

Salary Expense

Directions:

Analyze the following scenarios and calculate the requested items.

1. Employees at Tech Machine earned a total of \$100,000 for the month of December. The employer of Tech Machine withholds the following on December 31:
 - State income tax: \$7,000
 - Federal income tax: \$17,000
 - FICA taxes: \$7,650

Journalize and compute the wages and salaries expense for an employee at Tech Machine.

<u>Date</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>

2. Tech Machine has the following payroll Tax Expenses for the month of December, recorded on December 31:
 - FICA tax expense: \$7,650
 - State unemployment tax: \$2,500
 - Federal unemployment tax: \$600

Journalize and compute the Payroll Tax Expense for Tech Machine.

<u>Date</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>

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3. Employees at Tech Machine earned a total of \$153,300 for the month of December. The employer of Tech Machine withholds the following on December 31:

- State income tax: \$11,000
- Federal income tax: \$22,000
- FICA taxes: \$11,727.45

Journalize and compute the wages and salaries expense for an employee at Tech Machine.

<u>Date</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>

4. Tech Machine has the following payroll tax expenses for the month of December, recorded on December 31:

- FICA tax expense: 11,727.45
- State unemployment tax: \$5,500
- Federal unemployment tax: \$919.80

Journalize and compute the Payroll Tax Expense for Tech Machine.

<u>Date</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>