(125) Payroll Accounting (S)

Description
Process payroll data using manual payroll procedures. Contestants calculate earnings, complete payroll registers, update employee records, journalize payroll entries, and prepare payroll income tax forms.

NOTE: Circular E, Employer's Tax Guide (Publication 15), is recommended as a resource.
http://www.irs.gov/publications/p15/index.html

Eligibility
Any secondary student member may enter this event.

Contestant must supply
Sharpened No. 2 pencils, pens, ruler
Cordless calculator: Electronic devices will be monitored according to ACT standards. See NLC Calculator Guidelines. Contestants who violate this rule will be *disqualified*.
Published and/or unpublished non-electronic written reference materials

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No equipment, supplies, or materials other than those specified for an event will be allowed in the testing area. No previous Business Professionals of America tests and/or sample tests or facsimiles thereof (handwritten, photocopied, or keyed) may be taken into the testing area. Violation of this rule will result in disqualification.

Competencies

- Apply generally accepted accounting principles (GAAP) to determine the value of assets, liabilities and owner's equity
- Apply appropriate accounting principles to payroll and earnings taxation
- Complete new employee personnel forms
- Apply various methods used to determine gross earnings
- Explain the purpose of withholdings and other deductions

- Calculate employee's payroll taxes and other payroll deductions to determine net pay
- Calculate employer's payroll taxes as well as other employee benefits paid by the employer
- Prepare payroll reports
- Identify laws and regulations relating to payroll procedures
- Analyze and record payroll transactions
- Prepare payroll forms and reports
- Analyze and prepare IRS tax forms

Method of evaluation
Application and Objective Test

Length of event
No more than ten (10) minutes orientation
No more than sixty (60) minutes testing time
No more than ten (10) minutes wrap-up

Entries
Each state is allowed five (5) entries