

Chapter 12 Outline

Notes Payable
Accounting for Payroll-Related Liabilities
 Payroll Records
 Regular Pay and Overtime Pay
 Payroll Journal Entries
 Reporting Tips
Other Current Liabilities
 Property Taxes

Competencies

1. Identify and describe current liabilities that hospitality firms commonly carry. (p. 375)
2. Distinguish between notes payable and accounts payable, and demonstrate how to account for notes payable. (pp. 376–378)
3. Describe payroll systems, internal control policies and procedures that are appropriate for them, and some of the forms, records, and procedures required in payroll systems. (pp. 378–381)
4. Demonstrate how to calculate regular and overtime pay and describe the circumstances under which each is due to staff. (pp. 381–383)
5. Demonstrate how to make payroll journal entries, and describe the payroll taxes imposed on U.S. employers and the related forms and procedures. (pp. 383–389)
6. Describe payroll accounting for tipped employees with respect to employee tip reporting, minimum wage, tip credit, net pay, and overtime pay. (pp. 389–391)
7. Demonstrate how to account for property taxes. (pp. 391–392)