**Payroll Register Part II**

Revised January 2016

**Activity 1:**

Complete the Payroll Register using the Semi-Monthly Tax Table.

**Directions:**

1. Create a copy of the current worksheet and rename the new worksheet "Activity 1 Solution."
2. Enter a formula in cells L6:L12 to calculate Federal Income Tax using the given tax table and relative cell references to the Tax and Tax %. If the Taxable Federal Income falls into a specific tax bracket, use the tax and tax % for that bracket. Keep in mind that regardless of which tax bracket the Taxable Federal Income falls into, the amounts from 0 to $192.31 are taxed at 10%, amounts from $192.31 to $576.92 are taxed at 15% plus the first bracket ($19.23), etc.
3. Enter a formula in cells M6 to calculate Total Deductions. Use the Fill Handle on cell M6 to apply to cells M7:M12.
4. Enter a formula in cell N6 to calculate Net Pay. Use the Fill Handle on cell N6 to apply to cells N7:N12.
5. Enter a formula in cell L13 to calculate the total for Federal Income Tax. Use the Fill Handle on cell L13 to apply to cells M13:N13.
6. Enter a formula in cell L15 to calculate the average for Federal Income Tax. Use the Fill Handle on cell L15 to apply to cells M15:N15.
7. Format cells L6:N6, L13:N13, and L15:N15 to Accounting with 2 decimal places and $ symbol.
8. Format cells L7:N12 to Number with 2 decimal places and comma separator.
9. Save file.
10. Click on the tab with the worksheet titled Activity 2 to continue.

**Activity 2:**

Calculate Taxable Federal Income using the given tax table and a Nested IF function.

**Directions:**

1. Create a copy of the current worksheet and rename the new worksheet "Activity 2 Solution."
2. Enter an IF function in cell L6 that uses absolute cell references to refer to the tax table. Make sure the IF function refers to the entire tax table and can apply to cells L7:L12. Copy the formula from cell L6 to cells L7:L12. Hint: Your formula should have 4 IF functions.
3. Enter a new formula in cells M6 to calculate Total Deductions. Use the Fill Handle on cell M6 to apply to cells M7:M12.
4. Enter a formula in cell N6 to calculate Net Pay. Use the Fill Handle on cell N6 to apply to cells N7:N12.
5. Enter a formula in cell L13 to calculate the total for Federal Income Tax. Use the Fill Handle on cell L13 to apply to cells M13:N13.
6. Enter a formula in cell L15 to calculate the average for Federal Income Tax. Use the Fill Handle on cell L15 to apply to cells M15:N15.
7. Format cells L6:N6, L13:N13, and L15:N15 to Accounting with 2 decimal places and $ symbol.
8. Format cells L7:N12 to Number with 2 decimal places and comma separator.
9. Select the entire worksheet and change font to Calibri size 11.
10. Compare the Federal Income Tax in this activity to the Federal Income Tax you solved for in Activity 1. If you used the correct formulas, the Federal Income Tax in this activity and Activity 1 should be identical.
11. Save file.