

DBFBP MEMOS 1999

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January 20, 1999

IN REPLY REFER TO:
DBFBP 99-1

TO: AGENCIES ADDRESSED

FROM: Allen Reams, Chief
Bureau of State Payrolls

SUBJECT: DEFERRED RETIREMENT OPTION PROGRAM (DROP)

The purpose of this memorandum is to reiterate to agency payroll processing staff certain issues addressed in the Department of Management Services DROP Memorandum dated July 13, 1998. Set forth below are the specific issues discussed with agency personnel over the first 6 months of the DROP Program that appear to need clarification.

1. When an employee changes pay plans, while in DROP, the employee will be paid up to the difference between the original annual leave payment paid and the cap for the new pay plan from any accrued balance remaining at the time of separation from service.

For example:

- ◆ *If an SMS or SES employee enters the Career Service class, while in DROP, and was paid in excess of 240 hours upon entry into the DROP, no additional annual payment is allowed upon separation.*
 - ◆ *If an SMS or SES employee was paid for 200 hours of annual leave upon entry into DROP and subsequently entered Career Service, the employee may be paid for an additional 40 hours of annual leave, upon separation, as the cap for Career Service employees is 240 hours.*
 - ◆ *If a Career Service employee enters the SES or SMS class, while in DROP, and was paid for the maximum number of hours (240) at the time he/she entered DROP, the employee may be paid for an additional 240 hours of annual leave, as the cap for SES/SMS class is 480 hours.*
2. Beneficiaries of deceased employees, whether in DROP or not, will receive payment for all of the employee's accrued leave.
 3. Payment for the additional 32 hours of annual leave pursuant to the leave and attendance lawsuit can not be made to employees entering DROP after July 1, 1998.
 4. Employees entering DROP or retiring may shelter a portion of leave payments from Federal Income Taxes, up to certain limits, by making contributions to a deferred compensation plan. Contributions to a deferred compensation plan reduces the gross pay subject to Federal Income Taxes; however, the entire gross leave pay is subject to Social Security and Medicare Taxes. The maximum amount an employee may contribute to a deferred compensation plan is dependent upon the income deferral limitations imposed by the deferred compensation plan, and the gross leave payment available for contribution to the plan.

Deductions from gross pay, such as employment taxes, or other required deductions, reduce the amount of the gross pay available for tax deferral. The following example is presented to assist you in determining the maximum amount eligible for deferral:

Example: In this example, we assume a gross leave payment of \$10,000, with Federal Employment Taxes as the only required deductions from gross pay. Federal Employment Taxes include: Withholding Tax at 28%; Social Security Tax at 6.2%; and Medicare Tax at 1.45%. In this example assume the employee has elected to go under the catch-up provision and is eligible to defer an amount in excess of the payment.

Step One: Calculate the employee matching for Social Security and Medicare Taxes required for this payment. The employee's share of Social Security and Medicare Taxes must be deducted from the gross leave payment. This deduction reduces the amount available for deferral.

$$\begin{aligned} \$10,000 \times 6.2\% &= \$620.00 \text{ Social Security Tax (S.S.)} \\ \$10,000 \times 1.45\% &= \underline{\$145.00} \text{ Medicare Tax} \\ &\quad \underline{\$765.00} \text{ Total S.S. \& Medicare Tax} \end{aligned}$$

Step Two: Calculate the gross leave payment subject to Federal Income Tax Withholding at 28% or the Alternative Tax Method. For simplification purposes, we are using the Federal Income Tax Withholding rate of 28%. In order to ensure that there is sufficient gross to cover employment taxes, the Social Security and Medicare Taxes totaling \$765.00 must be grossed up to determine gross pay subject to Withholding. This is determined by applying a simple algebraic equation ($1X - .28X = \$765$, where X = taxable gross pay subject to Withholding). Because the Comptroller's payroll system cannot programmatically produce a zero net pay warrant with certainty, due to rounding functions in the process, an attempt to produce a zero net pay warrant may cause the payment to not process, due to insufficient net pay. In order to avoid this situation, BOSP recommends that the maximum contribution be reduced by \$5.00. This will increase the amount subject to Federal Income Tax Withholding and also will result in net pay of \$3.60:

$$\$765.00 / 72\% = \$1,062.50 \text{ taxable gross subject to Withholding Tax}$$

Step Three: Calculate the maximum deferred compensation payroll deduction to be included with the payroll process:

$$\begin{aligned} \$10,000.00 &= \text{gross leave payment amount} \\ \$ <298.90> &= \text{Withholding Tax (28\% X \$1,067.50)} \\ \$ <620.00> &= \text{Social Security Tax (6.2\% X \$10,000)} \\ \$ <145.00> &= \text{Medicare Tax (1.45\% X \$10,000)} \\ \$ <8,932.50> &= \text{Maximum contribution amount (gross leave payment} \\ &\quad \text{(\$10,000) minus taxable gross (\$1,067.50))} \\ \$ \quad 3.60 &= \text{Net pay (gross leave payment (\$10,000) minus} \\ &\quad \text{employment taxes (\$1,063.90) minus contribution} \\ &\quad \text{amount (\$8,932.50))} \end{aligned}$$

5. For employees entering DROP or retiring, that elect to defer the payment of their leave, agencies are no longer required to provide the

Bureau of State Payrolls with a copy of the "Deferrals From Special Supplemental Pay" forms.

6. Leave payments made by paper or through the PC Payment System, developed by the Bureau of State Payrolls, are not automatically updated in the COPES leave module. Agencies are responsible for adjusting the employees' leave balance.

Should you have any question regarding this memorandum or BOSP's administration of the DROP Program, please contact Patricia Manning at 850/410-9446 or SUNCOM 210-9446.

AR/11b

January 26, 1999

IN REPLY REFER TO:
DBFBP 99-2

TO: AGENCIES ADDRESSED

FROM: Allen Reams, Chief
Bureau of State Payrolls

SUBJECT: Deferred and Dual Compensation Forms

Effective February 6, 1997, The Department of Management Services delegated the authority for approval of Dual Employment and Employment in Excess of One Full Time Equivalent Position to state agencies. As a result, state agencies are not required to submit a copy of the "Request For Approval of Additional State Compensation" form to the Bureau of State Payrolls (BOSP).

Additionally, the "Deferrals from Special Supplemental Pay" form is no longer required to be submitted to BOSP. The information required to process requests for deferrals from special supplemental payments is handled between the Bureau of Deferred Compensation (BODC) and the Bureau of State Payrolls (BOSP). This process is as follows:

1. The request for deferral is received by the BODC directly from the employee's provider;
2. The BODC then forwards a memo to the BOSP informing the BOSP of the information submitted by the provider;
3. The BOSP obtains the year to date salary information from the current year payroll screens and submits this information to the BODC; and,
4. The BODC then determines and submits, to the BOSP, the maximum deferral allowable.

The agency is required to submit the supplemental payment request to the attention of Betty Barnes, BOSP via the PC Payment system or paper requisitions for sick leave or special compensatory leave in lieu of overtime. After the deferral amount has been calculated, the final authorization is received by BOSP from the BODC. Once the necessary payroll requisition is received from the agency, the deferral will be processed on the next supplemental payroll.

Each agency must continue to maintain, for post review purposes, the above mentioned forms or documentation to support action taken relative to the subject matter discussed in this memorandum.

Please note these changes are effective the date of this memorandum and should you have any questions please contact Patricia Manning at 850/410-9446, SUNCOM 210-9446.

AR/llb

February 3, 1999

In Reply Refer To:
DBFBP 99-3

To: PERSONNEL OFFICES ADDRESSED

From: Allen Reams, Chief
Bureau of State Payrolls

Subject: EXPIRATION OF EXEMPT STATUS ON FORM W-4

Employees claiming exempt status on their Form W-4, Employee's Withholding Allowance Certificate must file a new Form W-4 each year. If the employee does not give you a new Form W-4 the Internal Revenue Service requires that income be withheld as if the employee is single with zero allowances.

In order to continue uninterrupted exempt status, employees eligible to claim exempt status for 1999 must submit a new Form W-4 to the agency prior to the first applicable payroll processing date after February 15, 1999. Refer to the Payroll Preparation Manual, [Volume II, Section 6](#), pages 6 through 8 for additional information.

Agency payroll report PW4JYX02 provides a listing of employees within your agency that had exempt status for 1998. This report is disseminated through the Report Distribution System (RDS). Should you need assistance in viewing or printing the report, please contact your agency's RDS administrator. Attached is a hard copy of the report. This will be the last year a hard copy will be distributed. These employees should be notified that a new Form W-4 is required for 1999. Employees that claimed exempt status for 1998 that expect to incur income tax liability in 1999 must complete a new form W-4 now to begin withholding for calendar year 1999.

The Internal Revenue Service does not permit nonresident aliens to claim exempt status on their Form W-4. With some exceptions nonresident aliens must claim single with one exemption regardless of their marital status. Nonresident aliens that are eligible for an exemption from withholding under the provisions of a tax treaty should follow the procedures in the Payroll Preparation Manual, [Volume V, Section 15](#) to file for the exemption.

Enclosed is a copy of Internal Revenue Service Form W-4 that contains instructions to assist employees in determining correct withholding. For those not eligible for exempt status, the W-4 provides a worksheet to help calculate the number of withholding allowances that may be claimed on the new Form W-4.

For additional information employees should obtain [IRS Publication 505](#), *Tax Withholding and Estimated Tax*, and [IRS Publication 919](#), *Is My Withholding Correct for 1999?* or consult their tax advisor.

Internal Revenue Service forms and publications may be obtained from the Internal Revenue Service by calling the toll-free number for forms 1-800-829-3676 or down loaded from the IRS Web site at:
<http://www.irs.ustreas.gov/>.

If you have any questions regarding these instructions, please call either

Janet Joiner at 850/410-9435, SUNCOM 210-9435 or Laurine Blair at 850/410-9440, SUNCOM 210-9440.

AR/llb

Enclosures

March 2, 1999

IN REPLY REFER TO:
DBFBP 99-4

TO: AGENCIES ADDRESSED

FROM: Allen Reams, Chief
Bureau of State Payrolls

SUBJECT: PERSONAL COMPUTER PROGRAM FOR SUBMITTING NON-RECURRING PAYMENT
REQUISITIONS

In our memorandum [DBF 98-10](#) dated June 8, 1998, the Bureau of State Payrolls (BOSP) announced procedures for processing payroll for the Deferred Retirement Option Program (DROP). In an effort to further streamline payroll processing, BOSP has seen a need to place into production a more efficient way of processing other payment types currently processed through paper submission.

As you know, a PC application for use in submitting annual leave, special compensatory leave in lieu of overtime and lump sum in lieu of overtime payment requests is already in production. We are expanding this application to include the following payment types:

| <u>Payment Type</u> | <u>Key Code</u> |
|--|-----------------|
| Special compensatory leave upon termination | 32 |
| Suggestion awards | 33 |
| Superior accomplishment awards | 34 |
| OPS Nonrecurring | 35 |
| Uniform allowance | 38 |
| On-call fees | 43 |
| Firefighters incentive | 44 |
| SUS faculty awards | 52 |
| Regular compensatory leave in lieu of overtime | 61 |
| Productivity bonus | 62 |
| SUS direct support | 75 |
| Career commitment lump sum bonus | 77 |
| Special projects lump sum | 79 |
| Termination Pay | 85 |
| Pretax insurance refund | 91 |

We encourage agencies to continue to submit, through their payroll/personnel system, all payment requests that can be submitted through that system. However, for those payment requests that cannot be submitted through the payroll/personnel system, we encourage agencies to immediately begin utilizing this application. These requests will need to be submitted through the PC application via diskette or electronic mail. This information can be e-mailed to the following address: pmanning@mail.dbf.state.fl.us. A report of records input can be produced using this PC application. It should be signed and submitted, along with the diskette, or faxed to Patricia Manning at 850/410-9454 or SUNCOM 210-9454. The payroll certification is included on this report; thus, form DBF-BP-50 is not necessary for these requests.

For leave payments from which deferred compensation is to be deducted, an indicator that deferred compensation will be deducted is on the file produced by this PC application. It is important that this indicator be set for all requests for which deferred compensation is deducted. If it is not set, the payment will be processed on the payroll indicated on the signed payroll report. The indicator will serve to stop the payment from processing until it can be set up to deduct Deferred Compensation by Bureau staff.

Also, for key codes 33, 34 and 75, an indicator that these payments should be paid on the next Class C payroll is on the file produced by this PC application. It is important that you select whether you want these payments to be processed on the Class C payroll. If you do not place a mark in the space provided on the printed report, the payments will be processed on the payroll indicated on the signed payroll report. If the space is marked, all key code 33, 34 and 75 payment requests contained on the report, will be processed on the next Class C payroll and a warrant will be produced.

Effective July 1, 1999, the Bureau of State Payrolls will no longer accept paper requests for the payment types listed above. All agencies will be required to use the PC application to submit these payment requests. However, we encourage all agencies to begin utilizing this application as soon as possible. Enclosed are the basic procedures for installation and operation of this application, which may also be found on the Comptroller's web page at: <http://www.dbf.state.fl.us/bosp/handbook/v1s1.html>.

If you have any questions please call Patricia Manning at 850/410-9446 or SUNCOM 210-9446.

***SPECIAL NOTE:** We would like to encourage agencies to e-mail their Class C meal requests, also. This file can be e-mailed to the same e-mail address listed for the PC payment application requests. The file must be in either a .wkl or .dbf file format. If the file is e-mailed to BOSP, the signed report supporting the file may be faxed to Patricia Manning at the number given above.

AR/llb

Enclosure

March 17, 1999

In Reply Refer To:
DBFBP 99-5

To: AGENCIES ADDRESSED

From: Allen Reams, Chief
Bureau of State Payrolls

Subject: NEW ONLINE NON-CASH AND RETIREMENT ADJUSTMENT SYSTEMS

Beginning April 1, 1999, agencies will have the ability to submit online non-cash and retirement adjustments to an employee's earnings record. These new systems will also automate the corresponding state accounting entries for the applicable taxes and/or retirement contributions. Access to these functions will be available through the Cancellations and Adjustments (CA) selection listed on the Payroll Main Menu. Once the Cancellations and Adjustments option is selected, the Non-Cash Adjustments (NC) or Retirement Adjustments (RT) option may be selected. Agency Access Control Custodians may begin setting up access for users on April 1. The Bureau of State Payrolls will continue to accept employee record adjustments, journal transfers for the associated taxes and/or retirement contributions and, if applicable, warrant vouchers payable to the appropriate vendor for a few months. This will allow agencies adequate time to establish procedures necessary to use the online systems and to receive training in the use of these systems. You will be receiving procedures for inclusion in your Payroll Preparation Manual for these new online systems as soon as possible.

The Non-Cash Adjustments online function will allow agencies to input adjustments for non-cash state awards, vehicle fringe benefits, tuition waivers, tip income, education benefits and non-resident alien scholarships. Please note that this function is only for non-cash adjustments. This is a two-step process that requires the record adjustment to be added and approved. Once the adjustment is approved, it will be pulled for processing at 5:00p.m. The employee record is then updated and the necessary accounting entries to obtain the applicable taxes from the agency accounts are automated. Agencies must continue to collect the applicable taxes from the employee for all non-cash adjustments in which the agency is not paying the tax amounts on behalf of the employee. We are currently working on an enhancement to this system that will provide a mechanism to collect the Social Security and Medicare taxes in the subsequent payroll for certain types of non-cash adjustments. This feature would no longer require you to collect taxes from the employee, provided that the employee has sufficient earnings from which to make the collection before the end of the calendar year. Additionally, for those agencies that wish to batch upload their adjustments for vehicle fringe benefits and tuition waivers, we are in the process of enhancing the system to provide for this. You will be notified at a later date when these enhancements will become available.

The Retirement Adjustments online function will allow agencies to input adjustments to correct retirement information. For example, this function will allow the agency to adjust for situations where the employee was paid using an incorrect retirement code; the employee entered the DROP program in the middle of a pay period and should have contributions under two different retirement codes; and the employee was eligible for retirement contributions

while on Workers' Compensation. Again, this is a two-step process that requires the record adjustment to be added and approved. Once the adjustment is approved, it will be pulled for processing at 5:00p.m. The employee record is then updated and the appropriate accounting entries automated to obtain the retirement contributions from the agency accounts.

The Bureau of State Payrolls is conducting payroll workshops on April 2nd, April 29th and April 30th from 1:00p.m. until 4:30p.m. to provide instructions and hands-on experience with these new online adjustment systems. You may register for the workshop through Training Direct at Internet site <http://fcn.state.fl.us/dms/trac/readme.html>. If you do not have Internet access, please fax your request to Lora Burch, Training Coordinator for BOSP at 850/410-9454, SUNCOM 210-9454 or e-mail at Lora_L_Burch@mail.dbf.state.fl.us.

There will be other payroll topics offered from 8:30 until 12:00, which include Change Order processing, Manual Payrolls, Revolving Fund Payments, Variable Group Term Life Insurance, Criminal Justice Incentive Payments and the PC Payment Application. Registration for these workshops in the morning may also be handled through Training Direct at the same Internet site.

Should you have any questions regarding these enhancements please call either Diana Flagg at 850/410-9428, SUNCOM 210-9428 or Janet Joiner at 850/410-9435, SUNCOM 210-9435.

AR/df

March 19, 1999

IN REPLY REFER TO:
DBFPB 99-6

TO: AGENCIES ADDRESSED

FROM: Allen Reams, Chief
Bureau of State Payrolls

SUBJECT: NEW MISCELLANEOUS DEDUCTION CODE

Effective March 22, 1999, deduction code 0674 for "AFSCME/UIB Trust Account/Life Ins" will be available for use by State employees who are AFSCME union members.

Code 0674 will be designated for consolidated reporting with the deduction moneys remitted directly by the Department of Banking and Finance to "AFSCME/UIB Trust Account/Life Ins". Agencies will receive neither the miscellaneous deduction warrants nor miscellaneous deduction registers. Should an employee's salary warrant with this deduction be canceled or code 0674 deduction moneys need to be otherwise recovered, you will need to contact:

Bob Wallerius
AFSCME Benefits Coordinator
East Coast Region and Executive Offices
425B Paterson Avenue
East Rutherford, NJ 07073
Telephone: 201/531-9660 or 1-800-429-8646
Fax: 1-800-633-0502

Bob Wallerius should also be contacted for questions about the product being offered by AFSCME as represented by this code.

Whenever questions arise from either your employees or the payee about your agency's use of this deduction code, you should attempt to resolve these questions at the agency level.

Should you have any questions please contact Cheryl Butler at 850/410-9422 or SUNCOM 210-9422.

AR/11b

March 19, 1999

IN REPLY REFER TO:
DBFBP 99-7

TO: AGENCIES ADDRESSED

FROM: Allen Reams, Chief
Bureau of State Payrolls

SUBJECT: NAME CHANGE FOR MISCELLANEOUS DEDUCTION CODE 0240

Effective immediately, the name for miscellaneous deduction code 0240 will be changed from Commercial Life Insurance to Unum Life Insurance Company of America. Questions regarding this miscellaneous deduction should be directed to:

David Lindsay
Director of Underwriting
Unum Life Insurance Company of America
P. O. Box 1387
Piscataway, New Jersey 0885-1387
Telephone: 732/562-2580

Should you have any questions concerning this change please contact Cheryl Butler at 850/410-9422 or SUNCOM 210-9422.

AR/llb

April 14, 1999

IN REPLY REFER TO:
DBFBP 99-8

TO: Agency Payroll Offices

FROM: Allen Reams, Chief
Bureau of State Payrolls

SUBJECT: TAXABLE TUITION WAIVERS - SPRING TERM 1999

Tuition free graduate courses are currently taxable under Internal Revenue Code (IRC) [Section 127](#). However, as outlined in Bureau of State Payrolls (BOSP) memorandum [DBFBP 97-4](#), job related employer provided education assistance may be excluded from taxation as a working condition fringe benefit.

The attached schedule lists agency employees enrolled in Spring Term 1999 graduate courses under the state tuition waiver program and the tuition values reported to the BOSP by the state universities. Please review the courses listed for your employees and determine those courses that are job related and excludable from taxation as provided by Internal Revenue Code and Internal Revenue Service Regulations. Tuition values not exempt from taxation must be reported to the BOSP as outlined below under Reporting Taxable Tuition.

Taxable tuition values reported to the bureau are subject to income and FICA (Social Security and Medicare) taxes. Due to payroll systems limitations the Comptroller's Office cannot include taxable non-cash values with the employees' regular salary payment and therefore cannot withhold income and FICA taxes programmatically. These taxable values will be included with the employees' earnings through the employee record adjustment process. This process collects the FICA taxes on the next regular payroll after the employee record update but does not collect income taxes. Agencies should notify employees having taxable tuition values of this additional tax liability so that they may adjust their Form W-4, Employee's Withholding Allowance Certificate, as needed.

Taxable tuition values entered through the adjustment process for which there is no salary payment on the next regular payroll will create a collection item for the agency. Agencies will receive notification of uncollected FICA taxes.

REPORTING TAXABLE TUITION

The following reporting procedures and data requirements apply to the collection of social security and Medicare taxes through the payroll process. Only taxable tuition values are to be reported to the BOSP. Tuition values for courses determined to be job related and therefore not taxable, and the supporting documentation, should be retained by the agencies and available upon request.

1. Paper Submission

Reporting is currently restricted to paper input utilizing [Form DBF-BP-550A](#), Employee Record Adjustment, Non-Salary Compensation, Current Calendar Year. A copy of this form is attached and may copied and used as needed. Attached also is a spreadsheet version of this form which may be used in lieu of the single entry form. The spreadsheet will accommodate up to 25 record adjustments per page. Requests for electronic copies of these forms should be directed to Ernest Thompson at e-mail address Ernest_L_Thompson@mail.dbf.state.fl.us.

2. The following data elements must be completed for each form.

| | |
|-------------------------------|---|
| Name of Department: | abbreviation or acronym |
| Date: | date form is prepared |
| Warrant Number: | use 7555555 |
| Warrant Date: | use 03/31/99 for Spring Term |
| Ret. Code: | use regular Retirement Code |
| L. Name, F. Name, M. Initial: | as shown on W-4 |
| Org 1 / 2: | first two levels of Org Code |
| Social Security Gross: | taxable tuition value (year to date must not exceed \$72,600) |
| Medicare Gross: | taxable tuition value |
| Total Gross: | taxable tuition value |
| Taxable Tuition - 9103: | taxable tuition value |

3. The following information must be completed for each form.

| | |
|------------------------|----------------------------------|
| Reason for Adjustment: | Spring Term 1999 Taxable Tuition |
| Prepared by: | name of preparer |
| Telephone Number: | preparer telephone number |
| Authorized Signature: | authorized to certify Payroll |

4. Taxable tuition record adjustments should include the total of all taxable values for the term. There should be only one record update for each employee with one taxable value for each term.
5. Taxable tuition values must be reported in the current calendar year and cannot be carried over into the next calendar year. Employing agencies and universities are encouraged to report these values as soon as possible.
6. Record adjustments received by the BOSP will be processed and included on the employee's next salary payment following receipt and record adjustment processing. As needed, a special record adjustment processing will occur prior to scheduled biweekly and monthly payroll processing. The BOSP may require up to three days to prepare record adjustment data for processing.
7. Spreadsheet submittals must be set up specifically as shown in the attached schedule to facilitate keying and batch control at the BOSP. Nonconforming spreadsheets may be returned for correction and resubmission. Each page should include totals for fields having values.
8. Requests for record adjustments should include a cover letter stating the reason for the adjustments and the number of adjustments being submitted. Submittals should be forwarded to the attention of Ernest Thompson, Bureau of State Payrolls.

If you have any questions concerning these procedures please contact Ernest Thompson at SUNCOM 210-9432, (850)410-9432 or e-mail address Ernest_L_Thompson@mail.dbf.state.fl.us.

AR/elt

Attachments:

Agency Tuition Waiver Listing

Form DBF-BP-550A

Spreadsheet Format, Form DBF-BP-550A

May 27, 1999

IN REPLY REFER TO:
DBFBP 99-9

TO: Agency Payroll Offices

FROM: Allen Reams, Chief
Bureau of State Payrolls

Subject: MISCELLANEOUS DEDUCTION CODE 0495

Effective with the June 4, 1999 payday, the deduction code 0495 for Shea Federal Credit Union will become Eastern Financial Federal Credit Union. The change is a result of a purchase agreement between the two credit unions.

Effective with this change, agencies will receive from the Comptroller's Office miscellaneous deduction warrants and registers for code 0495. Agencies will be responsible for forwarding these warrants and deduction registers to the Eastern Federal Credit Union address shown below.

The contact for Eastern Financial Federal Credit Union is Casey Virok. She should be contacted at the address below if you have questions about the name change. You may also call her at (800) 882-5007, extension 5147 or fax her at (954) 704-5259.

Eastern Financial Federal Credit Union
3700 Lakeside Drive
Miramar, Florida 33027-3225

Whenever questions arise from either your employees or the payee about your agency's use of this deduction code, you should attempt to resolve these questions at the agency level. Should you have any questions, please contact Cheryl Butler at (850) 410-9422 or Suncom 210-9422.

June 2, 1999

IN REPLY REFER TO:
DBFBP 99-10

To: Agencies Addressed

From: Allen Reams, Chief
Bureau of State Payrolls

Subject: Address Change for Miscellaneous Deduction Code 0703

United Way of Palm Beach County has a new address for miscellaneous deduction code 0703. The new address is:

United Way of Palm Beach County
2600 Quantum Boulevard
Boynton Beach, Florida 33426
ATTN: Finance Department

If you need to contact United Way of Palm Beach County please write to them at the above address or call them at (561)375-6637.

June 16, 1999

IN REPLY REFER TO:
DBFBP 99-11

TO: AGENCIES ADDRESSED

FROM: Allen Reams, Chief
Bureau of State Payrolls

SUBJECT: Personal Computer Payment System for Submitting Nonrecurring and
CJIP Payment Requisitions

We are pleased to announce that the Personal Computer Payment System (PC Payment System) has been expanded to allow agencies to submit Criminal Justice Incentive Payment (CJIP) requisitions. Currently, the PC Payment System enables agencies to submit eighteen different nonrecurring payment types, which historically have been submitted to the Bureau on paper. Therefore, this memorandum is intended to build upon information conveyed in Memoranda [DBFBP 98-10](#) dated June 8, 1998 and [DBFBP 99-4](#) dated March 2, 1999.

By using the PC Payment system to automate the submission of CJIP payment requisitions the number of errors, which result from invalid information will be greatly reduced. The PC Payment System contains edits to validate certain information at the time of entry thereby reducing the chance of errors.

Effective September 1, 1999, the Bureau will no longer accept paper change order requisitions for CJIP payments. All agencies will be required to submit CJIP payments using the PC Payment System. The Bureau is currently providing training to agencies employing a large number of certified law enforcement and correctional officers.

The Bureau has also established an email address specifically for the receipt of PC Payment System files. All PC Payment System transaction files should be submitted to the Bureau on diskette or via electronic mail. Files submitted electronically should be mailed to:
BOSPPAY_PROCESSING@mail.dbf.state.fl.us. Additionally, we request that Class C meal payment files be submitted to the above email address.

The new version of the PC Payment System requires that certain technical requirements be met prior to installation. The new version requires that the personal computer the PC Payment System is intended to reside on have the Microsoft Windows 95 operating system and Microsoft Access 1997 installed. We recommend that the computer have at least 5 megabytes of free hard disk drive space available. As with earlier versions of the PC Payment System, a run-time version of the software is also available by request for those agencies without Microsoft Access 1997. At least 30 megabytes of free hard disk drive space is recommended to support the run-time version.

Enclosed are basic instructions for software installation and subsequent use of the application. These instructions may also be found on the Comptroller's web page at:
<http://www.dbf.state.fl.us/bosp/handbook/v1s1.html>.

As a reminder, the Bureau will no longer accept paper requisitions for the eighteen nonrecurring key codes available on the PC Payment System after July 1, 1999, as stated in [DBFBP 99-4](#) dated March 2, 1999.

Should you have any questions, please contact Dwight DeBoer at (850) 410-9429 or SUNCOM 210-9429.

AR/cgs

Enclosure

PC Payment System Instructions

I. Download and Installation

Select the 3.0 version of the PC Payment System software. Download the file from this Internet site and copy it into a directory of your choice. After installation, open the application by executing the file entitled payroll.mde in the directory you created.

Recommended hard-drive disk space:

| | |
|--|-------|
| Microsoft Access 1997 installed of free space | 5 Mb |
| Microsoft Access 1997 not installed(Run-time version) of free space | 30 Mb |

The Run-time version can be installed by selecting Run and opening the file <drive>:\setup.exe, then follow the instructions given by the software. At one point you will be asked which of three methods to install, you should select "Typical" as the method. The Run-time version of the application will create and install by default into the directory, "c:\program files\payroll". After installation, open the application by executing the file: "c:\program files\payroll\payroll.mde".

II. Upgrading from Earlier Versions

If you have already installed a previous version, upgrading to version 3.0 involves copying the new version into the same file name and extension of the previous file. For the Run-Time version this file will install by default to c:\program files\payroll\payroll.mde. We recommend that you copy the previous version(s) to another folder and then copy the upgrades into the same path and extension as the previous version.

III. MAIN MENU

Upon execution of the file entitled payroll.mde, the main menu should appear. This menu displays the following five buttons: Enter Non-recurring Payment, Enter CJIP Change Order, Reports, File Utilities and Exit.

A. Enter Non-Recurring Payments

Selection of the "Enter Non-recurring Payment" button brings up a standard template for the entry of non-recurring payment types listed below. All guidance as provided in the Payroll Preparation Manual applies to the usage of these key codes.

| | |
|----|-------------------------------------|
| 31 | Annual leave |
| 32 | Special compensation leave paid |
| 33 | State suggestion award |
| 34 | State superior accomplishment award |

| | |
|----|---|
| 35 | OPS nonrecurring cash pay |
| 38 | Uniform/tool allowance |
| 39 | Special compensation in lieu of overtime |
| 42 | Lump sum payment in lieu of salary increase |
| 43 | On-call fees |
| 44 | Firefighter's incentive pay |
| 52 | SUS meritorious awards |
| 61 | Regular compensation leave paid in lieu of overtime |
| 62 | Productivity bonus payment |
| 75 | Direct support organization - SUS |
| 77 | Career commitment lump sum bonus |
| 79 | Special projects lump sum bonus |
| 85 | Termination pay |
| 91 | Refund of pretax insurance premiums |

Dependent upon the selection of a payment type, certain fields may become blocked. The remaining boxes signify the required fields for the particular payment type selected. Enter data for all required fields, and then select the "Save/Continue" button. A blank template will appear for entry of the next record.

The field entitled "Records in Batch" counts the number of records that have been entered in the batch. Example, while entering the first record this field will display a "1". After the selection of the "Save/Continue" button to save the current record, the blank template to enter the next record appears and the field will now display a "2".

To reduce the number of keystrokes required to enter each record, the FLAIR Account Code and Payroll Org. Code fields are not cleared after each record is saved.

B. Editing a Non-recurring Record

Enter the Social Security Number (SSN) of the payment you want to edit, then select the "Edit A Record" button.

When this button is depressed, a list of the pending records will display in the bottom right hand corner of the screen. A field entitled "Which one?" will appear above the list of pending records. Enter the number corresponding to the payment you want to edit in the "Which one?" field. For example, if you want to edit the first record displayed, then enter "1" or "01" into the "Which one?" field.

Select the "Edit A Record" button again and the record corresponding to the number entered in the "Which one?" field will be displayed. Edit data as needed, then select the "Save/continue" button. Remember that changes will only save when the "Save/Continue" is depressed.

C. Deleting a Non-recurring Record

Enter the Social Security Number (SSN) of the payment you want to delete, then select the "Edit A Record" button.

When this button is depressed, a list of the pending records will display in the bottom right hand corner of the screen. A field

entitled "Which one?" will appear above the list of pending records. Enter the number corresponding to the payment you want to delete in the "Which one?" field. For example, if you want to delete the first record displayed, then enter "1" or "01" into the "Which one?" field.

Select the "Edit A Record" button again and the record corresponding to the number entered in the "Which one?" field will be displayed. Select the red box entitled "Delete" which now appears on the screen.

D. Entering CJIP Change Orders

Selection of the "Enter CJIP Change Orders" button retrieves a standard template for the entry of new, change and termination transactions.

1. New Transactions:

A "new" change order must be submitted in order to set-up a master file record. Once the master file record is established, the employee will continue to receive monthly payments in accordance with the original change order.

Select the "New" radial button, then enter data for all fields. The agency date will default to the payment month.

Select the "Save/Continue" button to save the current record and subsequently enter a new record.

2. Change and Termination Transactions:

Select the "Enter CJIP Change Orders" button, then select the "Change" or "Termination" radial button.

Enter only the information to be changed. When updating an incentive field, all incentive fields must be completed. Days worked, days available and payment month/year are required fields.

Select the "Save/Continue" button to save the current record and subsequently enter a new record.

E. Editing CJIP Change Orders

Enter the Social Security Number (SSN) of the payment you want to delete, then select the "Edit A Record" button.

When this button is depressed, the box located on the left-hand side of the screen will reflect all transactions currently entered in the database for the employee.

Enter the month & year of the record to be edited. Select the "Edit a Record" button and the system will display the requested record.

Edit data as needed, then select the "Save/continue" button. Remember that changes will only save when the "Save/Continue" is depressed.

F. Deleting CJIP Change Orders

Enter the Social Security Number (SSN) of the payment you want to delete, then select the "Edit A Record" button.

When this button is depressed, the box located on the left-hand side of the screen will reflect all transactions currently entered in the

database for the employee.

Enter the month & year of the record to be deleted. Select the "Edit a Record" button and the system will display the requested record.

Select the red box entitled "Delete" which now appears on the screen.

IV. Printing Reports

Two reports have been designed for this application. Both reports are in Social Security Number order and may be viewed on screen or printed.

From the main menu, select the radial button of the type of report to be viewed/printed (Nonrecurring or CJIP), then select the "Print Report" button. A prompt will ask if you want to send the report to the printer. By selecting "No", you are able to view all records currently entered in the database. This capability enables the user to ensure that all transactions were entered correctly prior to submission to the Bureau. Selection of the "Yes" option sends the report to the printer. It is this report that is submitted to the Bureau via either hard copy or facsimile.

V. File Utilities

The file utilities selection is the area of the application in which the files are downloaded to be transmitted to the Bureau. The file utilities menu contains download and purge options for both nonrecurring payments and CJIP change orders.

A. Download NR/CJIP

Selection of one of these buttons downloads all records entered into this system to a file. This application keeps only the records that are being prepared for submission; therefore there is not a means to download only part of the records. The file name for non-recurring payments is entitled "nrpayrol.txt" and the file name for CJIP change orders is entitled "LFpayrol.txt".

B. Purge NR/CJIP

Data must be purged prior to entering records for the next submission. We suggest that you keep a backup copy of all files submitted to the Bureau until you are confident that it was processed appropriately. Be certain that you have obtained a good report and PC file from the application before purging data, as noted above it is advisable to keep a backup of everything. Immediately after purging data we advise you to go back into the screen to input data and be sure the count is 0 (zero), before entering new data. There is no mechanism to split out only a portion of the data for download or purge.

C. Drive Set

This selection allows you to select the drive letter to which you wish to download your files. As most users download transactions files to the "a:" drive, this drive has been set up as the default. The selection of a drive destination is a saved setting. However, it may be changed at any time. At this time, entry of a file path is not an option.

VI. Submission to the Bureau

The Bureau will accept PC Payment System files by diskette or by e-mail. E-mail is the preferable submission method. Files should be mailed to: BOSPPAY_PROCESSING@mail.dbf.state.fl.us. This e-mail address was

specifically established for the receipt of these files.

The Bureau also requires receipt of the report generated by the system as it serves the dual function of payroll certification and verification of the data contained on the file. This report may be submitted via hardcopy or facsimile. However, for those agencies submitting files to the Bureau via diskette, it will be necessary to send a hardcopy of the report. An individual authorized to make payroll expenditures must sign the report. The report may be faxed to the attention of Pam Blount at 850/410-9454 or SUNCOM 210-9454.

VII. Summary

The PC application has been designed to reduce the submission of paper requisitions, increase efficiency and reduce errors by providing a standard format in which to submit nonrecurring and CJIP transactions.

This PC file simply replaces the paper form DBF-BP-33, Nonrecurring Compensation Requisitions and the CJIP Change Order form. Note the agency is responsible for maintaining form DBF-BP-50, State Awards Calculation Worksheet, internally for audit purposes. The same provisions as outlined in the Payroll Preparation Manual still govern these transactions; the data is merely submitted in a different format.

Your input is important to us on this endeavor, we would like to build on the successes of this project and also solve any problems that we may encounter. If you have any questions or comments, please call Dwight DeBoer at (850)410-9429 or SUNCOM 210-9429.

July 19, 1999

IN REPLY REFER TO:
DBFBP 99-12

TO: Agencies Addressed

FROM: Allen Reams, Chief
Bureau of State Payrolls

SUBJECT: Y2K Payroll Test

The Bureau of State Payrolls and Division of Information Systems will schedule a Y2K test Biweekly and a Y2K test Monthly payroll processing run during the month of August. The Biweekly payroll will be run with a warrant date of 01/14/2000 (pay period 12/24/1999 through 01/06/2000). The Monthly test will have a warrant date of 01/31/2000. These tests will simulate runs in our production environment.

For magnetic submitting agencies, the deadline for sending the test files by FTP relay is August 1, 1999. To coordinate the FTP relay of these files, please contact Ron Ricks at (850)410-9195, SUNCOM 210-9195 or Paul Gruber at (850)410-9295, SUNCOM 210-9295.

Magnetic media agencies are:

➤ BIWEEKLY PAY CYCLE:

| | |
|-------------------------------|----------------------------------|
| University of Florida | Florida Atlantic University |
| Florida State University | University of West Florida |
| Florida A&M University | Florida International University |
| University of Central Florida | University of North Florida |
| University of South Florida | Florida Gulf Coast University |

➤ MONTHLY PAY CYCLE:

The Board of Regents

COPEs will provide change order transaction files with transaction dates in 1999 and 2000. A DSGI Insurance Authorization File will also be provided by COPEs.

The Division of Retirement will provide ORP/OAP Authorization Files for the pay periods being tested.

Files F0013 and Agency Payroll Data Files will be produced for all agencies based on pay cycle. In order to receive a file F0013, the agency must request it by contacting Paul Gruber at (850)410-9295, SUNCOM 210-9295.

We appreciate your cooperation in this test as we are committed to a successful Y2K conversion.

For additional information regarding these test runs, please contact Ron Ricks at (850)410-9195, SUNCOM 210-9195 or Paul Gruber at (850)410-9295, SUNCOM 210-9295.

July 19, 1999

IN REPLY REFER TO:
DBFBP 99-13

TO: Agencies Addressed

FROM: Allen Reams, Chief
Bureau of State Payrolls

SUBJECT: Y2K Vendor Payroll Test

The Bureau of State Payrolls and Division of Information Systems are going to schedule a Y2K test Biweekly and a Y2K test Monthly payroll processing run during the month of August. The Biweekly payroll will be run with a warrant date of 01/14/2000 (pay period 12/24/1999 through 01/06/2000). The Monthly test will have a warrant date of 01/31/2000. These tests will simulate runs in our production environment.

Files F0023 and Consolidated Reporting Vendor Data will be sent to all vendors by the method used to send production data files. Vendors that pick up their files from the Transmittal Section will have to pick up the test files. The Division of Retirement will receive OAP/ORP file F0023.

The F0025 will be sent to the Division of State Group Insurance.

Should you have any questions regarding this test, please call Paul Gruber at (850)410-9295, SUNCOM 210-9295.

July 27, 1999

IN REPLY REFER TO:
DBFBP 99-14

TO: Agencies Addressed

FROM: Allen Reams, Chief
Bureau of State Payrolls

SUBJECT: CHANGE OF NAME FOR INSURANCE PROVIDER

Effective immediately, miscellaneous deduction code 0276 will have a name change. Banker's Security Life is now Reliastar Life Insurance Company of New York. Code 0276 was previously and continues to be designated for consolidated reporting with the deduction moneys remitted directly by the Department of Banking and Finance to the miscellaneous deduction vendor. Should an employee's salary warrant with this deduction be canceled, or code 0276 deduction moneys need to be otherwise recovered please contact:

Clifton Brown, Manager
Payroll Deduction Service Center
Reliastar Life Insurance Company of New York
P.O. Box 3700
Arlington, Virginia 22203
Telephone Number: 1-800-537-5024 x 3814

If you have any questions concerning these changes, please contact Cheryl Butler at (850) 410-9422 or SUNCOM 210-9422.

AR/llb

August 23, 1999

IN REPLY REFER TO:
DBFBP 99-15

TO: AGENCIES ADDRESSED

FROM: Allen Reams, Chief
Bureau of State Payrolls

SUBJECT: Federal Insurance Contributions Act (FICA) Coverage for OPS State
Employment

Effective July 2, 1991 OPS wages became subject to full FICA withholding unless the employee is also a member of the Florida Retirement System (FRS) or belongs to one of the special categories of employment exempt from mandatory Medicare coverage prior to the Omnibus Budget Reconciliation Act of 1990. Full FICA consists of Social Security (OASDI) and the Hospital Insurance Tax (HI), commonly known as Medicare.

Comptroller's Memorandum No. 32 (1990-91) provided information on employees that were considered members of the FRS and the special categories of employees exempt under the Internal Revenue Code. Recently our office has received several inquiries regarding employees who are exempt from Social Security and/or the Medicare tax. Therefore, we are providing further explanations of the possible exemptions from Social Security and/or the Medicare tax. This information will also be included in the next Payroll Manual update.

OPS Employees that are Members of the FRS

Treasury Regulation 31.3121(b)(7) does not require the OPS wages of an employee to be subject to the Social Security portion of FICA withholding if the employee is a member of the Florida Retirement System. Employees would meet this definition if they concurrently are employed as OPS and salaried employees with the State of Florida.

An employee could also qualify as a member of the FRS by virtue of prior employment with the State of Florida if he or she has an accrued benefit under the FRS that meets the minimum retirement benefit requirements of Treasury Regulation 31.3121(b)(7)-(e)(2). Revenue Procedure 91-40 sets forth the rules relating to the minimum retirement benefits.

Retirement code ZM is for wages of OPS employees exempt from Social Security, but subject to Medicare.

Example. An employee is receiving dual compensation for a salaried position and OPS position, both with the State of Florida. The OPS wages would not be subject to the Social Security portion of FICA.

Example. An individual retires from the State of Florida and begins to receive benefits from the system or has reached normal retirement age under the plan. Later the individual is re-employed on an OPS basis by the State of Florida. The employee is treated as a rehired annuitant and is eligible for an exemption from Social Security. This is without regard to whether he

or she continues to accrue a benefit or whether the distribution of benefits has been suspended pending cessation of services

Example. An individual retires from a FRS employer other than the State of Florida (i.e. a Florida school district) and begins to receive benefits from the system or has reached normal retirement age under the plan. Later the individual becomes an OPS employee with the State of Florida. The employee is considered a member of a valid retirement plan (FRS) and is eligible for an exemption from Social Security.

Example. An individual retires from a retirement system other than the FRS (i.e. federal, private industry, etc.) and begins to receive benefits from the system or has reached normal retirement age under the plan. Later the individual becomes an OPS employee with the State of Florida. The individual is not treated as a member of a valid retirement plan and is not eligible for an exemption from Social Security. This employee is subject to full FICA, barring another exemption.

OPS Employees that are Members of the FRS and Employed Before April 1, 1986

An employee's OPS wages may be exempt from Medicare per the grandfather clause in [IRC § 3121\(u\)](#). Employees are not eligible for the Medicare exemption due to the grandfather clause unless the employee's OPS wages are also exempt from Social Security (see I above), and they have been continuously employed by the State of Florida as a salaried employee (not OPS) since before April 1, 1986. The salaried employee may have been with multiple State agencies and/or pay plans, provided there is no break in service.

Retirement code ZX is for wages of OPS employees exempt from Social Security or Medicare.

The exemption due to the grandfather clause would not be applicable to re-employed retirees. Upon retiring the retiree ceased to be continuously employed from before April 1, 1986.

Example. An employee has been continuously employed by the State of Florida in a salaried position since January 1, 1986. The employee also holds an OPS position. The employee's OPS wages are exempt from full FICA.

Students in OPS Positions

[IRC § 3121\(b\)\(10\)](#) provides an exemption from full FICA for "a student who is enrolled and regularly attending classes" at the university where the student is employed. Retirement code "ZX" should be used for these individuals.

Revenue Procedure 98-16 sets forth the guidelines to determine if a student is eligible for this exemption. All students who are half-time undergraduate or half-time graduate students will qualify for the exclusion, regardless of the number of hours worked, the amount of remuneration, or the type of services performed. Students who are also classified as "career employees" are not eligible for the exclusion.

Retirement code "ZX" should be used for these individuals.

The definition of a "career employee" is essentially an individual who is eligible to receive employer-matching contributions in a [IRC § 403\(b\)](#) retirement plan, eligible for reduced tuition under [IRC §117\(d\)](#) (except for teaching or research assistants who qualify under [IRC § 117\(d\)\(5\)](#)), or classified by the university as a career employee.

The student FICA exemption does not apply to students who are not enrolled in classes during school breaks of more than 5 weeks (including summer breaks of more than 5 weeks). The exemption does not apply to postdoctoral students, postdoctoral fellows, medical residents, or medical interns because the IRS believes that "it cannot be assumed" that the services performed by these persons are incidental to their academic studies.

Universities that are interested in having medical residents and/or interns to be considered as students should petition the Internal Revenue Service for a determination as to whether the residents and interns are students or employees.

Clients and Inmates of a State Hospital, Home or Institution

Pursuant to [IRC § 3121\(b\)\(7\)\(F\)](#) patients and inmates of a state hospital, home or institution who are also employees thereof are exempt from full FICA. OPS employees qualifying for this exemption shall be paid with retirement code ZX.

Nonresident Aliens

[IRC § 3121\(B\)\(19\)](#) provides an exemption for certain nonresident aliens. It is recommended that the Bureau of State Payrolls be consulted before using this exemption for employees not employed by the State University System. Information on this exemption is found in Volume 5, Section 15 of the Payroll Preparation Manual. This information is available on the Internet at: http://www.dbf.state.fl.us/bosp/nra_a.html

Employees Hired on a Temporary Basis Due to Emergency

Employees hired on a temporary basis solely due to fire, storm, snow, earthquake, flood or other similar emergencies are exempt from both Social Security and Medicare per [IRC § 3121\(b\)\(7\)\(F\)](#). OPS employees qualifying for this exemption shall be paid with retirement code ZX. It is recommended that the Bureau of State Payrolls be consulted in advance before using this exemption.

If you have any questions regarding this memorandum or would like training on this issue, please contact Phyllis Henderson by email at phenders@mail.dbf.state.fl.us or by telephone at (850) 410-9447 (SUNCOM 210-9447).

AR:PH:fbo

September 8, 1999

IN REPLY REFER TO:
DBFBP 99-16

TO: Agency Payroll Offices

FROM: Allen Reams, Chief
Bureau of State Payrolls

SUBJECT: TAXABLE TUITION WAIVERS - SUMMER TERM 1999

Tuition free graduate courses are currently taxable under Internal Revenue Code (IRC) [Section 127](#). However, as outlined in Bureau of State Payrolls (BOSP) memorandum [DBFBP 97-4](#), job related employer provided education assistance may be excluded from taxation as a working condition fringe benefit.

The attached schedule lists agency employees enrolled in Summer Term 1999 graduate courses under the state tuition waiver program and the tuition values reported to the BOSP by the state universities. Please review the courses listed for your employees and determine those courses that are job related and excludable from taxation as provided by Internal Revenue Code and Internal Revenue Service Regulations. Tuition values not exempt from taxation must be reported to the BOSP as outlined below under Reporting Taxable Tuition.

Taxable tuition values reported to the bureau are subject to income and FICA (Social Security and Medicare) taxes. Due to payroll systems limitations the Comptroller's Office cannot include taxable non-cash values with the employees' regular salary payment and therefore cannot withhold income and FICA taxes programmatically. These taxable values will be included with the employees' earnings through the employee record adjustment process. This process collects the FICA taxes on the next regular payroll after the employee record update but does not collect income taxes. Agencies should notify employees having taxable tuition values of this additional tax liability so that they may adjust their Form W-4, Employee's Withholding Allowance Certificate, as needed.

Taxable tuition values entered through the adjustment process for which there is no salary payment on the next regular payroll will create a collection item for the agency. Agencies will receive notification of uncollected FICA taxes.

REPORTING TAXABLE TUITION

The following reporting procedures and data requirements apply to the collection of social security and Medicare taxes through the payroll process. Only taxable values are to be reported to the BOSP. Tuition values for courses determined to be job related and therefore not taxable, and the supporting documentation, should be retained by the agencies and available upon request.

Agency On-line Reporting for Non-cash Adjustments

Employing agencies and universities may now report taxable tuition values to the BOSP using the recently implemented on-line employee record adjustment system for non-cash adjustments. This system is accessed through the Payroll Main Menu (PYRL), Cancellations and Adjustments (CA), Non-cash Adjustments (NC). Utilizing the system requires two separate agency actions; after the record is added it must then be approved. The following data elements are required.

| | | | |
|--------------------|-------|-------|--|
| Tax ID Number | : | _____ | Social Security Number |
| Earning Code | : | _____ | Use Code 9103 for Taxable Tuition |
| Earning Amount | : | _____ | Use the Taxable Tuition Value |
| Benefit End Date | : | _____ | For Summer Term use 06301999 |
| Retirement Code | : | _____ | Use regular retirement code |
| Gross Up (Y/N) | : | _____ | Use N (not subject to gross up) |
| Emppee Pay Cycle | : | _____ | B = Biweekly, or, M = Monthly |
| Organization Code: | _____ | _____ | First 4 digits, then zero fill |
| Agency OLO | : | _____ | Agency 4 digit code. Example: UF = 4910; DOT = 5500 |
| Last Name | : | _____ | System Generated |
| First Name | : | _____ | System Generated |
| Middle Initial | : | _____ | System Generated |

For additional information about the use of these screens, refer to the BOSP Payroll Preparation Manual, Volume V, Section 16, ONLINE NON-CASH AJUSTMENTS (Revised September 1999). Questions concerning the use of these screens should be directed to Janet Joiner, Employee Records Section, telephone SUNCOM 210-9435, or, (850) 410-9435. E-mail: Janet_E_Joiner@mail.dbf.state.fl.us.

Paper Submission

Although agencies are encourage to report taxable tuition utilizing the new on-line reporting described above, Summer Term 1999 may be reported on paper input utilizing [Form DBF-BP-550A](#), Employee Record Adjustment, Non-Salary Compensation, Current Calendar Year. A copy of this form is attached and may be copied and used as needed. Attached also is a spreadsheet version of this form which may be used in lieu of the single entry form. The spreadsheet will accommodate up to 25 record adjustments per page. Requests for electronic copies of these forms should be directed to Ernest Thompson. Spreadsheet submittals must be set up specifically as shown in the attached schedule to facilitate keying and batch control as the BOSP. Each page should include totals for fields having values. Nonconforming spreadsheets may be returned for correction and resubmission.

1. The following data elements must be completed for each form.

| | |
|-------------------------------|---|
| Name of Department: | abbreviation or acronym |
| Date: | date form is prepared |
| Warrant Number: | use 7555555 |
| Warrant Date: | use 06/30/99 for Summer Term |
| Ret. Code: | use regular Retirement Code |
| L. Name, F. Name, M. Initial: | as shown on W-4 |
| Org 1 / 2: | first two levels of Org Code |
| Social Security Gross: | taxable tuition value (year to date must not exceed \$72,600) |
| Medicare Gross: | taxable tuition value |
| Total Gross: | taxable tuition value |

Taxable Tuition - 9103: taxable tuition value

2. The following information must be completed for each form.

| | |
|------------------------|----------------------------------|
| Reason for Adjustment: | Summer Term 1999 Taxable Tuition |
| Prepared by: | name of preparer |
| Telephone Number: | preparer telephone number |
| Authorized Signature: | authorized to certify payroll |

3. Paper submission requests should include a cover letter stating the reason for the adjustments and the number of adjustments being submitted. Submittals should be forwarded to the attention of Ernest Thompson, Bureau of State Payrolls.

Taxable tuition record adjustments should include the total of all taxable values for the term. There should be only one record update for each employee with one taxable value for each term.

Taxable tuition values must be reported in the current calendar year and cannot be carried over into the next calendar year. Employing agencies and universities are encouraged to report these values as soon as possible.

Record adjustments received by the BOSP will be processed and included on the employee's next salary payment following receipt and record adjustment processing. As needed, a special record adjustment processing will occur prior to the scheduled biweekly and monthly payroll processing.

If you have any questions concerning these procedures please contact Ernest Thompson at SUNCOM 210-9432, (850) 410-9432 or e-mail address ethomps@mail.dbf.state.fl.us.

AR/llb

Attachments:

Agency Tuition Waiver Listing
Form DBF-BP-550A
Spreadsheet Format, Form DBF-BP-550A

September 14, 1999

IN REPLY REFER TO:
DBFBP 99-17

To: Agencies Addressed

From: Allen Reams, Chief
Bureau of State Payrolls

Subject: Social Security Statement

On October 1, 1999, the Social Security Administration (SSA) will introduce its redesigned statement of earnings and benefit estimate information – the *Social Security Statement* (formerly known as the Personal Earnings and Benefit Estimate Statement). At the same time, the SSA will begin mailing these statements to all workers age 25 and older that are not already receiving monthly Social Security Benefits. Workers can expect to receive their *Social Security Statement* each year about three months before their birth month. For example, a person who was born in February can expect to receive his or her *Social Security Statement* in November. A sample of the new Social Security Statement has been posted on the SSA web site: <http://www.ssa.gov/mystatement/index1.htm>.

The SSA has prepared an employer information booklet, which may be obtained from their web site: http://www.ssa.gov/employer_info/employerbklt.html. This booklet provides information to assist employers concerned about the impact of the *Social Security Statement* on their employees and their personnel/payroll offices. Agencies are encouraged to review this booklet and notify employees that they will receive a *Social Security Statement*. Section III of the booklet contains language you may want to use when advising your employees about the upcoming *Social Security Statements*.

In response to the Social Security Statement mailings, employees may have questions concerning their posted earnings and request duplicate Form W-2s. Employee requests for duplicate Form W-2s should be directed to their agency payroll or personnel office. Agencies may currently obtain duplicate W-2s on-line for years 1996-1998. Requests for prior tax years should be directed to the Records Section, Bureau of State Payrolls. Refer to Payroll Preparation Manual, [Volume V, Section 9](#).

Questions concerning this memorandum should be directed to Phyllis Henderson, Taxation Section at (850)410-9447, SUNCOM 210-9447 or e-mail at phenders@mail.dbf.state.fl.us.

October 15, 1999

IN REPLY REFER TO:
DBFBP 99-18

TO: Agencies and Individuals Addressed

FROM: Allen Reams, Chief
Bureau of State Payrolls

SUBJECT: CALENDAR YEAR END INFORMATION

The following payroll related information is provided to assist agencies in complying with the calendar year end reporting and processing schedule. Information concerning upcoming payroll changes and activities is included.

Vehicle Fringe Benefit Reporting

The deadline for reporting vehicle fringe benefits for November 1, 1998 through October 31, 1999 is December 28, 1999. Reported benefits entered into the on-line system after that date will result in the affected employee receiving a corrected Form W-2 (W-2c) for calendar year 1999. Agencies should input and approve these online non-cash adjustments as soon as possible to comply with this requirement. Instructions for completing non-cash adjustments are found in [Volume V, Section 16](#) of the Payroll Preparation Manual. *Paper forms for vehicle fringe benefit adjustments are no longer accepted for processing.* Questions should be directed to Janet Joiner, (850) 410-9435, SUNCOM 210-9435 or Judy Lastinger, (850) 410-9438, SUNCOM 210-9438.

Elected officials and employees whose compensation is greater than \$110,700 annually are not eligible to use the commuting valuation method, but are required to use the Annual Leave Value Table. Please note the four-year recalculation requirement when using the Annual Leave Value Table. See [Volume V, Section 6](#) of the Payroll Preparation Manual for instructions.

Moving Expenses

[Comptroller's Memorandum No. 1 \(1998-99\)](#) contains information regarding the Federal tax and reporting requirements applicable to payments or reimbursements for employee moving expenses.

Forms W-2 Distribution

Original Forms W-2 will be distributed to all agencies by January 21, 2000. Employee information statements will accompany the Forms W-2. The size of the form and address placement is identical to last year's Form W-2.

Cancellations and Adjustments

Any warrant cancellations or adjustments made to 1999 earnings or taxes after the December 28, 1999, deadline will necessitate a Form W-2c. All employees receiving 1999 original Forms W-2 which have the message "Employee: Please Hold for W-2C" will receive a Form W-2c. This message means that the employee is to be given the original form, but should refrain

from filing a tax return until the Form W-2c is received. These Forms W-2c will be for 1999 adjustments entered in the system by January 11, 2000.

Provided a complete address is on record, our office will mail the Forms W-2c directly to those affected employees. Agencies will be contacted regarding Forms W-2c that cannot be mailed through the U.S. Postal Service.

Forms W-2c produced from adjustments processed after the January 11th deadline will not cause the 1999 original Forms W-2 to display the Form W-2c message and may possibly be included in the mailing done by our office. [Comptroller's Memorandum No. 15 \(1990-91\)](#) describes the penalties which may be assessed if information returns are not timely and accurately filed. The errors or omissions subject to penalty are social security numbers, surnames, monetary amounts and omissions of addresses.

Reports for daily cancellation and adjustment entries during the final few days of December will not be produced until the first week of January.

Salary Refunds

Refunds of salary overpayments must be handled in accordance with the instructions in [Volume V, Section 2](#) of the Payroll Preparation Manual. If the agency collects the salary refund by December 31, 1999, deposits the money and approves the refund online with the deposit number by 5:00 p.m. on January 10, 2000, then the employee will be required to only refund the net salary. Salary refunds collected after December 31 must be calculated in accordance with the above referenced instructions pertaining to prior calendar year overpayments.

Revolving Fund Reimbursements

Revolving Fund payments for wages made to employees in calendar year 1999 must be reimbursed in 1999. If the revolving fund is not reimbursed in the same calendar year an incorrect W-2 will be created necessitating the issuance of a W-2c. Please refer to [Chapter 3A-31.226](#), F.A.C.

Duplicate Forms W-2

The last day in 1999 that 1996, 1997 or 1998 duplicate Forms W-2 and W-2c will be available via the on-line request system will be December 27, 1999. Duplicate 1997, 1998 and 1999 Forms W-2 and W-2c should be available via the on-line request system by January 26, 2000, or shortly thereafter.

Taxable Tuition Waivers

Taxable tuition waivers must be reported in the current calendar year utilizing the new on-line reporting for non-cash adjustments. Paper forms are no longer accepted by the BOSP. Agencies collecting FICA taxes through the payroll process in December should exercise care to ensure that the values are entered and approved prior to processing the last payroll of the year. Agencies electing to pay FICA taxes from their FLAIR account in December must enter and approve the transaction by December 28, the last daily cancellation run of the year. Refer to [Volume V, Section 16](#) of the Payroll Preparation Manual, for information concerning On-Line Non-cash Adjustments processing. For information concerning reporting taxable tuition waivers, refer to [Volume V, Section 6](#), Fringe Benefits, Taxable Tuition Waivers.

Taxable Value of Group Term Life Insurance (VGTL)

The new state life insurance program will go into effect with the biweekly payroll to be processed on November 29, 1999, and will be in effect for all payrolls thereafter. This new program provides increased insurance coverage for many employees. Employees having employer paid insurance coverage greater than \$50,000 will have VGTL calculated and included in their pay. FICA taxes will be withheld on these values. It is expected that these changes will produce increased calls to personnel and payroll offices.

Nonresident Alien Non-Cash Scholarships

The Internal Revenue Service requires that all U.S. source scholarships, fellowships, grants, and financial aid be reported on form IRS 1042-S. Agencies should report non-cash scholarships using the Non-Cash On-Line Adjustment System. Instructions for entering these type payments into the payroll system is found in the Payroll Preparation Manual, [Volume V, Section 16](#). Before entering the adjustment for non-cash payments you must ensure that the scholarship recipient has a W-4 card and form DBF-BP-5, Reduction or Exemption From Withholding, with reason 3 checked, filed with the Bureau of State Payrolls. The non-cash adjustment system will collect the withholding taxes from the FLAIR account code entered with the transaction.

The deadline for agencies to enter nonresident alien scholarships for the 1999 calendar year is December 28, 1999. Non-cash scholarships not entered by that date must be entered by BOSP. The IRS may assess interest and penalties on items not timely reported.

If there are any questions concerning this information, please contact our office at (850) 410-9416, SUNCOM 210-9416.

AR/llb

October 19, 1999

IN REPLY REFER TO:
DBFBP 99-19

TO: Agency Payroll Offices

FROM: Allen Reams, Chief
Bureau of State Payrolls

SUBJECT: TAXABLE TUITION WAIVERS - FALL TERM 1999

Tuition free graduate courses are currently taxable under Internal Revenue Code (IRC) [Section 127](#). However, as outlined in Bureau of State Payrolls (BOSP) memorandum [DBFBP 97-4](#), job related employer provided education assistance may be excluded from taxation as a working condition fringe benefit.

The attached schedule lists agency employees enrolled in Fall Term 1999 graduate courses under the state tuition waiver program and the tuition values reported to the BOSP by the state universities. Please review the courses listed for your employees and determine those courses that are job related and excludable from taxation as provided by Internal Revenue Code and Internal Revenue Service Regulations. Tuition values not exempt from taxation must be reported to the BOSP as outlined below under Reporting Taxable Tuition.

Taxable tuition values reported to the bureau are subject to income and FICA (social security and Medicare) taxes. Due to payroll systems limitations the Comptroller's Office cannot include taxable non-cash values with the employees' regular salary payment and therefore cannot withhold income and FICA taxes programmatically. These taxable values will be included with the employees' earnings through the employee record adjustment process. This process collects the FICA taxes on the next regular payroll after the employee record update is processed but does not collect income taxes. Agencies should notify employees having taxable tuition values of this additional tax liability so that they may adjust their Form W-4, Employee's Withholding Allowance Certificate, as needed.

Taxable tuition values entered through the adjustment process for which there is no salary payment on the next regular payroll will create a collection item for the agency. Agencies will receive notification of uncollected FICA taxes.

REPORTING TAXABLE TUITION

The following reporting procedures and data requirements apply to the collection of social security and Medicare taxes through the payroll process. Only taxable tuition values are to be reported to the BOSP. Tuition values for courses determined to be job related and therefore not taxable, and the supporting documentation, should be retained by the agencies and available upon request.

Agency On-line Reporting for Non-cash Adjustments

Employing agencies and universities must now report taxable tuition values to the BOSP using the recently implemented on-line employee record

adjustment system for non-cash adjustments. This system is accessed through the Payroll Main Menu (PYRL), Cancellations and Adjustments (CA), Non-cash Adjustments (NC). Utilizing the system requires two separate agency actions; after the record is added it must then be approved. The following data elements are required.

Tax ID Number : _____ Social Security Number
Earning Code : _____ Use Code 9103 for Taxable Tuition
Earning Amount : _____ Use the Taxable Tuition Value
Benefit End Date: _____ For Fall Term use 09301999
Retirement Code : _____ Use regular retirement code
Gross Up (Y/N) : _____ Use N (not subject to gross up)
Empee Pay Cycle : _____ B = Biweekly, or, M = Monthly
Organization Code: _____ First 4 digits, then zero fill
Agency OLO : _____ Agency 4 digit code.
Example: UF = 4910; DOT = 5500
Last Name : _____ System generated
First Name : _____ System generated
Middle Initial : _____ System generated

For additional information about the use of these screens, refer to the BOSP Payroll Preparation Manual, [Volume V, Section 16](#), ONLINE NON-CASH ADJUSTMENTS (Revised September 1999). Questions concerning the use of these screens should be directed to Janet Joiner, Employee Records Section, at (850) 410-9435, SUNCOM 210-9435 or E-mail address: jjoiner@mail.dbf.state.fl.us.

Taxable tuition record adjustments should include the total of all taxable values for the term. There should be only one record update for each employee with one taxable value for each term.

Taxable tuition values must be reported in the current calendar year and cannot be carried over into the next calendar year. Employing agencies and universities are encouraged to report these values as soon as possible. Record adjustments received by the BOSP will be processed and included on the employee's next salary payment following receipt and record adjustment processing. Agencies collecting FICA taxes through the payroll process in December should exercise care to ensure that the values are entered and approved prior to processing the last payroll of the year.

If you have any questions concerning these procedures please contact Ernest Thompson at (850) 410-9432, SUNCOM 210-9432 or E-mail address: ethompso@mail.dbf.state.fl.us.

AR/lms

Attachments:

Agency Tuition Waiver Listing
Form DBF-BP-550A
Spreadsheet Format, Form DBF-BP-550A

November 5, 1999

IN REPLY REFER TO:
DBFBP 99-20

TO: University Personnel Officer Addressed

FROM: Allen Reams, Chief
Bureau of State Payrolls

SUBJECT: Additional Withholding Increase for Nonresident Aliens, Excluded
Employment Forms Expiration and 1042-S Distribution

Additional Withholding

Payments to nonresident alien employees are subject to special withholding rules. Generally, additional amounts must be withheld, their filing status is restricted, and the number of allowable exemptions is limited. This is required because nonresident aliens cannot claim the standard deduction. The information from the Form W-4 is used during payroll processing to calculate the amount of income tax withholding unless the employee has claimed a tax treaty exemption. The Form W-4 for a nonresident alien must:

1. Indicate only "Single" marital status (regardless of actual marital status).
2. With some exceptions claim only one withholding allowance. The Internal Revenue Code allows taxpayers from Canada, Mexico and U.S. Nationals to claim personal exemptions for their spouse and children under certain conditions. Tax treaties with Japan and South Korea allow taxpayers from those countries (under certain conditions) to claim personal exemptions for their spouse and children. The tax treaties with Barbados, Hungary, and Jamaica allow students (not teachers/researchers) to elect to be treated as residents of the U.S. for tax purposes immediately upon their arrival in the United States.
3. Not claim "exempt" withholding status.
4. May not claim the Earned Income Credit unless married to a U.S. citizen and elects to be taxed as a resident alien for the entire year.
5. Effective January 1, 2000 the amount of additional withholding that must be withheld from the wages of nonresident alien employees will increase. This change will require agencies to obtain a new Form W-4 from all nonresident aliens (unless they are from one of the countries listed in 2 above). The new additional withholding amounts are:

| <u>Pay Period</u> | <u>Additional Withholding</u> |
|-------------------|-------------------------------|
| Biweekly | \$15.30 |
| Monthly | \$33.10 |

However, due to a system limitation fixed additional withholding amounts must be input in whole dollars. Therefore, when you enter the W-4 cards please round up to the following amount:

| <u>Pay Period</u> | <u>Additional Withholding</u> |
|-------------------|-------------------------------|
| Biweekly | \$16.00 |
| Monthly | \$34.00 |

These withholding amounts will be within the withholding tolerances allowed under Treasury Regulations 31.3402(h)(4)-1.

The U.S. tax treaty with India allows nonresident alien students from India to claim the Standard Deduction, and thus additional withholding amounts are not required.

Nonresident aliens who refuse to file a proper W-4 as required by IRS regulations must have federal income taxes withheld at the rates pertaining to single status, zero exemptions allowed. Refer to Treasury Regulation Section 31.3402(f)(2)-1(e).

Excluded Employment Forms Expiration

Certain types of income are excluded from withholding under the Internal Revenue Code or an income tax treaty on a calendar year basis. The Internal Revenue Service requires that most exemptions from withholding be reapplied for each year.

Agency payroll report PW4JYX05 provides a listing of employees within your agency that have an *Excluded Employment Withholding Exemption* (DBF-BP-5) that will expire on December 31, 1999. This report only lists employees that have been paid since July 1, 1999.

The report can be printed or viewed by your agency using RDS. If you need assistance accessing the report please contact your agency RDS administrator. A hard copy of the report will not be mailed by the Bureau of State Payrolls.

In order to continue uninterrupted exemption from withholding, eligible employees must submit to the Bureau a new *Reduction or Exemption From Withholding*, form DBF-BP-5 (revised August 1998), prior to January 8, 1999. This form is available on the web at http://www.dbf.state.fl.us/bosp/nra_a.html.

Please also review the records of employees that are exempted from Social Security and Medicare to ensure that they still meet the eligibility requirements under the Internal Revenue Code. These employees should be coded with a non-contributory retirement code.

Agencies are responsible for monitoring the residency status of employees and the time limitations under income tax treaties. When an employee is no longer eligible for an exemption from withholding the Bureau of State Payrolls must be notified in writing as soon as possible.

1042-S Distribution

Original 1042-S forms will be delivered to the Universities by March 9, 2000.

If you have any questions regarding these instructions or would like training on these issues, please contact Phyllis Henderson at (850) 410-9447, SUNCOM 210-9447 or E-mail: phenders@mail.dbf.state.fl.us.

November 5, 1999

IN REPLY REFER TO:
DBFBP 99-21

TO: Personnel Officer Addressed

FROM: Allen Reams, Chief
Bureau of State Payrolls

SUBJECT: Additional Withholding Increase for Nonresident Aliens

Payments to nonresident alien employees are subject to special withholding rules. Generally, additional amounts must be withheld, their filing status is restricted, and the number of allowable exemptions is limited. This is required because nonresident aliens cannot claim the standard deduction. The information from the Form W-4 is used during payroll processing to calculate the amount of income tax withholding unless the employee has claimed a tax treaty exemption. The Form W-4 for a nonresident alien must:

1. Indicate only "Single" marital status (regardless of actual marital status).
2. With some exceptions claim only one withholding allowance. The Internal Revenue Code allows taxpayers from Canada, Mexico and U.S. Nationals to claim personal exemptions for their spouse and children under certain conditions. Tax treaties with Japan and South Korea allow taxpayers from those countries (under certain conditions) to claim personal exemptions for their spouse and children. The tax treaties with Barbados, Hungary, and Jamaica allow students (not teachers/researchers) to elect to be treated as residents of the U.S. for tax purposes immediately upon their arrival in the United States.
3. Not claim "exempt" withholding status.
4. May not claim the Earned Income Credit unless married to a U.S. citizen and elects to be taxed as a resident alien for the entire year.
5. Effective January 1, 2000 the amount of additional withholding that must be withheld from the wages of nonresident alien employees will increase. This change will require agencies to obtain a new Form W-4 from all nonresident aliens (unless they are from one of the countries listed in 2 above). The new additional withholding amounts are:

| <u>Pay Period</u> | <u>Additional Withholding</u> |
|-------------------|-------------------------------|
| Biweekly | \$15.30 |
| Monthly | \$33.10 |

However, due to a system limitation fixed additional withholding amounts must be input in whole dollars. Therefore, when you enter the W-4 cards please round up to the following amount:

| <u>Pay Period</u> | <u>Additional Withholding</u> |
|-------------------|-------------------------------|
| Biweekly | \$16.00 |
| Monthly | \$34.00 |

These withholding amounts will be within the withholding tolerances allowed under Treasury Regulations 31.3402(h)(4)-1.

The U.S. tax treaty with India allows nonresident alien students from India to claim the Standard Deduction, and thus additional withholding amounts are not required.

Nonresident aliens who refuse to file a proper W-4 as required by IRS regulations must have federal income taxes withheld at the rates pertaining to single status, zero exemptions allowed. Refer to Treasury Regulation Section 31.3402(f)(2)-1(e).

Please also review the records of employees that are exempted from Social Security and Medicare to ensure that they still meet the eligibility requirements under the Internal Revenue Code. These employees should be coded with a non-contributory retirement code.

If you have any questions regarding these instructions or would like training on these issues, please contact Phyllis Henderson at (850) 410-9447, SUNCOM 210-9447 or E-mail: phenders@mail.dbf.state.fl.us.

November 9, 1999

IN REPLY REFER TO:
DBFBP 99-22

TO: Agencies and Individuals Addressed

FROM: Allen Reams, Chief
Bureau of State Payrolls

SUBJECT: Streamlining Payroll Reports in RDS

In an effort to improve accessibility and increase usage of payroll data in the on-line Report Distribution System, the Division of Information Systems will, over the next few months, be making some modifications to the way payroll data is stored in RDS. These modifications will be accomplished in phases, some phases being transparent to the end-user and some phases requiring minor changes by the agencies' RDS administrators. Below is a brief description of each of the phases. While we can't give a definite date of implementation for each phase at this time, you will be notified when any changes are required on the part of the agency RDS administrator, or when new data is to be made available through RDS. These notifications will be in the form of news screen messages, both Payroll and FLAIR news screens, as well as on the Division of Information Systems RDS web site for Payroll reports:

<http://www.dbf.state.fl.us/dishelpdesk/payindex.html>

Phase I

This phase will change the way some information is stored on the web page. Currently the field 'Form ID' is displayed as something similar to the following: PXX6 or QXX6 or RXX6, where 'P' or 'Q' or 'R' designates that the report is from payroll system, 'XX' is the agency identification number, and '6' identifies the specific report. The only change to this field will be that the 'XX' will be replaced by '**', so that the Form ID field will now read 'P**6' for the same report.

The web page field currently titled 'Job Name' will be titled 'Report Name' and the information stored in that field will be changed to reflect the name of the program that produces the report.

This change will require agency RDS administrators to update the RDS Form ID setup for each report in the group. On the Form ID setup, the report name field should be updated to reflect the new 'Report Name'.

Phase II

Currently there are some payroll Form ID's which have multiple reports attached to them. Unique Form ID's will be assigned to each individual report. Agency RDS administrators will be required to set up these additional Form ID's. Users will be enabled to more specifically select the needed reports, and system space and printing will be reduced as a result of this phase.

Phase III

In some cases, the same report is currently listed under different Form ID's. These Form ID's will be consolidated. Agency RDS administrators will be required to set up one Form ID for each report.

Phase IV

Concurrent with, and following the completion of Phases I, II and III, an effort will be made to:

- 1) Route all remaining payroll reports to RDS
- 2) Stop printing paper copies of all reports.

Although it is our intent to discontinue printing of paper copies at DBF, users do have the capability to print paper copies of any report in their directories through the Report Distribution System.

Should you have questions regarding these changes, please call the DIS HelpDesk at 850/410-9340, SUNCOM 210-9340.

AR/11b

November 15, 1999

IN REPLY REFER TO:
DBFBP 99-23

TO: Agencies and Individuals Addressed

FROM: Allen Reams, Chief
Bureau of State Payrolls

SUBJECT: 2000 Payroll Calendars & Consolidated Payroll Schedule

Payroll Calendars

Enclosed you will find the Payroll Calendars for December 1999 through January 2001. Please note that the EFT Cancellation deadline for each payroll has been added to the calendar. This is for EFT cancellations handled through the adjustment system.

Consolidated Payroll Schedule

To provide further assistance with necessary scheduling we have included the Consolidated Payroll Schedule.

Please note the following changes:

- Effective the first biweekly payroll processed on January 10, 2000, all agency paper payroll requisitions and PC Data must be received in the Bureau of State Payrolls by **12 Noon** on the date indicated in the PC DATA AND PAPER REQUISITIONS DUE TO COMPTROLLER column in order to be processed on that scheduled payroll.
- Beginning in January of 2000 a new payroll has been added specifically for processing Awards and Bonuses to ensure that a warrant is produced.
- Effective with the Class C payroll processed on February 2, 2000, we will no longer accept or process any transactions other than Class C Meals on these payrolls.
- Please remember that W-4 data must be entered into the system and approved by 6:00 p.m. of the PC DATA AND PAPER REQUISITIONS DUE TO COMPTROLLER date in order to be effective for the next scheduled payroll.

Should you have any questions concerning the calendar or schedule, please contact Cindy Langley at 410-9423 or SUNCOM 210-9423. Should you need additional copies of the calendar please contact Lora Burch at 410-9443 or SUNCOM 210-9443.

AR/llb

December 1, 1999

IN REPLY REFER TO:
DBFBP 99-24

TO: Agencies Addressed

FROM: Allen Reams, Chief
Bureau of State Payrolls

SUBJECT: New Miscellaneous Deduction Codes

The Department of Management Services, Division of State Group Insurance (DSGI) is expanding the supplemental insurance products within the Pretax Benefits Program. Effective with the Biweekly payroll submission date of November 29, 1999, warrant date December 3, 1999, there will be new activity related to the following.

| <u>NEW</u> <u>CODE</u> | <u>PRODUCT</u> |
|---------------------------|--------------------------------|
| 0106 | PTB State Endorsed Dental Plan |
| 0107 | PTB State Endorsed Vision Plan |

Just as in the past for all existing pretax products:

1. Our payroll system will obtain the salary reduction information for the new products directly from DSGI. No information will be accepted from the agency.
2. Salary reductions will occur 24 times each year for biweekly employees, not 26 times.
3. All salary reductions collected during payroll processing will be transferred automatically to a DSGI fund. Agencies will not have any warrants or registers to submit to DSGI. Similarly, all amounts reduced will be restored automatically to agency accounts if a warrant is canceled.

For further information about pretax benefits deduction codes see [Comptroller's Memorandum 17, 1991-92](#). Should you have any questions, please contact Cheryl Butler at (850) 410-9422, SUNCOM 210-9422 or E-mail: cbutler@mail.dbf.state.fl.us.

AR/cb:lms

December 9, 1999

IN REPLY REFER TO:
DBFBP 99-25

TO: Personnel Officer Addressed

FROM: Allen Reams, Chief
Bureau of State Payrolls

SUBJECT: Earned Income Credit Advance Payment Certificate - Expiration

The Earned Income Credit Advance Payment Certificate, Form W-5 for 1999, currently on file with the Bureau of State Payrolls will expire on December 31, 1999. Additionally, any Form W-5 filed for 1999 between now and the end of this calendar year will expire on December 31, 1999.

Agency payroll report PW4JYX04 provides a listing of employees within your agency that have an Earned Income Credit Advance Payment Certificate (W5) that will expire on December 31, 1999. This report is disseminated through the Report Distribution System (RDS). Should you need assistance in viewing or printing the report, please contact your agency's RDS administrator. The Bureau of State Payrolls will not mail a hard copy of the report.

Employees eligible to file for 2000 must complete a new Form W-5 for 2000. In order to continue uninterrupted participation, a new Form W-5 must be submitted to the Bureau prior to the payroll processing date as specified in the Payroll Preparation Manual, [Volume II, Section 6](#). Refer to Payroll Preparation Manual, [Volume V, Section 5](#), for instructions in completing the new form.

Forms may be obtained from the Internal Revenue Service by calling the toll-free number for forms (1-800-829-3676), or by accessing the Internal Revenue Service web site <http://www.irs.ustreas.gov>. Agencies are encouraged to keep a supply of forms available for their employees. The Bureau of State Payrolls does not maintain a supply of Form W-5. Affected employees need not renew Form W-4, Withholding Exemption Certificate, unless there are changes to the Form W-4.

If you have any questions regarding these instructions, please call Janet Joiner (850) 410-9435, SUNCOM 210-9435 or E-mail: jjoiner@mail.dbf.state.fl.us.

AR/lms

December 27, 1999

IN REPLY REFER TO:
DBFBP 99-26

TO: Agencies and Individuals Addressed

FROM: Allen Reams, Chief
Bureau of State Payrolls

SUBJECT: Payroll Changes in Year 2000

Effective on January 10, 2000:

- All agency paper requisitions and PC Data must be received by the Bureau of State Payrolls (BOSP) by 12 Noon on the date indicated on the payroll calendar and in the PC DATA AND PAPER REQUISITIONS DUE TO COMPTROLLER column of the payroll schedules in order to be processed on that payroll. Refer to Payroll Preparation Manual , [Volume II, Section 6](#). Requisitions may be submitted via electronic mail, fax or hand delivered to the BOSP mail bin in the basement of the Fletcher Building.
- Cartridges and tapes to be included in a payroll must be in the Department of Banking and Finance Production Control Bin #72 no later than 5:00 p.m. on the date indicated in the PC DATA AND PAPER REQUISITIONS DUE TO COMPTROLLER column of the payroll schedules in order to be processed on that payroll.

Effective January 26, 2000:

- A new type of payroll has been added to the payroll schedule. It is called the Awards Payroll. This payroll was established to provide the agencies with the ability to receive a warrant to present at ceremonies. This will be a warrant only payroll; there will be NO EFT transactions.

Effective February 2, 2000:

- Only Class C Meal transactions will be processed on the Class C payrolls. This change is being made in anticipation of the Class C payroll becoming an EFT payroll. Therefore, two additional workdays have been added to the calendar to allow time for the transmission of the EFT file in the future. The conversion of Class C to an EFT process is tentatively scheduled to be effective for the Class C payroll processed on April 5, 2000

Effective March 1, 2000:

- Transactions requiring Tax Collection must be done on-line at the

agency level via the Tax Collection component of the payroll system. A payroll manual update will be available in January 2000. This update will provide the agencies with instructions for processing. However, should you desire training from BOSP staff please contact Lora Burch at (850) 410-9443, SUNCOM 210-9443 or E-mail: lburch@mail.dbf.state.fl.us.

If you have any questions, please contact Cindy Langley at (850) 410-9423, SUNCOM 210-9423, E-mail: clangley@mail.dbf.state.fl.us or Cindy Sauls at (850) 410-9437, SUNCOM 210-9437, E-mail: csauls@mail.dbf.state.fl.us.