EXAMTOPICS

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Question #1 *Topic 1*

Duplicating employer's data as part of a disaster recovery plan can be accomplished by:

A. protecting against power surges.

B. rotating job assignments.

C. shadowing or mirroring.

D. developing audit trails.

Suggested Answer: *C*

Community vote distribution

C (100%)

levithomas650 Most Recent 1 month, 4 weeks ago

Selected Answer: C

Correct answer: C — Shadowing or mirroring.

Shadowing or mirroring maintains a duplicate copy of the organization's data, often at another location. This copy supports quick recovery if the primary system is damaged or unavailable.

upvoted 1 times

Question #2 *Topic 1*

Payroll bank accounts must be reconciled regularly for all of the following reasons EXCEPT to:

A. detect fraud.

B. identify errors or irregularities.

C. ensure that employees have been paid correctly.

D. validate that deposits have been recorded correctly.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Question #3 *Topic 1*

An employee has total YTD supplemental wages in the amount of $1,000,000.00 and receives a $55,000.00 net bonus. The employee lives and works in a state that has a 5% supplemental withholding rate. Calculate the gross amount of the employee's bonus.

A. $77,848.55

B. $97,259.06

C. $98,831.99

D. $111,223.46

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Question #4 *Topic 1*

System documentation should include all of the following functional areas EXCEPT:

A. time entry.

B. production cycle.

C. check calculation.

D. technical information.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Question #5 *Topic 1*

An employee enters data into the payroll system where it is collected and later processed with similar data. This method is known as:

A. batch processing.

B. real-time processing.

C. interfacing.

D. on-line processing.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Question #6 *Topic 1*

An example of a statutory nonemployee is a:

A. public service worker.

B. health care specialist.

C. full-time life insurance agent.

D. qualified real estate agent.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Question #7 *Topic 1*

During the workweek, a nonexempt employee who earns $15.00 per hour worked 42 hours and attended 4 hours of qualified remedial education to improve basic skills. Under the FLSA, what are the employee's wages for the week?

A. $600.00

B. $630.00

C. $690.00

D. $705.00

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Question #8 *Topic 1*

Which of the following factors is a characteristic of an independent contractor?

A. Freedom from financial risk

B. The right to subcontract work to others

C. The employer provides the necessary tools

D. The option to participate in the employer's 401(k) plan

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Question #9 *Topic 1*

Paying an employee via a paycard provides all of the following benefits to the employee EXCEPT:

A. the funds are easily accessible.

B. escheatment issues are reduced.

C. check cashing fees are eliminated.

D. the paycard is replaced if lost or stolen.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Question #10 *Topic 1*

For employers of 20 or more employees, which of the following occurrences is NOT a triggering event that requires coverage under COBRA?

A. Death of a covered employee

B. Termination due to gross misconduct

C. Divorce or legal separation of employee from spouse

D. Reduction in the number of work hours

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Question #11 *Topic 1*

Cash and noncash prizes and awards made to employees for doing outstanding work are subject to which of the following taxes?

A. FUTE only

B. Social security and Medicare only

C. Federal income, social security, and Medicare only

D. FUTA, federal income, social security, and Medicare

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Question #12 *Topic 1*

All of the following skills would indicate an active listener EXCEPT:

A. expressing an opinion on the issue.

B. maintaining eye contact.

C. summarizing main ideas.

D. using facial expressions.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Question #13 *Topic 1*

All of the following individuals are statutory employees EXCEPT:

A. full-time life insurance salespersons.

B. consultants.

C. homeworkers.

D. traveling salespersons.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Question #14 *Topic 1*

The effective customer service skill empathy displays all of the following actions EXCEPT:

A. recognizing the customer's emotional state.

B. acknowledging the customer's experience.

C. conveying an understanding of the customer's situation.

D. achieving a satisfactory resolution for the customer's issue.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Question #15 *Topic 1*

Which of the following items is a de minimis fringe benefit?

A. Season tickets to sporting events

B. First year work anniversary gift card

C. Parking valued at $200.00 per month

D. Occasional personal use of company telephone

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Question #16 *Topic 1*

Which of the following would qualify as a nontaxable fringe benefit?

A. A payroll manager being sent to a payroll tax seminar

B. Twenty-five dollar cash redeemable gift certificates given to employees

C. An employee winning $1,000.00 for a safety suggestion

D. An employee's non-working spouse traveling with the employee on company business

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Question #17 *Topic 1*

All of the following benefits result from outsourcing the payroll process to a service provider EXCEPT:

A. updates for tax laws and tax rates are provided.

B. lower hardware expense for payroll processing.

C. new services can be added.

D. lower variable costs.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Question #18 *Topic 1*

Under the FLSA exemption for nursing homes, the employee worked the following hours in the biweekly period. How many overtime hours, if any, MUST be paid?

WK	Mon	Tues	Wed	Thurs	Fri	Sat	Sun
1	11	10	4	4	9	off	off
2	8	8	8	6	10	4	off

A. 0

B. 2

C. 4

D. 8

Suggested Answer: *B*

Hours are 19 total; nursing-home exemption threshold is 8 hours per day, yielding 2 overtime hours.

Currently there are no comments in this discussion, be the first to comment!

Question #19 *Topic 1*

Nonresident alien students working in the U.S. are subject to FICA tax if they have a nonimmigrant visa under:

A. B-1

B. F-1

C. J-1

D. M-1

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Question #20 *Topic 1*

A semiweekly depositor has a bonus payroll with a pay date of Wednesday, October 14, resulting in a tax liability of $101,000.00. To avoid penalties, the tax deposit is due no later than:

A. Wednesday, October 14.

B. Thursday, October 15.

C. Friday, October 16.

D. Wednesday, October 21.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Question #21 *Topic 1*

An auto repair shop offers its workers a 20% discount on services performed at the shop. What portion of the discount, if any, is included in taxable income?

A. 0%

B. 20%

C. 50%

D. 100%

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Question #22 *Topic 1*

The operating rules of the ACH network governing direct deposit are developed and maintained by the:

A. FTC.

B. RDFI.

C. ODFI.

D. NACHA.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Question #23 *Topic 1*

When reviewing a Certified Professional Employer Organization application, the IRS will NOT look at the Professional Employer Organization's:

A. criminal background.

B. number of clients.

C. tax filing history.

D. license activity.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Question #24 *Topic 1*

If a quarterly 941 filer goes out of business on May 31, Forms W-2 are due to employees no later than:

A. May 31 of the current year.

B. July 31 of the current year.

C. December 31 of the current year.

D. January 31 of the next year.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Question #25 *Topic 1*

When determining where to send a notice regarding a data breach, all of the following criteria should be considered EXCEPT the:

A. type of information taken.

B. nature of the compromise.

C. physical proximity to the breach location.

D. potential damage if the information is misused.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Question #26 *Topic 1*

A payroll system documentation manual should NOT include:

A. company policies.

B. system introduction.

C. step-by-step procedures.

D. a confidentiality statement.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Question #27 *Topic 1*

A method to improve listening skills in which the listener repeats what they heard and asks the speaker for verification is called:

A. attentive communication.

B. reflective listening.

C. coaching.

D. mirroring.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Question #28 *Topic 1*

An employer receives a child support order for an employee whose monthly disposable pay is $1,500.00. The order states to deduct $1,000.00 each month. The employee is supporting another family and is not in arrears with child support payments. Calculate the MAXIMUM amount the employer can deduct for the child support order.

A. $375.00

B. $750.00

C. $900.00

D. $1,000.00

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Question #29 *Topic 1*

All of the following items must be reported on an employee's Form W-2 EXCEPT:

A. cash awards and prizes.

B. child support and garnishment payments.

C. non-accountable expense reimbursements.

D. qualified moving expense payments made directly to the employee.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Question #30 *Topic 1*

When looking for a new payroll system, which of the following pieces of information would be included in the RFP?

A. Detailed reporting format requirements

B. Name of the payroll bank account

C. Historical data on terminations

D. Functional requirements

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Question #31 *Topic 1*

A retiree is collecting social security benefits. The individual has been hired as an employee with an annual salary of $200,000.00. Which of the following taxes MUST be withheld from the first biweekly paycheck?

A. FIT only

B. Medicare only

C. FIT and Medicare only

D. FIT, social security, and Medicare

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Question #32 *Topic 1*

All of the following results are benefits of documenting policies and procedures EXCEPT:

A. reference tools.

B. simplified training.

C. uniform processes.

D. progress monitoring.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Question #33 *Topic 1*

Proper documentation enhances Payroll Department performance in all the following ways EXCEPT by:

A. simplifying training.

B. improving uniformity.

C. reducing internal conflict.

D. providing reference tools.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Question #34 *Topic 1*

The KEY issue in common paymaster determination is:

A. sequential employment for related companies within the same year.

B. concurrent employment by related companies.

C. employment in multiple states with the same employer.

D. same federal identification numbers for related companies.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Question #35 *Topic 1*

What is the MAXIMUM amount that can be collected from a previous employee for continuation of coverage of health insurance under COBRA?

A. 95% of the actual cost of premium

B. 100% of the actual cost of premium

C. 100% of the amount actually charged to active employees

D. 102% of the actual cost of premium

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Question #36 *Topic 1*

Which of the following general ledger accounts maintains a normal debit account balance?

A. Taxes payable

B. Payroll expense

C. Retained earnings

D. Accrued wages payable

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Question #37 *Topic 1*

All of the following are steps to reconciling a payroll account EXCEPT verifying:

A. against the accounts receivable register.

B. against the payroll register.

C. checks issued by accounts payable.

D. the end of the month balance.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Question #38 *Topic 1*

Monday, September 2, is Labor Day. For a company that paid a bonus on Friday, August 30, with a total tax liability of $105,000.00, when MUST the taxes be deposited to be considered timely?

A. Friday, August 30

B. Monday, September 2

C. Tuesday, September 3

D. Wednesday, September 4

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Question #39 *Topic 1*

Which of the following fringe benefits is taxable?

A. An all-expense paid vacation as a twenty-year service award

B. The value of a business flight on an employer-provided aircraft

C. A service provided at no additional cost to the employer

D. A qualified employee discount

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Question #40 *Topic 1*

Under the FLSA, the purpose of child labor restrictions is to:

A. prohibit employers from hiring children under the age of 16

B. require meal and frequent rest breaks for children

C. provide tax credits to employers who hire minors

D. protect the health and safety of minors

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Question #41 *Topic 1*

Common paymaster arrangements can be applied to all of the following taxes EXCEPT:

A. FITW

B. FUTA

C. Medicare

D. social security

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Question #42 *Topic 1*

An exempt employee paid semimonthly who normally works four 10-hour days per week is unable to work for two days in the pay period because the office is closed for remodeling. The employee's annual salary is $55,000.00. Under the FLSA, what amount MUST the employee be paid for the pay period?

A. $1,692.34

B. $1,762.83

C. $1,868.63

D. $2,291.67

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Question #43 *Topic 1*

Which of the following items is an example of an asset?

A. Accounts payable

B. Employee salaries

C. Accounts receivable

D. Payroll system lease

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Question #44 *Topic 1*

An employee with total YTD Medicare wages of $195,456.00, receives a gross bonus of $10,000.00. Calculate the Medicare taxes, if any, to be withheld.

A. $0.00

B. $145.00

C. $194.10

D. $235.00

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Question #45 *Topic 1*

Which of the following actions should be taken when an invalid Form W-9 is received?

A. Do not process any payment(s) to payee until a valid form is received.

B. Process payee payment(s) normally.

C. Process payment(s) to payee with backup withholding.

D. Send the payee a "B" notice requesting a valid form and process payment(s) normally.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Question #46 *Topic 1*

The BEST way to validate that accumulators are accurately updated is to:

A. add YTD total taxable wages from the previous pay cycle to the current total taxable wages and compare to current YTD taxable wages.

B. verify that the total net pay of the current pay cycle is approximately equal to the total net pay from the previous pay cycle.

C. balance the current employee count with the number of checks produced.

D. review error reports and correct all exceptions.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Question #47 *Topic 1*

Form 1-9 MUST be completed:

A. before employee begins work.

B. within three business days of employee's date of hire.

C. only if the employee is a U.S. citizen.

D. only if the employee is not a U.S. citizen.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Question #48 *Topic 1*

Under the FLSA, an employee classified as "exempt" is exempt from:

A. overtime pay and equal pay.

B. overtime pay and child labor.

C. minimum wage and child labor.

D. minimum wage and overtime pay.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Question #49 *Topic 1*

Using the percentage method, calculate the net pay for an exempt employee using the following information:

Total YTD wages	$115,000.00
Annual salary	$130,000.00
Pay frequency	Biweekly
2025 Form W-4	Married Filing Jointly, Step 2 NOT checked
No state or local income tax	
401(k) deferral	10% of salary

A. $3,450.02

B. $3,734.32

C. $3,950.02

D. $4,234.32

Suggested Answer: *B*

Gross biweekly pay = $130,000/26 = $5,000; 401(k) 10% = $500, so FIT wages = $4,500 (FICA still applies to the full $5,000). Annualized: $4,500 x 26 = $117,000 - $12,900 (Worksheet 1A line 1g, MFJ, Step 2 unchecked) = $104,100; 2025 MFJ table: $2,385 + 12% x ($104,100 - $40,950) = $9,963, /26 = $383.19. Social Security $310.00 + Medicare $72.50 = $382.50 (YTD $115,000 is under the wage base). Net = $5,000 - $500 - $383.19 - $382.50 = about $3,734.32.

Currently there are no comments in this discussion, be the first to comment!

Question #50 *Topic 1*

Which form is used by nonresident alien individuals to claim exemption from withholding on compensation for personal services because of an income tax treaty or the personal exemption amount?

A. Form 1040NR

B. Form 2555

C. Form 8233

D. Form W-8EXP

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Question #51 *Topic 1*

In which of the following situations is the employer required to recalculate the amount of wages an employee receives that are exempt from IRS levy?

A. On the first payment the employee receives after January 1 of each year

B. When the IRS announces new standard deduction and new personal exemption amounts

C. When the employee submits a new statement of exemption and filing status

D. The employer is not required to recalculate the exempt amount

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Question #52 *Topic 1*

The FLSA does NOT regulate:

A. workers' compensation.

B. qual pay for equal work.

C. recordkeeping by employers.

D. minimum wage and minimum overtime rates.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Question #53 *Topic 1*

At the time of death, an employee was owed wages and accrued vacation. The employee's estate was paid on January 2 of the following year. What are the employer's reporting requirements for the payment for the year after death?

A. Form W-2, Box 1 only

B. Form W-2, Boxes 1,2,3, 4, 5, 6

C. Form W-2, Boxes 3, 4, 5, 6 and Form 1099-MISC, Box 3

D. Form 1099-MISC, Box 3 only

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Question #54 *Topic 1*

Which of the following items is subject to FUTA?

A. Nonqualified moving expense reimbursements

B. The value of deductible meals and lodging provided by the employer

C. The excess value of group-term life insurance

D. Workers' compensation benefits

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Question #55 *Topic 1*

Forecasting the costs and revenues associated with projects is BEST described as:

A. accrual accounting.

B. financial analysis.

C. budget planning.

D. cost accounting.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Question #56 *Topic 1*

Employees covered under a collective bargaining agreement may be exempt from which of the following regulations?

A. Minimum wage and overtime

B. Child labor restrictions

C. Minimum wage only

D. Overtime only

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Question #57 *Topic 1*

In order to provide qualified transportation fringe benefits to employees, which of the following conditions is required?

A. A commuter vehicle must hold at least 9 passengers

B. The plan must be part of a Section 125 plan

C. Substantiation that the benefit is used to purchase valid transportation

D. At least 60% of the commuter vehicle's mileage must be for commuting to and from work

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Question #58 *Topic 1*

The Payroll Department would provide a charitable contributions report to the Accounts Payable Department for:

A. SOX compliance.

B. auditing and sampling.

C. balancing and reconciliation.

D. next year's campaign budget.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Question #59 *Topic 1*

The FIRST step an employer must take after deciding to look for a new payroll system is:

A. preparing an RFP.

B. selecting a system.

C. building a project team.

D. analyzing new system functionality.

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Question #60 *Topic 1*

A PRIMARY objective of maintaining current documented payroll procedures is to ensure:

A. compliance with banking operating standards

B. conformity with company cash management and reporting guidelines

C. execution of pay processes in accordance with company policies and programs

D. adherence to cyclical general ledger closing and reporting schedules

Suggested Answer: *C*

Currently there are no comments in this discussion, be the first to comment!

Question #61 *Topic 1*

To determine the taxable value of group-term life insurance, all of the following information is needed EXCEPT the employee's:

A. age as of the end of the calendar year.

B. after-tax contribution to the premium.

C. group-term life insurance coverage.

D. salary.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Question #62 *Topic 1*

What is the IRS penalty for a tax liability that is deposited six days late?

A. 2%

B. 5%

C. 10%

D. 15%

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Question #63 *Topic 1*

Which of the following statements most accurately describes the purpose of coaching or counseling?

A. Counseling deals with improving skills.

B. Coaching deals with resolving personal problems.

C. Coaching is used when an employee feels stressed.

D. Counseling is used when an employee feels burned out.

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Question #64 *Topic 1*

A plan that provides an account for each participant, with retirement benefits based upon actual deposits to the account, is called a:

A. defined benefit plan.

B. defined contribution plan.

C. nonqualified plan.

D. Section 125 cafeteria plan.

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Question #65 *Topic 1*

Under the Railroad Retirement Tax Act, wage payments are exempt from:

A. FICA only.

B. FICA and FUTA only.

C. FITW and FUTA only.

D. FITW, FICA, and FUTA.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Question #66 *Topic 1*

A company surprised all employees with a bonus in celebration of the company's 10-year anniversary. Based on the following information for the current workweek, calculate the nonexempt employee's regular rate of pay.

Hourly rate	$14.00
Night shift differential	10%
Hours worked day shift	20
Hours worked night shift	20
Bonus	$250.00

A. $14.00

B. $14.70

C. $20.25

D. $20.95

Suggested Answer: *B*

The bonus raises total straight-time earnings to $588; regular rate is $14.70 per hour.

Currently there are no comments in this discussion, be the first to comment!

Question #67 *Topic 1*

Based on the following information, calculate the MAXIMUM amount of supplemental wages.

Regular earnings	$85.20
Performance bonus	$50.00
Taxable fringe benefit	$200.00

A. $50.00

B. $200.00

C. $250.00

D. $335.20

Suggested Answer: *D*

Maximum supplemental wages include regular earnings, performance bonus, and taxable fringe benefit: $335.20.

Currently there are no comments in this discussion, be the first to comment!

Question #68 *Topic 1*

An employer incurs a $3,500.00 tax liability on payday, Thursday, April 23 and a $97,000.00 tax liability on payday, Friday, April 24. To qualify for safe harbor protection, what is the MINIMUM amount required to be deposited timely?

A. $100,500.00

B. $98,490.00

C. $97,000.00

D. $3,500.00

Suggested Answer: *B*

Currently there are no comments in this discussion, be the first to comment!

Question #69 *Topic 1*

Which of the following statements is TRUE regarding nonqualified deferred compensation plans?

A. They can favor highly compensated employees.

B. They are used only for retired employees.

C. They are Section 403(b) plans.

D. They must be administered by the legal department.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Question #70 *Topic 1*

Payroll department documentation should include all of the following items EXCEPT:

A. tax deposits.

B. system edits.

C. company policies.

D. business continuity plans.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Question #71 *Topic 1*

An employee's YTD earnings records indicate the following:

Based on the information above, calculate the amount to be reported in Box 3 of Form W-2.

Total regular wages	$141,050.00
401(k) deferral	$14,000.00
Pretax medical insurance deduction	$3,500.00
Union dues	$300.00
Excess value of group-term life insurance	$53.00

A. $123,603.00

B. $127,050.00

C. $137,603.00

D. $141,050.00

Suggested Answer: *B*

Box 3 excludes 401(k), pretax medical insurance, and union dues; includes taxable GTL: $127,050.

Currently there are no comments in this discussion, be the first to comment!

Question #72 *Topic 1*

When establishing a vacation accrual, a liability account is:

A. credited.

B. debited.

C. deferred.

D. nondeferred.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Question #73 *Topic 1*

What is the MAXIMUM penalty the IRS can assess for willful failure to deposit employment taxes?

A. 10% of the taxes due

B. 15% of the taxes due

C. 50% of the taxes due

D. 100% of the taxes due

Suggested Answer: *D*

Currently there are no comments in this discussion, be the first to comment!

Question #74 *Topic 1*

An exempt employee is paid a weekly base salary of $600.00. In one week the employee worked 46 hours and earned $500.00 in commissions. Under the FLSA, how should the employee be paid?

A. Pay the employee base salary and commission only.

B. Pay the employee base salary, six hours at straight time, and commission.

C. Pay the employee base salary, six hours at time-and-a-half, and commission.

D. Pay the employee base salary, six hours at regular rate of pay, and commission.

Suggested Answer: *A*

Currently there are no comments in this discussion, be the first to comment!

Question #75 *Topic 1*

A company reimburses its employees for business mileage at the rate of 75 cents per mile. An employee traveled 150 miles and was reimbursed $112.50. How much of the reimbursement, if any, is taxable to the employee?

A. $0.00

B. $7.50

C. $81.00

D. $112.50

Suggested Answer: *D*

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