

# Journalizing Payroll

At the end of the pay period, businesses need to journalize the information in the payroll register. First, total all the columns...

Empl. #	Employee Name	Marital Status	No. of Allowances	Earnings			Deductions						Net Pay	Check No.
				Regular	Overtime	Total	Federal Income Tax	Soc. Sec. Tax	Medicare Tax	Health Insurance	Other	Total		
2	Aranda, Susan A.	M	2	968.00		968.00	38.00	60.02	14.04	55.00		167.06	80.94	482
5	Drew, Paul S.	S	1	550.00		550.00	32.00	34.10	7.98	38.00		112.08	437.92	483
1	Kellogg, Janice P.	M	1	1760.00	150.00	1910.00	187.00	118.42	27.70	58.00		391.12	1518.88	484
	<i>TOTALS</i>			<i>3278.00</i>	<i>150.00</i>	<i>3428.00</i>	<i>257.00</i>	<i>212.54</i>	<i>49.72</i>	<i>151.00</i>		<i>670.26</i>	<i>2037.74</i>	

Then record the total amounts in the cash payments journal. The transaction description would look like this:

April 15 Paid cash for monthly payroll, \$2,037.74 (total salary expense, \$3,278.00, less deductions: employee income tax, \$257.00, social security tax, \$212.54, Medicare tax, \$49.72, health insurance premiums, \$151.00). Check 1354. *(hint: this uses 5 lines in the cash payments journal)*

## CASH PAYMENTS JOURNAL

PAGE 1

2019 Date	Account Title	Ck. No.	Post Ref.	General								Accounts Payable DR	Purchases Discount CR	Cash CR						
				Debit				Credit						2	0	3	7	74		
April 15	Salary Expense	1354		3	2	7	8	00								2	0	3	7	74
	Employee Income Tax Payable								2	5	7	00								
	Social Security Tax Payable								2	1	2	54								
	Medicare Tax Payable								4	9	72									
	Health Insurance Premiums Payable								1	5	1	00								

Note: On special journals you do NOT indent when using multiple lines since debits and credits can appear on the same line.

