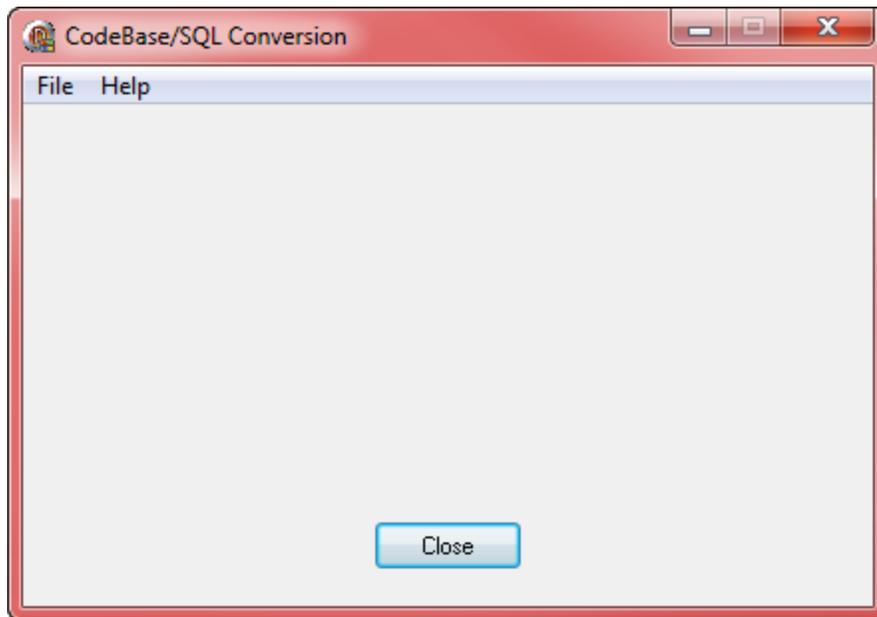
Using “**Windows Explorer,**” go to the directory or folder where your **Infinity POWER** accounting applications are installed. This could be **C:\POWER** or another directory depending on how the software was originally installed.

Inside this folder, you will find on the list of files inside the folder a file called “**CBSQLCvt.exe**” as highlighted on the following screen:

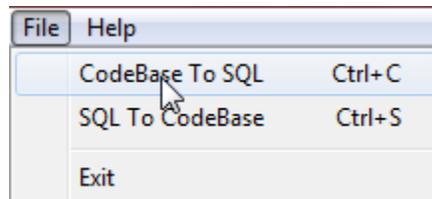


Name	Date modified	Type	Size
base.ss	7/24/2010 9:07 AM	SS File	392 KB
<b>CBSQLCvt.exe</b>	7/24/2010 9:11 AM	Application	567 KB
CCauths08-03-11.docx	8/3/2011 10:41 AM	Microsoft Word D...	342 KB
cfx32.ocx	6/10/1996 2:24 PM	ActiveX control	300 KB
CopyPower.exe	7/18/2007 3:56 PM	Application	451 KB
CPSEXP.DBF	8/24/1993 1:32 PM	DBF File	1 KB
CPSIMP.DBF	8/23/1993 1:54 PM	DBF File	1 KB
CR.dll	3/4/2011 11:04 AM	Application extens...	144 KB
CRCHKLST.SYS	12/27/1996 9:57 AM	System file	3 KB
CRMENU.SYS	11/7/2005 2:54 PM	System file	23 KB
CRPROC.SYS	12/27/1996 9:57 AM	System file	3 KB
CUSTOMERIMPORT.xls	6/22/2006 2:12 PM	Microsoft Excel 97...	2,256 KB
Data Pro.EXE	11/19/2007 7:00 AM	Application	838 KB
dbselect.exe	7/24/2010 9:11 AM	Application	449 KB
dbselect.sys	7/25/2010 7:39 AM	System file	1 KB
DJC.SYS	12/9/1992 10:49 AM	System file	1 KB
DJN.SYS	12/9/1992 10:49 AM	System file	1 KB
dmmcomm.dll	4/15/2008 10:43 AM	Application extens...	48 KB

Double click on this file and the following application will load as shown on the following screen:



Click on “**File**” and choose the first option for “**CodeBase To SQL.**” This is the option that will convert a “**dbf**” file to the **SQL** file format.

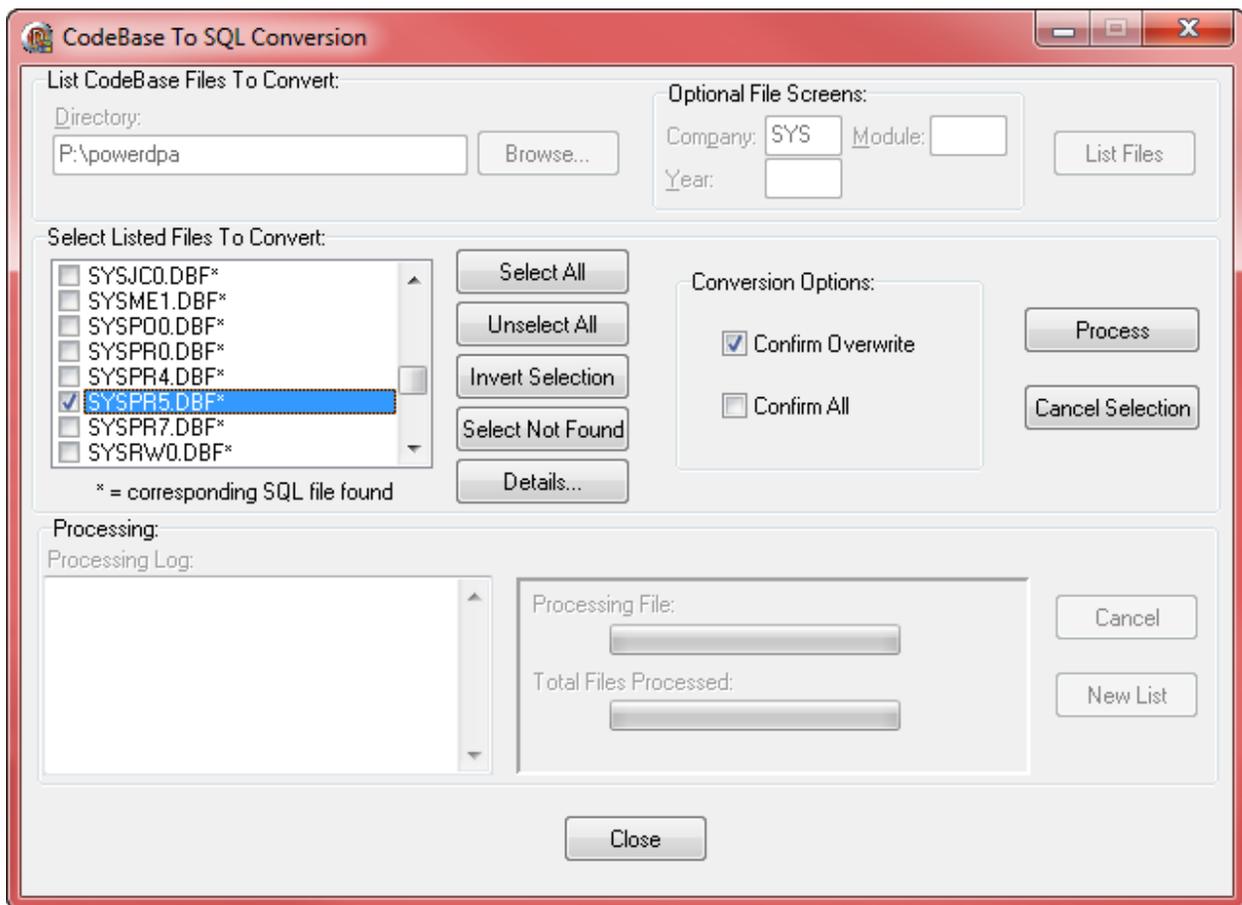


A new screen will appear prompting you for key pieces of information. Most importantly is to first “**Browse**” under the “**Directory**” option to where your **Infinity POWER** programs are installed. This can be on any network or local drive letter and in any subdirectory or folder name as appropriate.

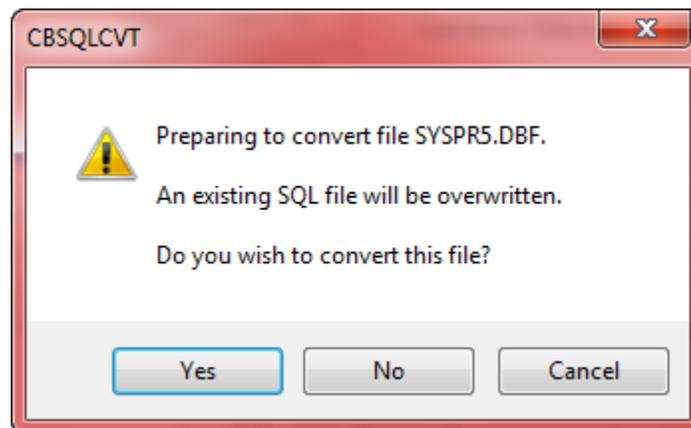
Next, enter under the “**Company**” field the three letters “**SYS.**” These are for the system files that have been just downloaded by the **DP/Update** utility. Then, under the option “**Select Listed Files to Convert**” scroll down until you find the file specifically titled “**SYSPR5.DBF.**” Make sure the rest of the files are “**Unselected.**”

Under the “**Conversion Options,**” click on the check box to “**Confirm Overwrite.**”

When all of this is set as the following screen illustrates, click on the “**Process**” button to continue.

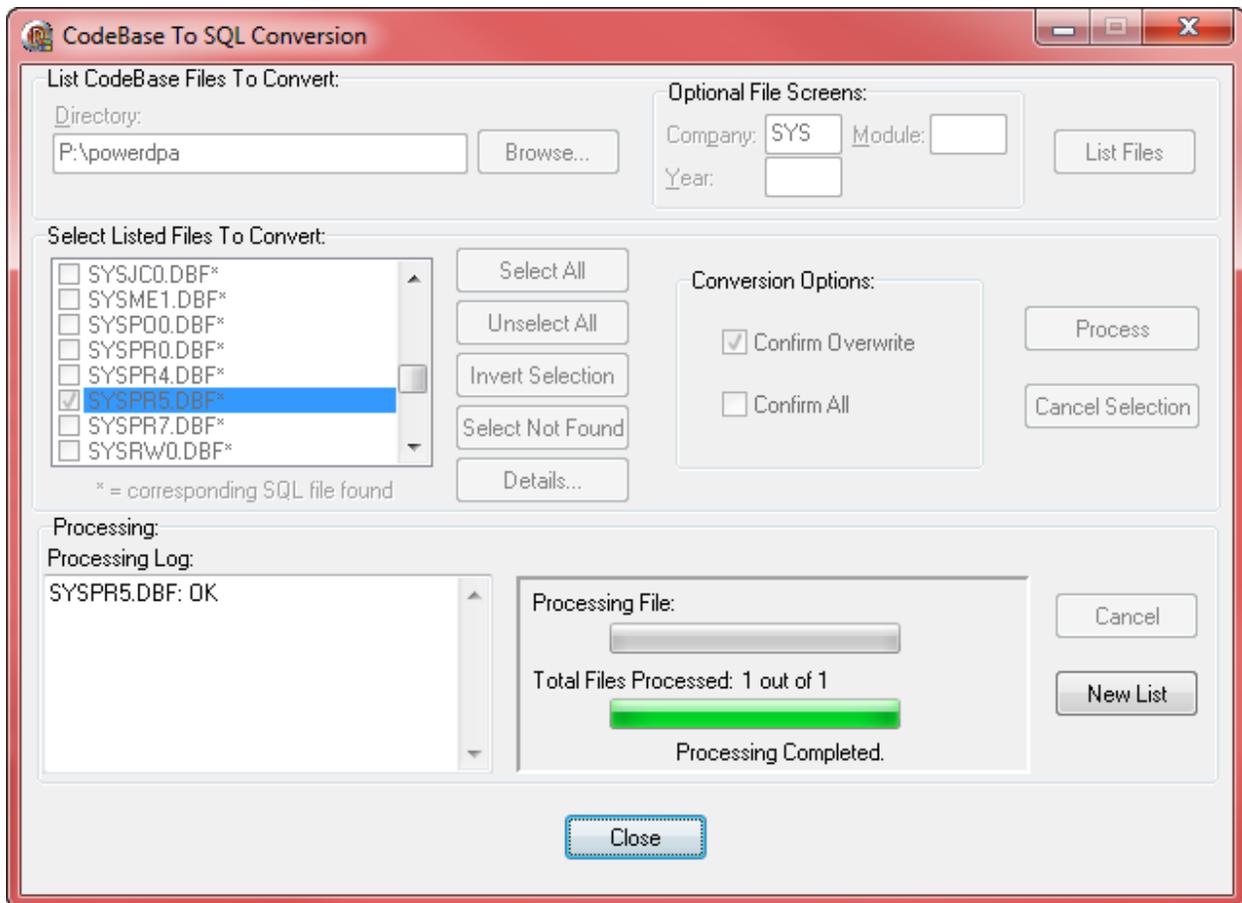


Once you click on “**Process,**” the following screen will appear:



Click on “**Yes**” to continue the conversion to the **SQL** format

Once the files have been converted, the following screen will appear:



Now that this step has been completed for **SQL Server Users**, the rest of the steps are identical for **ALL** users regardless of which database is being used.

### **\*\*\*W-2 CONFIGURATION\*\*\***

If you have recently upgraded to **Version 7.3 or higher** from a version prior to **6.3**, you must verify each employee's **First** and **Last** Name under the **W-2 Info** button under the **"Set Up Employees"** option in Payroll. The **POWER Upgrade Utility** will attempt to parse the existing name field into the new **First** and **Last Name** fields. Depending upon the format of your employees' names, adjustments may be necessary.

## STEP 1

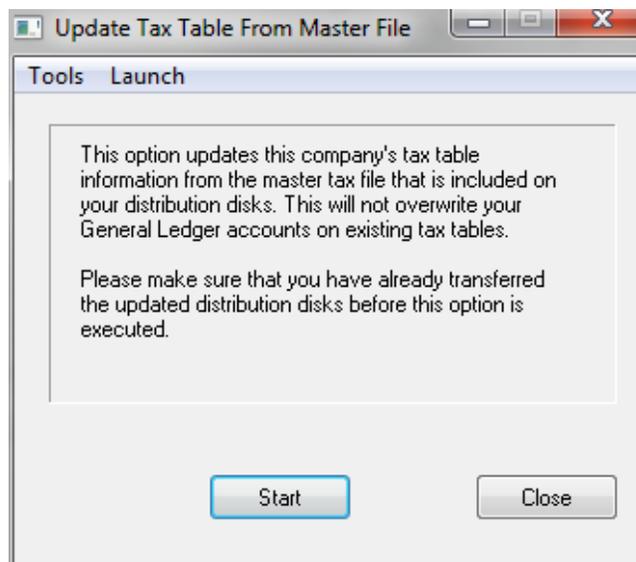
### How to Update Your Tax Tables

#### (Windows GUI)

*Note: Do not load these tax tables until the last 2012 payroll has been processed, backups of all program and data files have been made, and all required management reports have been printed. Tax table information should be updated just before the first 2013 payroll is run.*

Once the **2013 Tax Table Updates** have been loaded on your system **AND** after you have started the **New Year's files for Payroll**, follow these simple steps:

1. From the **"Infinity POWER Main Menu,"** press the **F3** key and change the system date to **01/01/2013**.
2. Click on **"Systems,"** and then select the option **"Payroll."**
3. Select the option **"Perform Set Up and Maintenance."**
4. Finally, choose the option **"Update Tax Table From Master File."**
5. Click on the **"Start"** button. When it is complete, the system will return you to the menu.



#### (Windows Character-Based)

*Note: Do not load these tax tables until the last 2012 Payroll has been processed, backups of all program and data files have been made, and all required management reports have been printed. Tax table information should be updated just before the first 2013 Payroll is run.*

Once the **2013 Tax Table Updates** have been loaded on your system **AND** after you have started the **New Year's** files for **Payroll**, follow these simple steps:

1. From the **"Infinity POWER Main Menu,"** press the **F3** key and change the system date to **01/01/2013**.
2. Then, select the option **"Accounting Programs."** Next, choose the option **"Payroll System."**
3. Select the option **"Perform Set Up and Maintenance."**
4. Choose the option **"Perform Routine Maintenance."** Then, choose the option **"Set Up Tax Tables."**
5. Finally, choose the option **"Update Tables From Master File."**
6. Press the **ENTER** key to begin the update process. When it is complete, the system will return you to the menu.

```
Update Tax Tables From Master File

This option update this company's tax table information from the master Tax
file that is included on your distribution disks. This will not overwrite
your General Ledger accounts on existing tax tables.

Please make sure that you have already transferred the updated distribution
disks before this option is executed.

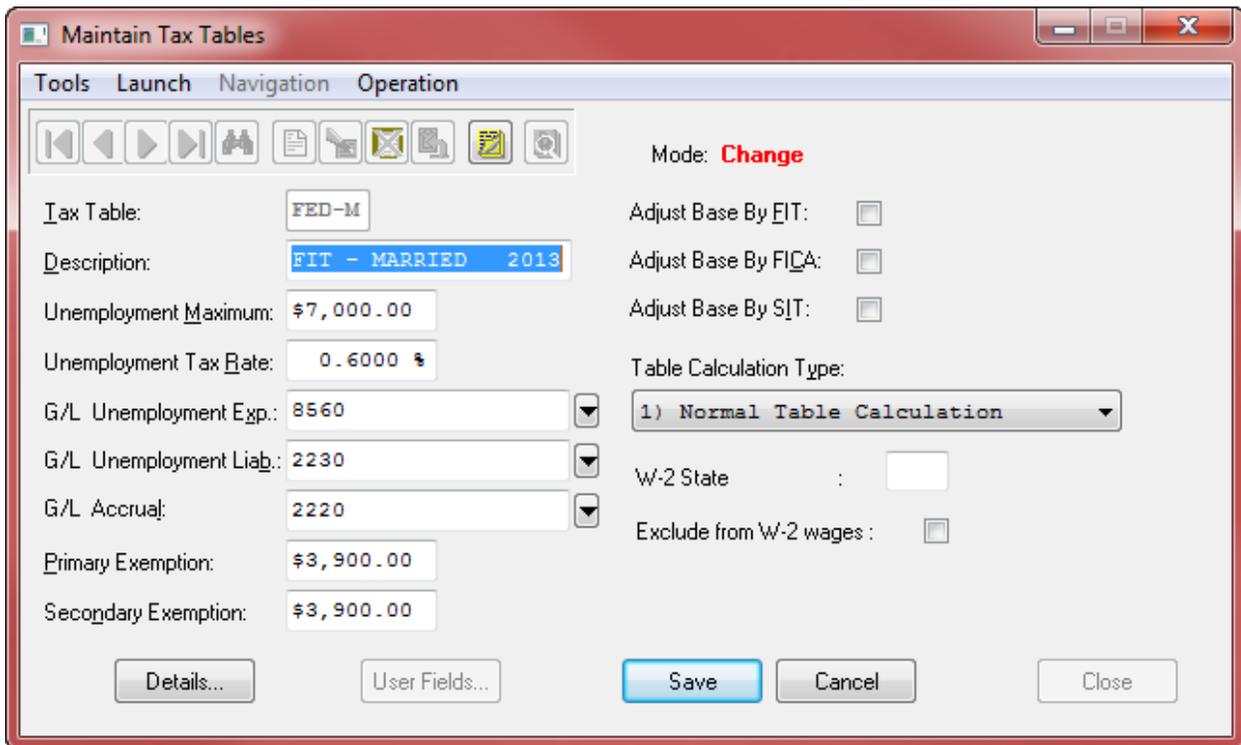
** Press ENTER to begin <F5 to redo or ESC to exit>: [ ]

Infinity POWER Ver: 7.42 (c) 1985-2002 by Data Pro Accounting Software, Inc.
Company: Infinity Sample Company Active: PR
Number : ins Date: 01/01/2013 Status: Macro : Prt: Screen
```

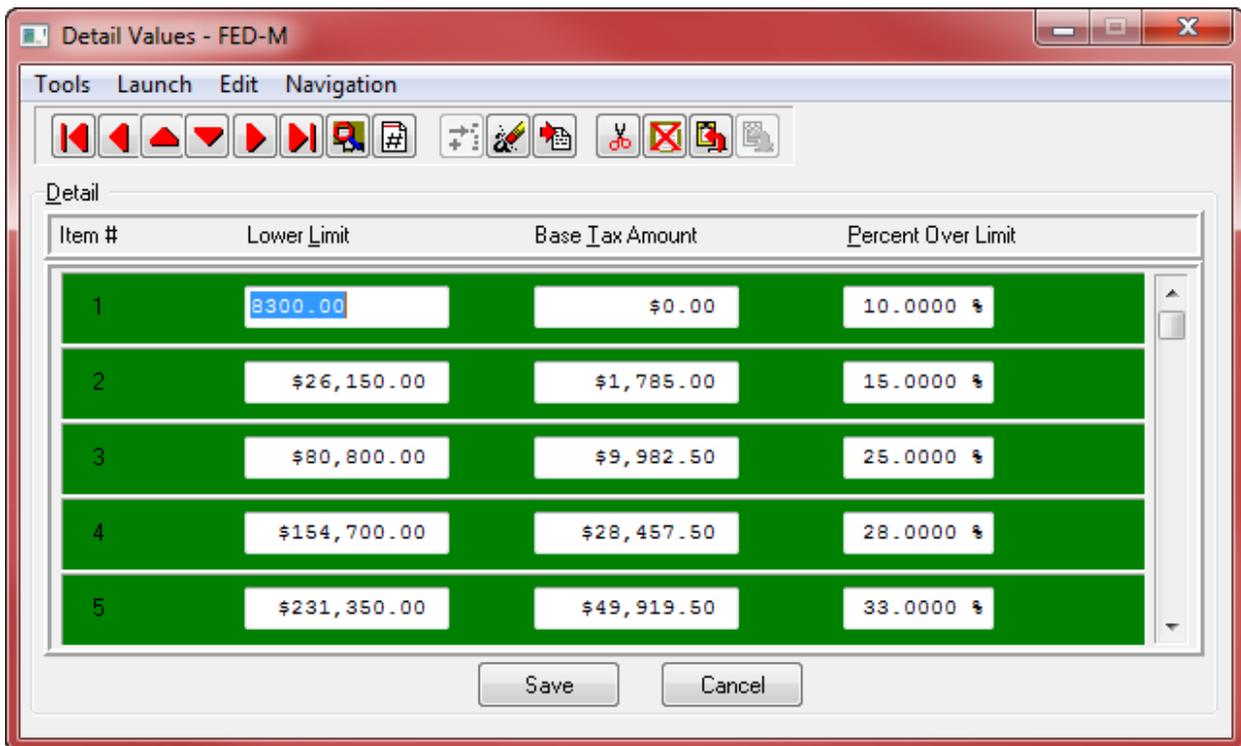
Repeat these steps for each company that has **Payroll** data files. Be sure to verify your company's unemployment tax rate for **2013** and adjust the appropriate state tax table(s) as shown in the following example. Make sure to use the rate sent to your firm by your state for **2013**.

## STEP 2

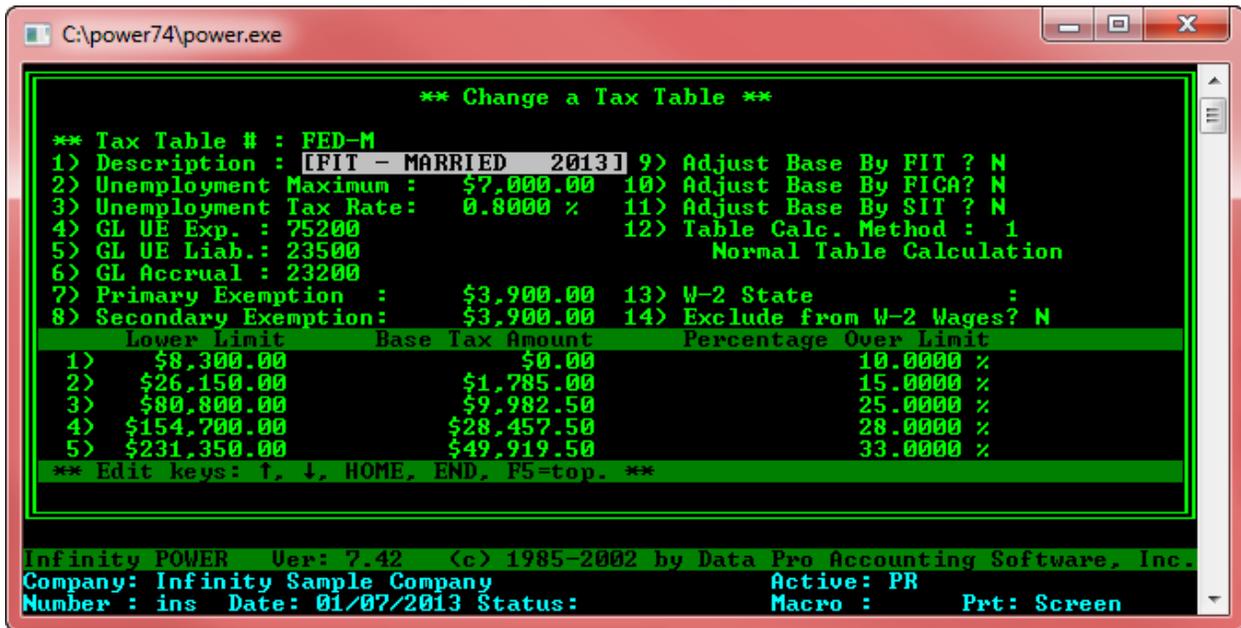
Remember to check the Federal tax tables against your **Circular E** and **State Tax Tables** with your **State Tax Table Publications**. In the Windows Graphical version, to edit or verify either the Federal or State Tax Tables while in the Payroll module, choose the option **"Perform Routine Maintenance."** Then, choose the option **"Set Up Tax Tables."** Select the specific table to review or edit. The following screen will appear:



When you click on the “**Change**” button and then the “**Details**” button on the bottom left of the screen, the following screen will appear that will allow you to edit the specifics of the tax table.



In the Windows Character-based version of the product, the details for editing are all on a single screen as shown in the following example.



For your records, this is what the **Federal Tax Tables** should look like at this point for **2013**.

Data Pro Accounting Software, Inc.  
Tax Table Listing  
Detailed

Page 1  
(1) 01/07/2013

Number	Description	GL Accrual	Adj. Base By:	Type	Unemployment Tax			
					Primary Exemption	Secondary Exemption	Maximum Tax Rate	GL Expense
FED-M	FIT - MARRIED 2013	2220	N N N	1	\$7,000.00	0.60%	8560	2230
		\$3,900.00						
	Tax Table:	Over...	But Not Over...	Tax Amount	Plus % of Excess Over...			
	1)	\$8,300.00	\$26,150.00	\$0.00	10.0000 %		\$8,300.00	
	2)	\$26,150.00	\$80,800.00	\$1,785.00	15.0000 %		\$26,150.00	
	3)	\$80,800.00	\$154,700.00	\$9,982.50	25.0000 %		\$80,800.00	
	4)	\$154,700.00	\$231,350.00	\$28,457.50	28.0000 %		\$154,700.00	
	5)	\$231,350.00	\$406,650.00	\$49,919.50	33.0000 %		\$231,350.00	
	6)	\$406,650.00	\$458,300.00	\$107,768.50	35.0000 %		\$406,650.00	
	7)	\$458,300.00	\$0.00	\$125,846.00	39.6000 %		\$458,300.00	
FED-S	FIT - SINGLE 2013	2220	N N N	1	\$7,000.00	0.60%	8560	2230
		\$3,900.00						
	Tax Table:	Over...	But Not Over...	Tax Amount	Plus % of Excess Over...			
	1)	\$2,200.00	\$11,125.00	\$0.00	10.0000 %		\$2,200.00	
	2)	\$11,125.00	\$38,450.00	\$892.50	15.0000 %		\$11,125.00	
	3)	\$38,450.00	\$90,050.00	\$4,991.25	25.0000 %		\$38,450.00	
	4)	\$90,050.00	\$185,450.00	\$17,891.25	28.0000 %		\$90,050.00	
	5)	\$185,450.00	\$400,550.00	\$44,603.25	33.0000 %		\$185,450.00	
	6)	\$400,550.00	\$402,200.00	\$115,586.25	35.0000 %		\$400,550.00	
	7)	\$402,200.00	\$0.00	\$116,163.75	39.6000 %		\$402,200.00	

## STEP 3

### FICA Update Procedures (Windows GUI)

The Federal Government has changed the Social Security tax limit to **\$113,700** for **2013**. To verify that your configuration is correct, follow these steps:

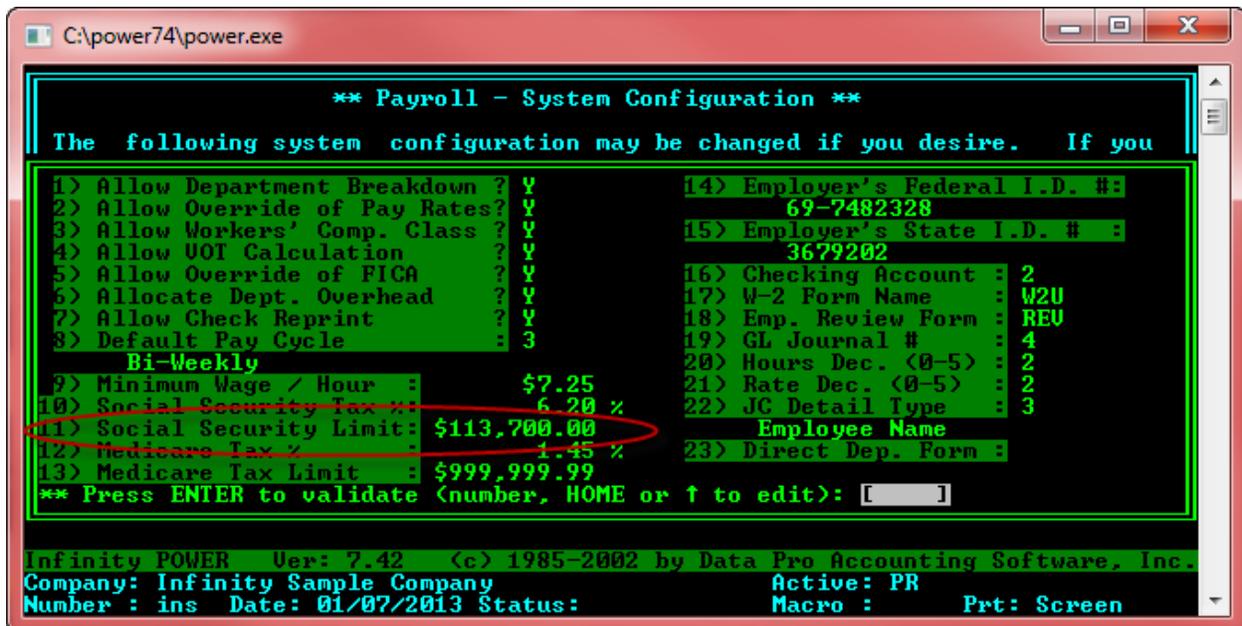
1. Click on **“Systems,”** and then select the option **“Payroll.”**
2. Next, select the option **“Set Up and Maintenance.”** Then, select the option, **“Payroll Configuration.”**
3. Then, choose the option **“Set Up Master Information.”** Next, select the option **“Payroll Configuration.”**
4. Finally, click on the tab **“Master Configuration.”** Click on the **“Social Security Limit”** and verify that it is set to **\$113,700.00**.
5. Your screen should look similar to the following:

The screenshot shows a Windows-style configuration window titled "Configuration". It has a "Tools Launch" menu and several tabs: "Master Configuration", "G/L Accounts", "Time Categories", and "System Integration". The "Master Configuration" tab is active. On the left side, there are several checkboxes, all of which are checked: "Departments:", "Rate Override:", "Workers Comp. Class:", "Variable OT Calculation:", "FICA Override:", "Allocate Dept. Overhead:", "Allow Check Reprint:", and "Default Pay Cycle:" (which is set to "Bi-Weekly" in a dropdown menu). Below these are input fields for "Minimum Wage:" (\$7.25), "Social Security Tax %:" (6.20 %), "Social Security Limit:" (113700.00, circled in red), "Medicare Tax %:" (1.45 %), and "Medicare Tax Limit:" (\$999,999.99). On the right side, there are input fields for "Emp. Federal ID Number:" (69-7482328), "Emp. State ID Number:" (3679202), "W-2 Form:" (W2U), "Employee Review Form:" (REV), "G/L Journal Number:" (04 Checking - Payroll, in a dropdown menu), "Hours Decimals:" (2), "Rate Decimals:" (2), "Next Check Number:" (196), "Check Form:" (STUB), "JC Detail Type:" (Employee Name, in a dropdown menu), "Direct Deposit Form:" (empty), and "Checking Account:" (2, in a dropdown menu). At the bottom of the window are three buttons: "OK", "Cancel", and "Apply".

Click **“OK”**, to save your changes. Repeat these steps for each company that has Payroll files.

For Character-based users, follow these steps:

1. From the “*Infinity POWER Main Menu*,” press the **F3** key and change the system date to **01/01/2013**.
2. Then, select the option “*Accounting Programs*.” Next, choose the option “*Payroll System*.”
3. Select the option “*Perform Set Up and Maintenance*.”
4. Choose the option “*Perform Routine Maintenance*.” Then, choose the option “*Set Up Master Configuration*.”
5. Choose the option “*Change Master Configuration*.”
6. The following screen will appear where you can make the edits on Field #11 “*Social Security Limit*.”



## STEP 4

### Social Security Tax %

When you perform the **DP/UPDATE** feature to get the latest software update, you will find it to be quite simple and will require **NO Configuration** of the software whatsoever. For example, if your system date is set prior to **01/01/2011** or after **12/31/2012**, you will see and be able to edit the **Social Security Tax Percentage** rate field and the system will apply it to both the **Employee** and **Employer** portion of **FICA**.

The following screens illustrate how the Payroll Configuration screen looks in both the Windows Graphical Version as well as the Character-based Version of the **Infinity POWER** products. The current rate for both **Employer** and **Employee** is **6.2%** and goes in the “**Social Security Tax %**” field as shown. No other fields are adjusted.

Configuration

Tools Launch

Master Configuration | G/L Accounts | Time Categories | System Integration

Departments:

Rate Override:

Workers Comp. Class:

Variable OT Calculation:

FICA Override:

Allocate Dept. Overhead:

Allow Check Reprint:

Default Pay Cycle: **Bi-Weekly**

Minimum Wage: \$7.25

**Social Security Tax %: 6.20 %**

Social Security Limit: 113700.00

Medicare Tax %: 1.45 %

Medicare Tax Limit: \$999,999.99

Emp. Federal ID Number: 69-7482328

Emp. State ID Number: 3679202

W-2 Form: W2U

Employee Review Form: REV

G/L Journal Number: 04 Checking - Payroll

Hours Decimals: 2 Rate Decimals: 2

Next Check Number: 196 Check Form: STUB

JC Detail Type: Employee Name

Direct Deposit Form:

Checking Account: 2

OK Cancel Apply

```

C:\power74\power.exe

** Payroll - System Configuration **

The following system configuration may be changed if you desire.  If you

1) Allow Department Breakdown ? Y
2) Allow Override of Pay Rates ? Y
3) Allow Workers' Comp. Class ? Y
4) Allow UOT Calculation ? Y
5) Allow Override of FICA ? Y
6) Allocate Dept. Overhead ? Y
7) Allow Check Reprint ? Y
8) Default Pay Cycle : 3
   Bi-Weekly
9) Minimum wage / Hour : $7.25
10) Social Security Tax % : 6.20 %
11) Social Security Limit : $113,700.00
12) Medicare Tax % : 1.45 %
13) Medicare Tax Limit : $999,999.99
14) Employer's Federal I.D. #: 69-7482328
15) Employer's State I.D. # : 3679202
16) Checking Account : 2
17) W-2 Form Name : W2U
18) Emp. Review Form : REV
19) GL Journal # : 4
20) Hours Dec. (0-5) : 2
21) Rate Dec. (0-5) : 2
22) JC Detail Type : 3
   Employee Name
23) Direct Dep. Form :

** Press ENTER to validate (number, HOME or ↑ to edit): [ ]

Infinity POWER Ver: 7.42 (c) 1985-2002 by Data Pro Accounting Software, Inc.
Company: Infinity Sample Company Active: PR
Number : ins Date: 01/07/2013 Status: Macro : Prt: Screen

```

If your system date is set from 01/01/2011 to 12/31/2012, then you will **NOT** be able to change the **Social Security Tax %** field whatsoever. The software update does not allow any edits to the field as the programming change is “hard-coded” into the software and is “date sensitive.” The system automatically calculates the Employee’s tax rate at 4.2% and the Employer’s tax rate at 6.2% if the system date of your computer is set within this date range. Once you set your date to 01/01/2013, it reverts automatically to 6.2% for both “Employee” and “Employer.”

## STEP 5

# State Tax Table Updates

Data Pro Accounting Software updates the various states' tax tables as soon as their information is released. Unfortunately, many states do not release their annual changes prior to year end when we release all of the other Federal and other state changes.

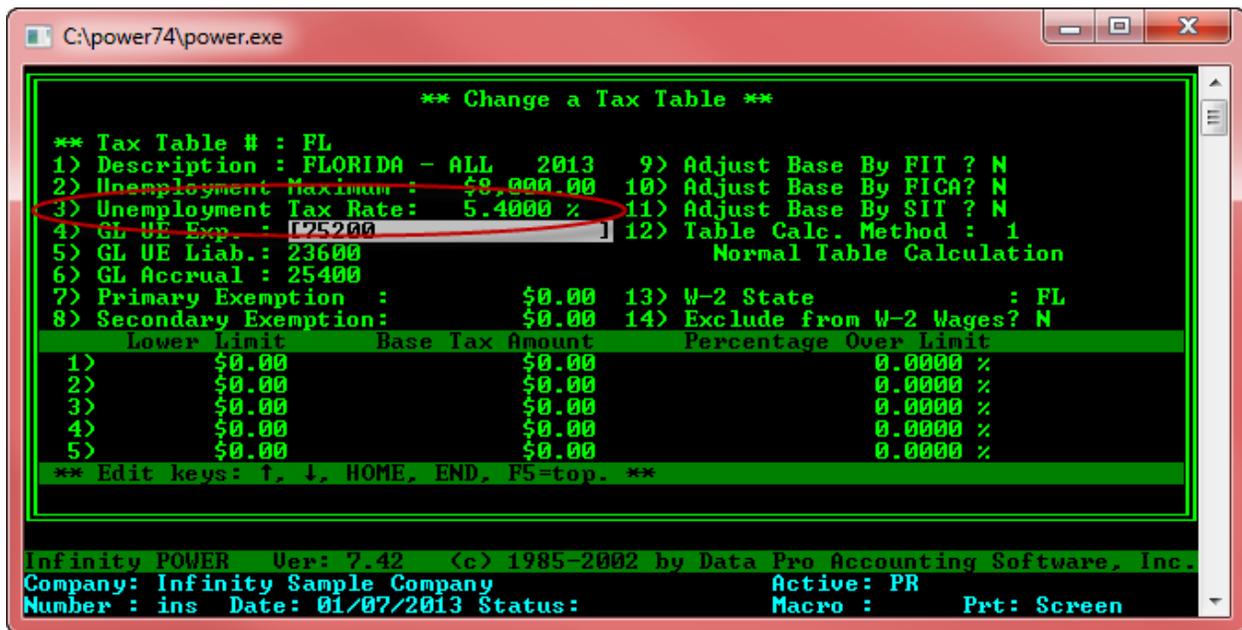
Keep checking the **DP/UPDATE** feature of your software and the home page at [www.dpro.com](http://www.dpro.com) for the latest updates on the various **States Tax Table** update releases.

\*\*\*\*Be sure to verify your company's unemployment tax rate for **2013** and adjust the appropriate state tax table(s) as shown in the following example. Make sure to use the rate sent to your firm by your state for **2013**.

The screenshot shows a software window titled "Maintain Tax Tables" with a menu bar (Tools, Launch, Navigation, Operation) and a toolbar. The main area contains the following fields and options:

- Tax Table: FL
- Description: FLORIDA - ALL 2013
- Unemployment Maximum: \$8,000.00
- Unemployment Tax Rate: 5.4000 % (circled in red)
- G/L Unemployment Exp.: 8570
- G/L Unemployment Liab.: 2240
- G/L Accrual: 2240
- Primary Exemption: \$0.00
- Secondary Exemption: \$0.00
- Mode: Inquiry
- Adjust Base By FIT:
- Adjust Base By FICA:
- Adjust Base By SIT:
- Table Calculation Type: 1) Normal Table Calculation
- W-2 State: FL
- Exclude from W-2 wages:

Buttons at the bottom include Details..., User Fields..., Save, Cancel, and Close.



The master **Payroll Tax Tables** were updated for the **2013 Federal Tax** and also all “States” that have reported changes as of this date for each state. This list will continue to be updated as additional states continue to provide their new information for **2013**.

The following is a list of states that have already been updated:

State	Status
FEDERAL	Fed WH tables changed
ALABAMA	No Reported Changes
ALASKA	UE Wage Base Increase/ NO State INCOME TAX
ARIZONA	No Reported Changes
ARKANSAS	No Reported Changes
CALIFORNIA	State WH Tables Changed
COLORADO	UE Wage Base Increase / State WH Tables Changed
DELAWARE	No Reported Changes
DISTRICT OF COLUMBIA	No Reported Changes
FLORIDA	NO STATE INCOME TAX
GEORGIA	UE Wage Base Increase/ WH tables checked No change
HAWAII	WH tables checked no Change
IDAHO	UE Wage Base Increase
ILLINOIS	UE Wage Base Increase
INDIANA	No Reported Changes
IOWA	UE Wage Base Increase
KANSAS	State WH Tables Changed
KENTUCKY	UE Wage Base Increase
LOUISIANA	No Reported Changes
MAINE	State WH Tables Changed
MARYLAND	WH tables checked no Change
MASSACHUSETTS	No Reported Changes
MICHIGAN	No Reported Changes

<b>State</b>	<b>Status</b>
<b>MINNESOTA</b>	<b>UE Wage Base Increase/ State WH Tables Changed</b>
<b>MISSISSIPPI</b>	<b>No Reported Changes</b>
<b>MISSOURI</b>	<b>No Reported Changes</b>
<b>MONTANA</b>	<b>UE Wage Base Increase</b>
<b>NEBRASKA</b>	<b>WH Tables Changed</b>
<b>NEVADA</b>	<b>UE Wage Base Increase / NO STATE INCOME TAX</b>
<b>NEW HAMPSHIRE</b>	<b>NO STATE INCOME TAX</b>
<b>NEW JERSEY</b>	<b>UE Wage Base Increase</b>
<b>NEW MEXICO</b>	<b>UE Wage Base Increase</b>
<b>NEW YORK</b>	<b>State WH Tables Changed</b>
<b>NORTH CAROLINA</b>	<b>UE Wage Base Increase</b>
<b>NORTH DAKOTA</b>	<b>UE Wage Base Increase / State WH Tables Changed</b>
<b>OHIO</b>	<b>State WH Tables Checked No Change</b>
<b>OKLAHOMA</b>	<b>UE Wage Base Increase / State WH Tables Changed</b>
<b>OREGON</b>	<b>UE Wage Base Increase / State WH Checked No Change</b>
<b>PENNSYLVANIA</b>	<b>UE Wage Base Increase</b>
<b>RHODE ISLAND</b>	<b>UE Wage Base Increase / State WH Tables Changed</b>
<b>SOUTH CAROLINA</b>	<b>No Reported Changes</b>
<b>SOUTH DAKOTA</b>	<b>UE Wage Base Increase / NO STATE INCOME TAX</b>
<b>TENNESSEE</b>	<b>NO STATE INCOME TAX</b>
<b>TEXAS</b>	<b>NO STATE INCOME TAX</b>
<b>UTAH</b>	<b>UE Wage Base Increase</b>
<b>VERMONT</b>	<b>Stated WH Tables Changed</b>
<b>VIRGINIA</b>	<b>No Reported Changes</b>
<b>WASHINGTON</b>	<b>UE Wage Base Increase / NO STATE INCOME TAX</b>
<b>WEST VIRGINIA</b>	<b>No Reported Changes</b>
<b>WISCONSIN</b>	<b>UE Wage Base Increase</b>
<b>WYOMING</b>	<b>UE Wage Base Increase</b>
<b>PUERTO RICO</b>	<b>State WH Tables Changed</b>

Should you have any problems or questions, please call our Technical Support Department at (727) 803-1550, Monday through Friday 9:00 A.M. to 5:00 P.M. EST.