



## Overview

Paying the tax on income involves analyzing and determining the net income for each unit, then calculating the tax and moving it from the owner/property ledger to a management group ledger. Checks are written to the tax authorities from the management group ledgers.

### NOTE:

**To Collect and Pay Monthly or Collect and Pay Quarterly, follow steps A and B.**

**To Collect Monthly (or Quarterly) and Pay Semi-annually, follow steps A and C.**

## A. Setup and collect monthly or quarterly

### One Time

#### 1) Codes

- Set up an account code called GET OUT: GET Expense with an account type of expense. It will be used to take the tax money from the owner.
- Set up an account code called GET IN: GET Tax with an account type of income. It will be used to put the tax money into the Management Group ledger.

The screenshot shows the 'GET Expense [Account]' setup form. At the top, the ID is 'GET OUT', the name is 'GET Expense', and the Ledger Code is '9999'. The 'Active' checkbox is checked. Under 'Account Type', 'Expenses' is selected in the dropdown menu. To the right, there are four checkboxes: 'Bank Account', 'Checking Account', 'Escrow Deposit Analysis', and 'Impound Account', all of which are unchecked. Under 'Account Sections', 'Balance Sheet' is set to 'CURRENT YR: Current Year Earnings' and 'Other Financial Statements' is set to 'EXPENSE: Expenses'. Both sections have small icons for editing.

The screenshot shows the 'GET Income [Account]' setup form. At the top, the ID is 'GET IN', the name is 'GET Income', and the Ledger Code is '9999'. The 'Active' checkbox is checked. Under 'Account Type', 'Income' is selected in the dropdown menu. To the right, there are four checkboxes: 'Bank Account', 'Checking Account', 'Escrow Deposit Analysis', and 'Impound Account', all of which are unchecked. Under 'Account Sections', 'Balance Sheet' is set to 'CURRENT YR: Current Year Earnings' and 'Other Financial Statements' is set to 'INCOME: Income'. Both sections have small icons for editing.

- Set up an account code called GET PAID: Tax Paid to State. Set up a bill code pointing to that account code. It will be used to pay the tax to the state.

The image shows two overlapping windows from a software application. The top window is titled 'Pay Tax to State [Account]'. It has fields for ID (GET PAID), Name (Pay Tax to State), Ledger Code (9999), and a checked 'Active' box. Below these are sections for 'Account Type' (Expenses), 'Classification', and 'Account Sections' (Balance Sheet: CURRENT YR: Current Year Earnings; Other Financial Statements: EXPENSE: Expenses). The bottom window is titled '[Bill Code]'. It has fields for ID (GET PAID), Name (Pay Tax to State), and a checked 'Active' box. It also has fields for 'Account' (GET PAID: Pay Tax to State) and 'Charge'.

## 2) Management Group

Set up a GET Management Group (click <OK> to the warning). It is where the tax monies will accumulate. Create one for each schedule, i.e. quarterly, monthly. That will keep the money separate from your management fee income.

The image shows an 'Information' dialog box with a close button (X) in the top right corner. It contains an information icon (i) and the following text: 'Most users only require one management group for a database. If you are creating a second management group, please confirm with technical support that this is correct for your management situation.' Below the text is an 'OK' button.

The image shows the 'GET Management Group [Management Group]' window. It has fields for ID (GET MG), Name (GET Management Group), and Status (Active). There are two main sections: 'Remittance Address' and 'Additional Letterhead Information'. The 'Remittance Address' section contains fields for address (PROMAS, 311 Maple Ave West, Vienna, VA 22180) and ZIP code (22180), with a 'Foreign' checkbox. The 'Additional Letterhead Information' section has a large text area and a 'Work Order' field. Below these is an 'Accounting' section with fields for Posting Table (STANDARD: Standard), Accounting Method (Cash), and Start of Year (1/1/2018).

### 3) Categories

Under <<Setup, Categories>> set up a Category (GET Monthly; GET Quarterly; GET Semi-Annual) for each schedule.

### 4) Unit Profile

Assign to the applicable units. In the Unit Profile, add a category. Enter the owner's tax ID in the Qualifier field. Enter the full taxpayer name in the Comment field.

### 5) Account List

Under <<Setup, Account Lists>> create an account list of all the income account codes used to compute the GET amount.

### 6) Recurring Transfer

- Under <<Setup, Recurring Transfer>> set up a Recurring Transfer profile for use in calculating the tax and moving it to the tax management group.
- Mark the Used for Tax Collection checkbox.
- Select the Schedule and Next Scheduled Date.

- d) The number entered in Delay in Days means that you cannot do the tax computations for last month until after that many days have passed this month.
- e) Enter the Percentage.
- f) Use the Account List created above as the Source List in the Recurring Transfer.
- g) Select the Category in the Limit to Category field.

## Each Time

1. Go to <<GL, Scheduled Journal Entries>>. Mark the radio button for Tax Collection. The timeframe for the transactions considered is based on the <Scheduled Through> date. If the schedule is quarterly and the Scheduled Through date is 6/1, then the timeframe is from Mar 1 through May 31. If monthly, the timeframe would be May 1 through May 31. The last day of the period is the last day of the month prior to the Scheduled Through date.

**Scheduled Journal Entries**

Recurring Journal Entries  
 Recurring Transfers  
 Reconcile Property Management Fees  
 Tax Collections

Scheduled Through: 6/1/2018

Limit to Schedule: [Dropdown]

Restrict to: [Text Field]

2. Click <Compile>. A screen displays showing the candidates and the amounts.

Date	Payer	Transfer Amount	
6/1/2018	CEDAR327: 327 Cedar Lane Payee: GET MG: GET Management Group Source: GET M: GET Monthly	\$0.00	<input type="checkbox"/> Skip
6/1/2018	FAIR436: 436 Fairway Drive	\$20.52	<input type="checkbox"/> Skip
6/1/2018	MAIN212: 212 Main Street	\$17.10	<input type="checkbox"/> Skip
6/1/2018	ROCK9317: 9317 Rockport	\$19.35	<input type="checkbox"/> Skip
6/1/2018	WALNUT 124: 124 Walnut Road	\$16.20	<input type="checkbox"/> Skip

3. Clicking on a line item gives you access to the Source profile of the Recurring Transfer, and a Calculation button that displays a screen showing the basis for the calculated tax amount.

**Calculations**

-----  
**Tax Information**  
 Tax ID: 55-1234567  
 Harrison Golden  
 -----  
**Owner Information**  
 Harrison S. Golden  
 11 Walking Lane  
 Preston, NH 02190

4. You can print the report.

**Calculations**

-----  
 Calculated for CEDAR327: 327 Cedar Lane [Unit]  
 -----  
 to 5/1/2018 Period Start  
 5/31/2018 Period End  
 -----  
 = 31 Days in Period  
 -----  
 = \$0.00 Source Amount  
 -----  
 % \$0.00 Source Amount  
 1.8 Percentage  
 -----  
 = \$0.00 GET Monthly

Copy To Clipboard    Comment to Clipboard    OK    Cancel

5. Click <Post>.

Post Tax Collections						
June 1, 2018						
GET Monthly						
Period	Tax ID	Reference	Owner Address	Taxable	Tax Collected	Skipped
5/1/2018 5/31/2018	55-1234567	Harrison Golden	Harrison S. Golden 11 Walking Lane Preston, NH 02190	\$0.00	\$0.00	
5/1/2018 5/31/2018	55-2345678	Harrison Golden	Harrison S. Golden 11 Walking Lane Preston, NH 02190	\$1,140.00	\$20.52	
5/1/2018 5/31/2018	55-3456789	Frederick Clayton	Frederick L. Clayton 238 Vista Way Valdosta, CA 80290	\$950.00	\$17.10	
5/1/2018 5/31/2018	55-7890123	Ira Lebenson	Ira C. Lebenson 3336 Walnut Lane Sampson Heights, IL 55260	\$1,075.00	\$19.35	
5/1/2018 5/31/2018	55-8901234	Robert Stoy	Robert Stoy 22213 La Costa Blvd Valdosta, CA 80290	\$900.00	\$16.20	
				\$4,065.00	\$73.17	\$0.00
Count				4	4	0

The money has now moved from the owner ledgers into the GET Management Group ledgers. You can run an income summary or income details report under <<Reports, Management Group Reports>>(limit to Management Group) to determine how much to write the Tax Authority check for, or you can use the report printed from the Recurring Journal Entry screen.

Income Details			
June 1, 2018 to June 15, 2018			
GET Management Group			
Date	Description	Amount	Balance
6/1/2018	Beginning Balance		\$0.00
<b>Income</b>			
<b>GET Income</b>			
6/1/2018	GET Income to GET Management Group for 436 Fairway Drive	\$20.52	
6/1/2018	GET Income to GET Management Group for 9317 Rockport	\$19.35	
6/1/2018	GET Income to GET Management Group for 212 Main Street	\$17.10	
6/1/2018	GET Income to GET Management Group for 124 Walnut Road	\$16.20	
	GET Income	\$73.17	
	Total Income	\$73.17	
	Net Income (Loss)	\$73.17	
	Net Balance Change	\$73.17	
6/15/2018	Ending Balance		\$73.17

## B. To pay monthly or quarterly

To write the check for the monthly or quarterly amount just posted, go to AP, Single Check.

Management Group Reports		Write Check	
Posting Date	6/15/2018	<input type="checkbox"/> Hand Written	
Invoice #	JUNE 15, 2018		
Payee	STATE: Department of Revenues [Vendor]	Vendor	
Bank	CHECKING: Bank Account Checking		
One Time		Check Number	
Memo		Discount (%)	
Work Order		Discount (\$)	
1. Invoice / 2. Payee Address & Comments			
Bill To	GET MG: GET Management Group [Management Group]	Management Group	
Bill Code	GET PAID: Pay Tax to State		
Amount	\$73.17	<input type="checkbox"/> Split Charge with Owner	
Undiscounted Total	\$73.17	Total Discount	
		Discounted Total	\$73.17

Income Details			
June 1, 2018 to June 15, 2018			
GET Management Group			
Date	Description	Amount	Balance
6/1/2018	Beginning Balance		\$0.00
<b>Income</b>			
GET Income			
6/1/2018	GET Income to GET Management Group for 436 Fairway Drive	\$20.52	
6/1/2018	GET Income to GET Management Group for 9317 Rockport	\$19.35	
6/1/2018	GET Income to GET Management Group for 212 Main Street	\$17.10	
6/1/2018	GET Income to GET Management Group for 124 Walnut Road	\$16.20	
	GET Income	\$73.17	
	Total Income	\$73.17	
<b>Expenses</b>			
Pay Tax to State			
6/15/2018	Pay Tax to State by check #12345 to Department of Revenues	\$73.17	
	Total Expenses	\$73.17	
	Net Income (Loss)	\$0.00	
	Net Balance Change	\$0.00	
6/15/2018	Ending Balance		\$0.00

### **C. Collect the tax monthly but pay Semi-annually**

Follow the same procedure A as above to set up the codes, management group, categories, unit profile, and account list.

After setting up the Monthly or Quarterly Recurring Transfer (step 6), set up a second Recurring Transfer for the Semi-Annual schedule.

- a) Under <<Setup, Recurring Transfer>> set up another Recurring Transfer profile for use in calculating the tax to pay semi-annually. This will be used for information only.
- b) Mark the Used for Tax Collection checkbox.
- c) Select the Schedule of Semi-annual and Next Scheduled Date.
- d) The number entered in Delay in Days means that you cannot do the tax computations for last month until after that many days have passed this month.
- e) Enter the Percentage.
- f) Use the Account List created above as the Source List in the Recurring Transfer.
- g) Select the Category in the Limit to Category field.

GET Quarterly [Recurring Transfer]

ID: GET SEMI | GET Semi Annual |  Used for Tax Collection

**Schedule**

Schedule: Semi-Annual  
Next Scheduled: 7/1/2018  
Schedule Expires:   
Delay in Days:   
  
**Transfer Amount**

Percentage: 1.8  
Minimum:   
Maximum:   
Round to Nearest Dollar:   
Include if No Calculated Amount:

**Posting Information**

Debit Account: GET OUT: GET Expense  
Credit Account: GET IN: GET Income  
Alternate Payee: GET MG: GET Management Group  
Reference: Tax on Income  Transfer From Management Group  
Memo:   
Source Account: RENT: Rent  
Source List: GET INCOME: GET Income  
Limit to Category: GET Monthly

### **Each Time**

Follow procedure A above for taking the tax on a monthly or quarterly basis.



## Each Reporting Period (Semi-Annually)

- Go to <<GL, Scheduled Journal Entries>>. Mark the radio button for Tax Collections. Restrict to the GET Semi. Click <Compile>. The amount of withholding is based on the transactions in the ledger for the 6 month reporting period.

**Scheduled Journal Entries**

Recurring Journal Entries  
 Recurring Transfers  
 Reconcile Property Management Fees  
 Tax Collections

Scheduled Through: 7/1/2018

Limit to Schedule: [Dropdown]

Restrict to: GET SEMI: GET Semi Annual

**Transfer Candidates**

Date	Payer	Transfer Amount	
7/1/2018	CEDAR327: 327 Cedar Lane Payee: GET MG: GET Management Group Source: GET SEMI: GET Semi Annual	\$49.68	<input type="checkbox"/> Skip
7/1/2018	FAIR436: 436 Fairway Drive	\$122.04	<input type="checkbox"/> Skip
7/1/2018	MAIN212: 212 Main Street	\$102.60	<input type="checkbox"/> Skip
7/1/2018	OAK2118: 2118 Oak Street	\$70.56	<input type="checkbox"/> Skip
7/1/2018	ROCK9317: 9317 Rockport	\$19.35	<input type="checkbox"/> Skip
7/1/2018	WALNUT 124: 124 Walnut Road	\$16.20	<input type="checkbox"/> Skip

2. Print the report. This is the information you will use to pay the tax authority and fill in the state report. DO NOT POST. The tax money has already been moved. This is strictly for the check writing and reporting purposes.
3. After printing, go to the Recurring Transfer profile for Semi-annual reporting and change the next scheduled date to the next reporting period.
4. Write a check to the tax authority using the GET Management Group as the Bill To.

Post Tax Collections						
July 1, 2018						
GET Semi Annual						
Period	Tax ID	Reference	Owner Address	Taxable	Tax Collected	Skipped
1/1/2018 6/30/2018	55-1234567	Harrison Golden	Harrison S. Golden 11 Walking Lane Preston, NH 02190	\$2,760.00	\$49.68	
1/1/2018 6/30/2018	55-2345678	Harrison Golden	Harrison S. Golden 11 Walking Lane Preston, NH 02190	\$6,780.00	\$122.04	
1/1/2018 6/30/2018	55-3456789	Frederick Clayton	Frederick L. Clayton 238 Vista Way Valdesta, CA 80290	\$5,700.00	\$102.60	
1/1/2018 6/30/2018	55-6789012	Donald Schenk	Donald S. Schenk 3342 Alligator Walk Plantation, FL 74390	\$3,920.00	\$70.56	
1/1/2018 6/30/2018	55-7890123	Ira Levenson	Ira C. Levenson 3336 Walnut Lane Sampson Heights, IL 55260	\$1,075.00	\$19.35	
1/1/2018 6/30/2018	55-8901234	Robert Stoy	Robert Stoy 22213 La Costa Blvd Valdesta, CA 80290	\$900.00	\$16.20	
				\$21,135.00	\$380.43	\$0.00
Count				6	6	0