

Spreadsheet Guide

Step-by-Step Instructions

Problem 13-6 Calculating Employer's Payroll Taxes

Complete the Spreadsheet

- Step 1** Read the instructions for Problem 13-6 in your textbook. This problem involves calculating employer's payroll taxes.
- Step 2** Launch the Spreadsheet Problem.

PROBLEM 13-6 CALCULATING EMPLOYER'S PAYROLL TAXES					
(name)					
(date)					
Total	Social Security	Medicare	Federal	State	
Gross Earnings	Tax	Tax	Unemployment Tax	Unemployment Tax	
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

- Step 3** Type your name and today's date in the cells containing the *(name)* and *(date)* placeholders.
- Step 4** Type the total gross earnings for the first employee in cell A11 of the spreadsheet template: **914.80**.
- Step 5** Type the total gross earnings for the remaining employees. The Social Security tax, Medicare tax, federal unemployment tax, and state unemployment tax will be automatically calculated for each employee.
- Step 6** Save the spreadsheet using the **Save** option from the **File** menu. You should accept the default location for the save as this is handled by the management system.
- Step 7** Print the completed spreadsheet.
- Step 8** Exit the spreadsheet program.
- Step 9** In the Close Options window, select the location where you would like to save your work.
- Step 10** Complete the Analyze activity from your textbook for this problem.

What-If Analysis

What would the employer's payroll taxes be on total gross earnings of \$1,891.02, assuming the employee had not reached the taxable earnings limit?