

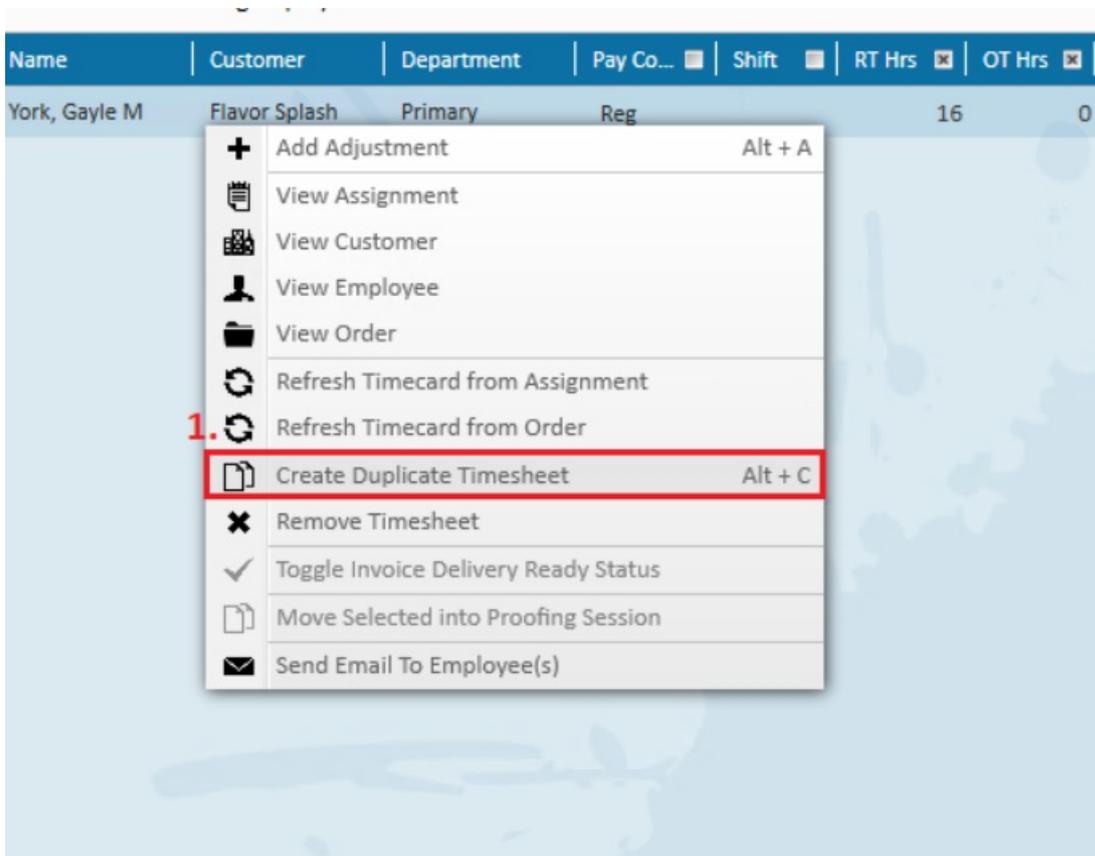
Enterprise - Documenting Cash Tips

Last Modified on 06/15/2023 8:34 am CDT

Employee cash tips must be entered separately from other employee hours in order to track and tax them properly.

Note Most often the employee already has the money in hand and does not need the total added to their check.

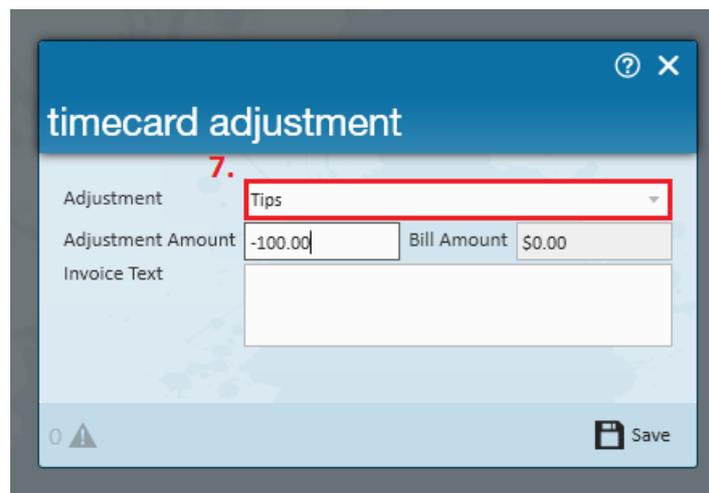
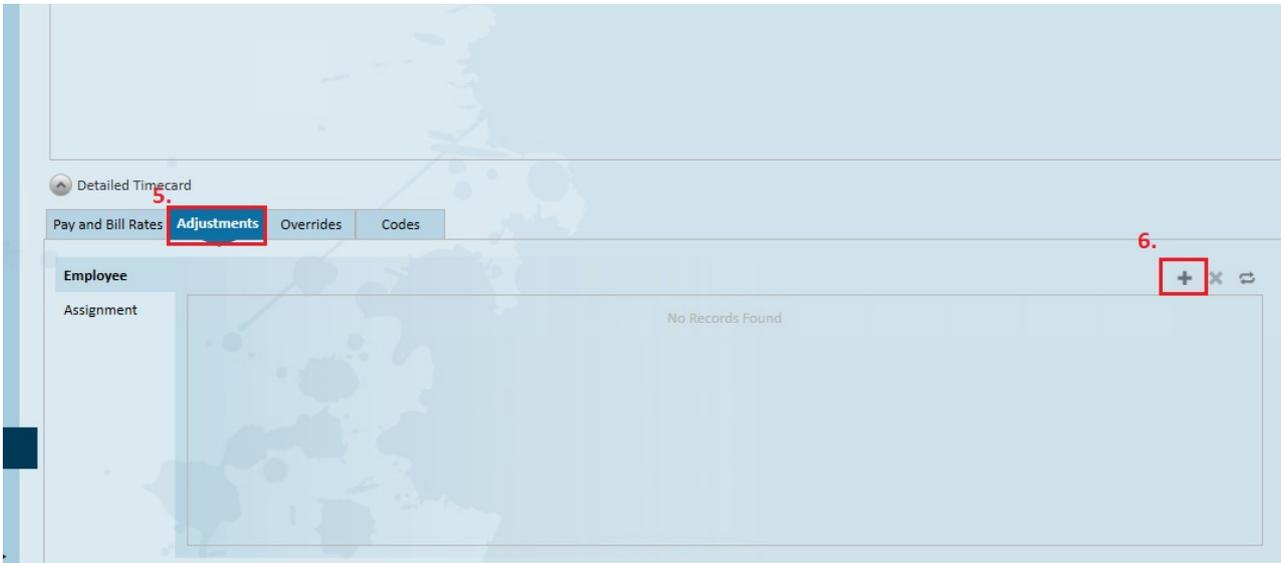
1. Within time entry, select the transaction for which you need to enter tips.
2. Right-click the selected transaction then select "[Create Duplicate Timesheet](#)". (If creating duplicate timesheets is something you need to do often, try the **Alt + C** keyboard shortcut once the transaction is selected!)



3. Double-click the newly created timecard. This will expand the additional details of the timecard.
4. Enter the "Units" and "Unit Pay".
 - For example, if the employee made \$100 in cash tips, enter "1" into the "Units" field and "\$100.00" into the "Unit Pay" field. ("Unit Bill" will likely be \$0.00.)
5. Pay Code as "Tips" - this essentially adds it to the employee's gross wages, meaning the employee will be taxed.
 - **Note:** If you do not see "Tips" as an option in the Pay Code drop-down menu, you will need to contact TempWorks to have this added.
6. Next, you'll need to add in an adjustment to reduce the employee's net pay, since in our example the

employee already has cash in hand. Once the adjustment is added, the taxes they owe for the tips will come out of the employee's other pay on that check.

7. On the duplicated timecard (the one with the tips added), select the "Adjustments" tab.
8. Click the "+" icon to open the timecard adjustment window.
9. Select the "Adjustment" drop-down and select "Tips":



Note If you don't see "Tips" as an adjustment type, your administrator will need to create it as an adjustment type in administration. See below for important adjustment specifications.

When adding the tips adjustment in administration it is important that the Category field is set to be "An adjustment to net".

tasks appointments social email

2 items available

core adjustment setup

Adjustment: Tips

1. Adj Id: 195

Category: An adjustment to net.

Description: Tips- for testing

Hier: Memphis NW

Active:

additional setup

Will this adjustment be set up on the employee file?

If this adjustment is billed in a region with sales tax, what type of sales tax should be calculated?

You may verify that the tips were added properly by utilizing the [staged checks report](#).

Staged Checks

High Tech Staffing

Entity Level (HierId 2)



Staged checks in PayrollRun 17106

Employee Name	Gross Pay	Employee Taxes	Adjustments	Net Pay
York, Gayle M	\$868.00	\$124.65	\$307.46	\$435.89
Transactions	Gross	THours	Pay Code	
Flavor Splash	\$768.00	16.00	Reg	
Flavor Splash	\$100.00	0.00	Tips	
Taxes	Amount Tax	Amount Taxable	Pre-Tax Adj	
Employee Portion Medicare tax	\$9.58	\$660.54	\$207.46	
Employee Portion Medicare tax	\$0.00	\$0.00	\$207.46	
Employee Portion Social Security tax	\$40.96	\$660.54	\$207.46	
Employer Portion Medicare tax	\$9.58	\$660.54	\$207.46	
Employer Portion Social Security tax	\$40.96	\$660.54	\$207.46	
Federal Tax	\$74.11	\$660.54	\$207.46	
Federal Unemployment	\$3.96	\$660.54	\$207.46	
Texas - No State Withholding	\$0.00	\$868.00	\$0.00	
Texas State Unemployment	\$23.44	\$868.00	\$0.00	
TX FUTA Credit Reduction	\$0.00	\$660.54	\$207.46	
Adjustments	Amount	Billable Amount	Benefit Amount	
ACA EE	\$82.46	\$0.00	\$0.00	
ACA ER	\$0.00	\$0.00	\$65.44	
ACA Fam	\$125.00	\$0.00	\$0.00	
Tips1	\$100.00	\$0.00	\$0.00	
Report Totals:	\$868.00	\$124.65	\$307.46	\$435.89

Taxes

Category	Amount Tax	Instances

Related Articles