



Why are restaurant owners smiling a bit more these days?

They're *GROWING* with
ASAP Accounting & Payroll Services.

Companies at the tipping point of the next level of growth need far more than one-off financial services – they need a HIGHLY EFFICIENT PROCESS to MINIMIZE INEFFICIENCIES and MAXIMIZE PROFIT. That's what we do – and what we help you do. With over 21 years of experience, ASAP provides services and solutions designed to get every financial piece of your restaurant to the next level, As Soon As Possible.

ASAP's Complete Payroll Processing for Restaurants includes:

- Calculation, filing and reporting all FICA, federal and state income taxes, and Occupational Privilege Tax
- Tipped Employee Wage Make Up processing and reporting
- Electronic Tax Filing - all Quarterly and Annual Returns, guaranteed
- Employee Direct Deposit - avoid the hassles of signatures and lost checks
- Easy timesheet submittal by fax, email and online

Our Fixed Price Accounting Packages for Restaurants provide:

- Monthly fixed-pricing avoids unpredictable and unexpected billing surprises
- Packages that meet your individual needs, from simple , high-level oversight to fully integrated online accounting, bill paying, sales tax remittance and reporting
- Monthly, quarterly, and yearly financial reviews with your dedicated ASAP accountant

Custom Financial Reports deliver essential management data, including:

- Profit & Loss, Balance Sheet, and General Ledger
- Tipped Employee's Minimum Wage Make Up, Tax Shortfall and Tip Credits
- Worker's Compensation for every payroll period
- Colorado Utility Sales Tax Rebate
- Alcohol/Beer Costing, Labor Department Analysis, and much more

Employer Services and Online HR Resources provide:

- New Hire Reporting - now required by law
- Garnishment filing and reporting
- Vacation, Sick Leave Accruals, 401(k) and S125 Cafeteria tracking and reporting
- 24/7 online access to your payroll reports and employee information
- Employee Self-Serve - workers can view and print pay stubs and W2s online

So, isn't it time to start smiling a bit more and enjoying that restaurant of yours? The process can start anywhere you like – with payroll, or with accounting oversight, or at a higher level. No matter where we start, the goal is to get your company to the next level, ASAP.

Payroll tips for Restaurants

Calculating Employee Payroll Taxes

Employee taxes are deducted from an employee's gross wages and compensation, and include Social Security, Medicare, Federal Withholding, and State Withholding Taxes*. These taxes are required for all types of income, including tips, bonuses, commissions, and benefits (insurance, housing, ski passes, etc.) Employee payroll taxes are calculated as:

- Social Security/OASDI: is 6.2% of all wages up to \$106,800 for 2010.
- Medicare is 1.45% of all wages with no limits.
- Federal Withholding is based upon the employee's gross wages and compensation, and the employee's W4, by referencing the sliding scales in the current year's IRS tax tables.
- State Withholding is based upon the employee's gross pay and W4, by referencing the sliding scales in the current year's State tax tables.

Calculating Employer Payroll Taxes

Employer taxes are based on an employee's gross wages and compensation, and include Social Security, Medicare, Federal Unemployment and State Unemployment Insurance*. These taxes are paid in addition to the gross wages paid to each employee, and are part of the employer's payroll liability. Employer payroll taxes are calculated as:

- Social Security/OASDI: is 6.2% of all wages up to \$106,800 for 2010.
- Medicare is 1.45% of all wages with no limits.
- Federal Unemployment Insurance is 0.8% of all wages up to a \$7,000 limit paid per employee in each calendar year.
- State Unemployment Insurance is a variable percentage of all wages up to a \$10,000 limit paid per employee in each calendar year. The rate is assigned to each employer by the state, and is adjusted annually. The starting rate in Colorado is 2.52%.

**Some exceptions apply, particularly for J1 Visa holders, but in general all payroll taxes are required.*

Withholding and Reporting Employee Tips

Employees who receive tips of \$20 or more in a calendar month must report the total amount of tips they receive with a written report by the tenth of the following month. Employees must report cash tips received directly from customers, tips from other employees, and tips customers charge to their bills.

Use ASAP's tip reports to calculate Social Security, Medicare, and income tax withholding on both wages and reported tips. The employer pays the employer's portion of the Social Security and Medicare taxes, and collects employee's portion of the Social Security and Medicare taxes and the income taxes withheld. These payments are collected from the employee's wages, or from other funds the employee gives the employer. When figuring your liability for federal unemployment tax, add reported tips to your employee's wages.

Employer Minimum Wage Make Up and Tip Credit

Employers are required to pay tipped employees \$4.34 per hour in wages, so long as the employee's tips are enough to make up the remainder of the minimum hourly wage in effect (currently \$7.36 per hour). If the employee's tips do not bring the total wages up to the minimum wage, the employer must make up the difference. However, the employer can take a Tip Credit for this Wage Make Up. For employers to take advantage of the Tip Credit, they must meet the following conditions:

- The tipped Employee must actually receive at least as much in tips as the credit taken by the employer.
- The Employee must be informed of:
 - the amount of wage the employer will pay the employee
 - the amount the employer will credit against tips received
 - that the tip credit will be no greater than the value of tips actually received
 - that the tip credit cannot be applied unless the tipped employee has been informed of tip credit provision (FSLA)
 - that, except for valid tip pooling, all tips received by tipped employee must be retained by employee
- Credit card tips must be given to the Employee by the next payday, although the credit card company's percentage charge for the use of the card may be deducted from the tip.
- The Tip Credit may not be increased for overtime hours worked that are paid at a premium rate.

ASAP Accounting & Payroll Services, celebrating over 21 years. ASAP provides state-of-the-art payroll, accounting, HR resources and business coaching to over 400 satisfied clients, large and small. We are big enough to process payroll for over 6000 employees monthly, yet close enough to deliver personal attention and detail. ASAP is fully bonded and insured. We are certified QuickBooks Pro Advisors, and members of Colorado Restaurant Association among other industry related organizations.