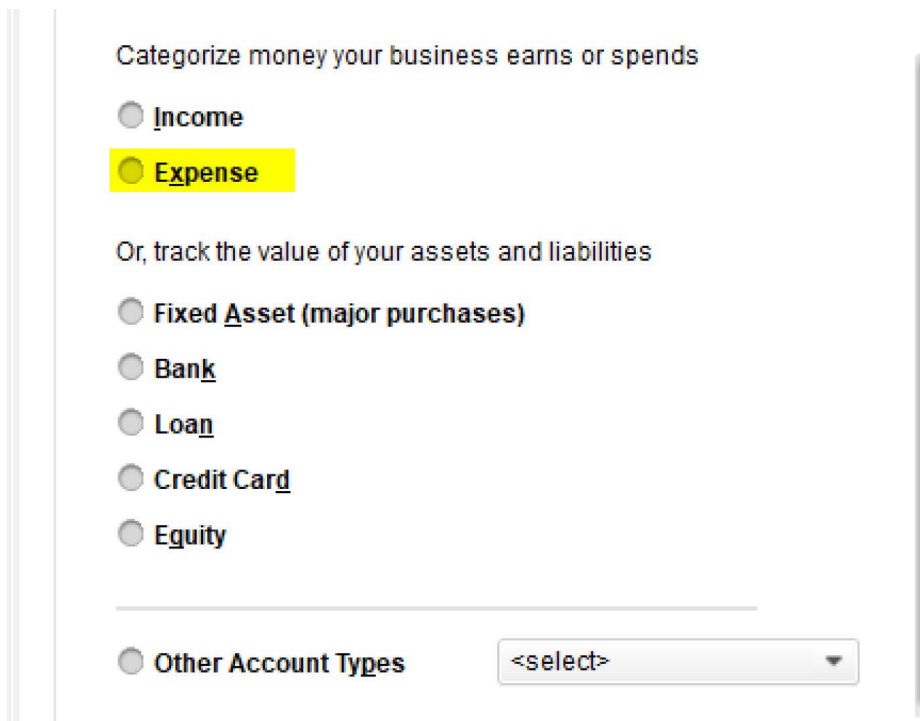


For those that use QuickBooks Desktop and process your own payroll, here is a tip on how to track COVID19 sick pay:

## ↑ SET UP A NEW EXPENSE ACCOUNT

1. Go to the Lists menu, to Chart of Accounts
2. Select **Account** from the dropdown menu at the bottom.
3. Select **NEW**.
4. In Type select **Expense**



Categorize money your business earns or spends

Income

Expense

Or, track the value of your assets and liabilities

Fixed Asset (major purchases)

Bank

Loan

Credit Card

Equity

---

Other Account Types

5. Choose a number (if you use them) and enter the Account Name, such as COVID19 Sick Pay.
6. Make sure to click the **Subaccount of** and choose the **Payroll Expense (overhead account)**

Account Type Expense Number 6679

Account Name Covid-19 Sick Leave

Subaccount of 0 - Payroll Expense (overhead)

OPTIONAL

Description

Note

Tax-Line Mapping <Unassigned> [How do I choose the right tax line?](#)

Save & Close Save & New Cancel

7. Click Save & Close and your new expense account will be set up.

## 2 SET UP A NEW PAYROLL ITEM

1. From the **Lists** menu, select **Payroll Item** list.
2. Click **NEW**, from the dropdown menu at the bottom
3. Choose the **Custom Setup**, see below.

**Select setup method**

Select the setup method you would like to use to create a new item.

EZ Setup (uses standard settings; recommended for most users)

Custom Setup (allows editing of all settings; recommended for expert users)

4. Select Wage from the Payroll item type window.

**Payroll item type**

Select the type of payroll item you want to create.

- Wage (Hourly Wages, Annual Salary, Commission, Bonus)**
- Addition (Employee Loan, Mileage Reimbursement)
- Deduction (Union Dues, 401(k) deferral, Simple IRA, HSA)
- Company Contribution (Employer 401(k) matching contribution, HSA contribution)
- Federal Tax (FUTA, Social Security, Medicare)
- State Tax (State Withholding, SDI, SUI)
- Other Tax (Local Tax, Misc. State Tax)

5. Next select **Hourly Wages** or **Annual Salary**, if you have both types of employees you will need to create one for each type.

**Wages**

Do you want to set up a payroll item to track hourly wages, annual salary, commissions, or bonuses?

- Hourly Wages
- Annual Salary**
- Commission
- Bonus

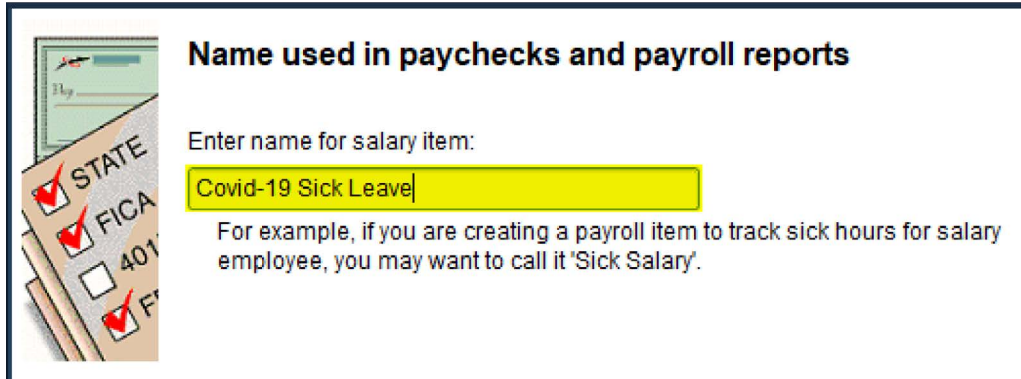
6. Then choose **Sick Pay**

**Wages**

Is this item for regular, overtime, sick, or vacation pay?

- Regular Pay
- Overtime Pay
- Sick Pay**
- Vacation Pay

7. Enter name for salary item, for example: COVID19 Sick Leave



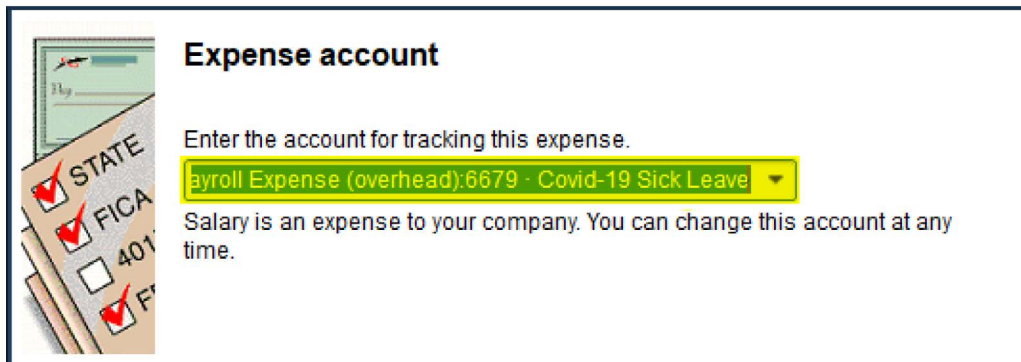
**Name used in paychecks and payroll reports**

Enter name for salary item:

Covid-19 Sick Leave

For example, if you are creating a payroll item to track sick hours for salary employee, you may want to call it 'Sick Salary'.

8. Choose the Covid-19 Sick Leave **Expense account** that you set up previously



**Expense account**

Enter the account for tracking this expense.

Payroll Expense (overhead):6679 - Covid-19 Sick Leave

Salary is an expense to your company. You can change this account at any time.

9. Then click **Finish**.

- 3 Set up the Payroll Item under the Employees you will be paying.