

Testing Payroll taxes

Using Excel macros

A step by step guide

XL Audit Commander

data analysis made easier ...

Session Objectives

Testing Payroll Taxes

1. Understand the basics of payroll tax calculation
2. Test payroll tax records contained on worksheets using VBA
3. Ability to test payroll taxes records in a file using VBA
4. Provide audit support in an audit of the payroll system

Audit Benefits

(How this test supports the audit)

- Efficient and Effective
- Consistency and Standardization
- Flexible application to other payroll taxes

Features of this Module

- Most commonly used taxes
- Handle large volumes
- Flexible (can be tailored)

Course Details

- Entry Level Course
- Requires some knowledge of macros
- Length of narrative is 15:00, demo is 10:00

Requirements

- Excel 2003 (or later)
- Windows XP
- Basic Familiarity with Excel

Overview

- FICA Taxes (Social security)
- Unemployment taxes
- Other taxes (State)

FICA Taxes

- Wage base
- FICA Rate
- Medicare Rate

Unemployment Taxes

- Federal rate
- State rate
- Credit if paid

Data Needed

- Year to date earnings
- Current period earnings
- Tax rate to use (if other than FICA,FUTA,SUTA)

Testing Taxes on a worksheet

- Declare a class object
- Position cell at starting point
- For each row, obtain and store YTD and current period
- Call compute
- Loop through the worksheet (advance to the next row)

Testing Taxes in a data file

- Basically the same concept as a worksheet
- Except – handle a file instead of a worksheet
- Declare a file scripting object class
- Split each input line and extract the needed columns such as cost, acquisition date, etc.
- Call the tax calculation compute method
- Write out results (either to a work sheet or a file)
- Read next record until end of file condition is encountered

Next Up

- Demo for a workbook
- Demo for a data file
- Quiz – Test your understanding

Summary and Wrap Up

1. Understand the basics of payroll tax calculation
2. Test payroll tax records contained on worksheets using VBA
3. Ability to test payroll taxes records in a file using VBA
4. Provide audit support in an audit of the payroll system

Quiz

- Test your knowledge
- System can e-mail score (if you desire)