

ACCT G110: PAYROLL ACCOUNTING AND TAXATION

Item	Value
Curriculum Committee Approval Date	11/21/2023
Top Code	050200 - Accounting
Units	3 Total Units
Hours	54 Total Hours (Lecture Hours 54)
Total Outside of Class Hours	0
Course Credit Status	Credit: Degree Applicable (D)
Material Fee	No
Basic Skills	Not Basic Skills (N)
Repeatable	No
Grading Policy	Standard Letter (S), • Pass/No Pass (B)

Course Description

This course will present the theory and application of federal and state payroll taxes. Payroll processing and disbursement, preparation and filing of forms, payroll accounting, and payroll legislation are explored. Transfer Credit: CSU.

Course Level Student Learning Outcome(s)

1. Course Outcomes
2. Complete a payroll register and employee earnings records as part of a payroll cycle.
3. Calculate gross and net earnings in accordance with various pay structures.
4. Determine income tax withholdings, Federal Insurance Contributions Act (FICA) taxes, net pay, and unemployment taxes for employers.
5. Complete tax forms and returns pertinent to payroll (e.g. Form 941, Form W-2).

Course Objectives

- 1. Define and describe the major components of federal payroll legislation.
- 2. Compute and record payroll transactions in a payroll accounting system, including the preparation of a payroll register and the maintenance of employee payroll records.
- 3. Calculate payroll taxes as they pertain to employees and employers, including but not limited to income tax withholdings, Federal Insurance Contributions Act (FICA) taxes, and unemployment taxes.
- 4. Prepare and file federal and state payroll tax forms for the purpose of documenting wages and taxes, remitting taxes and withholdings, and providing other required information to employees and government entities.
- 5. Process and transmit payroll for an organization in accordance with the organizations pay cycle.
- 6. Record payroll journal entries into accounting system.
- 7. Design, implement, and monitor basic internal controls for the payroll cycle.

Lecture Content

The Need for Payroll Records Fair Labor Standard Acts Fair Employment Laws FICA Income Tax Withholding Laws Unemployment Tax Acts Other Federal and State Laws Affecting the Need for Payroll Records Determination of Employee vs. Independent Contractor Status Federal/State Laws Used to Determine Employee Status vs. Independent Contractor Status Employer Documentation of Independent Contractor Status Differences in Hiring, Reporting and Paying and Taxation of Independent Contractors Penalties and Pitfalls of Misclassification Computing and Paying Wages and Salaries Emerging Patterns of Work Schedules Keeping a Record of Time Worked Methods of Computing Wages and Salaries Methods of Paying Wages and Salaries Federal and State Minimum Wage Laws Social Security Taxes Coverage under FICA Self-Employed Persons – Their Income and Taxes Quarterly Returns Required Under FICA Withholding for Federal and State (CA) Income Taxes Coverage Under Federal Income Tax Withholding Law State (CA) Withholding Law Withholding Allowances Methods of Withholding Withholding Tax and Supplemental Wage Payments and Tips Advance Payment of Earned Income Credit Tax Deposit Amount Calculations and Method of Payment Tax Deposit Due Dates and Calculation of Late Payment Penalties Wage and Tax Statements (W-2) Employers Records and Returns Unemployment Compensation Taxes and State Disability Insurance Coverage Under the Federal Unemployment Tax Act (FUTA) and the State Unemployment Tax Act (SUTA) Unemployment Compensation Taxes and Credits Unemployment Compensation Reports Required of the Employer Tax Deposit Requirements under FUTA and SUTA Coverage Under State Disability Insurance (CA) Calculation and Withholding of State Disability Insurance Payment and Reporting of State Disability Insurance Employee Eligibility for State Disability Compensation Workers Compensation Insurance Coverage Requirements and Employee Benefits Analyzing and Journalizing Payroll Transactions The Payroll Register The Employees Earnings Record Recording Payroll Taxes, Income Taxes Withheld, the Deposit of Payroll Taxes, and Other Transactions Pertaining to Payroll Deductions Social Security Benefits Medical Care for Aged and Needy Applying for Social Security Benefits Automated Payroll Accounting Systems Accounting Board Systems Punched-Card Payroll Systems Electronic Data Processing Systems

Method(s) of Instruction

- Lecture (02)
- DE Live Online Lecture (02S)
- DE Online Lecture (02X)

Reading Assignments

Textbook Articles from the American Payroll Association and online readings as appropriate

Writing Assignments

Payroll cycle project Tax forms and returns

Out-of-class Assignments

Assignments through the publisher portal Additional adaptive exercises as appropriate

Demonstration of Critical Thinking

Readings, exercises from the publisher portal, and any instructor-directed exercises in the preparation of a payroll register, employee earnings

records, preparation and filing of payroll forms, the comprehensive payroll project all demonstrate critical thinking in interpreting payroll concepts.

Required Writing, Problem Solving, Skills Demonstration

Assignments involving the calculation of earnings, taxes, and payroll processing all involve problem solving and demonstration of skills related to payroll.

Eligible Disciplines

Accounting: Masters degree in accountancy or business administration with accounting concentration OR bachelors degree in business with accounting emphasis or business administration with accounting emphasis or economics with an accounting emphasis AND masters degree in business, business administration, business education, economics, taxation, or finance OR the equivalent. Masters degree required. (NOTE: A bachelors degree in accountancy or business administration with accounting concentration, with a CPA license is an alternative qualification for this discipline)

Textbooks Resources

1. Required Bieg Toland. Payroll Accounting + Cengage, ed. Cengage, 2024 Rationale: .