**Activity 6.1.4: Calculating and Journalizing Payroll**

Have your students create and use a Payroll Register spreadsheet to calculate the employees’ pay. The two student employees are paid on the last day of the month.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Employee Name** | **Marital Status** | **Allowances** | **Pay Rate** | **Hours Worked** |
| Joshua Mercer | S | 1 | $6.00 | 80 (20 hours per week so there is no overtime) |
| Karen Luna | S | 1 | $6.50 | 80 (20 hours per week so there is no overtime) |

* Current rates for taxes: FICA 9%, Federal Unemployment .8%, State Unemployment 2.8%. Use the FIT tax chart in your textbook to look up FIT taxes. There are no other deductions.
* Record the payment of cash for salaries on the last day of this fiscal period. The source document is check number 19.
* Record the employer’s payroll taxes on the above payroll. The source document is Memorandum 8. This is the last entry of the fiscal period.