

# Greenshades Software

## Managing FFCRA



[www.greenshades.com](http://www.greenshades.com)

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# 1 How can Greenshades help with offering paid sick leave and FMLA to covered employees?

## 1.1 Best practices for setting up PTO codes in GP, for Greenshades Time Off codes to link to

The Families First Coronavirus Response Act, passed in March 2020, is making paid sick leave available to eligible employees on April 1 2020. The FFCRA has 2 main components to it:

1. Up to 80 hours of paid sick leave, at 100% wages or 2/3 wages for qualified reasons
2. Up to 12 weeks of Family Medical Leave (first 2 weeks UNPAID, followed by 10 weeks of PAID leave), for qualified reasons

More information on the FFCRA, including employee eligibility and maximum payouts can be found on the [Greenshades website](#).

General best practice is to track this paid sick leave and FMLA as closely and meticulously as possible, for auditing and reporting purposes. Ideally, you should create new, dedicated codes for tracking this special paid sick leave, with a minimum of:

- a. 2 new codes (1 for COVID Quarantine time off, paid out 100% of wages with applicable maximums, and 1 for COVID Caregiver time off, paid at 2/3 of wages with applicable maximums in place).
- b. An additional unique code for Paid Family Leave is also recommended for tracking the Paid Family Leave portion of the FFCRA.

New Time Off / PTO codes created in Dynamics GP can be linked to Greenshades Online for Time Off tracking and submissions by employees.

Please keep in mind: In addition to new PTO codes ideally created in GP, it is also a best practice to create new Pay Codes specifically used for this sick leave and FMLA payout, to ensure this can be easily tracked and reported on for tax credits and audit purposes at a later date. Similar to Time Codes, it is a best practice to have at least one Pay Code for Caregiver payout, one Pay Code for Quarantine payout, and one Pay Code for FMLA payout. For ease of use and to cut down on potential edits, consider create 6 total Pay Codes:

- 1 for Salary Quarantine payout (paid out at 100% of employee standard pay rate)
- 1 for Hourly Quarantine payout (paid out at 100% of employee standard pay rate)

- 1 for Salary Caregiver payout (paid out at 2/3 of employee standard pay rate)
- 1 for Hourly Caregiver payout (paid out at 2/3 of employee standard pay rate)
- 1 for Salary Paid FMLA payout (paid out at 2/3 of employee standard pay rate)
- 1 for Hourly Paid FMLA payout (paid out at 2/3 of employee standard pay rate)

**An example Pay Code has been included below**

Additional discussions on this topic, including mass updates to pay rates on GP Pay Codes, can be found on the [GPUG forum thread](#), the [GP community thread](#), and the [official blog on this topic from Dynamics GP](#). Please note however, higher wage earning employees may need their pay rate maximum monitored carefully, in accordance with the [maximum payout rules](#) associated with COVID-19 National Paid Sick Leave and Public Health Emergency Leave.

Regarding 'Subject To Taxes' setup on Pay Codes, please note in most cases the employee will be taxed so we want to make sure on the pay code it is subject to tax. [Per the IRS FAQ on tax credits](#) however, Employer portion of Social Security tax should NOT be withheld. In Dynamics GP there is not an option to tax employee and employer separately for FICA, and there are no plans to change it at this time. Dynamics GP does track these values separately in the following tables. In the UPR30100 check history table, these values are stored by check date employee detail and in the UPR30200 these values are stored in summary by audit trail code. The UPR30200 table can be seen by going to Tools | Utilities | Payroll | Edit Liabilities. In the screenshot below, the Medicare tax is being highlighted, but Social Security is also listed in this window/table. More information on this topic can be found in the [GP blog](#).

## Managing FFCRA

**Pay Code Setup**

Save Clear Delete Go To File Print Tools Help Add Note

Pay Code: SLCOCA ☐ Inactive

Description: Salary COVID19 Caregiver

Pay Type: Sick

Based on Pay Code: SALARY

Pay Factor: 0.00

Pay Rate: \$0.00

Unit of Pay: Annually

Pay Period: Biweekly

Pay per Period: \$0.00

☐ Data Entry Default

Shift Code:

Maximum per Period: \$0.00

Advance Amount: \$0.00

Subject To Taxes

☒ Federal ☒ Local

☒ FICA Soc Sec ☒ FUTA

☒ FICA Medicare ☒ SUTA

☒ State

Flat Tax Rates

Federal:

State:

Accrue

☐ Vacation

☒ Sick Time

☐ Report As Wages

W-2 Box: 0

W-2 Label:

by Code

**Payroll Edit Federal Tax Liabilities**

File Edit Tools Help Debug sa Fabrikam, Inc. 4/12/2027

Year: 2027

Check Date	Audit Trail Code	Federal Tax W/H	FICA Soc Sec Tax W/H	FICA Med Tax W/H
Advance EIC	EFIC Soc Sec W/H	EFIC Med W/H	Uncollected FICA SS Tax	Uncollected FICA Med Tax
9/1/2027	UPRCC00000047	\$2,368.11	\$1,789.94	\$418.65
\$0.00	\$1,789.93	\$418.61	\$0.00	\$0.00
10/1/2027	UPRCC00000048	\$2,281.76	\$1,748.97	\$409.03
\$0.00	\$1,748.96	\$409.03	\$0.00	\$0.00
11/1/2027	UPRCC00000049	\$2,301.76	\$1,755.79	\$410.60
\$0.00	\$1,755.79	\$410.63	\$0.00	\$0.00
12/1/2027	UPRCC00000050	\$2,122.77	\$1,638.36	\$383.16
\$0.00	\$1,638.36	\$383.16	\$0.00	\$0.00
0/0/0000		\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

### 1.1.1 If using standard GP Payroll:

Dynamics GP Payroll module, when not using PTO Manager or GP HR Time and Attendance, is limited to 2 base time off codes: Vacation, and Sick. Because of this, it is recommended to configure Time Codes through GP HR to link to Greenshades Online for sick leave management.

### 1.1.2 If using PTO Manager in Dynamics GP:

PTO Manager is available for Dynamics GP Payroll and allows flexibility for creating unique and custom codes for tracking and managing paid sick leave. PTO codes created in GP will sync to Greenshades Online for Time Off management. Best practice is to create at least 3 total codes:

1. PTO for Quarantine Time Off
2. PTO for Caregiver Time Off
3. PTO for Paid FMLA Time Off

Additional information on PTO Manager can be found on at [Microsoft Dynamics GP Paid Time Off Manager](#)

The screenshot displays the 'PTO Setup - TWO (sa)' window. At the top, there's a toolbar with icons for Save, Clear, Delete, File, Print, Tools, Help, and Add Note. Below this, the 'PTO Code' is set to 'COVID\_FULL' and 'Description' is 'COVID Full Payout'. There are checkboxes for 'Inactive' and 'Waiting Period'. The 'Vacation' section includes 'Schedule 1' and 'Schedule 2' with input fields and a 'Waiting Period' section with 'Recurring' and 'Based on Anniversary Date' options. The 'Carry Over Maximum' section has 'Calculate on Anniversary Date' and 'Allow Carry Over' options, with a 'Maximum Hours' field set to 0.00. The 'Anytime Maximum' section has 'Fixed' and 'Variable' options, with 'Fixed' selected and 'Maximum Hours' set to 0.00. The 'Sick' section follows a similar layout, with 'Maximum Hours' set to 80.00. At the bottom, there's a navigation bar with 'by Code' and a dropdown menu.

### 1.1.3 If using Time and Attendance module within Dynamics GP:

Creating unique Time Codes for tracking leaving within GP Time and Attendance, is an additional method for tracking employee sick time related to COVID. A screenshot of an example Time Code can be found below, and additional information on configuring GP Time and Attendance in Dynamics GP Human Resources can be found in the Human Resources GP user guide (chapter 4) available for download at [Human resources and payroll guides](#)

Similar to the PTO Manager setup mentioned above, the best practice is to create at least 3 total codes:

1. Time Code for Quarantine Time Off
2. Time Code for Caregiver Time Off
3. Time Code for Paid FMLA Time Off

The screenshot shows the 'Time Code Setup' window. At the top, there is a toolbar with icons for Save, Clear, Delete, File, Tools, Help, and Add Note. Below the toolbar, the 'Time Code' field is set to 'COVIDQ' and the 'Description' field is set to 'COVID-19 Quarantine'. The 'Time Type' is set to 'Benefit' and the 'Accrual Period' is set to 'Weekly'. There is a checkbox for 'Inactive' which is unchecked. Below these fields, there is a checkbox for 'Warn When Available Time Falls Below Zero' which is unchecked. At the bottom, there is a 'Last Change' field showing the date '3/20/2020'.

## 1.2 Setting up Time Off Codes on Greenshades Online

Once new Sick Leave codes have been configured in Dynamics GP, in order for these new codes to be configurable on Greenshades Online, you must first run a 'sync' to ensure the new codes are available for mapping on Greenshades Online, such as shown in the example above.

**Workspace Settings**

**Time Off Policies**

The settings below will control what employees can access on the time off requests screen.

Default Policy | Request Types | Policy | Advanced Settings

Time Off Code friendly names can impact time off requests and approvals. Use the edit link to make changes to ensure time off requests are tracked correctly.

Time Off Code	Friendly Name	Is Requestable?	Is Trackable?
<a href="#">Edit</a> COVID_FULL	COVID Full Payout	Requestable	Not Trackable
<a href="#">Edit</a> COVID_PART	COVID Partial Payout	Requestable	Not Trackable
<a href="#">Edit</a> PTO_C1	PTO 1	Requestable	Trackable
<a href="#">Edit</a> PTO_C2		Not Requestable	Trackable
<a href="#">Edit</a> PTO_C3		Not Requestable	Not Trackable
<a href="#">Edit</a> PTO_EDU	PTO EDU	Requestable	Trackable
<a href="#">Edit</a> PTO_FAM		Not Requestable	Trackable
<a href="#">Edit</a> PTO_FML		Not Requestable	Trackable
<a href="#">Edit</a> PTO_FIR	Personal	Requestable	Trackable
<a href="#">Edit</a> PTO_SICK	Sick	Requestable	Trackable

After identifying the new Time Off code that should be configured for employee Time Off access, select 'Edit' and choose from the configurable options shown below. Selecting 'Requestable' will ensure your employees have access to select this Time Off type on GreenEmployee when submitting a time off request. 'Trackable' will determine whether a current leave balance will be displayed for this employee to see on GreenEmployee. Depending on the nature of code management an employer chooses to utilize within Dynamics GP, an employer may choose to have a maximum balance configured (such as 80 hours) to be displayed to the employee on GreenEmployee. In this event, if you believe the balance within Dynamics GP is accurate, selecting 'Trackable' may be the correct setup for your business. However, due the complexity involved in determining the number of sick leave hours an employee may be eligible for, especially for hourly employees, many employers may choose to manually manage these sick leave hours as Time Off requests are generated, on a per-employee basis. Keeping 'Trackable' unchecked will best support this structure and will ALLOW employees to submit a Time Off request against this Time Off code type on GreenEmployee, however an available balance will NOT be shown to the employee. An example of this configuration can be found in the [Employees requesting Time Off through GreenEmployee](#) selection below. Please note, if using Greenshades Timesheets module, please see [If using Greenshades Timesheets module](#) before communicating availability of Time Off codes to your employees.

**Workspace Settings**

**Time Off Policies**

Each time off code has specific settings to control what employees can access on the time off module. In order for time off to map to pay codes correctly, the time off description must match the pay code description.

Time Off Code: COVID-FULL  
 Description: COVID Full Payout  
 Friendly Name: COVID Full Payout  
 Requestable: ☒ (highlighted with a red box)  
 Trackable: ☐  
 Combine balances: ☐

## 1.3 Employees requesting Time Off through GreenEmployee

When employees are viewing and submitting their time off request through Greenshades, it is a best practice to encourage your employees to use the comment field (see *figure 1*, below) to provide sufficient reasoning for qualifying for this paid sick leave per the Department of Labor's [guidelines](#) and [temporary rule](#).

In the event that your organization chooses to NOT set your COVID-19 leave codes to be 'Trackable', as described in the section [Setting up Time Off Codes on Greenshades Online](#), employees will still be able to submit a Time Off request for these Time Off code types, however an available Sick Leave balance will NOT be displayed for the employee to see (as shown in *figure 2*, below).

**Time Off**

**Instructions**

Please contact HR if you have any questions about your balances or the PTO Policy.

**Current Balances**

Type	Current Balance	Upcoming Usage	Available Balance	YTD Accrued	YTD Used
PTO Balance	216.50	0.00	216.50	40.00	8.00

**Time-Off Requests** [+ New Request](#)

☐ Show Comments

Type	Hours
View PTO Balance	8
View PTO Balance	8
View PTO Balance	4
View PTO Balance	4
View PTO Balance	2
View PTO Balance	2
View PTO Balance	4
View PTO Balance	4
View PTO Balance	8
View PTO Balance	8
View PTO Balance	8
View PTO Balance	8

**Request Time Off**

Start Date:   
 Start Time:   
 End Date:   
 Total Time Off: 0 Hours 0 Minutes  
 Time Off Type: **COVID-19 Caregiver Time Off**  
 Your Comments: COVID-19 Caregiver Time Off (highlighted with a red arrow)  
 PTO Balance:

Page 1 of 9 (88 items)           Page size: 10

Figure 1

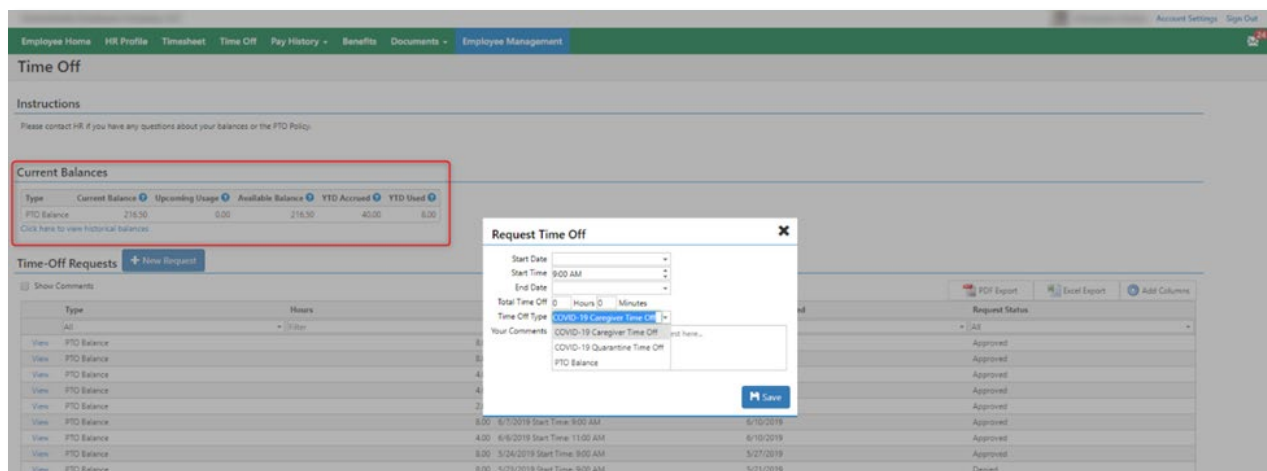


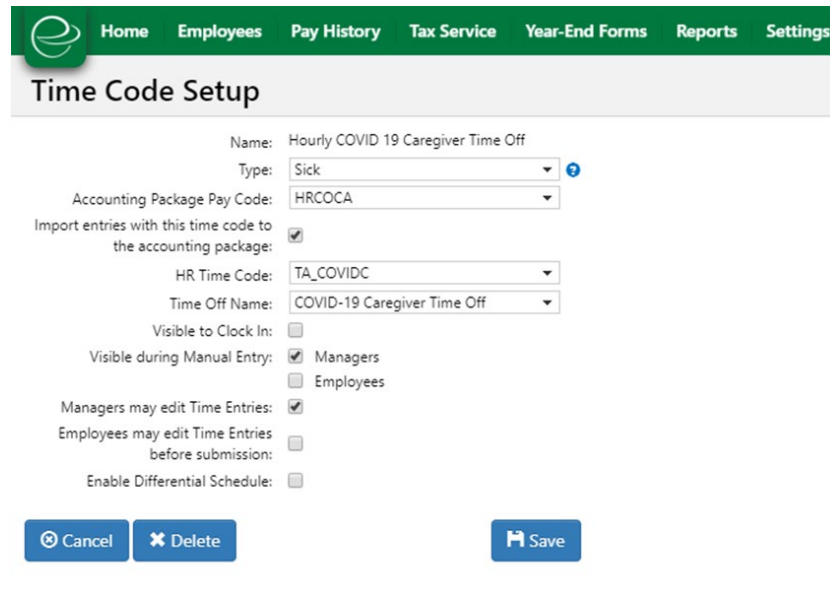
Figure 2

## 1.4 If using Greenshades Timesheets module

Please note, if you are using Greenshades Online Timesheets module for tracking employee time, a new Greenshades Online Time Code will need to be configured for each new code created within Dynamics GP.

First, setup a new Time Code on Greenshades Online for each new Pay Code created within Dynamics GP. Be sure to map the 'HR Time Code' to the applicable GP HR Time Code if applicable [If using Time and Attendance module within Dynamics GP](#). Be sure to map each Greenshades Time Code to the applicable 'Time Off Name', which will create the association between the Time Off code an employee can request off, and create the applicable entry on the employee's Greenshades Timesheet. Once Timesheets are synchronized to Dynamics GP Payroll, the applicable Pay Code will be applied on the GP Payroll batch to ensure proper payment is made to the employee.

After Time Codes are configured, set each applicable Pay Group to be eligible for the correct Time Code, which will ensure the Time Codes can correctly be included on the employee's Greenshades timesheet after the Time Off request has been approved and taken.

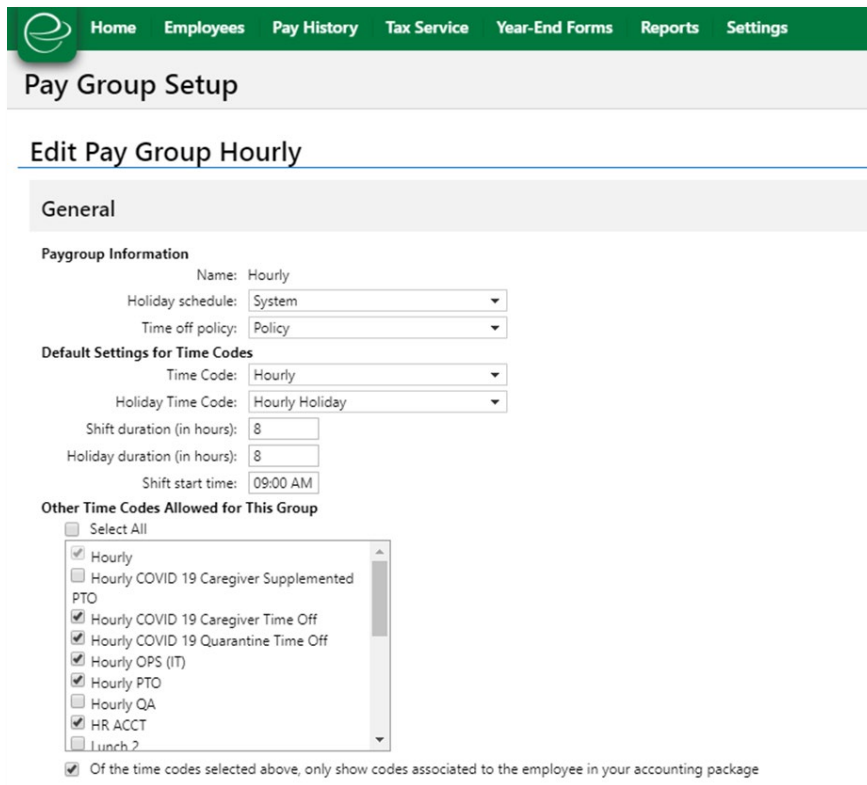


The screenshot shows the 'Time Code Setup' form. At the top is a green navigation bar with links: Home, Employees, Pay History, Tax Service, Year-End Forms, Reports, and Settings. The form title is 'Time Code Setup'. The fields are as follows:

- Name: Hourly COVID 19 Caregiver Time Off
- Type: Sick (dropdown menu)
- Accounting Package Pay Code: HRCOCA (dropdown menu)
- Import entries with this time code to the accounting package: ☒
- HR Time Code: TA\_COVIDC (dropdown menu)
- Time Off Name: COVID-19 Caregiver Time Off (dropdown menu)
- Visible to Clock In: ☐
- Visible during Manual Entry: ☒ Managers, ☐ Employees
- Managers may edit Time Entries: ☒
- Employees may edit Time Entries before submission: ☐
- Enable Differential Schedule: ☐

At the bottom are three buttons: Cancel, Delete, and Save.

Figure 3



The screenshot shows the 'Pay Group Setup' form, specifically the 'Edit Pay Group Hourly' section. At the top is a green navigation bar with links: Home, Employees, Pay History, Tax Service, Year-End Forms, Reports, and Settings. The form title is 'Pay Group Setup'. Below the title is a section titled 'Edit Pay Group Hourly'. The form is divided into two main sections: 'General' and 'Other Time Codes Allowed for This Group'.

**General**

**Paygroup Information**

- Name: Hourly
- Holiday schedule: System (dropdown menu)
- Time off policy: Policy (dropdown menu)

**Default Settings for Time Codes**

- Time Code: Hourly (dropdown menu)
- Holiday Time Code: Hourly Holiday (dropdown menu)
- Shift duration (in hours): 8
- Holiday duration (in hours): 8
- Shift start time: 09:00 AM

**Other Time Codes Allowed for This Group**

- ☐ Select All
- ☒ Hourly
- ☐ Hourly COVID 19 Caregiver Supplemented PTO
- ☒ Hourly COVID 19 Caregiver Time Off
- ☒ Hourly COVID 19 Quarantine Time Off
- ☒ Hourly OPS (IT)
- ☒ Hourly PTO
- ☐ Hourly QA
- ☒ HR ACCT
- ☐ Lunch 2

At the bottom is a checkbox: ☒ Of the time codes selected above, only show codes associated to the employee in your accounting package

Figure 4

## 2 How can Greenshades help with businesses claiming tax credits associated with FFCRA?

In addition to the new Families First Coronavirus Response Act making paid sick leave available to eligible employees on April 1 2020, the FFCRA also allows employers to apply Sick Leave wages, qualified health insurance expenses, as well as employer's portion of Medicare taxes as tax credits towards payroll tax liability that employer's would typically be liable for after processing payroll. These credits can be applied for applicable sick leave wages between [April 1 2020 and December 31 2020](#), up to the maximum available amounts.

Here's the quote from the [IRS's news release](#).

### **PAID SICK LEAVE CREDIT**

*For an employee who is unable to work because of Coronavirus quarantine or self-quarantine or has Coronavirus symptoms and is seeking a medical diagnosis, eligible employers may receive a refundable sick leave credit for sick leave at the employee's regular rate of pay, up to \$511 per day and \$5,110 in the aggregate, for a total of 10 days.*

*For an employee who is caring for someone with Coronavirus, or is caring for a child because the child's school or child care facility is closed, or the child care provider is unavailable due to the Coronavirus, eligible employers may claim a credit for two-thirds of the employee's regular rate of pay, up to \$200 per day and \$2,000 in the aggregate, for up to 10 days. Eligible employers are entitled to an additional tax credit determined based on costs to maintain health insurance coverage for the eligible employee during the leave period.*

### **CHILD CARE LEAVE CREDIT**

*In addition to the sick leave credit, for an employee who is unable to work because of a need to care for a child whose school or child care facility is closed or whose child care provider is unavailable due to the Coronavirus, eligible employers may receive a refundable child care leave credit. This credit is equal to two-thirds of the employee's regular pay, capped at \$200 per day or \$10,000 in the aggregate. Up to 10 weeks of qualifying leave can be counted towards the child care leave credit. Eligible employers are entitled to an additional tax credit determined based on costs to maintain health insurance coverage for the eligible employee during the leave period.*

On March 31, 2020, the IRS also announced [available tax credits](#) for eligible employers through the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

As a result of new regulations stemming from COVID-19 (such as FFCRA and CARES Act), the IRS has made two significant changes during Q2 2020.

- Form 7200 is now available from the IRS, [About Form 7200, Advance Payment of Employer Credits Due to COVID-19](#), which is used to request an advance payment of the tax credits for qualified sick and qualified family leave wages and the employee retention credit that you will claim on the Form 941 and [like forms](#).
- [Form 941](#) has received significant updates for Q2 2020. The [updated Form 941 instructions](#) provide direction on how the new fields on the Form 941 should be reported.
- Worksheet 1, which can be found on [page 6 of the Form 941 instructions](#), has been created for calculating the Credit for Qualified Sick and Family Leave Wages and the Employee Retention Credit, which is used for calculating the new fields being reported on the Form 941.

As discussed earlier in this document, there is no way in Dynamics GP to set the employer portion of Social Security Tax to NOT be applied, the Dynamics [GP blog on this topic does discuss how to manually reduce the tax liability](#) within Dynamics GP. There are also no specific changes to the Form 941 process in GP as a result of COVID-19 and the resulting new regulations.

## 2.1 Payroll Tax Service

### 2.1.1 *Applying tax credits towards Employer tax liability*

Whether you are making your tax liability payments through Greenshades Payroll Tax Service or not, it's very important that you track any tax reductions/credits that you apply VERY closely. This information will be needed to be referenced when completing the Form 7200 and Form 941.

To assist with this tracking and tax payment liability reduction, Greenshades has three new fields on the page shown below, which allows users to input the value of the tax credit they intend to apply. After the values are inputted, an updated tax liability will be calculated. Tracking these values will be beneficial to the end user and will also allow the Year-To-Date Reconciliation to function as expected and continue to provide value to our clients.

These three new fields are:

1. FFCRA Employee Retention Credit
2. FFCRA Qualified Family Leave Credit
3. FFCRA Qualified Sick Leave Credit

The screenshot shows the IRS.gov interface for paying federal payroll tax liability. A red arrow points to the 'FFCRA Employee Retention Credit' field, which is currently set to \$0.00. The page displays the following information:

- Pay United States Federal Payroll Tax Liability (941-V)**
- IRS.gov**
- You owe \$49,458.94 for payroll run through 3/15/2020. Download Liability Spreadsheet**
- This payment is due by 4/29/2020 11:00 AM EST. Show Deadline Explanation**
- If the liability amounts appear to have incorrectly accounted for negative liabilities, please review negative checks.**
- Useful Links**
  - Tax Information
  - Agency Contact Information
- Year-To-Date Reconciliation**
  - For the 2020 calendar year, your total liability and amount paid is:
  - Federal Income Tax**
    - YTD Liability: \$17,533.94
    - YTD Payment: \$17,533.94
    - Current Payment: \$17,533.94
    - Difference: \$17,533.94
  - Employer Social Security**
    - YTD Liability: \$12,936.45
    - YTD Payment: \$12,936.45
    - Current Payment: \$12,936.45
    - Difference: \$12,936.45
  - Social Security**
    - YTD Liability: \$12,936.45
    - YTD Payment: \$12,936.45
    - Current Payment: \$12,936.45
    - Difference: \$12,936.45
  - Medicare**
    - YTD Liability: \$3,026.05
    - YTD Payment: \$3,026.05
    - Current Payment: \$3,026.05
    - Difference: \$3,026.05
  - Employer Medicare**
    - YTD Liability: \$3,026.05
    - YTD Payment: \$3,026.05
    - Current Payment: \$3,026.05
    - Difference: \$3,026.05
  - FFCRA Employee Retention Credit**
    - YTD Liability: \$0.00
    - YTD Payment: \$0.00

## 2.1.2 Reporting tax credits on the quarterly Federal Form 941

As mentioned previously in this guide, the Federal Form 941 has received significant changes. Greenshades tax reporting modules are heavily dependent on the company and employee wage data pulled from the source employee and payroll system. Due to the nature of the IRS form changes related to FFCRA and CARE Act tax credits, not all information to be reported on the Form 941 will be available or accurate in the source payroll system. More information on extracting Form 941 related data from Dynamics GP can be found below: [Retrieving Form 941 data from Dynamics GP in Q2 2020](#)

While Greenshades will pull all available data from the source payroll system, Greenshades will make all available Form 941 fields available for edit and entry within the Advanced Editor. More information on using the Advanced Editor for Q2 941 reporting can be found below: [Reporting Form 941 data on the Advanced Editor in Payroll Tax Service or the Tax Filing Center](#)

## 2.2 Greenshades Online Tax Filing Center

Even if you are making your tax liability payments outside of Greenshades, directly to the IRS via EFTPS, it's very important that you track any tax reductions/credits that you apply VERY closely. This information will be needed to be referenced when completing the Form 7200 and Form 941.

### *2.2.1 Reporting tax credits on the quarterly Federal Form 941*

As mentioned previously in this guide, the Federal Form 941 has received significant changes. Greenshades tax reporting modules are heavily dependent on the company and employee wage data pulled from the source employee and payroll system. Due to the nature of the IRS form changes related to FFCRA and CARE Act tax credits, not all information to be reported on the Form 941 will be available or accurate in the source payroll system. More information on extracting Form 941 related data from Dynamics GP can be found below: [Retrieving Form 941 data from Dynamics GP in Q2 2020](#)

While Greenshades will pull all available data from the source payroll system, Greenshades will make all available Form 941 fields available for edit and entry within the Advanced Editor. More information on using the Advanced Editor for Q2 941 reporting can be found below: [Reporting Form 941 data on the Advanced Editor in Payroll Tax Service or the Tax Filing Center](#)

## 2.3 Greenshades Tax Filing Center (desktop version)

Even if you are making your tax liability payments outside of Greenshades, directly to the IRS via EFTPS, it's very important that you track any tax reductions/credits that you apply VERY closely. This information will be needed to be referenced when completing the Form 7200 and Form 941.

### *2.3.1 Reporting tax credits on the quarterly Federal Form 941*

As mentioned previously in this guide, the Federal Form 941 has received significant changes. Greenshades tax reporting modules are heavily dependent on the company and employee wage data pulled from the source employee and payroll system. Due to the nature of the IRS form changes related to FFCRA and CARE Act tax credits, not all information to be reported on the Form 941 will be available or accurate in the source payroll system. More information on extracting Form 941 related data from Dynamics GP can be found below: [Retrieving Form 941 data from Dynamics GP in Q2 2020](#)

While Greenshades will pull all available data from the source payroll system, Greenshades will make all available Form 941 fields available for edit and entry within the Advanced Editor. More information on using the Advanced Editor for Q2 941 reporting can be found below: [Reporting Form 941 data on the Advanced Editor in Payroll Tax Service or the Tax Filing Center](#)

## 2.4 Retrieving Form 941 data from Dynamics GP in Q2 2020

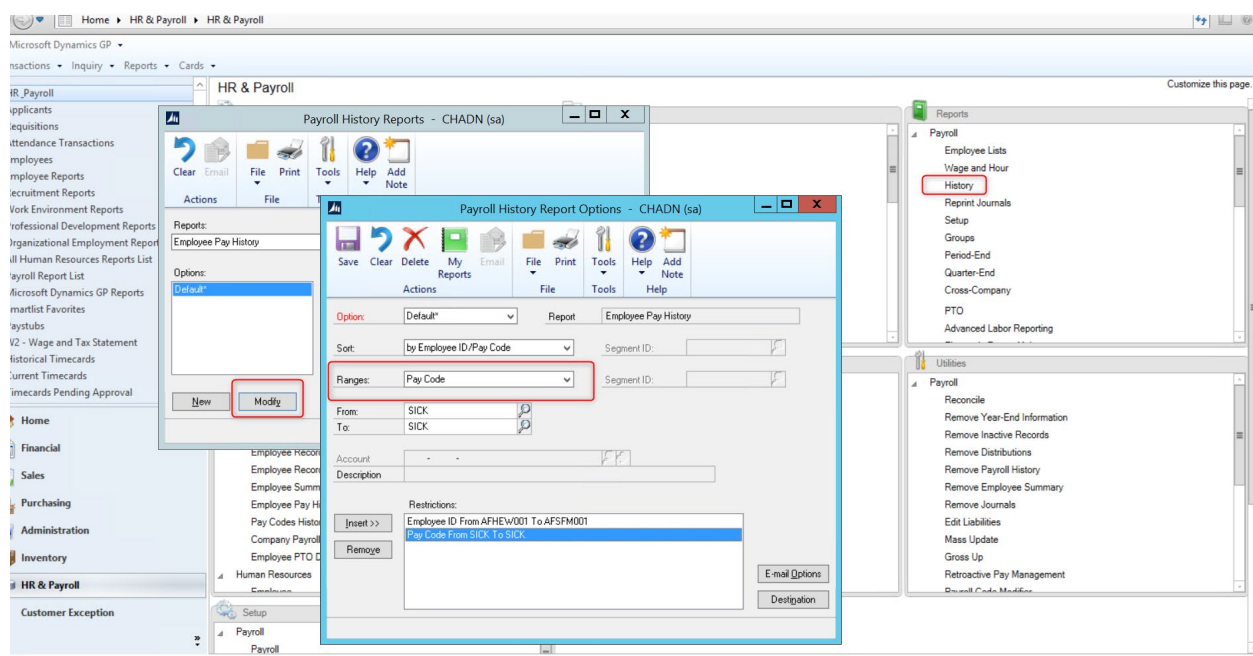
There are no planned changes for Dynamics GP Payroll 941 reporting, specifically related to FFCRA and CARES Act.

Instructions on how to view and print the quarter-end reports, including the 941 Preparation Report, can be found in the [Dynamics GP Payroll US user guide](#). While not specifically related to recent Form 941 changes, additional information on the Form 941 totals within Dynamics GP can be found on this GP blog: [My 941 does not match my payroll summary, tell me WHY?](#)

If Employer Tax adjustments have been made throughout the quarter to reduce the employer portion of Social Security Tax, [per Step 2 in Terry Heley's Tips to setup Coronavirus \(COVID\) paid leave in Microsoft Dynamics GP](#), the 941 preparation report may reflect an accurate number, specifically regarding taxable Social Security and Medicare wages and tax liability.

However, any FFCRA or CARES Act related leave or credits that a business is applying and should be accounted for on the updated Form 941, the report prepared from Dynamics GP will have no way of reflecting this.

If the business has been tracking FFCRA and CARES Act tax credits following best practices listed here and in the [GP blog](#) mentioned above, this information should be referenced when completing the Form 941. If the business setup new pay codes to track this information, this information can be identified by running the employee pay history report by pay code and date. Reports > Payroll > History > Employee Pay History. Restrict by date and names of codes you created as a result of FFCRA and CARES Act.



## 2.5 Reporting Form 941 data on the Advanced Editor in Payroll Tax Service or the Tax Filing Center

### 2.5.1 Part 1: Quarterly Information

Part 1 of the Form 941 is available for edits within the Advanced Editor. As noted previously in this guide, all available data will be pulled from the source payroll system, however COVID-19 related fields will need to be reviewed and entered manually in the Editor.

Part 1: Quarterly Information					
1	Number of employees who received wages, tips, or other compensation for the pay period including: Mar. 12 (Quarter 1), June 12 (Quarter 2), Sept. 12 (Quarter 3), or Dec. 12 (Quarter 4)	1		108	
2	Wages, tips, and other compensation	2		\$417,308.36	
3	Federal income tax withheld from wages, tips, and other compensation	3		\$35,067.88	
4	If no wages, tips, and other compensation are subject to Social Security or Medicare Tax <input type="checkbox"/> Check and go to line 6				
5a	Taxable social security wages	Column 1		x.124 =	Column 2
			\$417,308.36		\$51,746.24
5a	(i) Qualified sick leave wages			x.062 =	\$0.00
5a	(ii) Qualified family leave wages			x.062 =	\$0.00
5b	Taxable social security tips		\$0.00	x.124 =	\$0.00
5c	Taxable Medicare wages & tips		\$417,308.36	x.029 =	\$12,101.94
5d	Taxable wages & tips subject to Additional Medicare Tax withholding		\$0.00	x.009 =	\$0.00
5e	Add Column 2 from lines 5a, 5a(i), 5a(ii), 5b, 5c, and 5d	5e			\$63,848.18
5f	Section 1321(q) Notice and Demand - Tax due on unreported tips <a href="#">(See instructions)</a>	5f			\$0.00
6	Total taxes before adjustments. Add lines 3, 5e, and 5f	6			\$98,916.06
7	Current quarter's adjustment for fractions or cents	7			-\$2.42
8	Current quarter's adjustment for sick pay	8			\$0.00
9	Current quarter's adjustment for tips and group-term life insurance	9			\$0.00
10	Total taxes after adjustments. Combine lines 6 through 9	10			\$98,913.64

### 2.5.2 Part 1: Quarterly Information referencing Worksheet 1

To complete Form 941, businesses will also need to complete worksheet 1. Worksheet 1 is linked in the Editor and is available in the Form 941 Instructions. Fields from the worksheet will need to be entered on Form 941.

Worksheet 1 should be retained for the business records, however this worksheet does not get submitted to the IRS.

11a	Qualified small business payroll tax credit for increasing research activities. (See instructions) Blank Form 8974	11a	\$0.00
			<a href="#">Attach Form 8974</a> No file chosen
11b	Nonrefundable portion of credit for qualified sick and family leave wages from <a href="#">Worksheet 1</a>	11b	
11c	Nonrefundable portion of employee retention credit from <a href="#">Worksheet 1</a>	11c	
11d	Total nonrefundable credits. Add lines 11a, 11b, and 11c	11d	\$0.00
12	Total taxes after adjustments and credits. Subtract line 11d from line 10	12	\$98,913.64
13a	Total deposits for this quarter, including overpayment applied from a prior quarter and overpayments applied from Form 941-X, 941-X (PR), or 944-X, or 944-X (Sp) field in the current quarter	13a	\$0.00
13b	Deferred amount of the employer share of social security tax	13b	
13c	Refundable portion of credit for qualified sick and family leave wages from <a href="#">Worksheet 1</a>	13c	
13d	Refundable portion of employee retention credit from <a href="#">Worksheet 1</a>	13d	
13e	Total deposits, deferrals, and refundable credits Add lines 13a, 13b, 13c, and 13d	13e	\$0.00
13f	Total advances received from filing <a href="#">Form(s) 7200</a> for the quarter	13f	
13g	Total deposits, deferrals, and refundable credits less advances. Subtract line 13f from line 13e	13e	\$0.00
14	Balance due. If line 12 is more than line 13g, enter the difference (See instructions)	14	\$98,913.64
15	Overpayment. If line 13g is more than line 12, enter the difference	15	\$0.00

☐ Apply to next return  
☐ Send a refund

### 2.5.3 Part 3 and 4 of the Form 941

Review and complete the remaining portions of Form 941.

**Part 2: Deposit Schedule and Tax Liability**

If you are unsure about whether you are a monthly schedule depositor or a semiweekly schedule depositor, see Pub 15 (Circular E), section 11.

16: Check one: ☐ Line 12 on this return is less than \$2,500 or line 12 (line 10 if the prior quarter was the fourth quarter of 2016) on the return for the prior quarter was less than \$2,500 and you did not incur a \$1,000,000 next-day deposit obligation during the current quarter. If line 12 (line 10 if the prior quarter was the fourth quarter of 2016) for the prior quarter was less than \$2,500 but line 12 on this return is \$100,000 or more, you must provide a record of your federal tax liability, if you are a monthly schedule depositor, complete the deposit schedule below; if you are a semiweekly schedule depositor, attach Schedule B (Form 941). Go to Part 3.

☒ You were a monthly schedule depositor for the entire quarter. Enter your tax liability for each month and total liability for the quarter, then go to Part 3.

Tax Liability:	Month 1	\$49,456.80
	Month 2	\$49,456.84
	Month 3	\$0.00
Total liability for quarter		\$98,913.64

Total must equal line 12.

☐ You were a semiweekly schedule depositor for any part of this quarter. Complete Schedule B (Form 941), Report of Tax Liability for Semiweekly Schedule Depositors, and attach it to Form 941.

**Part 3: Special Business Options**

17	If your business has closed or you stopped paying wages: Check here and enter the final date you paid wages <input type="checkbox"/>	mm/dd/yyyy
18	If you are a seasonal employer and you do not have to file a return for every quarter of the year, check here <input type="checkbox"/>	
19	Qualified health plan expenses allocable to qualified sick leave wages	19 <input type="text"/>
20	Qualified health plan expenses allocable to qualified family leave wages	20 <input type="text"/>
21	Qualified wages for the employee retention credit	21 <input type="text"/>
22	Qualified health plan expenses allocable to wages reported on line 21	22 <input type="text"/>
23	Credit from Form 5884-C, line 11, for this quarter	23 <input type="text"/>
24	Qualified wages paid March 13 through March 31, 2020, for the employee retention credit (use this line only for the second quarter filing of Form 941)	24 <input type="text"/>
25	Qualified health plan expenses allocable to wages reported on line 24 (use this line only for the second quarter filing of Form 941)	25 <input type="text"/>