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## **GEMINI ACCOUNTING PAYROLL SETUP PROCEDURE**

### **Payroll – Form W-2 Reporting of Employer-Sponsored Health Coverage**

#### **NOTE REGARDING THE SOURCE OF PAYROLL TAX INFORMATION**

Builder Incubator will make every effort to insure the information we provide is current and accurate. The source of information (the website and the document name) is included for your convenience. The governing body (both State and Federal) will occasionally relocate a source document; therefore the website link may no longer work. It is generally best to look up via document name.

#### **CAUTION NOTICES**

In the course of developing these support documents, if we conclude the details provided by the governmental body may be in error, we will include a CAUTION NOTICE in RED text to bring it to your attention.

If you have questions about any other special payroll issues, please refer to the documents available under **Support | Fed-State Tax Tables** on our website, <http://builderincubator.com/support/fed-state-tax-tables.html>

Under the Affordable Care Act, employers are required to report the cost of coverage under an employer - sponsored group healthcare plan. At this point, the cost of health care coverage on the Form W-2 is not taxable. Although it is excluded from an employee's taxable income, it must still be reported in block 12 of the Form W-2 using Code DD to identify the excluded amount.

If you have questions concerning what, specifically, should be reported, please contact your accountant or other financial professional for assistance.

#### **FORM W2 REPORTING of Employer-Sponsored Health Care:**

1. In the Gemini versions 2013 and higher payroll modules, reporting is accomplished one of the two following methods:

a. **BEFORE** closing your December accounting period:

- (1) Select **PR | Employee List Maintenance | Change | Misc.** You can manually enter the required amount in the **Annual Health Premium** field (bottom-left) and it will automatically update the W2's when December is closed and the W2 data file is subsequently created.

NOTE: To assist with the annual calculation amount, if premiums are paid on a regular basis (monthly or quarterly, for example) you can click on and use the **Calc** button beside the amount field. Enter the specific amount paid each period, the number of annual payments you make, and then click on **OK** to automatically calculate and enter the calculated annual amount.

(2) **Verify** the amount is correct and click on **OK** to save and exit.

b. **AFTER** closing the December accounting period (all Gemini versions 18.02 and later): W-2's can be manually updated directly by the user:

(1) Select **PR | W2 Operations**, highlight the employee, and click on **Change | Additional**. To the right of **12**, enter code **DD** and the appropriate amount in the **Code** and **Amt** fields, respectively.

(2) Verify the amount is correct and click on **OK** to save.

c. Print and verify W-2 forms at your convenience.

2. Please note that Gemini versions 2013 and earlier will not correctly print 2015 and future W-2 forms a software version update is required.

This concludes the setup of the W2-Sponsored-Health-Coverage deduction.