



QuickBooks Online Student Guide

Chapter 9

QuickBooks Online Payroll



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When you use QuickBooks Online you can track your small business accounting.

You can track sales, expenses and manage all your day-to-day transactions.

As you grow, QuickBooks Online lets you manage your company payroll.

You can add employees, track time, and pay employees using cheques or via direct deposit. You can track and pay your payroll liabilities and create year-end forms like T4's and Records of Employment.

QuickBooks lets you manage all of your payroll needs directly within in QuickBooks Online.

Objectives

In this chapter you'll learn the following:

- Setting up pay items
- Setting up employees
- Creating Paycheques
- Track and pay liabilities
- Create T4's
- Create Records of Employment
- Tracking and paying liabilities

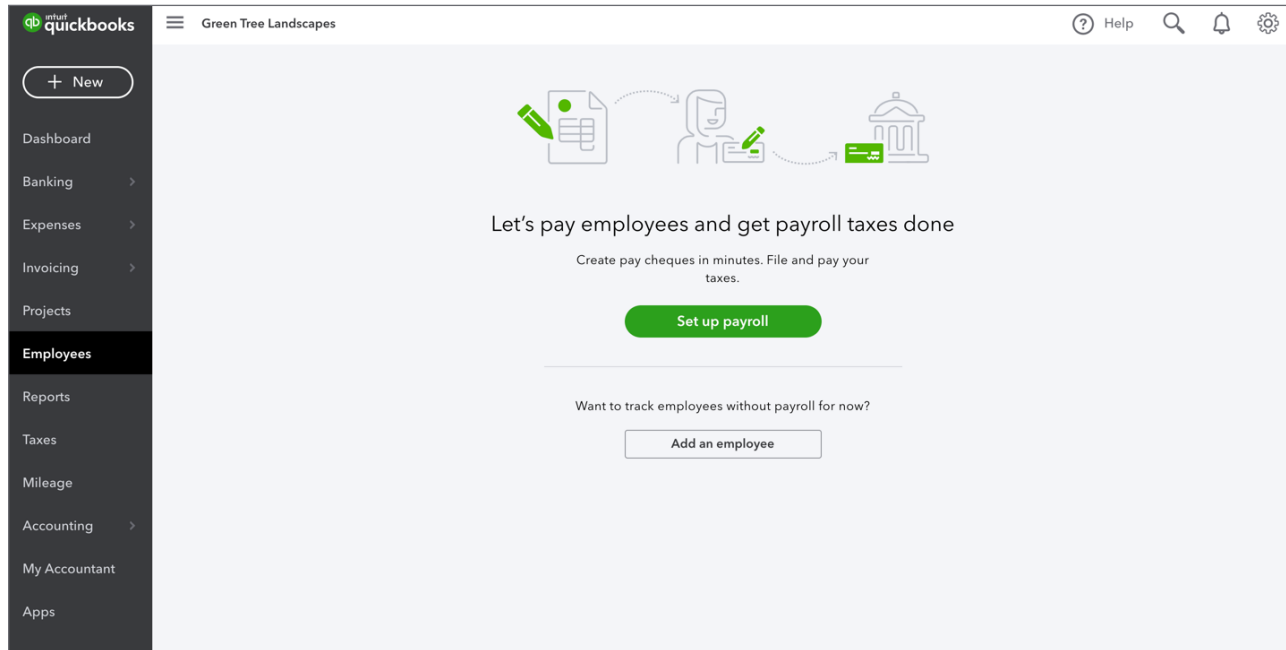
Payroll Setup

To get started in QuickBooks Payroll it's a good idea to gather some basic information before entering information into QuickBooks. Please see a few sample items that will help you get up and running quickly in QuickBooks Online Payroll.

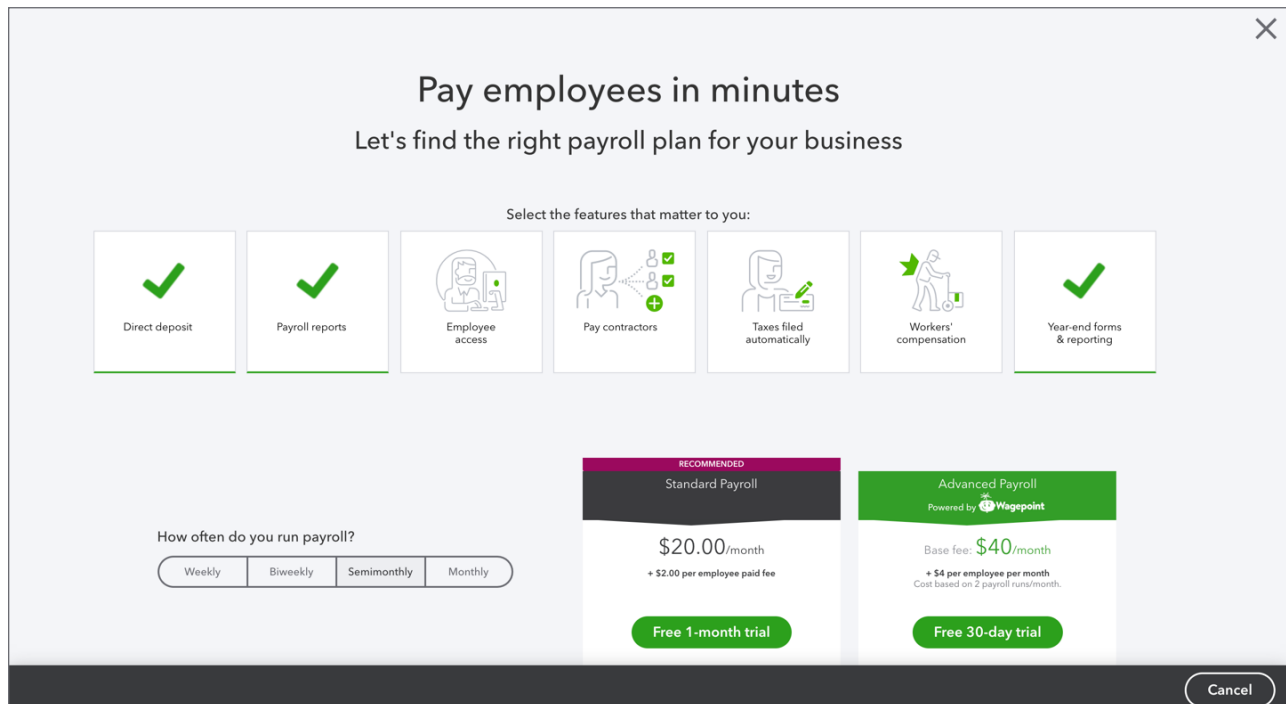
To get started using QuickBooks Online Payroll, do the following:

1. Click **Employees**.

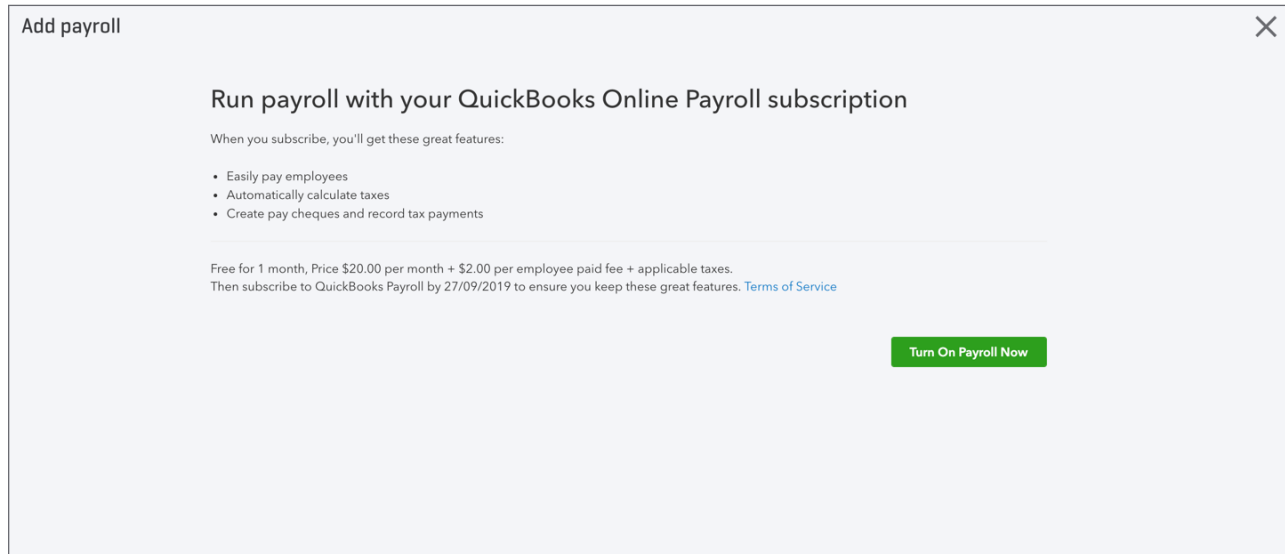
2. Click **Setup Payroll**.



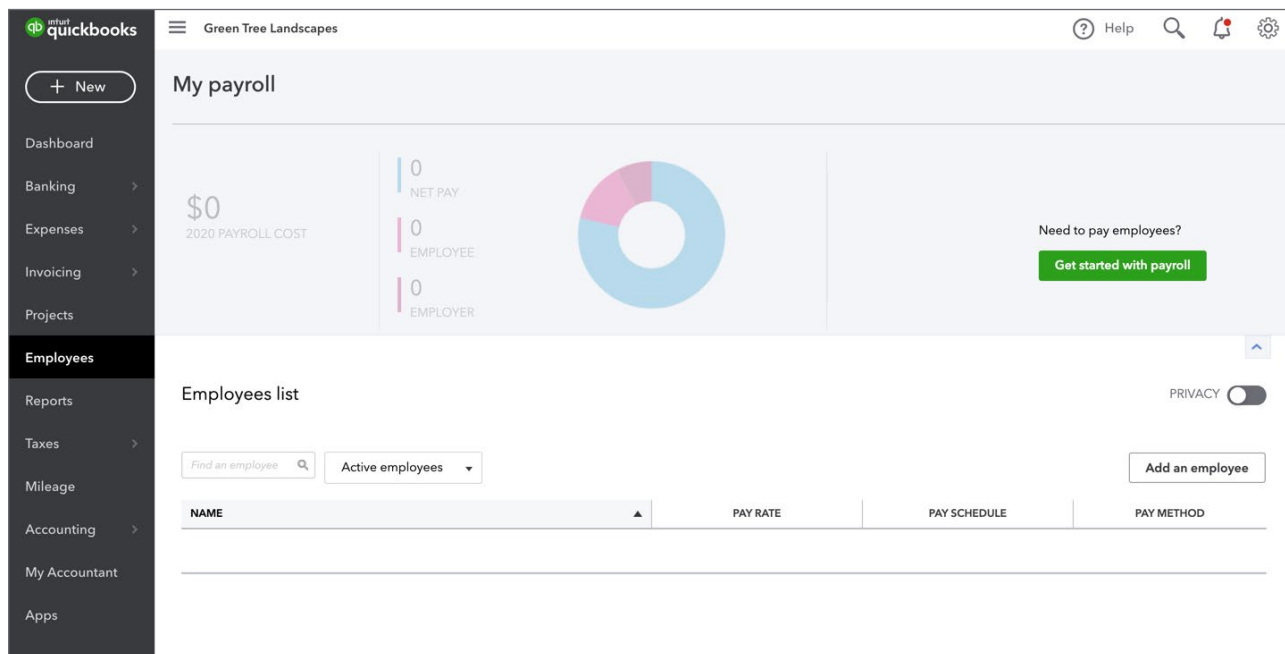
3. Select the options that apply to your business. In this class we will only use the Standard Payroll product. This means that you are limited to choosing **Direct deposit**, **Payroll reports** and **Year-End forms & reporting**. After making your selections select how often you run payroll to determine how often you run payroll.



4. Choose **Standard Payroll** and then click **Turn on Payroll Now**.



5. Click **Get started with payroll**.



6. Enter your business information including your company contact information.

7. Click **Continue**.

The screenshot shows the 'Get started with payroll' setup screen. At the top, it says 'Let's get to know you a little better. First, a few quick questions about your business.' The form is divided into two main sections: 'About the business' and 'About you'. In the 'About the business' section, there are input fields for 'Business name' (filled with 'Green Tree Landscapes'), 'Business address', 'City or town', 'Province' (a dropdown menu showing 'BC'), 'Postal code', and 'Business phone' (filled with '469-408-4044'). In the 'About you' section, there are input fields for 'First name' (filled with 'Matt'), 'M.I.' (empty), and 'Last name' (filled with 'Peterson'). Below these is an 'Email address' field. A callout box titled 'Why do this?' explains that the information is used to set up the account, send reminders, and customize payroll. At the bottom, there are 'Cancel' and 'Continue' buttons.

QuickBooks needs to know if you've paid employees before using QuickBooks Online Payroll. If you have, you'll select the option **Yes, I've already paid T4 employees this year**.

The screenshot shows the 'Every employer's a little different...' setup screen. It asks 'Tell us your payroll story.' and 'Have you paid any T4 employees in 2017?'. There are two radio button options: 'No, I'm a brand new employer paying T4 employees for the first time.' (selected) and 'Yes, I've already paid T4 employees this year.' (unselected). Below the 'No' option, it says 'I have not paid employees manually, through an accountant, or using another service in 2017.' Below the 'Yes' option, it says 'I am switching to QuickBooks Online Payroll.' There is a link that says 'What's the difference between contractors and T4 employees?'. An illustration of a calendar and a pay stub is shown on the right. At the bottom, there are 'Cancel' and 'Continue' buttons.

8. If you are starting QuickBooks Payroll from scratch, you'll select **No, I'm a brand new employer paying T4 employees for the first time**. Click **Continue**.



NOTE When you're setting up payroll in QuickBooks, you need to enter summarized payroll amounts if you're just beginning to use QuickBooks payroll but you've already written pay cheques earlier in the calendar year. The summarized amounts ensure correct year-to-date totals on the pay cheques you write for the rest of this year.

9. QuickBooks now asks if you have completed TD1 forms. Click **Yes, I have completed TD1 forms from all (or most) of my employees.**

How about employee forms?
This info helps us calculate pay cheques.

Do you have TD1 forms like this filled out by your employees?

☒ Yes, I have completed TD1 forms from all (or most) of my employees.

☐ No, I don't have TD1 forms for my employees yet.

[Need to print TD1 forms?](#)

Back Continue



NOTE The Canada Revenue Agency (CRA) requires you to keep a current federal and provincial TD1 form on file for each of your employees. For Québec employees, you must keep a federal TD1 form and a provincial TP-1015.3 form on file.

Now you're ready to setup your first employee. Click **Add an employee**.

Get Ready for Payroll

?

×

Bank account

Pay period

Pay date

TOTAL PAY

Select bank account

Select pay period

01/07/2020

\$0.00

☐

NAME

HOURS

TOTAL PAY

Add an employee

Cancel

Preview payroll

▼

Next, you'll complete each of the 7 steps for the employee you're setting up. Enter the employee's personal info.

Add an employee

?

×

1 Personal info

First name*

M.I.

Last name*

Jane

Peterson

Hire date:

Why do we need this?

01/01/2020

Email

janepeterson@inboxkitten.com

☐ Invite this employee to view their pay stubs online. [Learn more](#)

2 What are Jane's tax withholdings?

You can find this info on this employee's TD-1. [What is a TD-1?](#)

+ Enter TD-1 form

3

4

5

6

7


Delete employee

Done

10. Click the **Enter TD1 form**.

What are Jane's withholdings?

Need blank TD1 forms? * Required



Canada Revenue
Agency

Agence du revenu
du Canada

2020 Personal Tax Credits Return TD1

Last name*	First name*	M.I.	Date of birth*	Employee Number
Peterson	Jane			
Home address*			Country of permanent residence <small>(For non-residence only)</small>	Social Insurance Number*
City or town*	Province*	Postal Code*		
	BC			
Federal TD1 amount (total claim amount).....				\$ 12,298
Additional tax amounts that you want to deduct from each pay cheque.....				\$ 0

▶ Provincial Taxes

Cancel
Done

11. Complete the TD form for the employees. You must enter the **Last Name, First Name, Home Address** (including **Postal Code**), **Date of Birth** and **Social Insurance Number**.
12. Enter the Federal TD1 amount in the appropriate field. This number comes from the employee field. If necessary, you can use the default number that QuickBooks enters based on a regular TD1 form.
13. Click the **Provincial Taxes** down arrow and enter the Provincial TD1 amount.

14. Click **Done**.

Last name*

Peterson

First name*

Jane

M.I.

Date of birth*

28-12-1958

Employee Number

Home address*

1923 Reserve St.

Country of permanent residence

(For non-residence only)

Social Insurance Number*

224 220 806

City or town*

Bloomfield

Province*

ON

Postal Code*

KOK 1G0

Federal TD1 amount (total claim amount).....

\$ 11,635

Additional tax amounts that you want to deduct from each pay cheque.....

\$ 0

▼ Provincial Taxes

We use the basic personal amount for the province in which your business is located as the default amount for Jane's provincial withholdings.

Province

Ontario

Provincial Amount

10,171

► Tax exemptions

These are not common unless this employee is the owner of the business. If Jane Peterson is the owner, they are likely exempt from Employment Insurance.

Cancel

Done



NOTE You can deduct additional tax amounts from employees pay cheques. If an employee requests this, enter the extra amount to be deducted in the box labeled, **Additional tax amounts that you want to deduct from each pay cheque**.

City or town*

Bloomfield

Province*

ON

Postal Code*

KOK 1G0

Federal TD1 amount (total claim amount).....

\$ 11,635

Additional tax amounts that you want to deduct from each pay cheque.....

\$ 0

▼ Provincial Taxes

We use the basic personal amount for the province in which your business is located as the default amount for Jane's provincial withholdings.

Province

Ontario

Provincial Amount

10,171

▼ Tax exemptions

These are not common unless this employee is the owner of the business. If Jane Peterson is the owner, they are likely exempt from Employment Insurance.

Which taxes does Jane NOT pay?

☐ Canada Pension Plan (CPP)

☐ Employment Insurance (EI)

Cancel

Done



NOTE In rare cases, you can make an employee exempt from paying CPP and EI. To do this click the **Tax exemptions** down arrow and make the appropriate selections. This should only be done when instructed by the Canada Revenue Agency or other government authority.

QuickBooks returns you to the Edit Employee Details window.

3 How often do you pay Jane?
Enter a few details and we'll work out your company's payroll calendar. [What is a pay schedule?](#)
[+ Create pay schedule](#)

4 How much do you pay Jane?
If your company offers additional pay types, add them here. These pay types show up when you run payroll.
[Learn more about pay types](#)
Hourly \$ / hour
Additional pay types: Stat Holiday Pay

5 What is Jane's vacation policy?
[Enter a vacation policy](#)
We'll use your province's minimum rate for now.

6 Does Jane have any deductions or contributions? (ex. retirement, health care)
Deductions may include healthcare or retirement plans. Loan repayments can be added here too.
[Learn more about deductions](#)

Delete employee Done

The second step is to answer the question: **How often do you pay Jane?** (or another employee name)

15. Click **Enter a pay schedule**.

16. Next, answer the questions listed in the Pay Schedule window.

17. Choose how often you pay the employee. Click **Create Pay Schedule**.

What's Jane's pay schedule?

How often do you pay Jane?

Twice a Month
Custom schedule

When's the next payday?

10/01/2020

When's the last day of work (pay period) for that payday?

08/01/2020

What do you want to name this pay schedule?

Semi-monthly

☒ Use this schedule for employees you add after Jane

Next four pay periods (based on dates you entered)

PAY PERIODS	PAYDAY
24/12/2019 – 08/01/2020	10/01/2020
09/01/2020 – 23/01/2020	25/01/2020
24/01/2020 – 08/02/2020	10/02/2020
09/02/2020 – 23/02/2020	25/02/2020

Cancel
Done

You can choose from the following selections:

- Every Week
- Every other week (Bi-weekly)
- Twice a month
- Every month

18. Enter the next payday date in the **When's the next payday?** field.

19. Enter the last day of work for the payday in the **When's the last day of work (pay period) for that payday?**

20. Name the pay schedule in the **What do you want to name this pay schedule?** field.

What's Jane's pay schedule?

How often do you pay Jane?

Twice a Month Custom schedule

When's the next payday?

31-03-2017

When's the last day of work (pay period) for that payday?

25-03-2017

What do you want to name this pay schedule?

Semi-monthly

☒ Use this schedule for employees you add after Jane

Next four pay periods (based on dates you entered)

PAY PERIODS	PAYDAY
11-03-2017 – 25-03-2017	31-03-2017
26-03-2017 – 10-04-2017	16-04-2017
11-04-2017 – 25-04-2017	30-04-2017
26-04-2017 – 10-05-2017	16-05-2017

Cancel Done



NOTE To attach this pay schedule to all future employees, select **Use this schedule for employees you add after Jane.**

21. Click **Done** to complete the payroll schedule setup.

QuickBooks returns you to the **Edit Employee Details** window.

4 How much do you pay Jane?

If your company offers additional pay types, add them here. These pay types show up when you run payroll.
[Learn more about pay types](#)

Hourly \$ 25.00 / hour

Additional pay types: Stat Holiday Pay

5 What is Jane's vacation policy?

[Enter a vacation policy](#)

We'll use your province's minimum rate for now.

6 Does Jane have any deductions or contributions? (ex. retirement, health care)

Deductions may include healthcare or retirement plans. Loan repayments can be added here too.
[Learn more about deductions](#)

No deductions (most common).
[+ Add deductions](#)

7 How do you want to pay Jane?

Delete employee Done

22. Next, you'll tell QuickBooks how much you pay the employee. Click the down arrow in step 3 under **How much do you pay Jane?** You can choose from **Hourly**, **Salary** or **Commission Only**. If you pay the employee hourly you can enter their hourly account in the appropriate field.

4 How much do you pay Jane?

If your company offers additional pay types, add them here. These pay types show up when you run payroll.
[Learn more about pay types](#)

Hourly \$ 25.00 / hour

Hourly Stat Holiday Pay

Salary

Commission Only

23. If you choose **Salary**, you can enter the Salary amount in the appropriate field and tell QuickBooks the time-period for the salary. This tells QuickBooks how much to pay in every pay period. You can choose **per year**, **per month** or **per week**.

4 How much do you pay Jane?

If your company offers additional pay types, add them here. These pay types show up when you run payroll.
[Learn more about pay types](#)

Salary \$ 50,000.00 per year

☐ Jane works part-time

Additional pay types: Stat Holiday Pay

24. During the employee setup, you will add wage items to the employee's record. In step 3 you can also add **Additional pay types**. Click the **Edit** button to setup additional pay types.

The additional pay types are the following:

- **Overtime Pay**—this pay type pays the overtime wage of 1.5 X regular wage.
- **Double Overtime Pay**—this pay type pays the overtime wage of 2 X regular wage.
- **Sick Pay**—used to pay out sick time accrued.
- **Bonus**—used to pay bonuses as needed throughout the year.
- **Commission**—used to pay out commissions. The commission item is an amount your enter on the pay cheque. QuickBooks will not track or calculate the commission amounts.
- **Reimbursement**—used to reimburse employees for various items.
- **Allowance**—if your business pays out allowances you will setup an allowance.
- **Other Earnings**—use this item to record any other earnings item that does not fit in the above categories.

The screenshot shows a dialog box titled "How much do you pay Jane?". It has a close button (X) and a help button (?) in the top right corner. The main content area is divided into two sections. The first section, "You pay Jane:", contains a dropdown menu set to "Hourly", a text input field with "\$ 25.00", and a label "/ hour". Below this is a checkbox for "Hourly 2" and a link "Add an hourly rate". The second section, "You can also pay Jane:", contains a list of checkboxes for various pay types: "Overtime Pay", "Double Overtime Pay", "Sick Pay", "Stat Holiday Pay" (which is checked), "Bonus", "Commission", "Allowance", "Reimbursement", and "Other Earnings". At the bottom of the dialog are two buttons: "Cancel" on the left and "Done" on the right.

How much do you pay Jane?

You pay Jane:

Hourly \$ 25.00 / hour

☐ Hourly 2

[Add an hourly rate](#)

You can also pay Jane:

☐ Overtime Pay

☐ Double Overtime Pay

☐ Sick Pay

☒ Stat Holiday Pay

☐ Bonus

☐ Commission

☐ Allowance

☐ Reimbursement

☐ Other Earnings

Cancel Done

25. Select the items you need to appear on the employee pay cheque in the left-hand column.

How much do you pay Jane?

You pay Jane:

Hourly / hour

☐ Hourly 2

[Add an hourly rate](#)

You can also pay Jane:

☒ Overtime Pay

☒ Double Overtime Pay

26. To add a **Sick pay policy** click select **Sick Pay**. Choose a policy that works for your company's situation. You can choose from the following:
- at beginning of year
 - each pay period
 - per hour worked
 - on anniversary date
27. Enter the number of **hours per** and the **Maximum allowed** (optional field).
28. Click **OK** to setup the policy.

☒ Sick Pay

Add a Sick pay policy

Hours are accrued

Jane earns hours per year

Maximum allowed (Optional) hours

Tax settings

Pensionable	<input checked="" type="checkbox"/>	Show on Records of Employment as:	
Insurable	<input checked="" type="checkbox"/>	Insurable earnings	<input checked="" type="checkbox"/>
Taxable	<input checked="" type="checkbox"/>	Insurable hours	<input checked="" type="checkbox"/>
Taxable (Québec)	<input checked="" type="checkbox"/>	Record of Employment reporting period based on:	
T4 Boxes	14, 24, 26, 56	Pay date	
Relevé 1 Boxes	A, G, I	Pay period end date	<input checked="" type="checkbox"/>

29. Click **Bonus** and **Commission** to add these pay types to the pay cheque. When these items are selected, it means that they'll display on each pay cheque.

You can also pay Jane:

- ☐ Overtime Pay
- ☐ Double Overtime Pay
- ☐ Sick Pay
- ☒ Stat Holiday Pay
- ☒ Bonus
- ☒ Commission [Add commission type](#)

30. Add any additional pay types. Enter the recurring amounts in the appropriate fields if necessary. This automates the pay outs of these items on the employee pay cheque.

<input checked="" type="checkbox"/> Allowance Add allowance type	Recurring amount: \$ 25.00 (optional)
<input checked="" type="checkbox"/> <input type="text"/> Add allowance type	Recurring amount: \$ 0.00 (optional)
<input checked="" type="checkbox"/> Reimbursement Add reimbursement type	Recurring amount: \$ 25.00 (optional)
<input checked="" type="checkbox"/> <input type="text"/> Add reimbursement type	Recurring amount: \$ 0.00 (optional)

<input checked="" type="checkbox"/> Other Earnings Add other earnings type	Recurring amount: \$ <input type="text"/> (optional)
<input checked="" type="checkbox"/> <input type="text"/> Add other earnings type	Recurring amount: \$ 0.00 (optional)

31. Click **Done** to return to the **Edit Employee** details window.

4

What is Jane's vacation policy?

[Enter a vacation policy](#)

We'll use your province's minimum rate for now.

5

Does Jane have any deductions? (Examples: retirement, health care)

No (most common) [Add deduction type](#)

6

How do you want to pay Jane?

Paper cheques [Add payment type](#)

32. In Step 5 click **Enter a Vacation Policy**.

33. Answer the question **What is Jane's Vacation policy?** You can choose to accrue vacation (most common) or to pay vacation pay each pay period.

5
Let's create a new vacation policy for Jane

Select a policy

[+ Create new vacation policy](#)

34. Choosing to accrue vacation lets you choose when the employee accrues vacation and enter how many hours the employee accrues per period.

Let's create a new vacation policy for Kristin

We recommend the **pay out each pay period** option for part-time, hourly, and commissioned employees.

☒ **Accrue vacation**

This is the amount of vacation time and pay your employee will accumulate, which hasn't been used or paid out yet.

Review the vacation policy details

We set the vacation pay to Ontario's minimum employment standards. You can either make changes to this or keep what we proposed.

Vacation rate	When will vacation time accrue?	Total vacation time
4.00 % of vacationable earnings	at beginning of year	80.00 hours/year Edit

Your employee will get vacation time every year on January 1. [Learn more](#)

☒ Use this vacation policy for every employee I add.

☐ **Pay out each pay period**

Each pay period, your employee will receive their vacation pay on any vacationable earnings.

Cancel
OK


NOTE You can choose one of the following options to accrue vacation:

- at beginning of year
- each pay period
- per hour worked
- on anniversary date


NOTE If you pay out every period you will be required to enter a vacation % amount in the appropriate field.

35. If the employee has a balance you will enter it here. Click **Make Adjustments**.


5 Let's create a new vacation policy for Jane

80 hours/year (accrued at start of year) 

[+ Create new vacation policy](#)

Available vacation hours	Available vacation balance	Make adjustments 
0.00	\$0.00	

5 Let's create a new vacation policy for Jane

80 hours/year (accrued at start of year) 



[+ Create new vacation policy](#)

Current vacation hours	Current vacation balance	
0.00	\$0.00	
Add/remove hours by	Add/remove balance by	Date
<input type="text"/>	\$ <input type="text"/>	31/08/2020
New vacation hours	New vacation balance	
0.00	\$0.00	

36. Proceed to Step 6.

6 Does Kristin have any deductions or contributions? (ex. retirement, health care)

Deductions may include healthcare or retirement plans. Loan repayments can be added here too.
[Learn more about deductions](#)

Canada Life  

[+ Add a new deduction](#)

37. To add deductions and contributions to the employee record, click **Add Deductions** in the **What deductions or contributions does Jane have?**

38. Click the drop down menu.

39. These deductions/contributions are optional and will only be setup if your company offers these types of benefits. Choose the first type of deduction: **Health Insurance**.

What deductions or contributions does Jane have?

Deduction/contribution

New deduction/contribution ▼

Deduction/contribution type

(choose one) ▼

(choose one)

- Health Insurance
- Other deductions
- Retirement Plans
- Taxable Benefits (non-cash)

40. Complete the information to setup the Health Insurance deduction/contribution.

- I. Enter the Provider name. This is the provider of the benefit offered. QuickBooks will print the supplier name on the cheque.
- II. In the left-hand column under **Employee deduction**, enter the **Amount per pay period**. You can also choose **% of gross pay**.

What deductions or contributions does Jane have?

Deduction/contribution type
Health Insurance

Type
Private Health Care

Provider (appears on pay cheque)

<p>Employee deduction</p> <p>Amount per pay period \$ amount <input type="text"/> \$ <input type="text"/></p> <p>Annual maximum (Optional) \$ <input type="text"/></p>	<p>Company-paid contribution</p> <p>Amount per pay period \$ amount <input type="text"/> \$ 125.00</p> <p>Annual maximum (Optional) \$ <input type="text"/></p>
---	--

<p>Deduction tax settings</p> <p>Pensionable <input type="text"/></p>	<p>Contribution tax settings</p> <p>Pensionable <input type="text"/></p> <p>Insurable earnings <input type="text"/></p>	<p>Show on Records of Employment as:</p>
--	--	--

Cancel OK

- III. In the right-hand column enter the **Company-paid contribution** portions.
- IV. Enter the **Amount per pay period**.
- V. Enter the **Annual Maximum (optional)**. This means that you will cap the amount that the company pays to the benefit.

VI. Click **OK**.

What deductions or contributions does Jane have?

Deduction/contribution type
Health Insurance

Type
Private Health Care

Provider (appears on pay cheque)

Employee deduction

Amount per pay period
\$ amount \$

Annual maximum (Optional)
\$

Company-paid contribution

Amount per pay period
\$ amount \$ 125.00

Annual maximum (Optional)
\$

Deduction tax settings

Pensionable

Contribution tax settings

Pensionable

Show on Records of Employment as:
Insurable earnings

Cancel OK

41. Next, choose **Retirement Plans**.

42. Choose the **Type**. You can choose **Registered Retirement Savings Plan** or **Registered Pension Plan**.

What deductions or contributions does Jane have?

Deduction/contribution type
Retirement Plans

Type
Registered Retirement Savings Plan

Provider (appears on pay cheque)
TD Canada Trust

Employee deduction

Amount per pay period
\$ amount \$ 250.00

Annual maximum (Optional)
\$

Company-paid contribution

Amount per pay period
\$ amount \$ 250.00

Annual maximum (Optional)
\$

Deduction tax settings

Pensionable

Contribution tax settings

Pensionable

Show on Records of Employment as:
Insurable earnings

Cancel OK

43. Complete the information as needed for the retirement savings benefit. The same information is required in these fields as in the previous benefit.
44. Click **OK** to complete the setup.
45. Create any other deductions needed for your business. Click the drop-down menu under **What deductions or contributions does Jane have?**
46. Choose the deduction to create. For example, you can create **Union Dues**.

What deductions or contributions does Jane have?

Deduction/contribution type
Other deductions

Type
Union Dues

Description (appears on pay cheque)

Employee deduction

Amount per pay period
\$ amount \$

Annual maximum (Optional)
\$

Deduction tax settings

Pensionable ☐

Cancel OK

47. Click **OK**. Enter the name of the deduction in the **Description**. Enter the name that will display on the employee pay cheque.
48. Enter the amount to be deducted per pay period. Enter the **Annual maximum** if necessary.
49. Click **OK** to complete the setup.

QuickBooks returns to the **Edit employee details** window. To complete the setup complete the information in **Step 7—How do you want to pay Jane?**

50. Click the edit button to choose **Paper cheques** or **Direct deposit**.

7 How do you want to pay Jane?

In a rush? Choose paper cheque for now and come back to change this later. [Learn about ways to pay](#)

Paper cheques

51. Choose **Paper cheque** to write or print cheques to employees.

How do you pay Jane?

What do you use to pay Jane?

Paper cheque

Paper cheque: Print and hand to Jane yourself.

Direct deposit

Direct deposit to two accounts

Direct deposit with balance as a cheque

Cancel

Edit company direct deposit info

OK

52. Click **Done** to complete the employee setup.

6 Does Jane have any deductions or contributions? (ex. retirement, health care)

Deductions may include healthcare or retirement plans. Loan repayments can be added here too. [Learn more about deductions](#)

Manulife

TD Canada Trust

+ Add a new deduction

7 How do you want to pay Jane?

In a rush? Choose paper cheque for now and come back to change this later. [Learn about ways to pay](#)

Paper cheques

Delete employee

Done

This completes the employee setup.



To learn how to setup employees and add pay items watch this video:

<https://youtu.be/ruBfNbmGvLY>

▶ Time Tracking in QuickBooks

QuickBooks Online lets you track time for your employees and subcontractors. When you track time you can import the hours into QuickBooks payroll and add the hours to the employee's pay cheque.

You can track time using a weekly timesheet or by entering single time activities.



NOTE Time tracking is a feature only available in the QuickBooks Online Plus version.

To enable time tracking in QuickBooks:

1. Click the **Gear** icon and then click **Accounts & Settings**.
2. Click **Advanced**.
3. Click **Time Tracking**.

The screenshot shows the 'Time tracking' settings window in QuickBooks. It has a light blue background. On the left, the title 'Time tracking' is in bold. To the right, there are three settings: 'Add Service field to timesheets' with a toggle switch turned off, 'Make Single-Time Activity Billable to Customer' with a toggle switch turned on, and 'Show billing rate to users entering time' with an unchecked checkbox. Below these is a dropdown menu for 'First day of work week' currently set to 'Sunday'. At the bottom are two buttons: 'Cancel' and 'Save'.



NOTE QuickBooks lets you make time activities billable to customers. You can also assign the first day of the work week to display on the timesheet.

Enter Single Time Activity

You can enter a single time activity. From this window you can enter the name of the employee, the date and the start and end time of the time activity.



NOTE You can also add the Customer name to track the time to a specific customer.

1. To enter a single time activity click the **New** menu and then click **Single Time Activity**.

CUSTOMERS	SUPPLIERS	EMPLOYEES	OTHER
Invoice	Expense	Single time activity	Bank deposit
Receive payment	Cheque	Weekly timesheet	Transfer
Estimate	Bill		Journal entry
Credit memo	Pay bills		Statement
Sales receipt	Purchase order		Inventory qty adjustment
Refund receipt	Supplier credit		Pay down credit card
Delayed credit	Credit card credit		
Delayed charge	Print cheques		

[Show less](#)

2. Enter the employee **Name**.
3. Enter the **Date**. Ensure the date is correct as the date determines when the time will be imported into the pay cheque.
4. Enter the Time for the **Start Time** and **End Time**. QuickBooks calculates the total hours. To make entries in these fields, select the **Enter Start and End Times** checkbox.
5. Enter a **Description** if necessary.
6. Click **Save**.

Time Activity

 Help

Date: 07/01/2020

Name: Chuck's Sod

Customer: Choose a customer

☒ Billable (/hr) 0.00

☐ Enter Start and End Times

Time: hh:mm

Description:

Privacy

Cancel

Save

Save and new

Enter Weekly Timesheet

The weekly timesheet is helpful to enter an entire week of timesheet information. You can enter the same field as a single time activity with one exception, the start and end time.

To fill in a weekly timesheet:

1. Click **New > Weekly Timesheet**.
2. Choose a **Name** from the list.
3. Select the week for which you want to record activities.
4. For each type of activity, enter an activity line:

CUSTOMER	Choose a customer if you want to bill the activity to the customer or track expenses for the customer.
SERVICE	(Optional) If you use services to enter time, choose a service that represents this activity. If you don't see it, Add Service field to timesheets is turned off.
CLASS	(Optional) Choose a Class. If you don't see Class, class tracking is turned off.
LOCATION	(Optional) Choose a Location/Department. If you don't see it, location/department tracking is turned off.
DESCRIPTION	Enter a description of the activity. If the activity is billed to a customer, the Description appears on their invoice, depending on your company settings. Text for the description appears automatically if you select an item from the optional Service field.
BILLABLE	Select this checkbox if you want to bill the activity to the customer. Enter a rate per hour and select Taxable if the activity is taxable.

Weekly Timesheet

Chuck's Sod 5/1/2020 to 11/1/2020

TOTAL HOURS 0:00

#	DETAILS	SUN 5	MON 6	TUE 7	WED 8	THU 9	FRI 10	SAT 11	TOTAL
1	<div>Choose a customer</div> <div>Description</div> <div><input type="checkbox"/> Billable (/hr)</div>								
2	<div>Choose a customer</div> <div>Description</div> <div><input type="checkbox"/> Billable (/hr)</div>								
3	<div>Choose a customer</div> <div>Description</div> <div><input type="checkbox"/> Billable (/hr)</div>								
TOTAL									0:00

Add lines Clear all lines

Cancel Copy last timesheet Save Save and new

- For each day of the week this activity occurred, enter the number of hours spent on this activity for that day.

You can add more activity lines if needed or clear all lines and begin again.

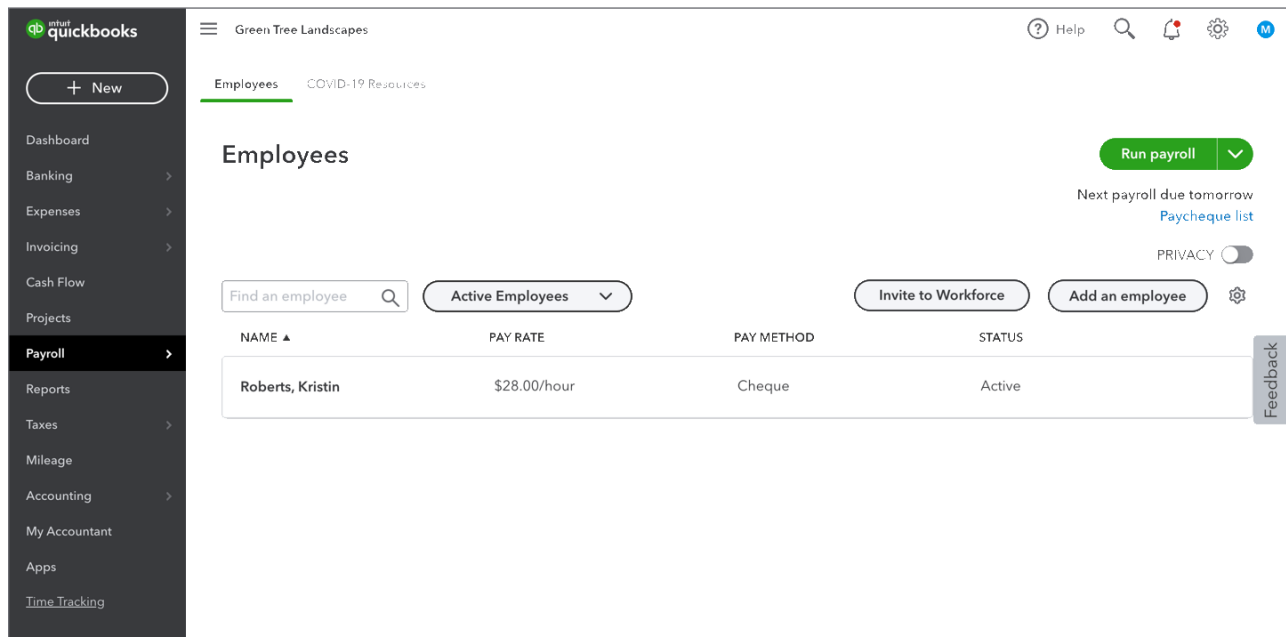
- Click **Save** to enter the timesheet.



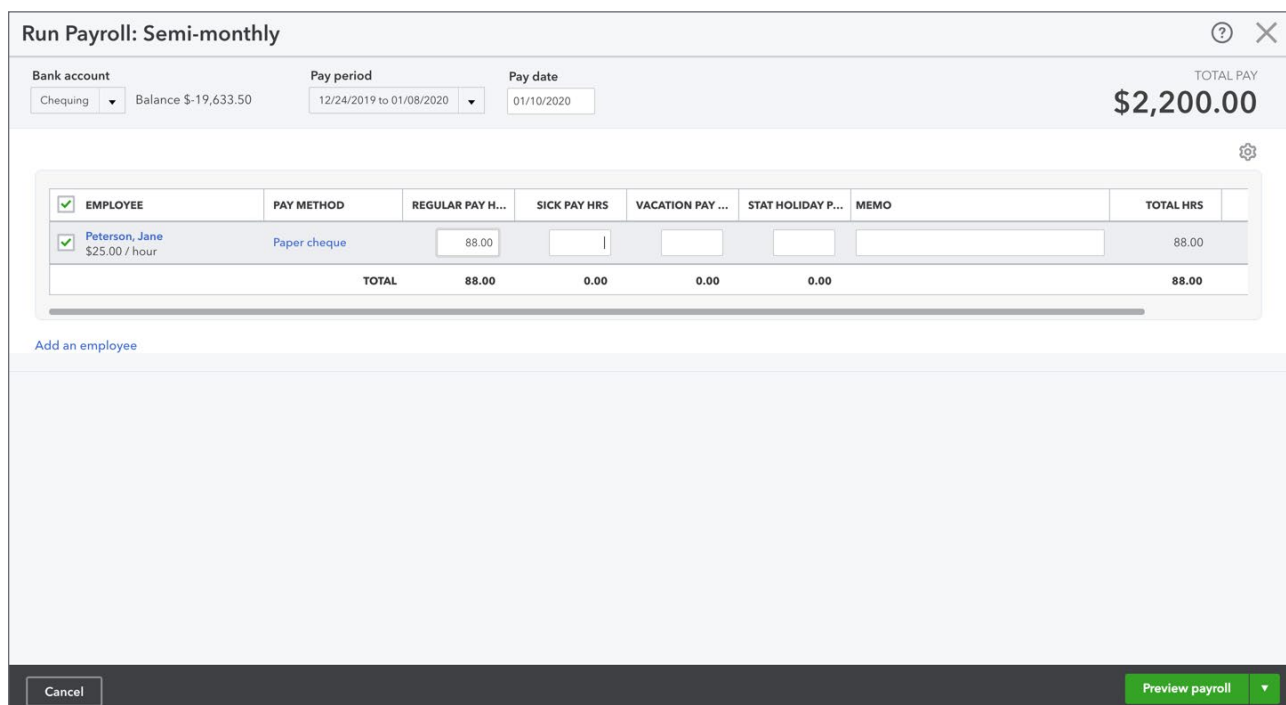
NOTE If the last timesheet is like the current time period, click **Copy last timesheet**.

Run Payroll in QuickBooks

To run payroll in QuickBooks you'll start on the Employees page. On the employees window, click **Run payroll**.



1. Choose the **Bank account** where the money will be paid from.
2. Choose the **Pay Period** and **Pay Date** (when running a regular Pay Schedule, these dates should auto-fill for you).
3. If you've entered timesheets that coincide with the pay period, QuickBooks automatically imports the hours. They'll display in the **Regular Pay Hrs...** section.



4. Click the pencil (edit) icon to view each employee pay cheque.
5. Click the arrow next to **Pay** to expand the pay information.

Run Payroll: Semi-monthly

PAY TO
Jane Peterson

NET PAY
\$1,513.44

Employee Address
3977 Blind Bay Road
Blue River, BC V0E 1J0

Pay period
24/12/2019 to 08/01/2020

Pay from
Chequing

Pay date
10/01/2020

Paid by
Cheque (\$1,513.44)

▼ Pay

TYPE	HOUR	RATE	CURRENT	YTD
Regular Pay	88.00	\$25.00	\$2,200.00	\$2,200.00
Sick Pay	0.00	\$25.00	\$0.00	\$0.00
Vacation Pay	0.00	\$25.00	\$0.00	\$0.00
Stat Holiday Pay	0.00	\$25.00	\$0.00	\$0.00
TOTAL			\$2,200.00	\$2,200.00

▶ Employee taxes
▶ Employee deductions
▶ Employer taxes

Cancel

OK

6. Click **OK** to move to the next employee and review the same process if necessary.

Run Payroll: Semi-monthly

PAY TO
Joel Thorensten

NET PAY
\$1,508.89

Employee Address
3967 Davis Drive
Welland, ON L3B 3Z6

Pay period
02/26/2017 to 03/10/2017

Pay from
Chequing

Pay date
03/26/2017

Paid by
Cheque (\$1,508.89)

▼ Pay

TYPE	HOUR	RATE	CURRENT	YTD
Regular Pay	80.00	\$25.00	\$2,000.00	\$2,000.00
Vacation Pay	0.00	\$25.00	\$0.00	\$0.00
Stat Holiday Pay	0.00	\$25.00	\$0.00	\$0.00
TOTAL			\$2,000.00	\$2,000.00

▶ Employee taxes
▶ Employee deductions
▶ Employer taxes
▶ Company-paid contributions

Paid time off

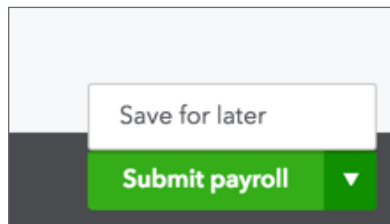
Hours used

Hours available

Cancel


OK

- Click **Save for Later** to complete the payroll at a later time or click **Submit Payroll** to complete the payroll run.



- From the Run Payroll window you can click to **Print pay stubs**, or enter a **Cheque Number**. You can also **Print Payroll Reports** from this window.

Run Payroll: Semi-monthly



Payroll is run and done

Your team's pay cheques are on the way.

If you're having issues with printing, [view our troubleshooting article](#).


1 pay cheque to write
Deliver cheques to your employees by 01/10/2020

Print pay stubs

<input checked="" type="checkbox"/>	EMPLOYEE	NET PAY	CHEQUE NUMBER
<input checked="" type="checkbox"/>	Peterson, Jane	\$1,513.44	<input type="text"/>

View payroll reports

Finish payroll

 To learn how to pay employees watch this video: https://youtu.be/WHG-Alo_bfE

9. Click **Print pay stubs**.

ViewPdfForm 1 / 2

Green Tree Landscapes
5100 Spectrum Way
Mississauga ON L4W 4S2

Pay Stub Detail
PAY DATE: 03/15/2017
NET PAY: \$1,135.20

Jane Peterson
1923 Reserve St.
Bloomfield ON K0K 1G0

EMPLOYER
Green Tree Landscapes
5100 Spectrum Way
Mississauga ON L4W 4S2

PAY PERIOD
Period Beginning: 02/26/2017
Period Ending: 03/10/2017
Pay Date: 03/15/2017
Total Hours: 64.00

EMPLOYEE
Jane Peterson
1923 Reserve St.
Bloomfield ON K0K 1G0

BENEFITS

	Used	Available	NET PAY:	\$1,135.20
Vacation	0.00	0.00		

MEMO:

PAY	Hours	Rate	Current	YTD	DEDUCTIONS	Current	YTD
Regular Pay	64.00	25.00	1,600.00	1,600.00	Canada Life	25.00	25.00
Reimbursement	-	-	25.00	25.00	Canada Life	100.00	100.00

10. Click **View Payroll Reports** to view and export your payroll reports to Excel.11. Click **OK**.

Your payroll reports are ready.

Choose which reports you want to export to Excel.
You can keep them for your reports, or send them to your accountant.

Export to Excel

EMPLOYER REPORTS

- ☒ Total Cost
- ☒ Tax Payments

EMPLOYEE REPORTS

- ☒ Payroll Summary
- ☒ Payroll Details
- ☒ Deductions

Want to change which payroll reports you see here?
Go to [Company Settings](#).

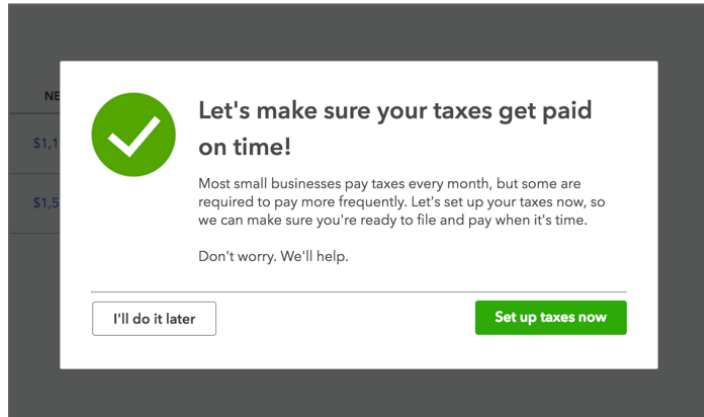
OK

12. Select the reports to view and then click **OK**. QuickBooks exports your reports to Excel.

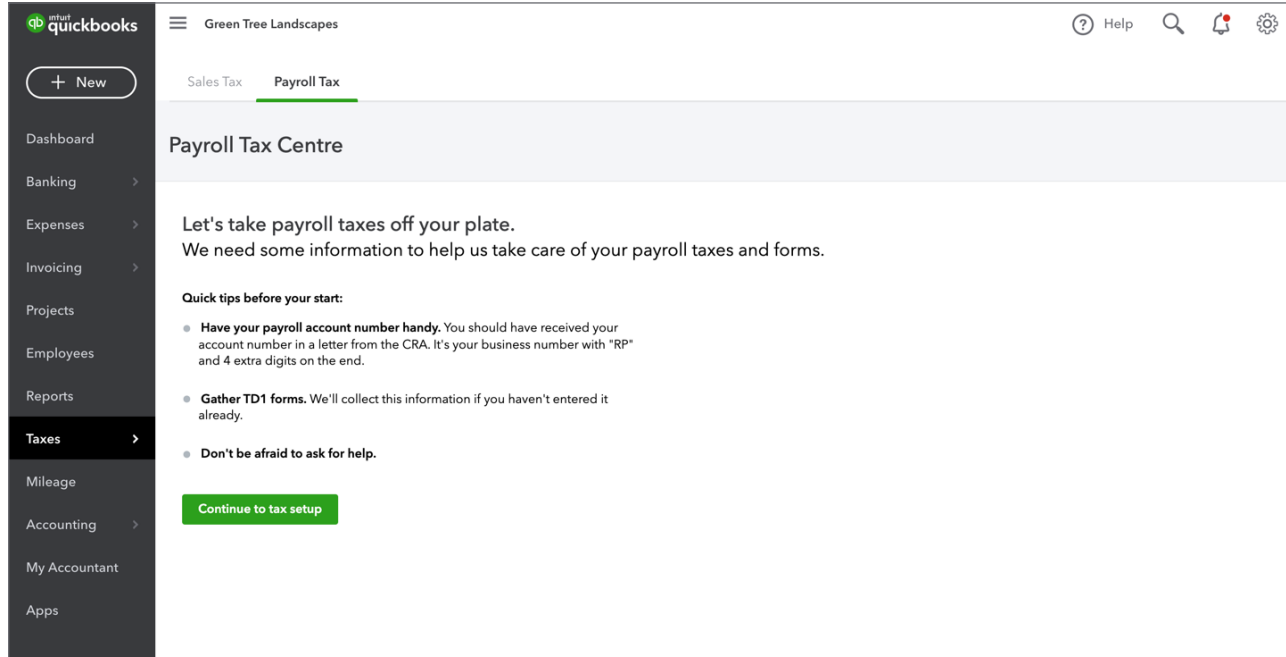
Paying Payroll Liabilities

QuickBooks automatically tracks your payroll liabilities for your company. After your first payroll run, QuickBooks will prompt you to setup your payroll taxes so that you're ready to pay when they come due.

You'll see the following window after your first payroll run.



1. Click **Set up taxes now**.
2. Click **Continue to Tax Setup**.



3. QuickBooks checks to see if you've entered the correct hire and birth dates for employees you've paid this year.

4. Click **Continue**.

Payroll Taxes Setup and Compliance

Employee details

We need valid hire and birth dates only for employees you paid this year. We use this info to fill out your payroll taxes and forms.

NAME	HIRE DATE	WITHHOLDINGS
<div>JP</div> Peterson, Jane	03/01/201	TD1 info
<div>JT</div> Thorensten, Joel	03/01/201	TD1 info

Cancel

Continue

5. Add or edit any Business Details. Enter the **CRA payroll account number** if you've received it or select **No, I haven't received it yet**, or **I don't have it handy**.

6. Choose **How often the CRA requires you to remit payroll deductions and contributions**.

7. Click **Continue**.

Business details

We use this info to fill out your payroll taxes and forms.

What business name do you use when filing tax forms (filing name)?

Green Tree Landscapes

What address do you use when filing tax forms (filing address)?

☒ Same as business address: 3977 Blind Bay Road, Blue River, BC, V0E 1J0

Do you know your CRA payroll account number?

☐ Yes, it is

RP 0001

☒ No, I haven't received it yet, or I don't have it handy

How often does the CRA require you to remit payroll deductions and contributions?

Select one

[I'm not sure](#)

Cancel

Continue

Business details

We use this info to fill out your payroll taxes and forms.

What business name do you use when filing tax forms (filing name)?

Green Tree Landscapes

What address do you use when filing tax forms (filing address)?

☒ Same as business address: 3977 Blind Bay Road, Blue River, BC, V0E 1J0

Do you know your CRA payroll account number?

Select one

Quarterly

Monthly (regular remitter)

Twice monthly (accelerated-threshold 1)

Weekly (accelerated-threshold 2)

Select one

I'm not sure

Do you want to have it handy?

Do you want to remit payroll deductions and contributions?

Cancel

Continue

8. Now you're ready to remit your taxes. From the **Payroll Tax Centre** you can Pay taxes, edit your tax setup or view **Monthly**, **Annual** or **Employer Forms**.

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Green Tree Landscapes

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Payroll Tax Centre

Taxes

Forms

Pay Taxes

You may also want to:

Edit your tax setup

View your Tax Liability report

View tax payments you have made

Enter prior tax history

Monthly Forms

Monthly remittance forms and worksheets.

View and Print Archived Forms >>

Annual Forms

Annual forms, including T4 and Relevé 1 slips.

View and Print Archived Forms >>

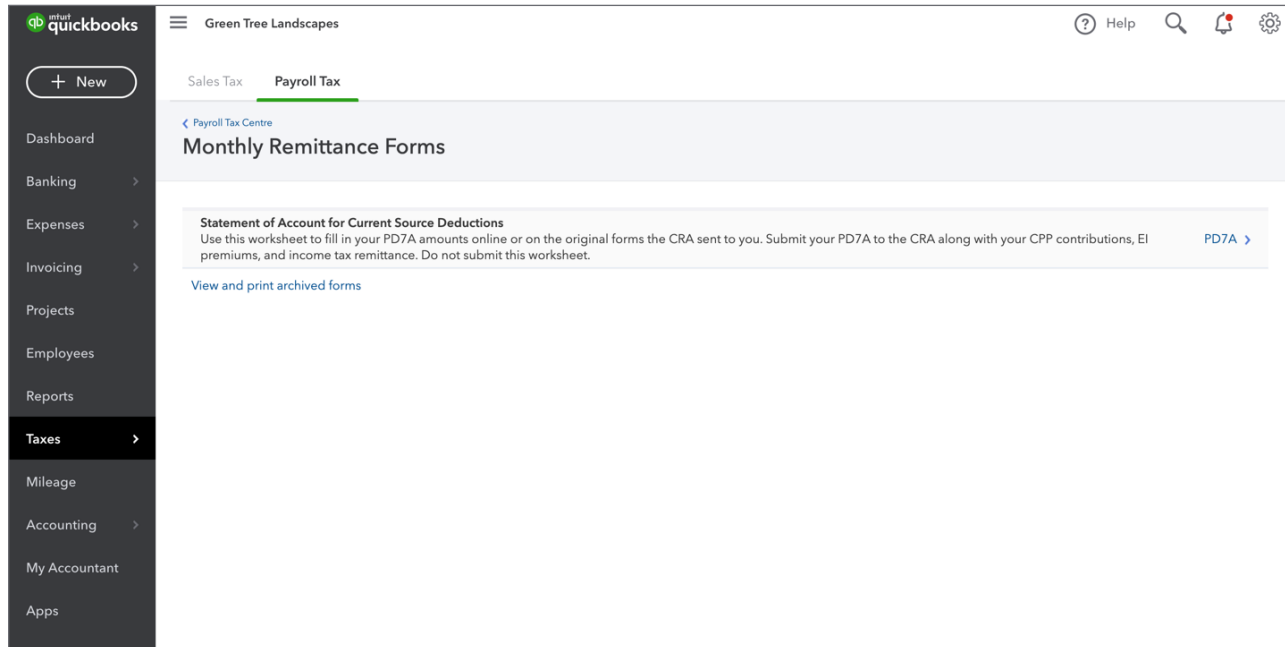
Employer Forms

Other employer forms, including Records of Employment.

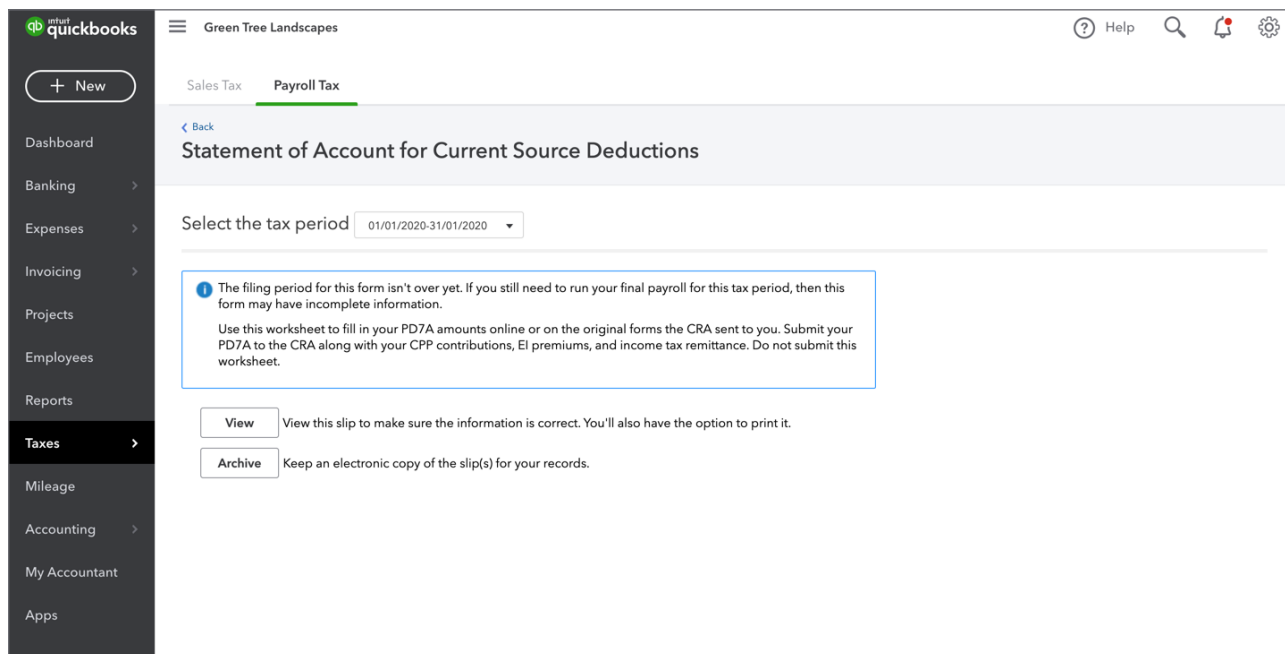
View and Print Archived Forms >>

9. Click **Monthly Forms** to view the current payroll liabilities. QuickBooks now lets you view the PD7A report.

10. Click the **PD7A Report** link.



11. Select the period for the report.



12. Click **View**. QuickBooks displays the PD7A report.

13. After viewing and printing the report you can close the browser tab.

**PD7A (Current Period)
WORKSHEET**

Use the following information to complete your PD7A Form for the current remittance period

CPP contributions	EI premiums	Tax deductions	Current Payment	Gross payroll	No. of employees in last pay period
\$337.42	\$144.74	\$471.39	\$953.55	\$3,600.00	2

**CURRENT SOURCE DEDUCTIONS
REMITTANCE VOUCHER**

Do not use this area

Green Tree Landscapes
5100 Spectrum Way
Mississauga ON L4W 4S2

Number of employees in last pay period:

Gross payroll in remitting period (owners only):

End of remitting period for which deductions were withheld: Year Month

Amount paid:

DO NOT SUBMIT WORKSHEET TO CRA

14. Click **Back** to go back to the Payroll Tax Centre.

15. Click **Pay Taxes**.

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Green Tree Landscapes

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Sales Tax Payroll Tax

Dashboard

Banking

Expenses

Invoicing

Projects

Employees

Reports

Taxes

Mileage

Pay Taxes

TAX TYPE	DUE DATE	AMOUNT	
No tax payments are currently due.			
Upcoming Tax Payments (You don't need to pay these yet. We'll remind you when they are due.)			
Federal Taxes	15/02/2020	\$611.72	Record payment

16. Click **Record Payment**.
17. Choose the **Bank Account** from which you'll pay the liabilities.
18. Enter the **Payment Date** and review the amounts.

19. Click **Record and Print**.

Approve Payment

Federal Taxes

\$611.72

Important! You are making this payment before the end of the tax period. This tax should only be paid after all wages have been entered for the period. If you do not want to make this payment now, click Delete at the bottom.

Enter the payment date. Once you click Record payment, QuickBooks Online Payroll provides specific instructions about how to pay this tax.

Liability Period

01/01/2020 to 31/01/2020

Due Date

15/02/2020

Bank Account

Chequing

Balance -\$21,758.66

Payment Date

Earliest

07/01/2020

TAX ITEM	AMOUNT
Income Tax	\$276.88
Employment Insurance	\$38.71
Employment Insurance Employer	\$54.19
Canada Pension Plan	\$120.97
Canada Pension Plan Employer	\$120.97
	\$611.72

Cancel

Delete

Record and print

\$953.55

Record payment

Record and print

▶ To learn how to pay taxes watch this video: <https://youtu.be/il6QqxOskFU>

▶ Creating and Printing T4's at Year End

At the end of the calendar year you're required to print T4 or Releve 1 forms for your employees. T4 forms are the yearly forms, which report employee earnings and deductions. Manually preparing these forms can be a daunting task. Luckily, QuickBooks assists you in preparing T4 forms.

The following checklist provides six simple steps for small businesses to get their payroll data in order:

1. Verify employee data.
2. Verify and review benefit information for your employees.
3. Verify and review payroll deductions.
4. Complete a T4 slip for each employee.
5. Complete and remit a T4 Summary form.

6. Review employee wages and benefits for next year.

Preparing T4s

A T4 slip is the end-of-year form that you give to each employee and submit to Canada Revenue Agency (CRA)—usually no later than the last day in February. T4s report the employee's wages and taxes withheld for the calendar year. See the following checklist for the things to report on a T4 slip:

- salary, wages (including pay in lieu of termination notice), tips or gratuities, bonuses, vacation pay, employment commissions, and all other remuneration you paid to employees during the year;
- allowances;
- deductions you withheld during the year

T4 Summary

Once all T4s are printed, you must prepare a T4 Summary. Your T4 Summary is a report that Revenue Canada requires. This summary report totals all employees earnings as recorded on the T4s. It also totals the deductions and payroll taxes (CPP and EI) withheld from the employees during the calendar year. Lastly, this form is used to reconcile those amounts with the source deduction payments that you remitted to CRA.

Your T4 Summary Report is due to be filed with Revenue Canada by the last day of February of the following year.

To Print T4's for your employees:

1. On the left navigation bar, click **Taxes**.
2. Click **Payroll Tax**.
3. Click **Annual Forms**.
4. Click **T4 slip (employee)**.

The screenshot shows the QuickBooks interface for a user named 'Green Tree Landscapes'. The left sidebar contains navigation options: Dashboard, Banking, Expenses, Invoicing, Projects, Employees, Reports, Taxes (highlighted), and Mileage. The main area is titled 'Annual Tax Forms' under the 'Payroll Tax' tab. It includes sections for 'T4 summary', 'Employer copy of T4 slip(s)', and 'T4 slip for employee'. The 'T4 summary' section explains that the summary is used to report total amounts from all T4 slips and should be filed with the CRA by the end of February. The 'Employer copy of T4 slip(s)' section states that the employer must submit T4 slips to the CRA before the end of February and keep a copy for records. The 'T4 slip for employee' section instructs the user to give each employee a copy of their T4 slip before the end of February. A dropdown menu shows '-- All Employees --'. At the bottom, there is a link to 'View and print archived forms'.

5. Select the **Period**.

6. Click **View**.

7. Print the T4.

To learn how to create a T4 watch this video: <https://youtu.be/wHPQFhrPyWM>

► Create Records of Employment

In Canada, you're required to issue a Record of Employment (ROE) when an employee:

- quits your company
- is laid off or terminated
- goes on leave




NOTE Please visit the HRDC website for more information regarding who qualifies for a Record of Employment.

The Record of Employment gives the employee all the information they need to submit to the government to claim any benefits they qualify for.

To create a Record of Employment:

1. First you must tell QuickBooks that the person is leaving the company or going on leave. Click **Employees**.
2. Click the **employee name**.
3. Click the Employee name and then click **Edit Employee**.

[Employee list](#)



Jane Peterson

Edit employee

Employee details
Pay cheque list

Pay	
Taxes	Federal: \$12,298 Provincial: \$10,949
Social Insurance no.-608
Pay rate	\$25.00 / hour
Additional pay	Sick Pay Vacation Pay Stat Holiday Pay
Pay schedule	Semi-monthly
Payment method	Cheque

Profile	
Address	3977 Blind Bay Road Blue River, BC V0E 1J0
Birth date	14/05/1973
Gender	--
Notes	

Employment	
Employee ID	
Status	Active
Hire date	01/01/2020
Work location	3977 Blind Bay Road Blue River, BC V0E 1J0

4. Enter the new **Status**, **Reason for Status change** and the **Termination date**.

Jane Peterson

Pay | Profile | **Employment**

Employee ID

Status
Terminated

Reason for status change*
A - Shortage of work

☒ Show in non-payroll lists

Hire date* 01/01/2020 Termination date* 28/02/2020

Work location
3977 Blind Bay Road (BC)

Cancel Delete employee Done

5. Click **Done**.

Do you want to create Joel's Record of Employment?

Make sure you send a Record of Employment (ROE) to Service Canada within 5 days of the interruption in earnings.

No, I'll do it later Yes

6. Click **Yes**.

7. Click **View**.

+ New

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⚙️

Back

Record of Employment

1

Issue a Record of Employment when an employee resigns, is terminated, or has another interruption of earnings.

View

View this slip to make sure the information is correct. You'll also have the option to print it.

Archive

Keep an electronic copy of the slip(s) for your records.

8. QuickBooks displays a preview of the ROE.

ViewPdfForm

1 / 1

🔄

📄

🖨️

RECORD OF EMPLOYMENT (ROE)

1

SERIAL NO.

N/A*

2

SERIAL NO. OF ROE AMENDED OR REPLACED

N/A*

3

EMPLOYER'S PAYROLL REFERENCE NO.

848036968 RP 0001

4

EMPLOYER'S NAME AND ADDRESS

Green Tree Landscapes
5100 Spectrum Way
Mississauga ON

5

POSTAL CODE

L4W 4S2

6

ORA BUSINESS NUMBER (BN)

848036968

7

PAY PERIOD TYPE

Semi-monthly

8

SOCIAL INSURANCE NO.

425-154-705

9

EMPLOYEE'S NAME AND ADDRESS

Joel Thorensten
3967 Davis Drive
Welland, ON L3B 3Z6

10

FIRST DAY WORKED

D

M

Y

1

3

2017

11

LAST DAY FOR WHICH PAID

D

M

Y

15

4

2017

12

FINAL PAY PERIOD ENDING DATE

D

M

Y

30

4

2017

13

OCCUPATION

N/A*

14

EXPECTED DATE OF RECALL

N/A*

15A

TOTAL INSURABLE HOURS

456.00

15B

TOTAL INSURABLE EARNINGS

12525.00

16

REASON FOR ISSUING THIS ROE

Shortage of work

17

FOR FURTHER INFORMATION, CONTACT

Matthew Peterson
647-555-0988

18

ONLY COMPLETE IF PAYMENT OR BENEFITS (OTHER THAN REGULAR PAY) PAID IN OR IN ANTICIPATION OF THE FINAL PAY PERIOD OR PAYABLE AT A LATER DATE

N/A*

19

THE FIRST ENTRY MUST RECORD THE INSURABLE EARNINGS FOR THE FINAL (MOST RECENT) INSURED PAY PERIOD. ENTER DETAILS BY PAY PERIOD

P.P.	INSURABLE EARNINGS	P.P.	INSURABLE EARNINGS	P.P.	INSURABLE EARNINGS
1	2825.00	2	5200.00	3	6900.00
4	6200.00	5		6	
7		8		9	
10		11		12	
13		14		15	
16		17		18	
19		20		21	
22		23		24	
25		26		27	
28		29		30	
31		32		33	
34		35		36	
37		38		39	
40		41		42	
43		44		45	
46		47		48	
49		50		51	
52		53			

19

COMMENTS

N/A*

20

ONLY COMPLETE IF PAID SICK/MATERNITY/PARENTAL LEAVE OR GROUP WAGE LOSS INDEMNITY PAYMENT (AFTER THE LAST DAY WORKED)

NOTE You cannot submit this information directly to the HRDC from QuickBooks Online. However, this information can be used to complete the ROE web form for submission.