

Red Wing Payroll - Washington Paid Leave Effective 01/01/19

Document #:	3353	Product:	Red Wing Payroll
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On January 1, 2019, a new Washington Paid Family and Medical Leave program is set to begin and employers are required to withhold premiums from employee paychecks, or plan to cover part or all of the employee's share. The premium rate for 2019 is 0.4 percent of an employee's gross wages. The premium can be shared by the employer (about 37 percent) and employee (about 63 percent). Businesses that average under 50 employees are not required to pay the employer portion of the premium, but are still required to collect the employee's portion or elect to pay that portion on the employee's behalf.

To setup the new Washington Paid Leave premiums, follow the instructions below:

[Step 1 - Add Washington Paid Leave to Local System Taxes for the Employee Portion](#)

[Step 2 - Add Washington Paid Leave to Local System Taxes for the Employer Portion](#)

[Step 3 - Add the Washington Paid Leave Employee and Employer Tax to Your Company](#)

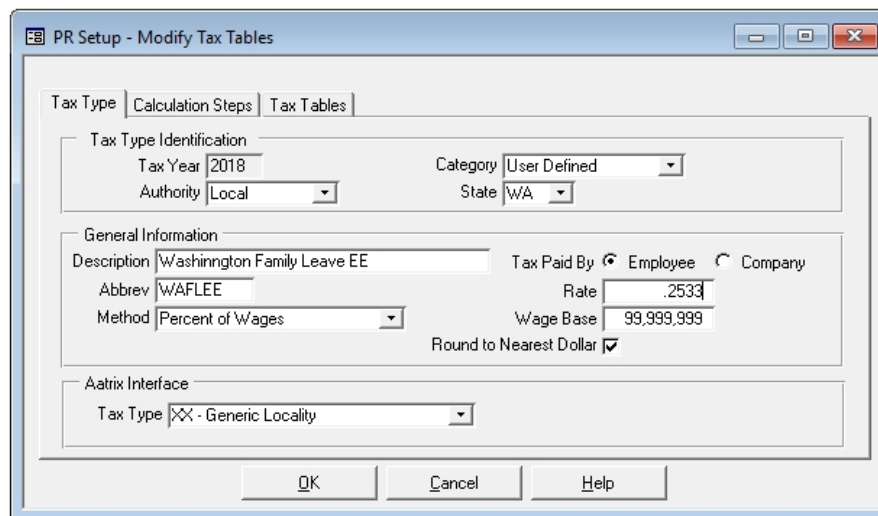
[Step 4 - Set Up a Local Tax Group for the Washington Paid Leave Tax](#)

[Step 5 - Add the Washington Paid Leave Tax Group to Employee\(s\)](#)

[Step 6 - Enter Time Transactions](#)

Step 1 - Add Washington Paid Leave to Local System Taxes for the Employee Portion

1. From the **Payroll** menu, select **Utilities**, select **Maintain System Taxes**, and then click **Add**.



2. In the **Tax Year** box, select **2019**.
3. In the **Category** box, select **User Defined**.
4. In the **Authority** box, select **Local**.
5. In the **State** box, select **WA**.
6. In the **Description** box, enter **Washington Family Leave EE**.
7. For the **Tax Paid By** option, select **Employee**.
8. In the **Abbreviation** box, enter **WAFLEE**.
9. In the **Rate** box, enter **.2533**.
10. In the **Method** box, select **Percent of Wages**.

11. In the **Wage Base** box, enter **99,999,999**.
12. In the **Tax Type** box, select **XX - General Locality**.
13. Click **OK** and then click **Close**.

Step 2 - Add Washington Paid Leave to Local System Taxes for the Employer Portion

1. From the **Payroll** menu, select **Utilities**, select **Maintain System Taxes**, and then click **Add**.

The screenshot shows a software window titled "PR Setup - Modify Tax Tables". It has three tabs: "Tax Type", "Calculation Steps", and "Tax Tables", with "Tax Tables" selected. The window is divided into three main sections:

- Tax Type Identification:** Tax Year (2018), Category (User Defined), Authority (Local), State (WA).
- General Information:** Description (Washington Family Leave ER), Tax Paid By (Employee/Company, with Company selected), Abbrev (WAFLEER), Rate (.1467), Method (Percent of Wages), Wage Base (99,999,999), and Round to Nearest Dollar (checked).
- Matrix Interface:** Tax Type (XX - Generic Locality).

At the bottom of the window are three buttons: "OK", "Cancel", and "Help".

2. In the **Tax Year** box, select **2019**.
3. In the **Category** box, select **User Defined**.
4. In the **Authority** box, select **Local**.
5. In the **State** box, select **WA**.
6. In the **Description** box, enter **Washington Family Leave ER**.
7. For the **Tax Paid By** option, select **Company**.
8. In the **Abbreviation** box, enter **WAFLEER**.
9. In the **Rate** box, enter **.1467**.
10. In the **Method** box, select **Percent of Wages**.
11. In the **Wage Base** box, enter **99,999,999**.
12. In the **Tax Type** box, select **XX - General Locality**.
13. Click **OK** and then click **Close**.

Step 3 - Add the Washington Paid Leave Employee and Employer Tax to Your Company

1. From the **Payroll** menu, select **Setup**, select **Taxes**, and then click **Add**.
2. From the Taxes - Add screen, the **Washington Family Leave EE** (created in Step 1) and click **OK**.

PR Setup - Taxes (Add)

Tax Type Identification

Tax Year 2018 Category User Defined
 Authority Local State Washington

General Information

Abbrev WAFLEE Tax Paid By Employee Company
 Description Washington Family Leave EE Rate .2533
 Method Percent of Wages Wage Base 99,999,999
 Round to Nearest Dollar

Accounting Information

Tax Liability Limit .00
 Taxes Payable Account 208200
 Tax Expense Account 611000

OK Cancel Help

3. In the **Taxes Payable Account** box, select the appropriate general ledger account.
4. Click **OK**, and then click **Close**.
5. From the **Payroll** menu, select **Setup**, select **Taxes**, and then click **Add**.
6. From the Taxes - Add screen, the **Washington Family Leave ER** (created in Step 2) and click **OK**.

PR Setup - Taxes (Add)

Tax Type Identification

Tax Year 2018 Category User Defined
 Authority Local State Washington

General Information

Abbrev WAFLEER Tax Paid By Employee Company
 Description Washington Family Leave ER Rate .1467
 Method Percent of Wages Wage Base 99,999,999
 Round to Nearest Dollar

Accounting Information

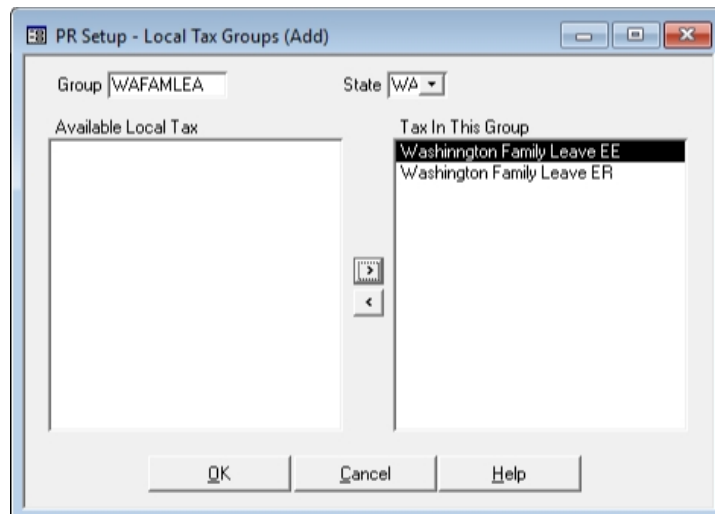
Tax Liability Limit .00
 Taxes Payable Account 208200
 Tax Expense Account 611000

OK Cancel Help

7. In the **Taxes Payable Account** box, select the appropriate general ledger account.
8. Click **OK**, and then click **Close**.

Step 4 - Set Up a Local Tax Group for the Washington Paid Leave Tax

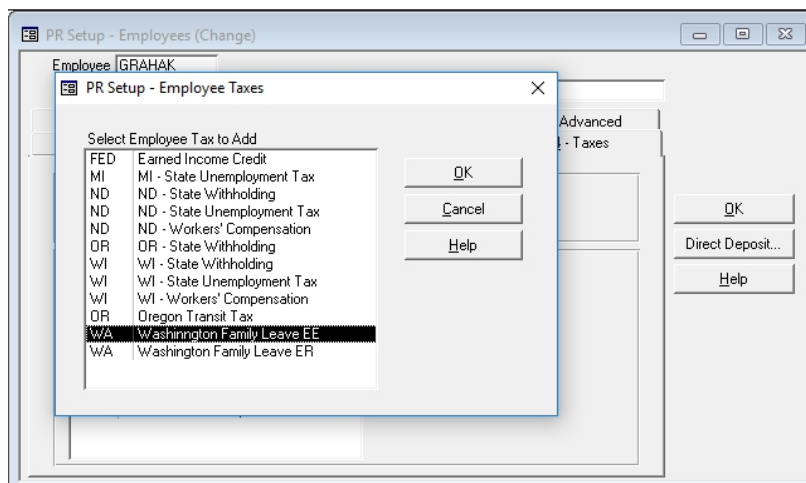
1. From the **Payroll** menu, select **Setup**, select **Local Tax Groups**, and then click **Add**.



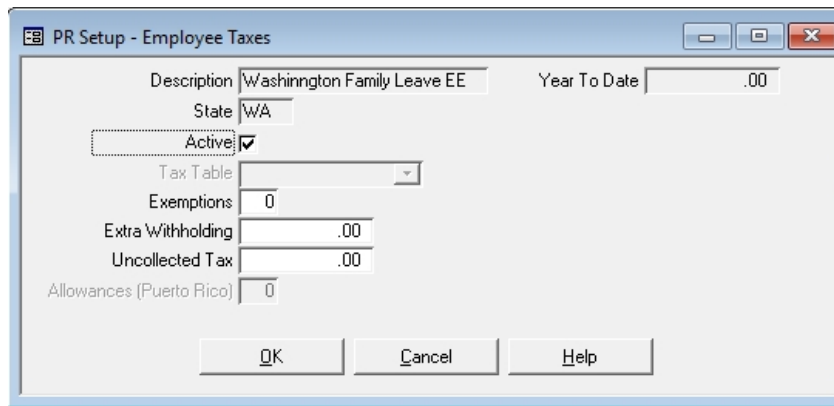
2. In the **Group** box, enter **WAFAMLEA**.
3. In the **State** box, select **WA**.
4. Move **Washington Family Leave EE** and **Washington Family Leave ER** to the right-side of the screen under **Tax In this Group**.
5. Click **OK**, and then click **Close**.

Step 5 - Add the Washington Paid Leave Tax Group to Employee(s)

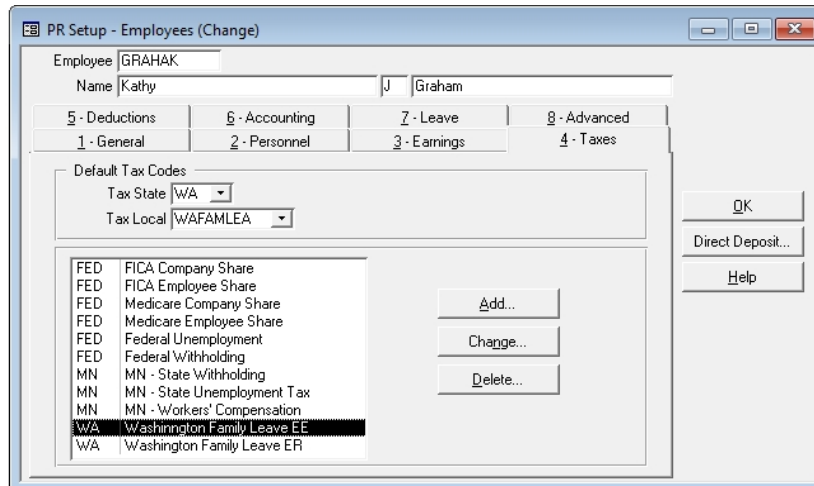
1. From the **Payroll** menu, select **Setup**, select **Employees**, and then click **Add**.
2. Select an **Employee** to add the Washington Paid Leave EE Tax to, and then click **Change**.
3. Select the **Taxes** tab, and then click **Add**.



4. Select **Washington Family Leave EE**, and then click **OK**.



5. Select the **Active** check box and if necessary, add or change any other information, and then click **OK**.

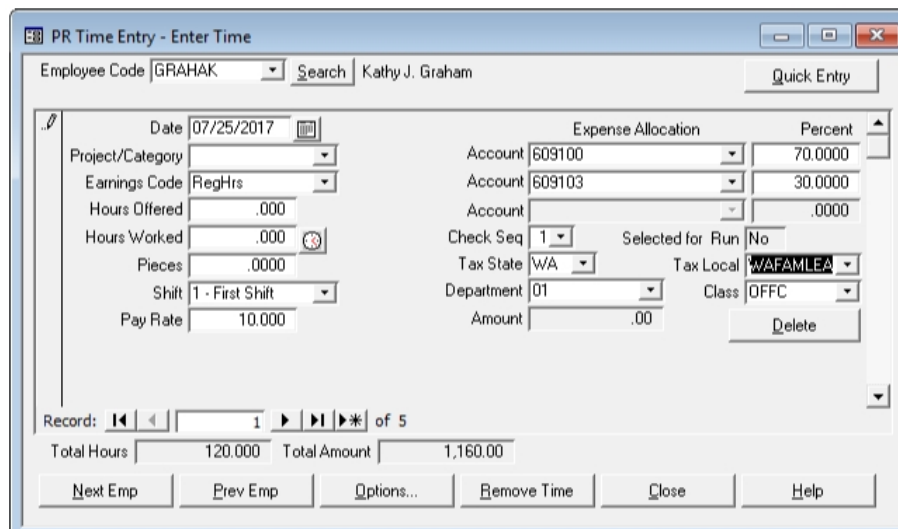


6. On the **Taxes** tab under Default Tax Codes, in the **Tax State** box, select **WA**. In the **Tax Local** box, select **WAFAMLEA**, and then click **OK**.

7. Repeat for each employee Washington Paid Leave applies to.

Step 6 - Enter Time Transactions

1. From the **Payroll** menu, select **Time Entry**, and then select **Enter Time**.
2. Select to view the **Detail Entry** window (rather than Quick Entry).



3. Select the first employee and enter detail pay information. Make sure the **Tax State** is set to **WA** and the **Tax Local** is set to **WAFAMLEA** for each time transaction.
4. Continue entering time transactions and then proceed through the normal Check Writing process.