

Greenshades Local Tax Manager

Installation and User Guide

v2013.12



GREENSHADES
— *Let Us Handle That* —

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Installation Guide

Requirements for Local Tax Manager

In order to install the Local Tax Manager, you must first install Microsoft's .NET Framework version 2.0 or newer. To download Microsoft's .NET Framework version 2.0, [click here](#).

Please follow the instructions provided by Microsoft if you need any assistance installing the .NET Framework.

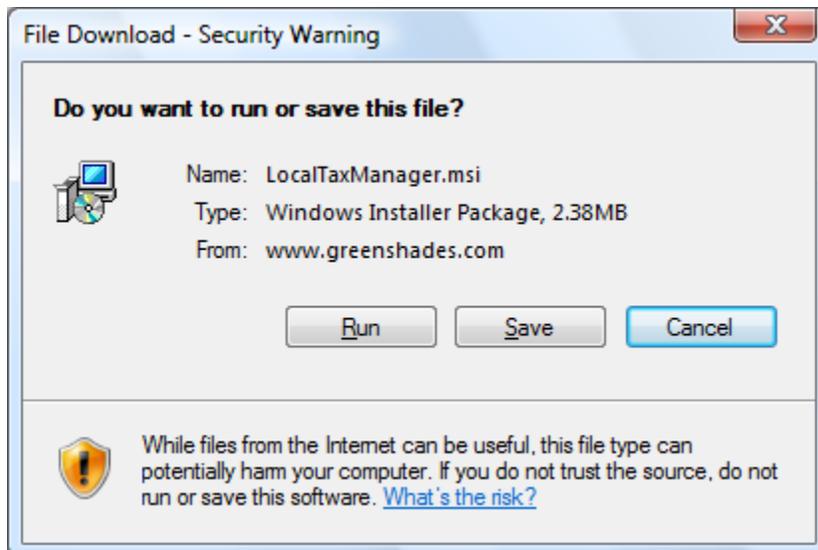
Local Tax Manager also requires an active internet connection.

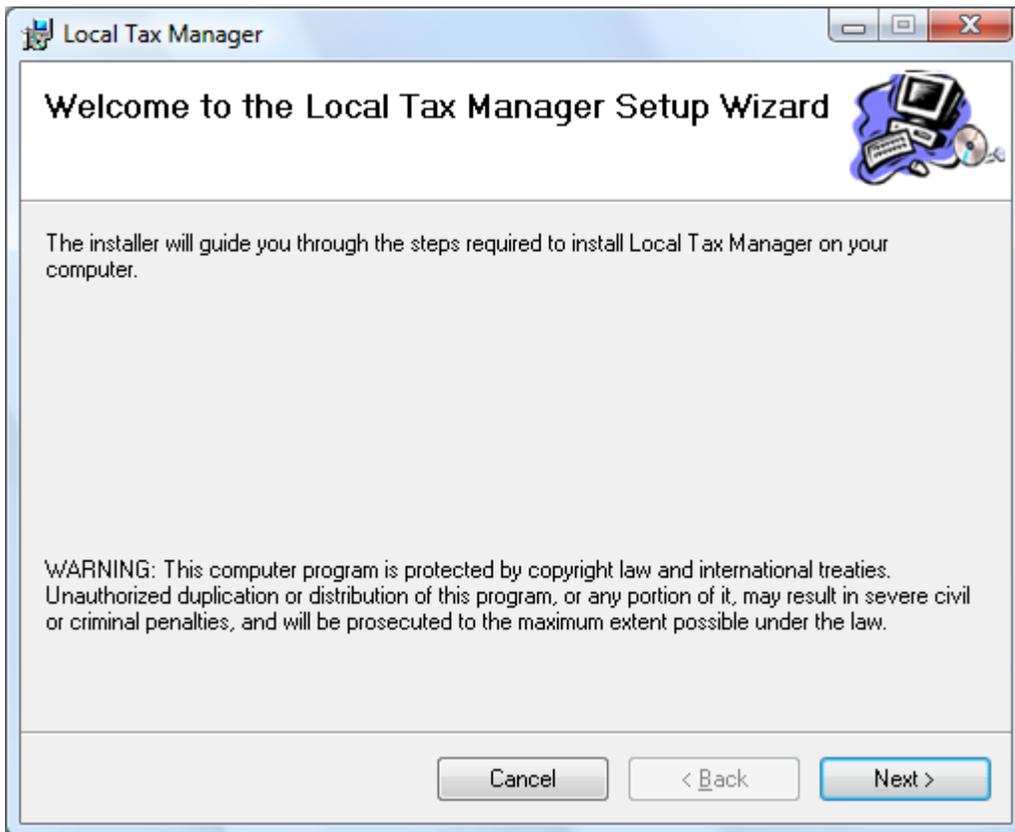
Installing the Local Tax Manager

Installing the Local Tax Manager is a straightforward process. First, you will need to download the setup file from our website (linked below). This file contains the Setup Wizard that will guide you through the installation process.

Begin downloading Local Tax Manager by clicking the 'Download the Local Tax Manager for Dynamics GP' link on our website or by [clicking here](#).

You will be prompted with a 'File Download - Security Warning' prompting you to Run, Save or Cancel. Click the "Run" button.





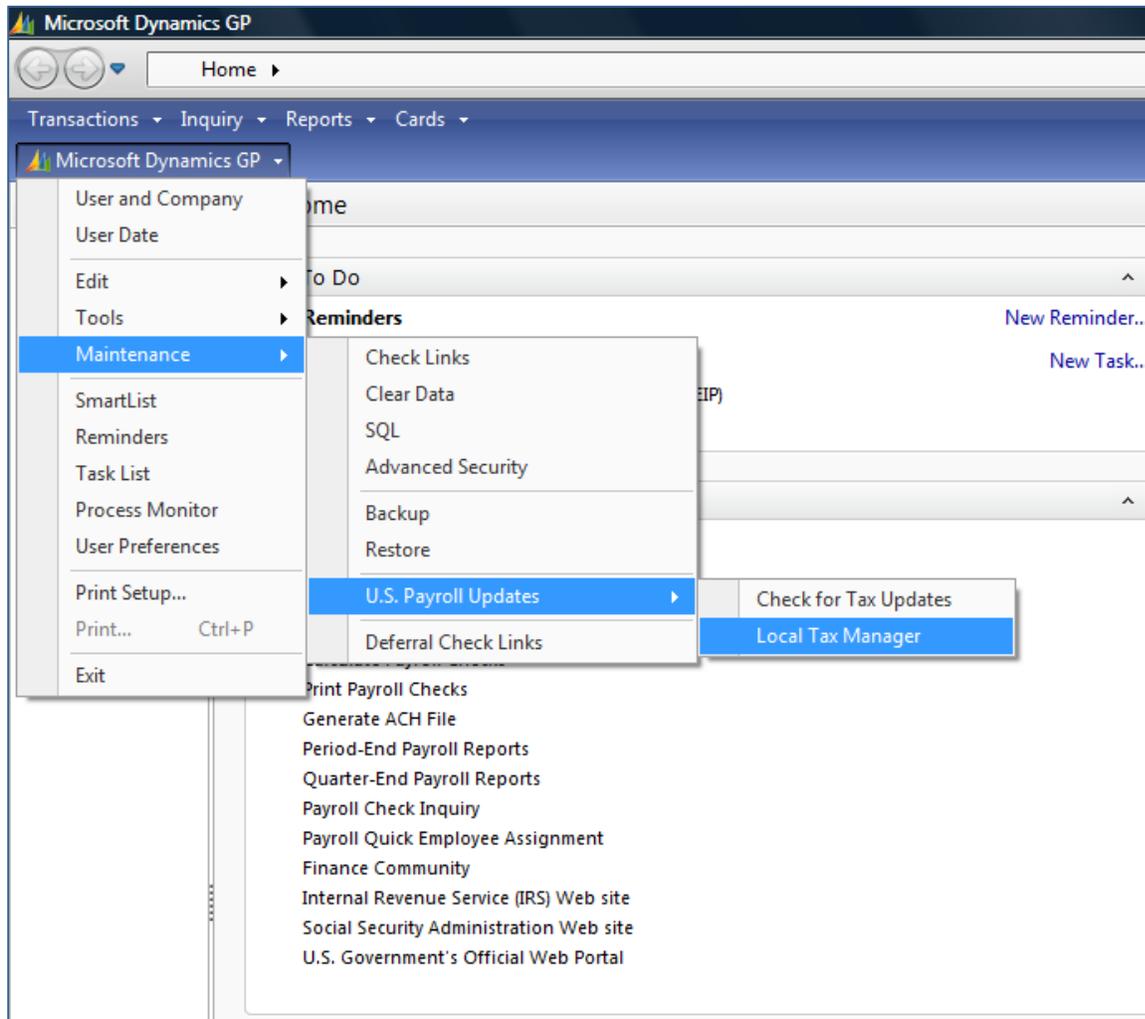
From here, the Local Tax Manager Install Wizard will guide you through the installation process. Simply follow the onscreen instructions to complete this installation.

For the final step, you must run the Local Tax Manager while logged into Dynamics as a user with 'create' privileges on your Dynamics server (such as 'sa').

The first time that the application is run it must create tables and stored procedures on your Dynamics server, and therefore will require super-user permissions. To learn how to launch the Local Tax Manager, please refer to the 'Running the Local Tax Manager' section below.

How to Launch the Local Tax Manager

Once the Local Tax Manager is installed, you can access it from within Dynamics GP by navigating to Maintenance > U.S. Payroll Updates > Local Tax Manager.

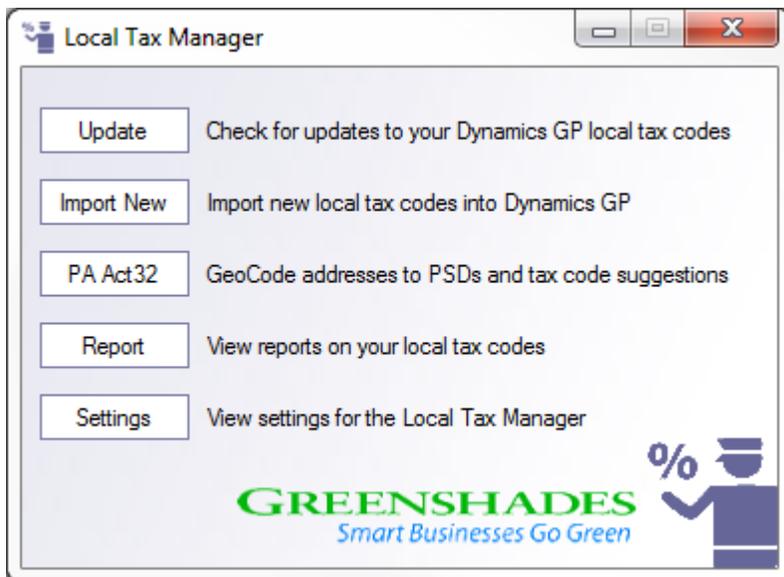


Once you have successfully logged into your Dynamics GP server and run the Local Tax Manager, the main screen of the Local Tax Manager will appear. From here you can access all of the functionality provided by the Local Tax Manager.

Product Overview

The home screen for the Greenshades Local Tax Manager is shown below. You can access each of the main areas of functionality from this screen:

- Updating existing local tax codes with new tax rates, amounts, tables, etc. provided by the local taxing agencies
- Importing new local tax codes into your Dynamics GP system that may then be associated with your employees
- GeoCoding and storing correct employee Political SubDivision (PSD) codes within Dynamics and then recommending tax codes based on residence and work location PSDs (for employers wishing to meet the requirements of Pennsylvania's Act32)
- Viewing reports on how local tax codes are currently configured within your Dynamics GP system



Each of these areas of functionality is described detail in the following sections of this guide.

Updating Existent Local Tax Codes

To access the update wizard, click the “Update” button from the home screen of the Local Tax Manager. The main purpose of this wizard is to update the local tax codes that currently reside within Dynamics GP with the latest tax rates, amounts, tables, etc. that have been provided by the local taxing agencies.

Before the Local Tax Manager can check for updates to your Dynamics GP local codes, it must first recognize your local tax codes. The first page in the update wizard is a mapping screen that allows you to map each of your local tax codes to a Greenshades local tax code. This allows Greenshades to identify your local tax codes so that we may later check for updates.

Local Code	Description
PCMIG	Mifflinburg/W.Buffalo Comb Res
PCMIICO	Mifflin County/Brown Comb Res
PCMIILL	Millville/Pine Comb Res
PCMIINB	Mifflinburg/Lewis Comb Res
PCMILCO	Mifflin County/Bratton Comb Res
PCMILE	Minersville/Reilly Comb Res
PCMILER	Millersburg/Upr Paxton Comb Res
PCMILET	Middletown/Royalton Comb Res
PCMILIN	Mifflinburg/Hartley Comb Res
PCMILLE	Millersburg/Mllrsbrg Comb Res
PCMILLV	Millville/Greenwood Comb Res
PCMIIT2	Milton/White Deer Comb Res

State: ALL

Tax Type: Municipal Nonresident EIT

Filter by Name: _____

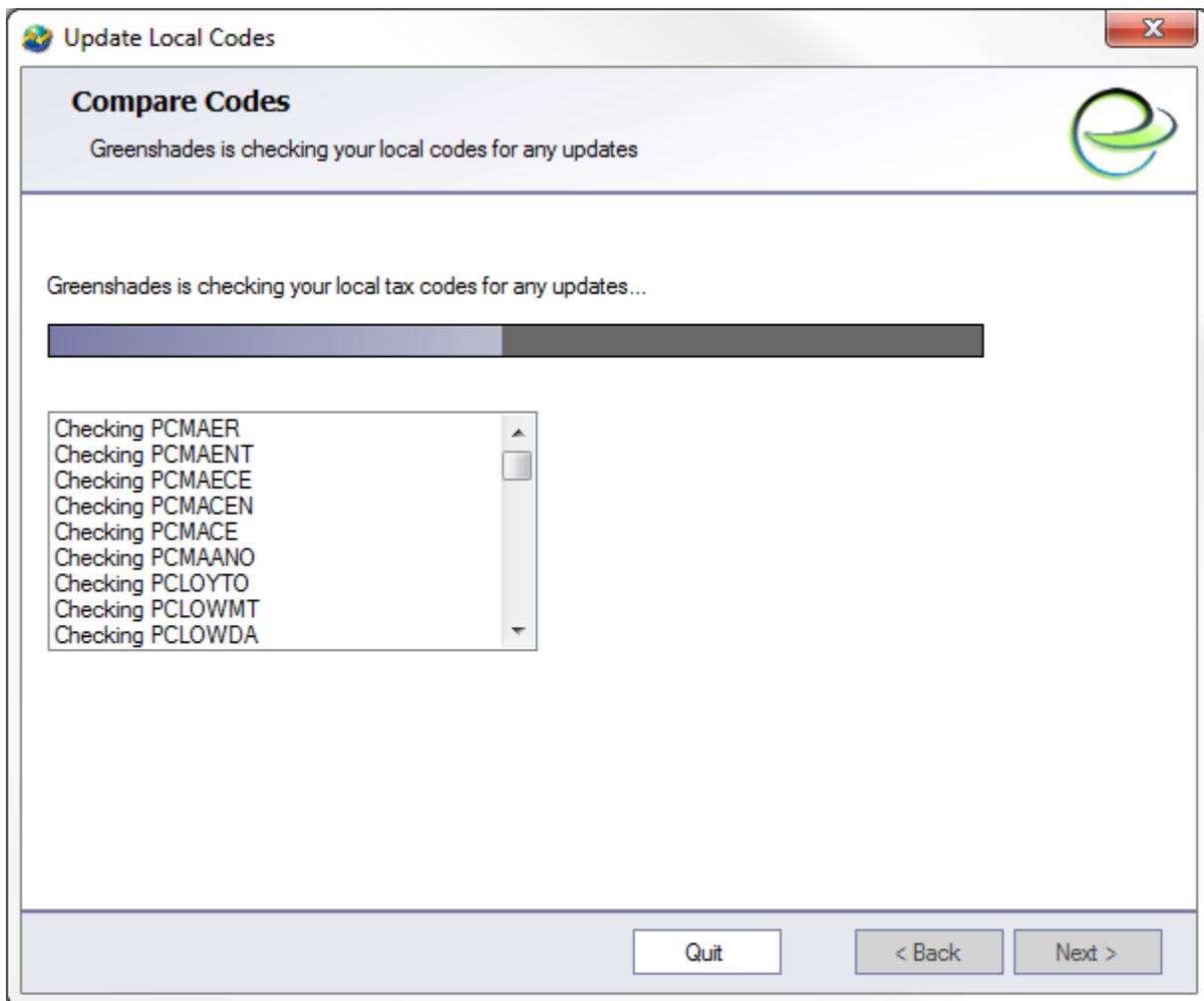
- Greene (Erie County) NR EIT
- Greene (Franklin County) NR EIT
- Greene (Greene County) NR EIT
- Greene (Mercer County) NR EIT
- Greenfield (Erie County) NR EIT
- Greenfield (Lckwnna County) NR EIT
- Greensburg City (Westmoreland County) NR EIT**
- Greenville (Mercer County) NR EIT
- Greenville (Somerset County) NR EIT
- Greenwich (Berks County) NR EIT
- Greenwood (Clrflid County) NR EIT
- Greenwood (Crawford County) NR EIT

Buttons: Save, Quit, < Back, Next >

Along the left side of the ‘Update Codes’ screen is a listing of each local tax code that has currently been set up within Dynamics GP. The icon next to the Local Code is either an open chain (indicating it has not yet been mapped to a Greenshades local tax) or a closed chain (denoting it has been mapped to a Greenshades local tax). Greenshades will only be able to find updates for Dynamics local tax codes that have been mapped to one of our localities.

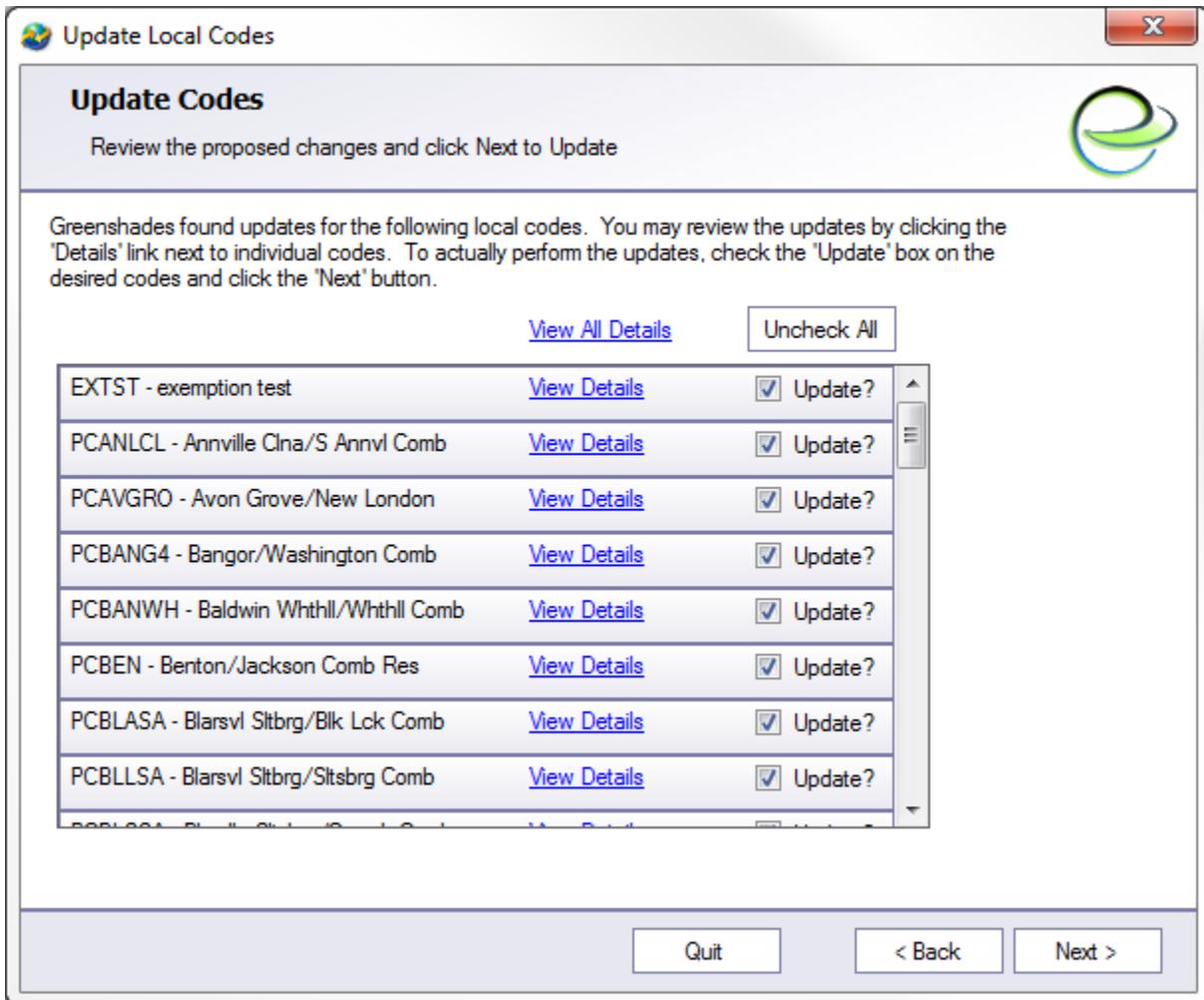
To map a local code, simply select it from the 'Dynamics GP Local Codes' list and then choose a Greenshades local tax name from the box on the right side. You can filter the choices listed by selecting a state and tax type from the dropdown boxes at the top of the screen. You can also type the first few letters of the locality name into the 'Filter by Name' box to have it automatically filter the available localities. Once you have found the Greenshades locality that should be associated with your local code, click the 'Save' button.

Once you map a Dynamics local code to a Greenshades locality, it will be saved for all future sessions. When you have mapped all of the local codes that should be checked for updates, click 'Next' and Greenshades will automatically begin the process of checking for tax code updates:

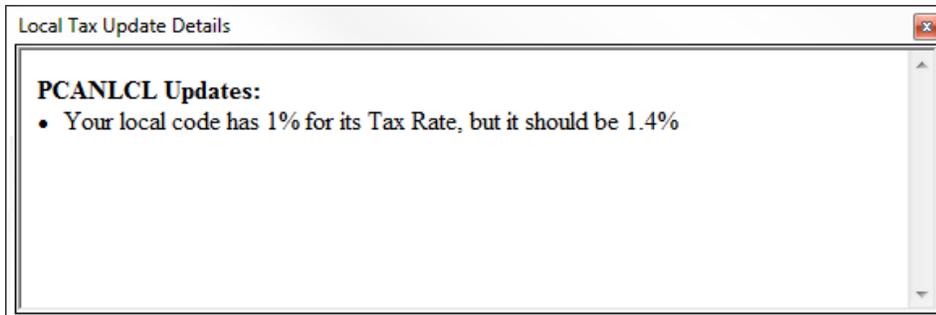


The 'Compare Codes' screen will show a progress bar as each of your mapped local codes are checked for updates. As a code is checked, it will be listed in the box below the progress bar. Once each of your codes is checked, click 'Next' to view the results.

The “Update Codes” screen (shown below) will display any local codes that were out of date from the information provided by the local taxing agency. The Local Tax Manager will now give you a chance to review all changes and choose which local codes it may update.



To review a proposed update, simply click the ‘View Details’ link to see a complete description of the discrepancies between your current tax code and the information provided by the locality:



You may choose which tax codes to update by toggling the 'Update?' checkbox on this screen. By default, all updates are checked. If you wish to disallow an update to a specific local code, simply uncheck the box. Once you have finished reviewing the proposed changes, click 'Next' to allow the Local Tax Manager to update your Dynamics GP system.

Each of the selected local taxes will be updated directly within Dynamic GP's database. The update process itself should only take a few seconds. Once the update process has finished, you will see a success message at the bottom of the window and you can click 'Finish' to exit the wizard.

Greenshades has made every attempt to ensure the accuracy of our information, but it is your responsibility to ensure that the local tax information provided by this application is accurate and applicable to your corporation. Greenshades will not be liable for any penalties or adverse consequences resulting from updating your accounting system with these changes.

Importing New Local Tax Codes

From the main screen of the Local Tax Manager, click the 'Import New' button to enter the 'Add New Local Codes' wizard.

Add New Local Codes

Add Local Codes

Select all of the localities you wish to add to Dynamics GP

Please check the box next to each of the Greenshades localities that you wish to add. Localities that have already been added (or that have been mapped to existant local codes) will not be displayed.

State: ALL

Tax Type: [Dropdown]

Filter by Name: [Text Box]

Venango (Erie County) NR EIT

Venango Boro (Crawfrd County) NR EIT

Venango Township (Crawford County) NR EIT

Verailles School Tax 45633

Vermilion City Tax

Vermilion Lsd 46821

Vermillion County Total EIT Tax

Vermillion County Non-Res Tax

Vemon (Crawford County) NR EIT

Vemon Township (Crawford County) MLS BW

Vemon Township (Crawford County) MLS MN

Vemon Township (Crawford County) MLS SM

Vemon Township (Crawford County) MLS WK

Verona Boro (Allegheny County) MLS BW

Check All

Only codes that are checked and visible will be added.

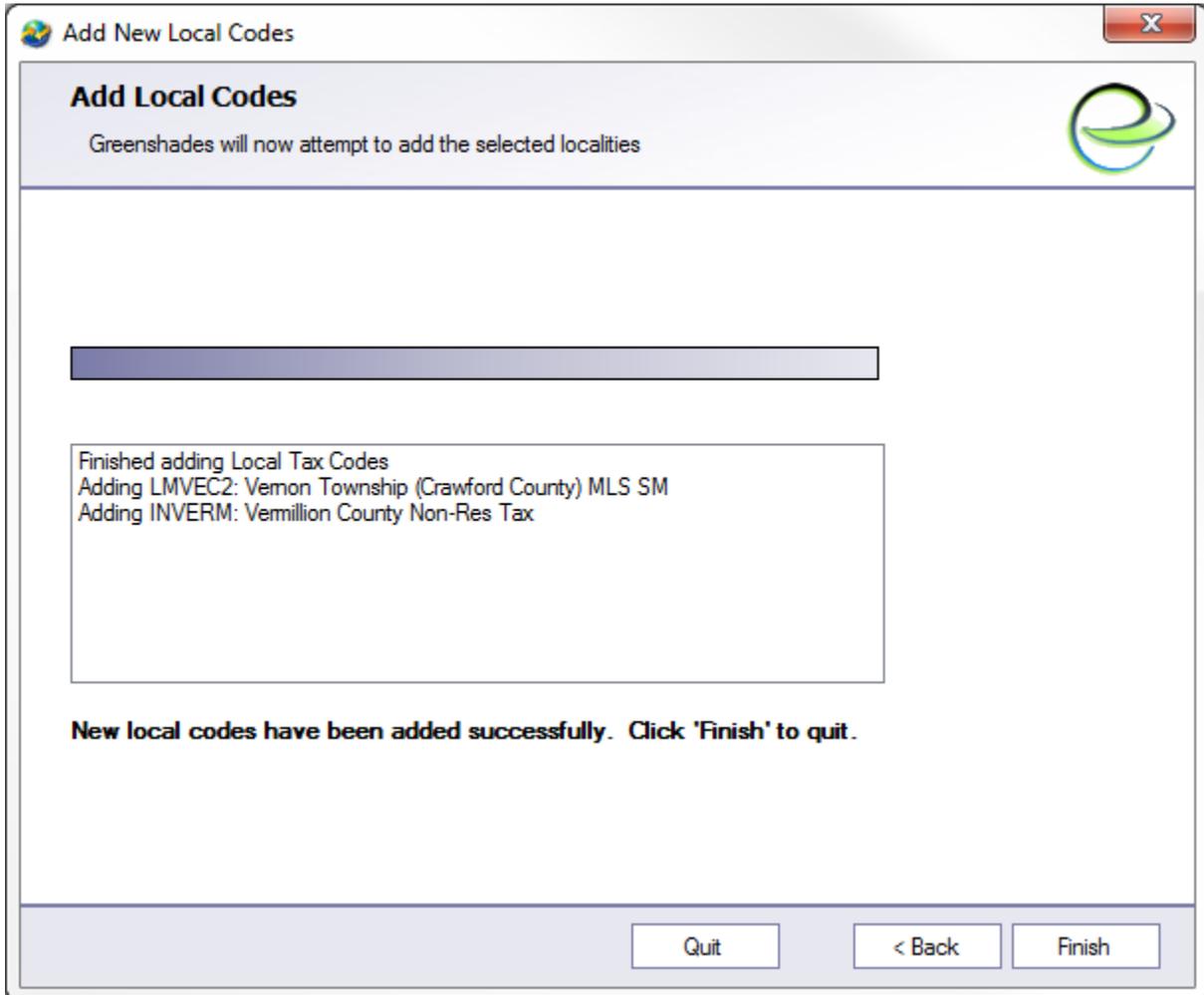
Quit < Back Next >

In the 'Add Local Codes' screen, you can view descriptions of all local agencies that levy withholding taxes. You can filter the choices listed by selecting a state and tax type from the dropdown boxes at the top of the screen. Additionally, you can type the first few letters of the locality name into the 'Filter by Name' box to have it automatically filter the available localities.

Some taxes are specific to the payment frequency that you use at your company. For instance, a single tax may have weekly, biweekly, semi-monthly, and monthly variants. This is especially prevalent with Pennsylvania LST codes. You can identify these codes by the 'WK', 'BW', 'SM', or 'MN' suffixes on those lines.

More information about Greenshades tax descriptions and suffixes is provided in the "Greenshades Format and Abbreviations" section of this user guide and may be useful when attempting to find a specific local tax to add to Dynamics, especially when adding Pennsylvania tax codes.

Once you have located one or more localities that you wish to add to Dynamics GP, check the box next to its description. When you click 'Next', the Local Tax Manager will begin the process of adding all localities that are visible on-screen (i.e. have not been filtered out) and are checked. Both the Local Tax ID as well as the description of each tax being added will be displayed under the progress bar.



Once your taxes have been added, click 'Finish' to close the wizard. You can now use Dynamics GP to associate employees with the newly added tax codes.

Pennsylvania Act 32 PSD Codes and Local Tax Codes

Most employers who operate within Pennsylvania are subject to the Pennsylvania Act 32 of 2008 (often referred to simply as “Act 32”). Act 32 became effective January 1st, 2012 and requires employers to track the Political SubDivision (PSD) for each of their work locations as well as the PSD for each of their employee’s home addresses. Furthermore, employers are required to compare the municipal non-resident Earned Income Tax (EIT) rate levied by the work location PSD to the total municipal plus school district EIT rate levied by the resident PSD and then withhold taxes at whichever rate is higher. The “PA Act32” wizard within the Local Tax Manager is designed to assist employers with these responsibilities.

You should take the following steps before starting the Act32 Wizard:

- Ensure that all of your Pennsylvania work locations and also your company headquarters addresses within Dynamics GP have been configured with valid addresses. The validity of all work location addresses is extremely important to virtually all Act32 calculations and recommendations.
- Ensure that all employees have been appropriately assigned to work locations using the “Location” field of their employee card within Dynamics GP (see the “Act32: Relating Employees to Work Locations” section of this guide for more detail).
- Ensure that you have mapped all existing Pennsylvania EIT local tax codes within Dynamics to a Greenshades tax code using the first screen of the “Update Local Codes” wizard. Greenshades must be able to identify which Pennsylvania EIT local tax codes are already in your Dynamics GP system in order to provide accurate recommendations for PA Act 32 compliance..

Once you have completed the above pre-requisite steps, you are ready to begin the Act32 wizard within the Local Tax Manager. From the main screen of the Local Tax Manager click “PA Act32” to start the Pennsylvania Act 32 Wizard. This wizard has three main purposes:

1. To determine the correct PSD code for your corporate headquarters as well as each of your work locations.
2. To determine the correct PSD code for each of your employees’ residences and, furthermore, to store that residence PSD Code within Dynamics GP so it may later be used for local Pennsylvania tax returns.
3. Using the PSDs determined above, select the correct local EIT tax code that should be used to withhold wages from each employee according to the in compliance with Pennsylvania Act 32. Only Pennsylvania EIT tax code changes are recommended by this wizard.

Company Headquarters PSD

Depending on the version of Local Tax Manager installed, the first screen of the Act32 wizard may give a brief summary of each of the steps that the wizard will be taking. The first functional screen asks the user to choose a PSD for their corporate headquarters:

Company Headquarters PSD
Choose a Political SubDivision for your company headquarters.

In order to properly assess which PA Local Income Withholding Tax Codes should be assigned your employees, you must first indicate the Political SubDivision (PSD) of your company headquarters. If your headquarters is not in Pennsylvania then you may choose a PSD of any of your active worksites.

Company Headquarters

Fabrikam, Inc.
4277 West Oak Parkway
Chicago IL, 60601-4277

Headquarters PSD:
Limerick Township (Montgomery County) (461702)

Quit < Back Next >

Any employees that are not mapped to a specific work location within Dynamics will be considered to work at the headquarters location.

The Political SubDivisions (PSDs) offered as choices on this page will all be listed in the form “Municipality Name (County) (PSD Code)”. This is in accordance with Act 32 regulations which dictate that local agencies levy taxes against work locations based on municipality tax rates. Select the correct PSD for your corporate headquarters and click ‘Next’ to continue.

If your headquarters is not located within Pennsylvania then you will not need to take any action on this page and may continue on to the next page.

Work Location PSDs

On the next page you will be asked to choose a PSD for each of your corporate work locations that are on-file within Dynamics GP:

Work Location PSDs
Choose Political SubDivisions for each of your work locations

You must choose a Political SubDivision for each of your Pennsylvania worksites listed below. If you wish, you may start this process by having Local Tax Manager attempt to GeoCode the appropriate PSD based on your work location address and then provide any remaining PSDs manually.

[GeoCode PSDs for all Listed Work Locations](#)

Work Location: Fabrikam, Inc. (dropdown menu)
Fabrikam, Inc. Warehouse
1152 Commerce Blvd
Dickson City, PA 18519

Work Location PSD:
Dickson City Boro (Lackawanna County) (350501) (dropdown menu)

Quit < Back Next >

We recommend that you allow the Local Tax Manager to GeoCode the correct PSD for each of the work locations within Dynamics. You may perform this GeoCoding by clicking the link at the top of this page. You will see a pop-up and progress bar as the Local Tax Manager looks up each address and attempts to resolve it into a valid Pennsylvania PSD. The GeoCoding service attempts to resolve a Political SubDivision from the given address using an online service provided by the State of Pennsylvania.

If the Local Tax Manager cannot correctly GeoCode an address then we strongly recommend that you view the work location within Dynamics GP and ensure that the address has been entered correctly. The most common cause of a GeoCode failure is an incorrect or incomplete address. A valid street address, city, state, and at least 5-digit zip code are required for accurate GeoCoding. If you return to Local Tax Manager and still fail to GeoCode a work location address then you will need to select the PSD from the drop down list provided as described below.

If you need to supplement the automatic GeoCoding or do not wish to use the work location GeoCoding option then you may manually cycle through each work location using the top drop-down box labeled “Work Location”. Then, for each work location, choose a valid PSD from the drop-down box under your work location’s address. As with the headquarters screen, the PSDs will all be in the form of “Municipality Name (County) (PSD Code)”. If you notice a problem with any of the work location addresses while manually providing the work location PSDs then please immediately return to Dynamics GP to correct the information before continuing.

Employee Home PSDs

The next screen allows you to choose where individual employee PSD codes should be stored and also allows you to GeoCode each of your employees’ home addresses into valid PSD codes.

Pennsylvania Act32 PSD and Local Tax Code Wizard

Employee Home PSDs

GeoCode Employee PSDs based on home addresses

Local Tax Manager must now GeoCode Political SubDivisions for the home addresses of each employee that lives in Pennsylvania. This step is necessary in order to later recommend appropriate local tax codes for these employees. If you wish, the home PSDs can be stored in Dynamics GP.

Choose a Dynamics GP employee field where the 6-digit employee PSD code should be stored:

Fax

Only GeoCode Employees that don't currently have a value for Fax

GeoCode Employee PSDs

Quit < Back Next >

The PSD code for an employee’s residence is usually referred to as their “Home PSD Code”, “Residence Location PSD” or “Employee PSD Code” and is required in many Pennsylvania local tax returns. Since Dynamics GP does not contain any fields specifically reserved for PSD code, the

Local Tax Manager provides the option to save the Home PSD Code in a handful of rarely-used employee fields within Dynamics such as Employee Fax and User Defined 2. The Greenshades Filing Center (a separate piece of Greenshades Software that creates tax returns including local PA tax returns) will be able to retrieve the employee home PSD from any of these locations.

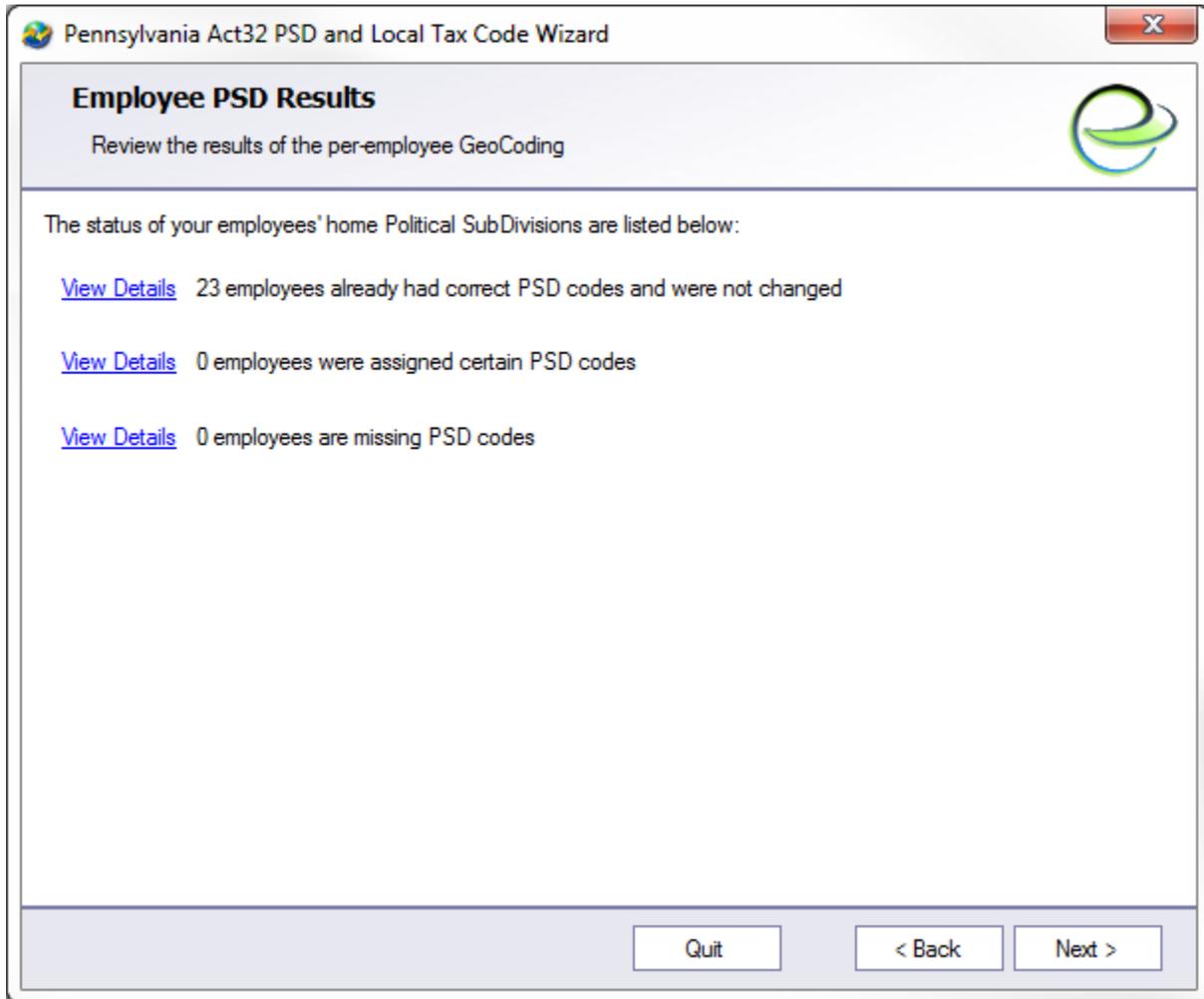
Once you have decided where the employee PSD code should reside, you may instruct the Local Tax Manager to GeoCode each employee's address into a PSD code for storage using the button on this screen. The GeoCode process itself is powered by the state of Pennsylvania and the speed depends on the number of active users at any given time. Typical processing speeds range from 5 to 10 seconds per employee. Many large employers may prefer to run this process over lunch or overnight. As was stated above, **please ensure that your corporate headquarters address and all work location addresses are correct and complete before performing employee-level Geocoding.** The Pennsylvania GeoCode process will be looking at both the employee's home address as well as their work location address when determining a home PSD Code for each employee. More information about which work locations are associated with each employee may be found in this guide in the "Act 32: Relating Employees to Work Locations" section below.

The "Only GeoCode Employees that don't currently have a value" checkbox is frequently used by employers who wish for the Local Tax Manager to skip over any records that already have PSD codes in the system and only GeoCode new employees. We recommend you clear this checkbox for your first GeoCode run to ensure the Local Tax Manager processes each employee at least once.

For employers who already have the correct PSD code for each of their employees and wish to import this information in Dynamics GP, select the correct field from the drop-down list above, skip the employee GeoCoding option, and proceed to the next step.

Employee PSD Results

If you did chose to GeoCode your employee home addresses then you will see a result screen upon clicking 'Next'. This result screen contains a line for each type of GeoCode result. Clicking on "View Details" will bring up a report of the exact employees that received the result in question.



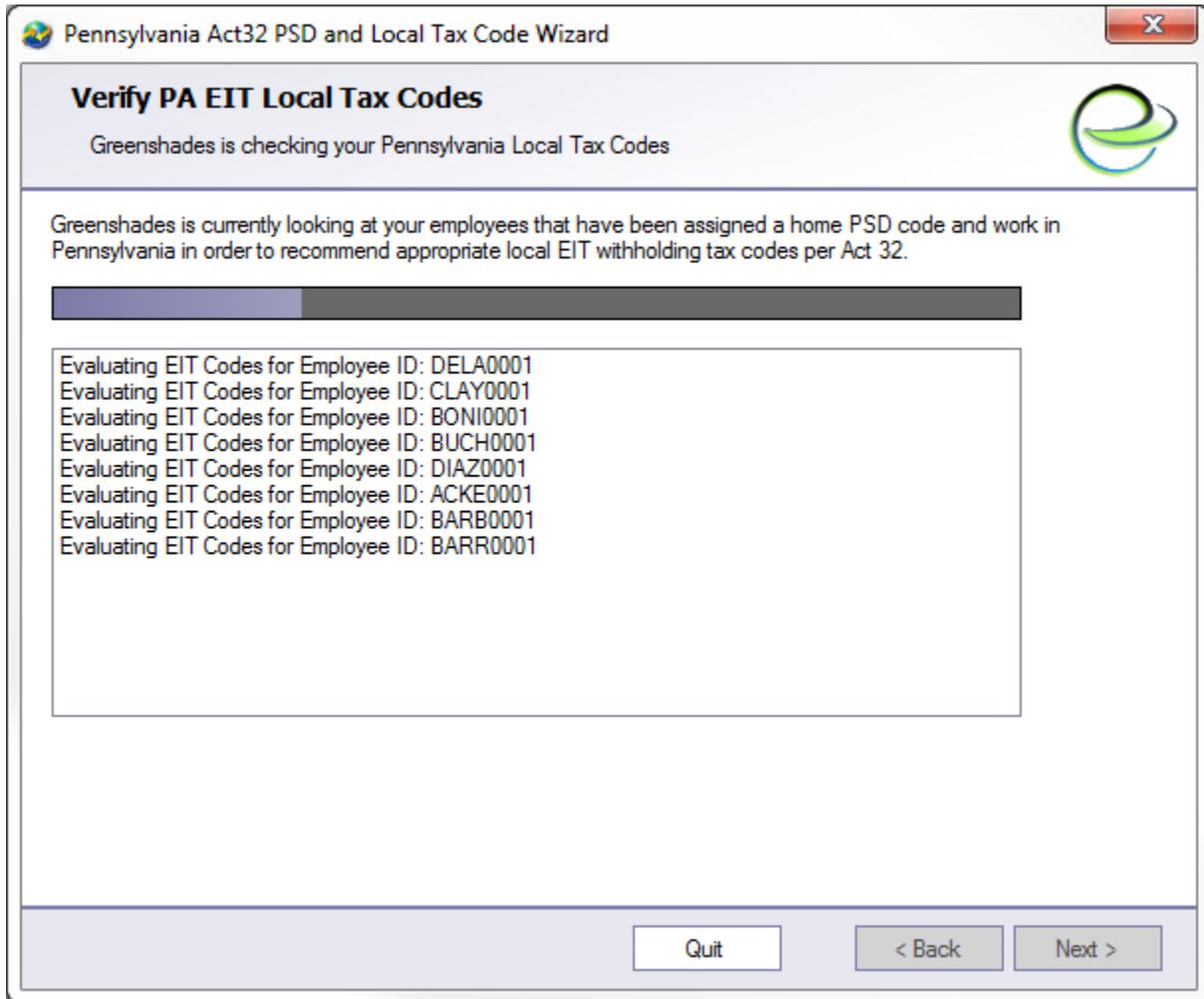
If you have employees categorized as "missing PSD codes" after the GeoCoding completes then it probably indicates an incorrect home address was on file within Dynamics. Please double check the address within Dynamics, correct if possible, and try running the GeoCoder again (you can restart the wizard or just hit 'Back' and check the option to only GeoCode employees who don't currently have a PSD code). If the GeoCoder is still unable to determine a PSD for an individual employee then you will need to manually enter a PSD code within your chosen field in Dynamics in order for the Local Tax Manager to correctly suggest local tax codes on later screens.

There are some rare circumstances where the Pennsylvania GeoCoder does recognize an employee's home address but is unable to determine the proper PSD because the residence falls directly on a county, city, or school district border. In those cases, the GeoCoder may come back

with an “uncertain” or “tentative” result which will be displayed on their own result lines on this screen. The Local Tax Manager will not overwrite existing PSD codes with tentative/uncertain PSDs, but if no current PSD code is on file, then the Local Tax Manager will place a tentative code into Dynamics and alert you on this screen.

Verify PA EIT Local Tax Codes

Now that you have correct PSD Codes assigned to each work location and also each of your employee's home residence, the Local Tax Manager may now begin the important process of recommending correct local tax codes to use for employee withholding. This process will begin automatically on the next screen and generally takes only a few minutes to complete.



During this calculation phase, the Local Tax Manager will be comparing the municipal non-resident tax rate for each employee's work location PSD to the total municipal plus school-district tax rates of their home PSD. Pennsylvania Act32 dictates that employers withhold taxes based on whichever tax rate is higher. The Local Tax Manager will thereby determine the correct local tax code that should be in place for each employee and investigate whether it is currently assigned. Once the calculations finish, click 'Next' to review the Local Tax Manager's recommendations.

As indicated in the introduction, you must have correctly identified each of your Dynamics local tax codes using the Local Tax Manager mapping screen in order to receive correct recommendations from these calculations. If you have not identified one of your local tax codes

to Greenshades then the Local Tax Manager will not realize that it is a Pennsylvania Local EIT tax code and may recommend that you add a code that is already present in your system and assigned to the employee. This would lead to a double-withholding of any impacted employees.

Update Codes

The last step of the Act32 wizard allows you to view local EIT code suggestions and apply them directly to Dynamics GP.

Code	Description	Action
DELA0001	not assigned correct PA EIT	View Details <input checked="" type="checkbox"/> Update?
WEST0001	not assigned correct PA EIT	View Details <input checked="" type="checkbox"/> Update?
DOE00001	not assigned correct PA EIT	View Details <input checked="" type="checkbox"/> Update?
ADAMS0001	not assigned correct PA EIT	View Details <input checked="" type="checkbox"/> Update?
DOE0001	not assigned correct PA EIT	View Details <input checked="" type="checkbox"/> Update?

Each recommendation is listed in its own line. Detailed information about the recommendation may be viewed by clicking the “View Details” link. The Local Tax Manager will automatically apply updates directly to Dynamics GP for each recommendation that has the “Update?” box checked. Please note that these **updates will be applied once you click “Next” on this screen and cannot be undone**. Make sure to review all recommendations carefully before clicking “Next”.

Greenshades has made every attempt to ensure the accuracy of our information, but it is your responsibility to ensure that the local tax information provided by this application is accurate and applicable to your corporation. Greenshades will not be liable for any penalties or adverse consequences resulting from updating your accounting system with these changes.

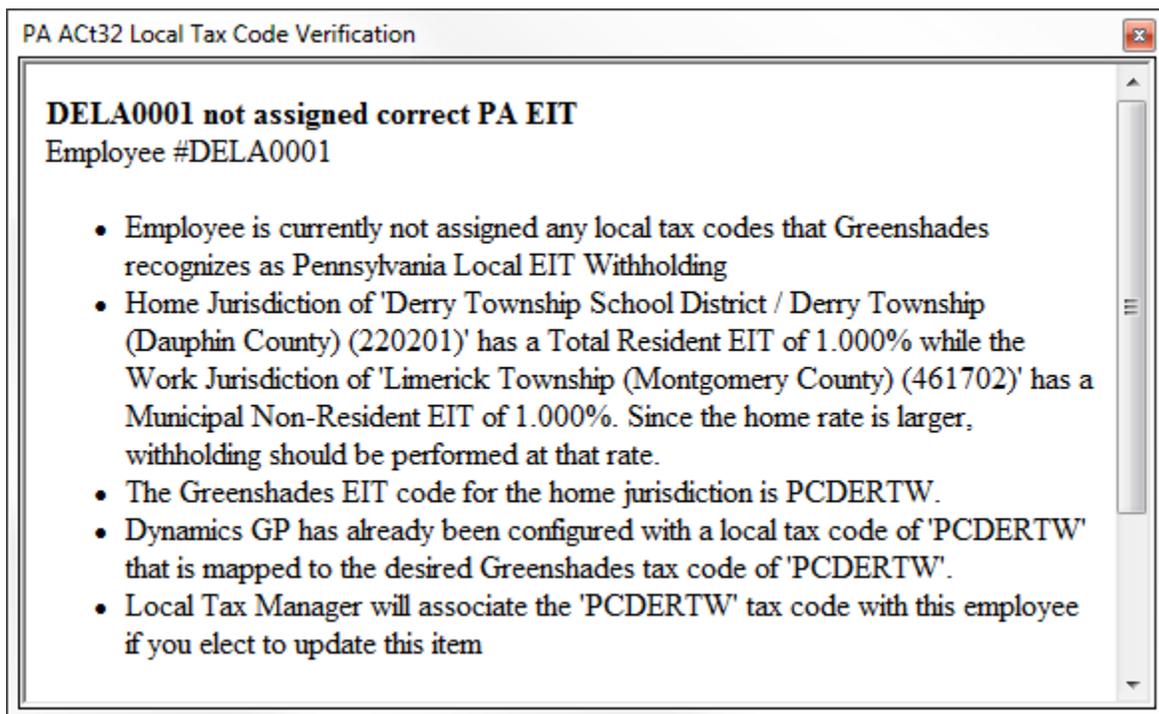
Recommendations for “Employee not assigned correct PA EIT” are made whenever the Local Tax Manager believes that the employee should have a certain EIT withholding code assigned that is

not currently assigned. Updating Dynamics based on these recommendations will result in a new local tax code being added to Dynamics (if not already present), and as well as the local code being added to the employee's payroll record so that it triggers the correct withholding with their next payroll.

Recommendations for "Employee Assigned Incorrect PA EIT" will be given for any employee who is currently having income tax withheld according to a Pennsylvania local tax code that is inappropriate based on their home and work location PSD. Updating Dynamics based on these recommendations will result in a local tax code being removed from the employee's payroll record which will stop it from withholding those taxes from their next payroll.

Employees that have the incorrect PA EIT tax code within their system should receive 2 separate recommendations: a "Employee Assigned Incorrect PA EIT" which, when applied, will remove the wrong local tax code from their payroll record and then also a "Employee Not Assigned Correct PA EIT" which, when applied, will add the correct local tax code to their payroll records.

Each recommendation line comes with a "View Details" link label that will pop up an explanation of the Local Tax Manager's recommendation. Payroll administrators should carefully review and confirm all suggestions before applying changes to Dynamics.



Act 32: Relating Employees to Work Locations

In order to correctly recommend local tax withholding codes for your employees, the Local Tax Manager must review tax rates from the employee's home PSD as well as their work location PSD. As has been described above, the work location PSDs may be either filled in manually or GeoCoded using the first few screens of the Act32 wizard and the employee home PSDs may be filled into Dynamics GP directly or else GeoCoded during the middle screens of the Act32 wizard.

The Local Tax Manager relies on Dynamics GP itself to determine each employee's current work location (i.e. which employee belongs to which work location). This information is stored in the "Location" field of each employee card within Dynamics GP. Any employees who do not have a location configured within their employee card will be considered to work at the company headquarters.

The screenshot shows the Microsoft Dynamics GP interface. The main window is titled "Employee Maintenance" and displays the details for employee "DELA0001". The "Location" field is highlighted with a green circle. The "Address ID" is "PRIMARY" and the address is "678 Fig Ave", "Schiller Park", "IL", "98272", "USA". The "Division" is "MAIN", "Department" is "ACCT", and "Position" is "ATC". The "Location" field is currently set to "WAREHOUSE".

Employee ID	DELA0001	Class ID	ACCT	Inactive	<input type="checkbox"/>
Last Name	Delaney	Address ID	PRIMARY		
First	Aidan	Address	678 Fig Ave		
Middle		City	Schiller Park		
Suffix		State	IL		
Soc Sec Number	000-20-9416	ZIP Code	98272	County	
Seniority Date	0/0/0000	Country	USA		
Hire Date	12/22/2013	Phone 1	(312) 555-0108 Ext. 0000		
Adjusted Hire Date	12/22/2013	Phone 2	(312) 555-0136 Ext. 0000		
Last Day Worked		Phone 3	(000) 000-0000 Ext. 0000		
Date Inactivated	0/0/0000	Division	MAIN		
Reason		Department	ACCT		
Secondary Status		Position	ATC		
SUTA State	IL	Location	WAREHOUSE		
Workers' Comp	ILWCD1	Supervisor			
Employment Type	Full Time Regular				
<input type="checkbox"/> Use Add-On					

Additional Positions | Human Resources | Address | Additional Information

The state of Pennsylvania offers the following guidance about when it is appropriate to change an employee's work location:

- 1. If an employee is working temporarily at a facility for a period of time that encompasses a "reporting quarter", then that work site location and corresponding PSD code would be utilized*
- 2. If an individual works for an employer who has a central business location, but the employee "floats" or is transferred daily, weekly or monthly between other business sites, then the central or main employer business location would be utilized*
- 3. If an employee is hired by an employer and receives work orders or instructions at their residence but physically reports to other business sites on a daily, weekly, or monthly basis, then the employee's home address should be utilized as the work site (as well as resident) location for EIT withholding purposes.*

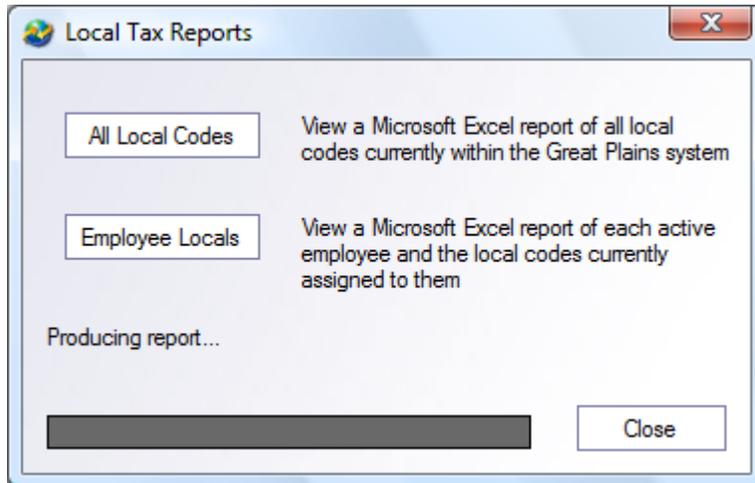
Accordingly, Greenshades recommends that employers update the location field on at least a quarterly basis for each Pennsylvania employee. If the employee has a "floating" worksite or is frequently transferred between worksites then employers may leave the location field blank within Dynamics GP which will result in Local Tax Manager correctly using the Corporate Headquarters PSD as their work place when calculating local tax code suggestions for that employee. If your employees receive work orders at home but then physically report to other business sites, then you must setup a work location for each residence for use with such employees.

Maryland Local Tax Codes

Many accounting packages provide the option to withhold Maryland state tax PLUS the local county tax as a combined withholding. Dynamics is one such system that provides that option. If you are using combined state and local withholding rates for Maryland (or any other state), you should not add the Greenshades Local Tax Code to your employees in addition to the combined rate. Doing so will instruct your accounting package to withholding at the state plus local rate with the state code followed by the local rate a second time with the local code. Alternatively, if you are only withholding state tax with the state tax code then we do recommend using the Greenshades local tax codes to instruct the payroll process to perform the local withholdings.

Reporting on Local Tax Codes

Click the 'Report' button on the main screen to bring up the 'Local Tax Reports' section. Currently, there are two reports available. These reports are generated in Microsoft Excel.



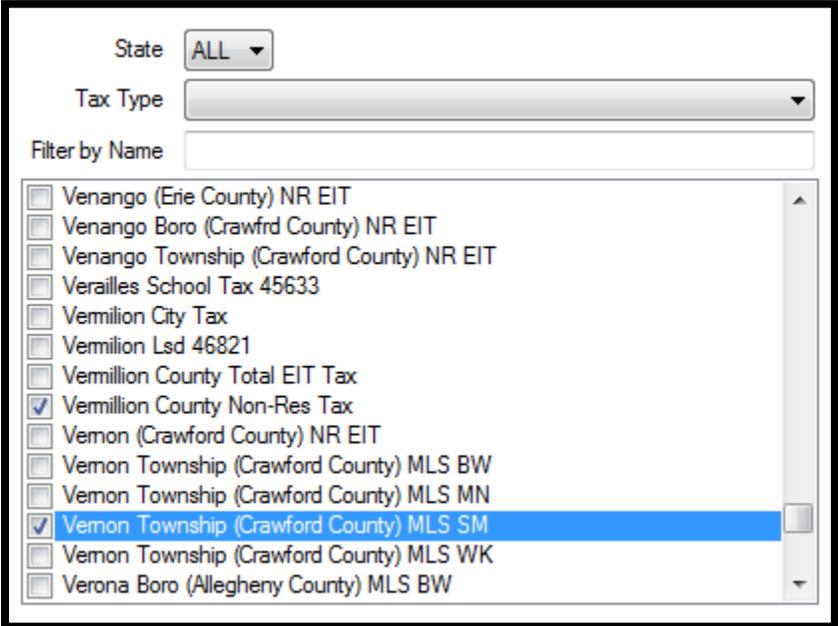
All Local Codes Report The 'All Local Codes' report contains each local code that is currently in your Dynamics GP system along with easy to read information about the tax code itself.

Employee Locals Report This report lists each of the local codes that were assigned to your employee at the time that you most recently ran payroll. It also lists what their tax amounts were at that time.

Simply click the desired report button to produce your report.

Greenshades Formats and Abbreviations

Both the 'Add New Local Code' wizard and the 'Update Local Code' wizard will ask you to find one or more Greenshades localities in order to add them or map them to your current Dynamics GP codes. In order to facilitate you locating the correct locality within our lookup control, we have tried to keep our naming and formatting conventions specific across all localities:



First, all of our local taxes are properly categorized into *City*, *County*, *School District*, or *Other*. The most common use of an 'other' tax is

to represent a tax code that has implicitly combined multiple smaller tax codes. For instance, if there is a specific County Tax and a School District Tax for a school within that county, Greenshades will usually provide three separate local tax codes: a county

tax code for the county tax, a school district tax code for the school district, and an 'other' tax code that represents the cumulative tax levied by both the school district and the county.

Secondly, we have sorted each locality into its state so that you can filter by state whenever looking for a locality. Once the localities have been added to Dynamics, you will no longer have a state designation (because Dynamics does not have the ability to look up a locality by state).

Finally, we have tried to be as detailed as possible when describing a locality. Unfortunately, there is a limit on the amount of character space available for use to describe a locality. Accordingly, we have abbreviated some descriptions, especially those that are a combination of two separate taxes. Often, we have removed vowels from the names of localities (*Westmoreland* becomes *Wstmrlnd*) and used some standard abbreviations (*East* becomes *E.*, *Valley* becomes *Vly*). When you search for a locality, you will find results for everything that matches your query *in addition to* anything that looks like an abbreviation for your query. For instance, the search *cra* will yield both 'Crafton' city as well as the cities in Crawford County, even though Crawford has been abbreviated as *Crwfrd* in the lookup. Borough is often been abbreviated B. and Township as T. when space is a concern. School District has been abbreviated as SD when possible and sometimes the SD has been omitted completely. New York City and Yonkers both have local taxes that are not included in this product because these local taxes are provided with Great Plains as

general payroll taxes. The Greenshades Local Tax Manager will only update local tax codes. Any updates for these taxes must be received from Great Plains.

Pennsylvania Specific Formats and Abbreviations

Pennsylvania has the largest number of local taxes and was the most difficult to describe meaningfully. Accordingly, there are a few extra naming conventions that were employed for Pennsylvania. First, each of the types of Pennsylvania Local Taxes received their own indicators on the descriptions within the Local Tax Manager and thereby the local tax code identifiers when they are added to Dynamics. These are listed below:

Non-Resident Municipality Taxes

The descriptions of these local tax codes in both the Local Tax Manager contain the name of the municipality and then the county name in parentheses and ends with 'NR EIT'. When added to Dynamics GP, the local tax identifier starts with the letters 'PN'. Examples:

Verona Boro (Allegheny County) NR EIT
Vernon Township (Crawford County) NR EIT
Limerick Township (Montgomery County)

Resident Combined/Total School District + Municipality Taxes

When a Pennsylvania local agency levies tax based on an employee's home address they do so based on the combined (aka total) tax rate of the School District and the Municipality together. This "Total EIT" has been the standard for local residence taxation since 2012 (individual resident school district and resident municipality taxes are no longer tracked separately by Pennsylvania or Greenshades). The description in the lookup control, as well as the description when added to Dynamics GP, contains first the school district, a slash ("/") and then the municipality that are being combined. Many descriptions will also contain the name of the county in parentheses after the local tax. The description ends with 'Comb Res'. When added to Dynamics GP, the local tax identifier starts with the letters 'PC.' Examples:

Derry Township School District / Derry Township (Dauphin County) Comb Res
Owen J Roberts School District / North Coventry Township (Chester County) Comb Res
Pottstown School District / Pottstown Township (Chester County) Comb Res

Pennsylvania Local Services Tax

A Local Services Tax may be levied by Pennsylvania municipalities and school districts. The withholding rules for LST depend on the amount of the tax itself. For taxes of \$10 and less, the entire amount of the tax may be withheld from the employee's first paycheck(s). If the amount of the LST exceeds \$10, the amount withheld must be spread evenly throughout the employee's paychecks. This provides a challenge for updating local tax codes in Dynamics, which do not take into account payroll frequency when calculating the withholding. In order to overcome this

obstacle, we have added four variants of each LST: a weekly version (that withholds the bulk amount divided by 52), a bi-weekly version (bulk amount / 26), Semi-Monthly version (bulk amount /24) and a monthly version (bulk amount /12). The description for these codes has been suffixed with a 'WK', 'BW', 'SM', or 'MN' to indicate their frequency. Please add the appropriate code to your employees based on their payment frequency. Note that these variants are only necessary (and available) when the LST amount is over \$10. For lower-amount taxes, there is only a single LST code available that may be associated with all of your employees.

Pennsylvania Municipal Local Services Tax

Municipal Local Services Tax codes will have 'MLS' in their description and will have a code that starts with LM once added to Dynamics. The first part of the description will be the municipality that is levying the LST and the county will appear in parentheses. For example, 'Pottstown B. (Montgomery) MLS WK' is the LST levied by the Pottstown Borough Municipality of Montgomery County with a rate that is appropriate for a weekly payroll.

Greenshades strongly recommends employers to use the Combined Local Services Tax codes to allow for simplified W-2 reporting and updating. The Municipal Local Services Tax rates may be discontinued in the future.

Pennsylvania School District Local Services Tax

School District Local Services Tax codes will have 'SLS' in their description and will have a code that starts with LS once added to Dynamics. The description will be the school district that is levying the LST. For example, 'Spring Ford Area SD SLS' is the LST levied by the Springford Area School District. Since there is no frequency suffix of this code (WK, BW, MN, or SM), this code may be added to all of your employees, regardless of pay frequency.

Greenshades strongly recommends employers to use the Combined Local Services Tax codes to allow for simplified W-2 reporting and updating. The School District Local Services Tax rates may be discontinued in the future.

Pennsylvania Combined Local Services Tax

For your convenience, many Municipal and School District LST taxes have been combined into a single code. These are optional codes. Some clients may choose to use a single combined code while others will prefer to have them broken down into their separate components and use two codes. The majority, but not all, municipal/school district codes that can be combined are present within the Local Tax Manager. Combined Local Services Tax codes will have 'CLS' in their description and will have a code that starts with LC once added to Dynamics. The description will have the school district and municipality separated by a forward slash. For example, 'Abington SD/Abington Twp CLS BW' is the combined LST levied by Abington School District and Abington Township that may be associated with employees that are paid Bi-Weekly.

Pennsylvania Municipal Emergency and Municipal Services Taxes

The EMST taxes were renamed and restructured significantly by Pennsylvania effective January 1st, 2008. Because of the significance of the change, these codes are no longer valid for use within Dynamics GP. These now obsolete codes had 'EMST' in the description and the local tax code in Dynamics started with PM (Municipal EMST), PO (School District EMST), and PE (Combined EMST). Older clients who have EMST taxes should remove them from Dynamics so they do not take effect. The EMST has been replaced with the Local Service Tax, or LST. The Local Tax Manager does provide LST codes (see above).

Special Considerations

LST Low-Income Exemption

Many PA municipalities and school districts have a low-income exemption amount that determines when LST (Local Services Tax) will be withheld from an employee. In most cases we've edited the local tax codes within the Local Tax Manager to reflect the low-income amount if a certain payment threshold must be met prior to withholding the tax.

However, there are a couple municipalities and school districts where the Local Tax Manager could not reflect the requirements based on limitations within Dynamics GP. Examples of LST special considerations are employee's age and hours worked.

Any local code that falls under the special considerations for employee's age when added to Dynamics GP will start with the letters 'XX'. If you notice any of your local codes begin with 'XX' then you must not withhold LST from the employee if they are under 18.

Any local code that falls under the special considerations for employee's hours worked when added to Dynamics GP will start with the letters 'YY'. If you notice any of your local codes begin with 'YY' then you must not withhold LST from the employee unless they work more than 10 hours a week.

Frequently Asked Questions

How can I get live support?

Simple! Call us at (888) 255-3815 ext. 700 or by email us at support@greenshades.com.

I am not familiar with Greenshades, may I schedule a walkthrough?

Yes, Greenshades technical support has limited walkthrough appointments available. Walkthroughs, referred to as OnRamp sessions, are available twice daily except the week prior to any major filing deadline. OnRamp time slots are 11:00am and 3:00pm, Eastern times. To schedule an OnRamp session, please contact Greenshades Support via email at support@greenshades.com or by calling 888-255-3815 extension 700.

Does Greenshades offer any additional guides?

Absolutely! Please visit the Greenshades Center Help section of our website for the latest guides available. New guides will be offered as we expand this section, so check back often. You can visit our Greenshades Center Help by clicking the following link: <http://www.greenshades.com/support/gschelp2.aspx> or by visiting <http://www.greenshades.com> and then clicking on Downloads from the menu, then Greenshades User Guides and Videos.

Client feedback:

Was this guide helpful to you? We would love to hear your feedback. Was there something else that you feel should have been included? We will do our best to accommodate you! Did this guide make your task easier? Make our day and let us know! Please send all feedback to support@greenshades.com.