2022 Changes

- 2022 option added.
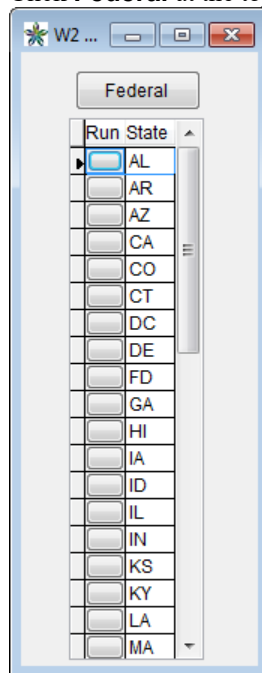
Year End Processing

The user will access the Year End Processing menu in order to create their Magnetic Media and W2's. The Federal creation of data must be done prior to processing the users' States.

PLEASE ENSURE ALL DATA HAS BEEN BACKED UP PRIOR TO BEGINNING THIS PROCESS!

Processing Federal Reports

To process Federal Reports:

1. Click **Payroll** in the main menu of COATS, or use the key command **ALT+Y**

2. Click **Year-End Processing**.

3. Click **2019**.

4. Click **Mag Media 202**.

5. Click **Federal** at the top of the window.

6. Under the **Create Data** tab, fill out the Corporate Information fields. (All fields need to be filled in for Create Federal YTD Data and Create

State YTD Data to be enabled.)

COATS has found if the user is signed in with Windows NT authentication (ODBC settings) they are unable to create Federal YTD Data as a DBO user, which creates errors when creating the Data and printing W2's. To prevent this users will need to sign in with SQL server Authentication.

7. Click **Update State Information**.

8. Verify that the State information is correct and **"X"** out. (This information is pulled from Maintenance/COATS Setup/Tax Tables/Unemployment Tax Information. Any changes that need to be made will be updated through Maintenance/COATS Setup/Tax Table/Unemployment Tax Information.)

9. Click **Create Federal YTD Data**. (If this has been done previously the user will receive a message, "Year End Data Has Already Been Created. Do you want to re-create the Year-End Data?" Click **Ok**.)

10. An Alert will appear, "Data has been Created!" Click **Ok.**

11. Click **Create State YTD Data**. (This must be done through **Federal**; it cannot be done in each individual State.)

12. An Alert will appear, "Data has been Created!" Click **Ok**.

13. Under the **Administrative Info** tab, fill in the appropriate fields. The user will need to verify this information each time, as the system does not store information entered.

YYYY: 4 digit year

MMYY: 2 digit month and 2 digit year for the last month of the year. (Automatically entered by COATSsql.)

MMDDYY: 2 digit month, 2 digit day, and 2 digit year for the last month and day of the year. (Automatically entered by COATSsql.)

MMDDYYYY: 2 digit month, 2 digit day, and 4 digit year. (Automatically entered by COATSsql.)

Enter Beginning Control Number: This number is defaulted. There is no need to change this field.

Enter Federal Employer Identification Number: Federal Employer Identification Number.

Enter User Identification Number: The User Identification Number that is issued to the client by the SSA. (Contact Social Security Administration to receive this number.)

Select Type of Employment:

A: Agriculture
H: Household
M: Military
Q: Medicare Qualified Government Employment (MQGE)
X: Railroad
R: Regular

Preparer Code:

A: Accounting Firm
L: Self-Prepared
S: Service Bureau
P: Parent Company
O: Other

Enter Total Federal Income Tax Withheld by 3rd Parties: If the user believes they have a third-party payer, contact the Federal Tax

Authority for instructions. (Most COATS clients will never use this field.)

Tax Authority Code: Enter the Local Taxing Authority Code to reflect on the W2.
Currently this field is for **PA Local Taxing Authority** to which they submit their Local PSD information.

Terminating Business Indicator: Check this box if the company has terminated their business during this tax year.

Resubmit Indicator: Check this box if this file is being resubmitted.

Resubmit TLCN: If the Resubmit Indicator box was checked, enter the TLCN displayed on the notice sent to the company by SSA.

Select a Retirement Type: Review with the company accountant which type the company would fall under. If the company does not have a retirement plan, click **None**. The six types are as follows:

D – 401(k) and SIMPLE plan part of 401(k)
S – 408(p) SIMPLE plan
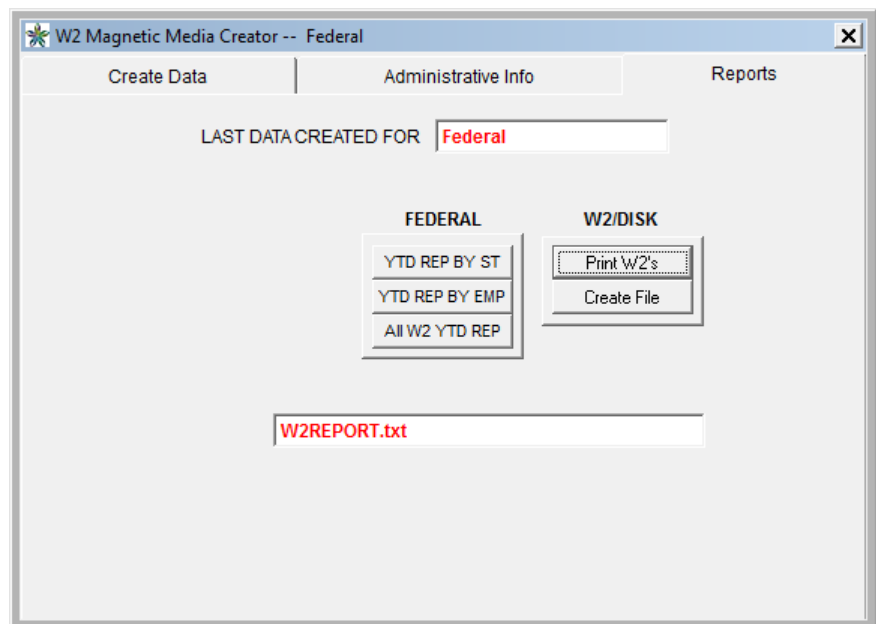**E – 403(b) salary reduction**
F – -408(k)(6) / SEP
G – 457(b) deferred comp
H – None

14. Under the **Reports** tab, the user may print the Federal reports; W2's and create Federal Magnetic Media.

Printing Federal Reports

To print YTD Rep By St (Year To Date Report by State):
The Year to Date by State report displays summarized information grouped by state in order of employee last name. This report totals each page and will provide a grand total on the last page. The following information is listed on the report; employee social security number, local ID, employee name, employee

state, gross wages, gross taxable wages, federal withholding, FICA withholding, state withholding, UI total wages and eligible unemployment wages for the year.

1. Click **YTD REP BY ST.**

2. Send to Screen or Printer.

3. This report prints sorted by State; when printing through **Federal** creation, the Eligible Unemployment wages are displayed by Federal, not state. If the user wants to display the State Eligible Unemployment wages they will need to go to the particular state and click the Reports tab.

To print YTD Rep By Emp (Year To Date Report by Employee):
The Year to Date by Employee report displays summarized information grouped by employee in order of each state worked. This report totals each page and will provide a grand total on the last page. The following information is listed on the report; employee social security number, local ID, employee name, employee state, gross wages, gross taxable wages, federal withholding, FICA wages, FICA withholding, state withholding, UI total wages and eligible unemployment wages for the year.

1. Click **YTD REP BY EMP.**

2. Send to Screen or Printer.

3. This report prints sorted by Employee and also indicates which state(s) the Employee has held withholdings from. The Eligible Unemployment withholdings displays the Federal Withheld. The user will need to access the individual state to find the State Unemployment withheld.

To print All W2 YTD Rep (All W2's, Year To Date Report:
The All W2 Year to Date Report displays hard copy information of every single W2 for the company. This report is to be used for reference purposes only and is not a legal document.

1. Click **All W2 YTD REP**.

2. Send to Screen or Printer.

Printing W2's

NOTE: COATS W2's are set to print on the L4UP W2 form.

To view a W2:

The user may scroll through to navigate through each Employee W2 or the user may click **Find** and choose an Employee from the pick list.

To Print one W2 and/or all W2's:

For Employees who have opted in for the **Online W2**, the W2 will not print when printing **All W2's**, **Local W2's**, and **State W2's**. These W2's, if desired, will need to be printed either through **This W2** or **Employee W2**.

1. **This W2** will print the currently selected W2.

2. **Employee W2** will print all W2's for the currently selected Employee. (An employee may have more than one W2 for each state, locality, etc. worked.)

3. **State W2** will print all W2's in order by State.

4. **Local W2** will print all W2's in order by Locality.

5. **All W2** will print all W2's in alphabetical order by Employee. , not marked as online W2. This setting is found in the Employee master record/ Tax window.

Creating the Federal Magnetic Media

1. From the Reports Tab of the W2 Magnetic Media Creator, click **Create File.**

2. Window will appear "Are you ready to start" Click **OK** to start or **CANCEL** to quit.

NOTE: As of 2006 the Federal Magnetic Media Reporting is completed via Online to the Social Security Administration.
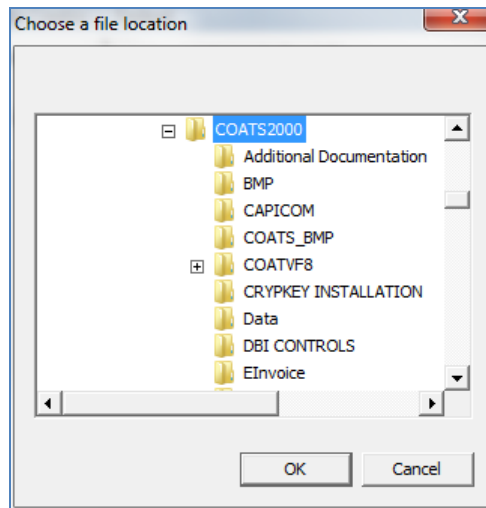
---

3. Choose a file location will appear, Navigate to where the file will be saved.
This will allow the user to choose where they wish to save the file. By default it will save the file to the c:\program files\coats\coats2000 folder.
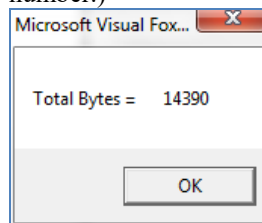

NOTE: Terminal Server/ Intellipath Users will need to put this in a location they have access to, example Intellipath users have had E:/data/share/. Users will need to refer to their computer tech or network administrators to verify this file location.

---

4. Click **OK**.

5. The following window will appear: (your bytes may be a different number.)

6. Click **OK**. (This file will be found on the Local C drive of the computer in which the data resides.)

NOTE: Accuwage allows the user to check the magnetic media file to be sure the format is correct, for example the zip code is filled in and all social security numbers are valid. COATS recommends Accuwage be used to scan the Magnetic Media files prior to updating to SSA website. As of filing year 2018 for tax year 2018, users must log into SSA to utilize Accuwage go to https://www.ssa.gov/bso/bsowelcome.htm and log in with your SSA credentials. For any questions regarding Accuwage, please contact Social Security Administration.
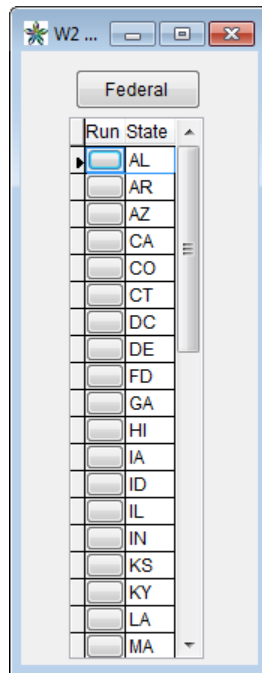

Processing State Reports

Each State needs to be processed independently. This includes entering the Corporation information, Administrative Data, printing the reports and creating the State Magnetic Media.

To process a State Report:

1. Click **Payroll** in the main menu of COATS, or use the key command **ALT+Y**

2. Click **Year-End Processing**.

3. Click **2022**.

4. Click **Mag Media 2022**.

5. Scroll to find the desired state and then click the gray box to the left.

6. Under the **Create Data** tab, fill out the Corporate Information fields. (This will need to be done for EACH state.)

7. Under the **Administrative Info** tab, fill in the appropriate fields. The user will need to verify this information each time, as the system does not store the information entered. Some of these fields may or may not

be required by the user's particular state. (This will need to be done for EACH state.)

NOTE: Some of these fields may not appear on the user's screen if your state does not require their use.

YYYY: 4 digit year

MMYY: 2 digit month and 2 digit year for the last month of the Year. (Automatically defaults by COATS.)

MMDDYY: 2 digit month, 2 digit day, and 2 digit year for the last month and day of the Year. (Automatically defaults by COATSsql.)

MMDDYYYY: 2 digit month, 2 digit day, and 4 digit year for the date. (Automatically entered by COATSsql.)

Enter Federal Employer ID Number: Federal Employer Identification Number. No dashes or punctuation.

Enter (State) Employer ID Number: State Employer Identification Number. No dashes or punctuation.

Enter User Identification Number: User Identification Number. Enter User ID#: MA requested a User ID. This number is assigned by the agency from Social Security Administration. If the user does not have this number they will need to contact Social Security Administration.

BEN#: 8 character BEN assigned number. This number is assigned to the agency from Iowa State. If the user does not have this number they will need to contact Iowa State.

Enter Total Federal Income Tax Withheld by 3rd Parties: If the user believes they have a Third-Party Payer, contact the Federal Tax Authority for instructions. (Most COATS clients will never use this field.)

Type of Employment:

A: Agriculture
H: Household
M: Military
Q: Medicare Qualified Government Employment (MQGE)
X: Railroad
R: Regular

Tax Entity Code: Holds the State Tax Entity code.
Currently KY and PA will use this field. KY will enter the 5 digit Tax Entity number and PA will enter the 2 digit Tax Authority code in this field.

Preparer Code:

A: Accounting Firm
L: Self-Prepared
S: Service Bureau
P: Parent Company
O: Other

Terminating Business Indicator: Check this box if the company has terminated their business during this tax year.

Resubmit Indicator: Check this box if this file is being resubmitted.

Resubmit TLCN: If the Resubmit Indicator box was checked, enter the TLCN displayed on the notice sent to the company by SSA.
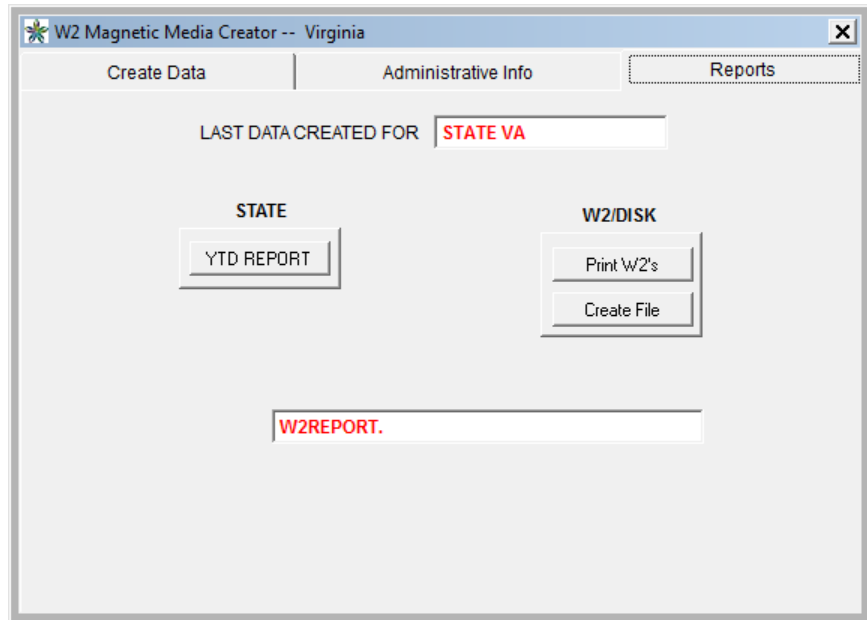
NAICS ID #: MD requires an NAICS ID for the Mag Media File.

Select a Retirement Type: Review with the company accountant which type the company would fall under. If the company does not have a retirement plan, click **None**. The six types are as follows:

D – 401(k) and SIMPLE plan part of 401(k)
S – 408(p) SIMPLE plan
E – 403(b) salary reduction
F – -408(k)(6) / SEP
G – 457(b) deferred comp
H – None

8. Under the Reports tab, the user may print the State Reports, the selected State's W2's and create their State Magnetic Media.

Printing State Reports

To print YTD Report:

The Year to Date report is a summarized report grouped by employee. This report totals each page and will provide a grand total on the last page. The following information is listed on the report; employee social security number, local ID, employee name, employee state, gross wages, gross taxable wages, federal withholding, FICA wages, FICA withholding, state withholding, UI total wages and eligible unemployment wages for the year.(EACH state will need their reports printed separately.)

1. Click **YTD REPORT.**
2. Send to Screen or Printer.

Print W2's:

Printing W2's is not recommended from the individual State tabs; the user may miss other states in which the employee worked. It is recommended that the user go through **Federal** to print all W2's.

Creating the State Magnetic Media

NOTE: As of 2017 W2 electronic filing SC, MO, and IA have updated their file name. Please ensure to verify the file names prior to clicking to create the file.

 -SC file name format reads: "W2Report01_YY.txt" (without quotations)
 - MO file name format reads:
"TY*yyyy*W2_*CompanyNameHere_MissouriID_currentdate*.txt" (without quotations and updating the italicized areas)
- IA file name format reads: "IAW2-*XXXXXXXX*-2018001.txt" (without quotations) Updating the XXXXXXXX to hold the User BEN#.

For states listing the report name as W2Report: it is NOT recommended to alter the name. ONLY alter the name of the file for the state if it is notated in the COATS W2 Mag Media Creator window.

We also recommend prior to creating any year end files that you create folders (i.e. Fed 2018, VA 2018, Local 2018) to save your files to according to the file you are creating. In most cases, states require their file name to be the same as the federal file name. To keep from inadvertently overwriting your yearend tax files, save the file to the appropriate folder.

1. From the Reports tab of the W2 Magnetic Media Creator, click **Create File.**

2. Window will appear "Are you ready to start" Click **OK** to start or **CANCEL** to quit.
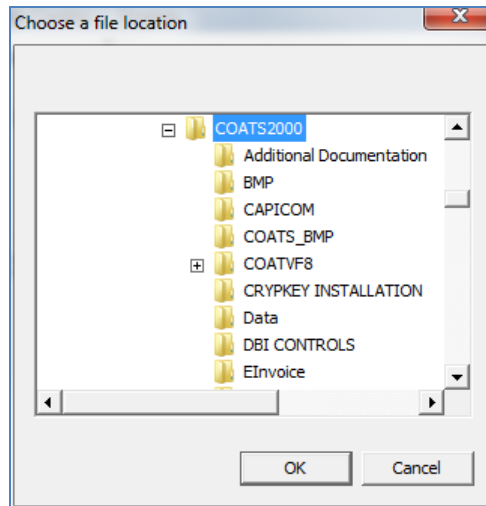
NOTE: As of 2006 the Federal Magnetic Media Reporting is completed via Online to the Social Security Administration.

3. Choose a file location will appear, Navigate to where the file will be saved. This will allow the user to choose where they wish to save the file. By default it will save the file to the c:\program files\coats\coats2000 folder.
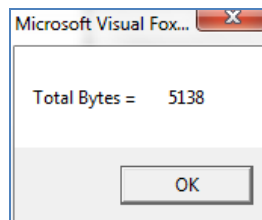
NOTE: Terminal Server/ Intellipath Users will need to put this in a location they have access to, example Intellipath users have had E:/data/share/. Users will need to refer to their computer tech or network administrators to verify this file location.

4. Click **OK**.

5. The following window will appear: (your bytes may be a different number.)
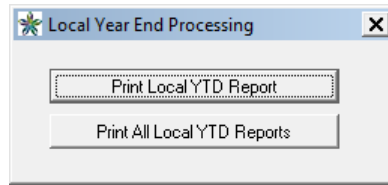

6. Click **OK**.

Printing the Year-End Local Reports

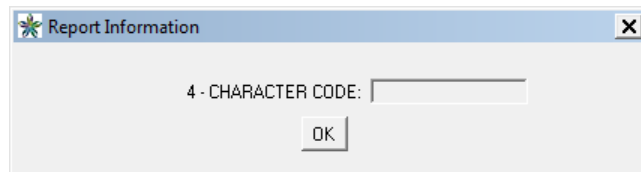The user may print individual Local reports or all Local reports at one time.

To process a Local Report:

1. Click **Payroll** in the main menu of COATS, or use the key command **ALT+Y**

2. Click **Year-End Processing**.

3. Click **2019**.

4. Click **Local Reports 2022**.

To print an individual Local Year to Date Report:

1. Click **Print Local YTD Report**.

2. Enter the 4 Character Code for the Local Code.

3. Click **OK**.

4. Send to **Screen** or **Printer**.

To print All Local Year to Date Reports:

1. Click Print All Local YTD Reports

2. Send to **Screen** or **Printer**.

Processing PA Local Mag Media Reports

Effective January 1, 2012, all employers in PA must assign PSD codes (Political Sub-Division Codes) to identify the municipalities and school districts for each tax collection district in compliance with ACT 32. Philadelphia is exempt from ACT 32.

The user MUST first create Federal YTD Data and State YTD Data, through Payroll/ Year-end Processing/ 2016/ Mag Media 2016, prior to these steps.

To process a PA Local Mag Media Report:

1. Click **Payroll** in the main menu of COATS, or use the key command **ALT+Y**

2. Click **Year-End Processing**.

3. Click **2019**.

4. Click **PA Local Mag Media 2022**.

5. Under the **Create Data** tab, fill out the Corporate Information fields.

6. Under the **Administrative Info** tab, fill in the appropriate fields. The user will need to verify this information each time, as the system does not store the information entered. Some of these fields may or may not be required by the user's particular state.

YYYY: 4 digit year

MMYY: 2 digit month and 2 digit year for the last month of the Year. (Automatically defaults by COATS.)

MMDDYY: 2 digit month, 2 digit day, and 2 digit year for the last month and day of the Year. (Automatically defaults by COATSsql.)

MMDDYYYY: 2 digit month, 2 digit day, and 4 digit year for the date. (Automatically entered by COATSsql.)

Enter Federal Employer ID Number: Federal Employer Identification Number. No dashes or punctuation.

Enter PA 8-digit Account Number (as displayed on each payment coupon): State Employer Identification Number. No dashes or punctuation.
FOR Philadelphia – This contains the 7 digit Account number required in the file.

Enter Employer PSD Code: The agencies 6 digit Employer PSD code. This field auto fills with code entered through Maintenance/ COATS Set Up/ Global Preferences.

Tax Authority Code: Enter the 2 digit taxing authority code. This reflects on the W2.

Enter User Identification Number: User Identification Number.

Type of Employment:

A: Agriculture
H: Household
M: Military
Q: Medicare Qualified Government Employment (MQGE)
X: Railroad
R: Regular

Preparer Code:

A: Accounting Firm
L: Self-Prepared
S: Service Bureau
P: Parent Company
O: Other

Terminating Business Indicator: Check this box if the company has terminated their business during this tax year.

Resubmit Indicator: Check this box if this file is being resubmitted.

Resubmit TLCN: If the Resubmit Indicator box was checked, enter the TLCN displayed on the notice sent to the company by SSA.

Select a Retirement Type: Review with the company accountant which type the company would fall under. If the company does not have a retirement plan, click **None**. The six types are as follows:

D – 401(k) and SIMPLE plan part of 401(k)
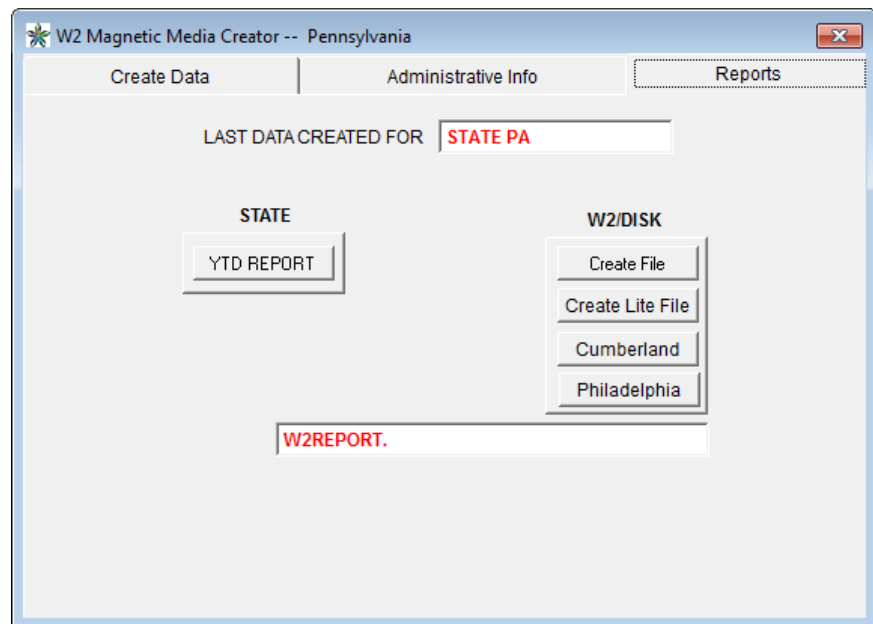**S – 408(p) SIMPLE plan**
E – 403(b) salary reduction
F – -408(k)(6) / SEP
G – 457(b) deferred comp
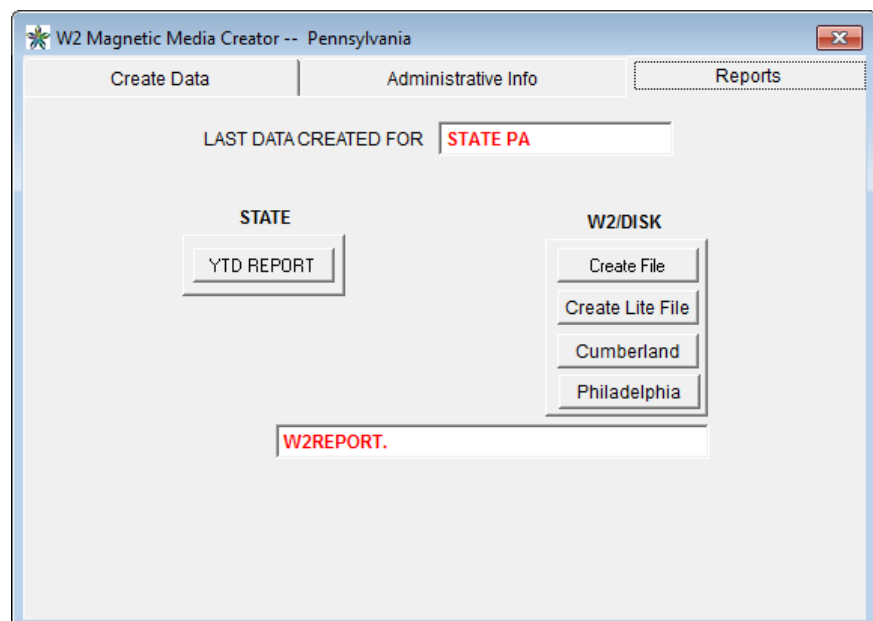**H – None**

Printing PA Local Mag Media Reports

To print YTD Report:

The Year to Date report is a summarized report grouped by employee. This report totals each page and will provide a grand total on the last page. The following information is listed on the report; employee social security number, employee name, gross wages, Local Taxable wages, local withholding, and Employee PSD Code for the year.

1. Click **YTD REPORT.**

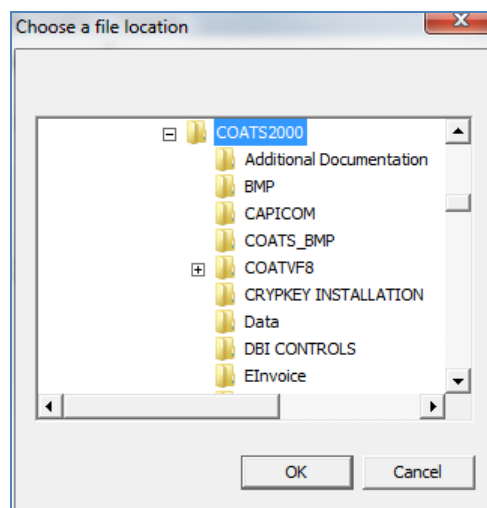2. Send to Screen or Printer.

Creating the PA Local Magnetic Media

To create PA Local PSD Mag Media:

1. From the Reports tab of the W2 Magnetic Media Creator

   IF Philadelphia File being Created, update the report name to be the Company Name, The 7 digit City Tax Account Number, and The year Ex: COATS12345672016.txt

2. Click **Create File.** *For most PA agencies, uses PA Standard Format.*
   OR
   Click **Create Lite File**. *For agencies that file through PA Lite website.*
   OR
   Click **Cumberland**. *For agencies that file through Cumberland or RBA, uses EFW2 Format.*
   OR
   Click **Philadelphia**. *For agencies that file with Philadelphia City, uses MMREF SSA format.*

3. A Window will appear, "Are you ready to start?" Click **OK** to start or **CANCEL** to quit.

4. "Choose a file location", will appear, Navigate to where the file will be saved.
   This will allow the user to choose where they wish to save the file. By default it will save the file to the c:\program files\coats\coats2000 folder.
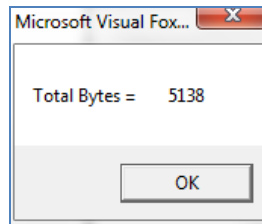

NOTE: Terminal Server/ Intellipath Users will need to put this in a location they have access to, example Intellipath users have had E:/data/share/. Users will need to refer to their computer tech or network administrators to verify this file location.

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5. Click **OK**.

6. The following window will appear: (your bytes may be a different number.)
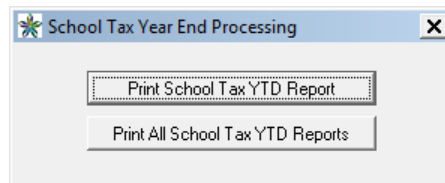
7. Click **OK**.

Printing the Year-End School Tax Reports

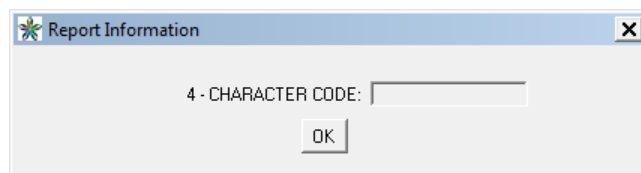The user may print individual Year End School Reports or all School Reports at one time.

To process a School Tax Report:

1. Click **Payroll** in the main menu of COATS, or use the key command **ALT+Y**

2. Click **Year-End Processing**.

3. Click **2022**.

4. Click **School Tax Reports 2022**.

To print an individual School Tax Year to Date Report:

1. Click **Print School Tax YTD Report**.

2. Enter the 4 Character Code for the School Tax Code.

3. Click **Ok**.

4. Send to **Screen** or **Printer**.
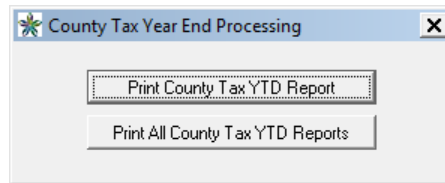
To print All School Tax Year to Date Reports:

1. Click **Print All School Tax YTD Reports**

2. Send to **Screen** or **Printer**.

Printing the Year-End County Tax Reports

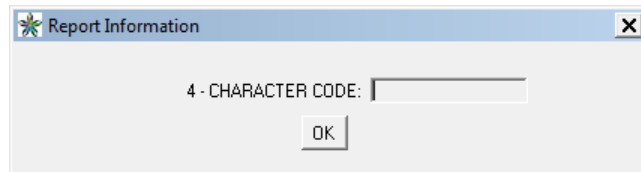The user may print individual Year End County Reports or all County Reports at one time.

To process a County Tax Report:

1. Click **Payroll** in the main menu of COATS, or use the key command **ALT+Y**

2. Click **Year-End Processing**.

3. Click **2022**.

4. Click **County Tax Reports 2022**

To print an individual County Tax Year to Date Report,

1. Click **Print County Tax YTD Report**.

2. Enter the 4 Character Code for the School Tax Code.

3. Click **Ok**.

4. Send to **Screen** or **Printer**.

To print All County Year to Date Reports,

1. Click **Print All School Tax YTD Reports**
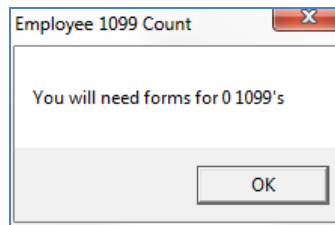
2. Send to **Screen** or **Printer**.

Processing 1099's

For Users whom have employees marked as 1099 in Employees/ Tax/ Form 1099 window.

To Count Employee 1099's:

1. Click **Payroll** in the main menu of COATS, or use the key command **ALT+Y**

2. Click **Year-End Processing**.

3. Click **2022**.

4. Click **Count 1099**.

5. The below window will appear.

6. Click **OK**.

To process a 1099:

1. Click **Payroll** in the main menu of COATS, or use the key command **ALT+Y**

2. Click **Year-End Processing**.
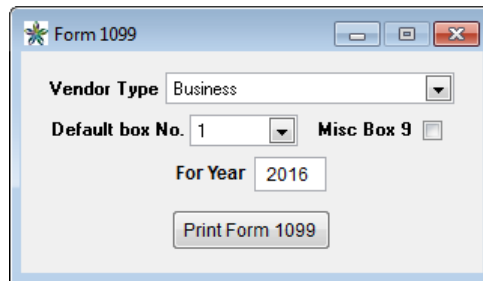
3. Click **2022**.

4. Click **Form 1099**.

5. **Choose a Date** window appear, Select the year end date.

6. The below window will appear.

7. Select the **Vendor Type** by clicking the drop down box and selecting either business or individual.

8. Choose the **Default Box No**. for which the amount will print in (checking misc box 9 if needed) by clicking the drop down box.

9. Verify the **Year** the 1099 is printing for.

10. Click **Print Form 1099**.

11. Send to **Screen** or **Printer**.

Updating Benefits

The user can reset the counter to start accruing.

1. User needs to roll over the time:

   a. Open COATS.

   b. Click Employees.

   c. Find desired Employee.

   d. Right click on Tax.

   e. The Benefit data window appears

Benefit Data -- AARDVARK, MELISSA A

Benefits ☐ Eligible For Holiday Pay   ☐ Prev Qual SK Pay   ☐ VC Pay

Eligible Sick Hrs	8.00	Eligible Vac Hrs	8.00
Previous Sick Hrs	0.00	Previous Vac Hrs	0.00
Start Date	12/01/2006	Start Date	12/01/2006
Earned Sick Hrs	8.00	Earned Vac Hrs	80.00
Used Sick Hrs	0.00	Used Vac Hrs	72.00

     f.   Input the Available Hours in the Previous Hrs field.

     g.   Repeat steps until all employees are updated.

     h.   Continue to resetting the Calculator.

2. User needs to reset for the year:

     a.   If hours need to Rollover see previous step first.

     b.   Open COATS.

     c.   Click Payroll.

     a.   Click Vacation/ Sick Pay Calculators.

     d.   Click Sick Pay to generate for ALL Employees in the users View.
Click Sick Pay for One Payroll to generate for ONLY Employee in the selected payroll batch.

     e.   Updated the Only Count Hrs From sections to the new year.

     f.   Review the parameters.

     g.   Review the View prior to calculating.

     h.   Click Print.

     i.   Click Screen to preview
Click Printer to print.

     j.   "X" out of all screens**.**