

USPS-R Calendar Year-end Review Calendar Year 2019



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FILING DEADLINE

- The Protecting Americans from Tax Hikes (PATH) Act, enacted includes a new requirement for employers. They are now required to file their copies of Form W-2, submitted to the Social Security Administration, by **Jan. 31**
- MVECA needs W2's Processed by **Jan 17**

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Pre-W2 Processing



- OSDI abbreviations ****IMPORTANT-REQUIRED**** for proper reporting on W2.
 - Include OSDI code number and district name in the W2 Abbrev field on the School District **Payroll Item Configuration** record

Payroll Item Configuration

Save Cancel

Type: OSDI Tax

Name: MILLCREEK-WEST UNITY

W2 abbreviation: 9604 M/MUNITY

OSDI Code: 9604

Payment Cycle: Monthly

Options:

Suppress SSN ID Employer Health Coverage Voluntary

Required Show On Create Wizard

Payee Information

Payee: SCHOOL DISTRICT INCOME - TAX (Number:) (Address: P.O. BOX 162368, COLUMBUS, OH, 43218-2368)

Pre-W2 Processing (continued)

- Verify 'Entity code' in **Payroll Item Configuration** is completed for any magnetic reporting to any city.





Pre-W2 Processing (continued)

Payroll Item Configuration

Save Cancel

Type City	Code 003	Name Riverside Motors
City Tax ab	W2 abbreviation City Tax	Payment Cycle Quarterly
Tax Entity Code TEST		
CCA CCA	CCA Description 	Report To CCA <input type="checkbox"/>
City Tax Annuity Options		
<input type="checkbox"/> Annuity 401 a	<input type="checkbox"/> Annuity 401 k	<input type="checkbox"/> Annuity 403 b
<input type="checkbox"/> Annuity 408 k	<input type="checkbox"/> Annuity 457	<input type="checkbox"/> Annuity 501 c
<input checked="" type="checkbox"/> Non Wages 125	<input type="checkbox"/> Other	<input type="checkbox"/> Wages 125
Options		
<input type="checkbox"/> Suppress SSN ID	<input type="checkbox"/> Employer Health Coverage	<input type="checkbox"/> Job Level
<input checked="" type="checkbox"/> Medicare Pickup	<input checked="" type="checkbox"/> Tax Employer Amounts	<input checked="" type="checkbox"/> Tax Non Cash Earn
<input type="checkbox"/> Voluntary	<input type="checkbox"/> Required	<input checked="" type="checkbox"/> Show On Create Wizard
Payee Information		
Payee Nicholls Signs (Number) (Address: 909 Moore Drive, Savannah, OH, 42608)		
RITA		
RITA ezn	RITA Description sbac/forp	

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Pre-W2 Processing (continued)

- CCA/RITA Reporting
 - Verify values in **Payroll Item Configuration** are set
 - RITA/CCA codes are required for tax data to be included on a submission file
 - See information from RITA/CCA web sites on codes as defined

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Pre-W2 Processing (continued)



Payroll Item Configuration

Save Cancel

Type: City Tax Code: 003 Name: Riverside Motors
abbreviation: City Tax W2 abbreviation: City Tax Payment Cycle: Quarterly
Tax Entity Code: zrqdmlybg
CCA: Report To CCA:
City Tax Annuity Options:
 Annuity 401 a Annuity 401 k Annuity 403 b
 Annuity 408 k Annuity 457 Annuity 501 c
 Non Wages 125 Other Wages 125
Options:
 Suppress SSN ID Employer Health Coverage Job Level
 Medicare Pickup Tax Employer Amounts Tax Non Cash Earn
 Voluntary Required Show On Create Wizard
Payee Information:
Payee: Nicholls Signs (Number:) (Address: 909 Moore Drive, Savannah, OH, 42608)
RITA: 123 RITA Description: RIVERSIDE

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Pre-W2 Processing (continued)

Payroll Item Configuration

Save Cancel

Type: City Tax Code: 004 Name: Janis Bakery
abbreviation: City Tax W2 abbreviation: City Tax Payment Cycle: Monthly
Tax Entity Code: ynprobws
CCA: Report To CCA:
City Tax Annuity Options:
 Annuity 401 a Annuity 401 k Annuity 403 b
 Annuity 408 k Annuity 457 Annuity 501 c
 Non Wages 125 Other Wages 125
Options:
 Suppress SSN ID Employer Health Coverage Job Level
 Medicare Pickup Tax Employer Amounts Tax Non Cash Earn
 Voluntary Required Show On Create Wizard
Payee Information:
Payee: Lyons Development (Number:) (Address: 1595 Eastmoor Drv, Needmore, OH, 36120)
RITA: RITA Description:

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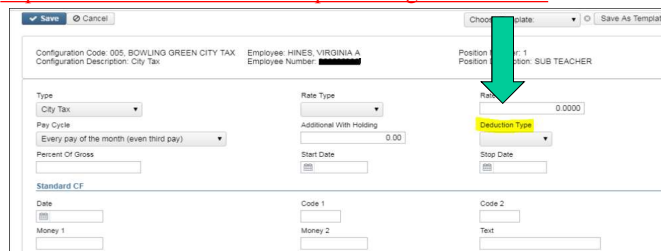
Pre-W2 Processing (continued)

– Verify Payroll Item “Deduction Type” value must be on all city Payroll Item records that report to CCA or RITA

- Is this city **tax** record required because of the employees place of:
Employment or Residence

See the following web sites for complete details regarding C-Employment and R- Residence reporting for RITA and CCA:

- <http://www.ritaohio.com/Businesses/business>
- <http://ccatax.ci.cleveland.oh.us/?p=rulesregs#Section301>



The screenshot shows a payroll configuration form for 'BOWLING GREEN CITY TAX'. The form includes fields for Configuration Code (005), Employee Name (HINES, VIRGINIA A), Employee Number, Position (SUB TEACHER), and Rate (0.0000). A dropdown menu for 'Deduction Type' is highlighted in yellow, with a green arrow pointing to it. Other fields include 'Type' (City Tax), 'Pay Cycle' (Every pay of the month), 'Additional With Holding' (0.00), 'Start Date', 'Stop Date', and 'Standard CF' (Date, Money 1, Code 1, Money 2, Code 2, Text).

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Pre-W2 Processing (continued)

- Health Savings Account (HSA)
 - Annuity Type on the **Payroll Item Configuration** must be set to “Other” even if there are no employee amounts withheld



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Pre-W2 Processing (continued)

Payroll Item Configuration

Type	Code	Name
Health Savings Account	570	HEALTH SAVINGS ACCOUNT
abbreviation	W2 abbreviation	Payment Cycle
HSA	HSA	Every Payroll
Annuity Type		
Other		

ACH Information

Ach Source
HealthSavingsAccountACH, Code: 001

Object Codes

Certified Object	Classified Object	Other Object
241	251	

Options

<input type="checkbox"/> Suppress SSN ID	<input type="checkbox"/> Employer Health Coverage	<input checked="" type="checkbox"/> Print Employer Amount
<input checked="" type="checkbox"/> Voluntary	<input type="checkbox"/> Required	<input type="checkbox"/> Show On Create Wizard

Payee Information

Payee
FIRST FEDERAL BANK (Number:) (Address: 211 S FULTON ST, WAUSEON, OH, 43087-)

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Pre-W2 Processing (continued)



- Employee Expense Reimbursements
 - If district desires amounts paid through warrant to appear on the W2 form as wages
 - Look at ‘Expense Reimbursement’ options document
 - Special processing through **Adjustments** may be needed
 - Manual changes may be needed

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Pre-W2 Processing (continued)

- Excludable moving expenses ****Active Military Only****
- Reimbursements, including payments made directly to a third party, for ACTIVE MILITARY employees only, be entered in the **Adjustments** screen. The amount in this field is treated as an excludable fringe benefit
 - Contact legal advisor with questions
 - Manually enter excludable amounts into the federal tax field.

Adjustment Journal

Save Cancel

Employee
Wright, Amber Lloyd - ANON295

Payroll Item
Type: Federal Tax, Code: 001

Type	Transaction Date	Amount	Description
Moving Expense	9/12/18	200.00	

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Pre-W2 Processing (continued)



• Fringe benefit amounts

- Contact legal advisor with questions
- *Enter taxable amount in fringe benefit field in the **Adjustments** screen
 - All tuition reimbursement above \$5250.00 are considered Fringe benefits and would be subject to regular taxation. So the amount above the 5250.00 figure would go in **Adjustments** under the Federal tax Payroll Item under the Fringe Benefit Type

Adjustment Journal

Save X Save + Save Cancel

Employee
Wright, Amber Lloyd - ANON295

Payroll Item
Type: Federal Tax, Code: 001

Type	Transaction Date	Amount	Description
Fringe Benefits	9/26/18	6,000.00	

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Pre-W2 Processing (continued)

- When the Save button is clicked this will update the total and taxable gross fields for any Payroll Item that taxes **Fringe Benefits** (Federal, State) This is then reflected on the W2 Report.

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Pre-W2 Processing (continued)

- **Life insurance purchased for withheld annuities-Notice received from annuity company-Entered in payroll before last pay.**
- **IRS Publication 15-B Section 2 pages 13-15 (<http://www.irs.gov/pub/irs-pdf/p15b.pdf>) contains the calculation table to figure the cost.**
- Before the last payment of 2019. In **PAYROLL-CURRENT** or the **PAYROLL-FUTURE** program, the amount should be entered choosing the **Life Insurance Premium-Pay Type**. This pay type represents one kind of non-cash earnings for the employee.
- This pay type will be treated differently for taxation purposes. For the **Life Insurance Premium** amount, the tax amounts for Medicare and Social Security will be calculated during the Initialization of the payroll No Federal, Ohio, or OSDI tax amounts will be calculated. All of these will be treated according to the federal rules. The software provides the ability to withhold city tax on non-cash earnings. This can be activated by setting the "Tax Non-Cash Earn" flag to Y (yes) on the city tax record on the **Payroll Item Configuration screen**.

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Life Insurance (continued)



- **Life insurance was not entered before the last pay:**
- If the **Life Insurance Premium** pay type was not used prior to the last pay of the calendar year, the following manual procedure must be used in order for the **Life Insurance Premium** pay to show correctly on the W2 form and to insure that the Quarter Report balances. Follow these procedures prior to generating W2 forms.
- **Core-Adjustments-** Click on Create: Find the Employee, choose the 001 Federal Payroll Item, Type- Life Insurance, Transaction Date and Amount

Type	Transaction Date	Amount	Description
Life Insurance	9/12/18	100.00	

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Life Insurance (continued)

- When the Save button is clicked this will update the total and taxable gross fields for any Payroll Item that taxes **Life Insurance Premiums** (Federal, State, OSDI, City, (if applicable) and Medicare. This is then reflected on the **W2 Report**.
- If the Medicare withholding was paid by the employee, employer or employee and employer. Adjustments must be made to the Amount Withheld and Board Amount of Payroll Item. If Medicare is fully board paid (Pickup) then the total Adjustment should be made to the Board Amount of Payroll Item.

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Pre-W2 Processing (continued)

- **Dependent Care**

- If not using the DPCARE Payroll Item type

- *Manually enter dependent care amounts in through the **Core-Adjustments** screen. (Max-\$5000.00 for married filing jointly, unmarried couples and single or \$2500.00 married filling separate,)



- **-Core-Adjustments-** Click on Create:

A screenshot of a software interface titled "Adjustment Journal". It features a "Save" button and a "Cancel" button. Below these are two dropdown menus: "Employee" with the value "Morse, Nancy Patty - ANON103" and "Payroll Item" with the value "Type: Federal Tax, Code: 001". At the bottom, there is a table with columns for "Type", "Transaction Date", "Amount", and "Description". The table contains one row with the following data: Type: Dependent Care, Transaction Date: 9/12/18, Amount: 6,000.00, and Description: (empty).

Type	Transaction Date	Amount	Description
Dependent Care	9/12/18	6,000.00	

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Dependent Care (continued)

- When the Save button is clicked this will update the total and taxable gross fields by any amount **above** the 5000.00 threshold for any Payroll Item that taxes **Dependent Care** (Federal, State, City (if applicable) This is then reflected on the W2 Report. The total amount of Dependent Care will appear in Box 10 on the W2.

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Pre-W2 Processing (continued)

- Use of Company Vehicle
 - Calculate leased vehicle value
 - Manually enter leased vehicle **Core-Adjustments-**
- Click on Create:

Type	Transaction Date	Amount	Description
Vehicle Lease	9/12/18	1,000.00	

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Vehicle Lease (continued)

- When the Save button is clicked this will update the total and taxable gross fields for any Payroll Item that taxes **Vehicle Lease** (Federal, State), This is then reflected on the W2 Report and the vehicle lease amount will appear in Box 14 on the W2.

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Employer Sponsored Health Care Cost on W2

The Affordable Care Act requires employers to report the cost of coverage under an employer-sponsored group health plan. Reporting the cost of health care coverage on the Form W-2 does not mean that the coverage is taxable. This total includes the employee and employer payments for Medical Insurance. This is informational purposes only.

- **If any employee** is paying for their insurance out of pocket, this amount may be added as follows:
 - Go to **Core/Adjustments**
 - Click **Create**
 - **Employee**-Find Employee by typing in a few characters of first t last name. Choose employee
 - **Payroll Item**-Use Drop Down Choose Federal Tax 001
 - **Type**-From Drop Down Choose Health Insurance
 - **Transaction Date**-Enter in or choose a date from the calendar
 - **Amount**-Enter in Amount
 - Description-Enter a Description (optional)
 - Click

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Employer Sponsored Health Care Cost on W2 (continued)

- **If the employee insurance** is paid half a year out of pocket and the other half through payroll, the amount paid by the employee will need to be added as follows:
 - Go to **Core/Adjustments**
 - Click **Create**
 - **Employee**-Find Employee by typing in a few characters of first t last name. Choose employee
 - **Payroll Item**-Use Drop Down Choose Federal Tax 001
 - **Type**-From Drop Down Choose Health Insurance
 - **Transaction Date**-Enter in or choose a date from the calendar
 - **Amount**-Enter in Amount
 - Description-Enter a Description (optional)
 - Click

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Employer Sponsored Health Care Cost on W2 (continued)

Manually enter only amount **not** tracked in USPS system in **Core-Adjustments**- Click on Create:

The screenshot shows a web form titled "Adjustment Journal". At the top left, there are "Save" and "Cancel" buttons. Below them, the "Employee" field is populated with "Morse, Nancy Patty - ANON103". The "Payroll Item" field is set to "Type: Federal Tax, Code: 001". Below these fields is a table with the following data:

Type	Transaction Date	Amount	Description
Health Insurance	12/12/18	600.00	

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Employer Sponsored Health Care Cost on W2

- When the Save button is clicked this will update the total Employer Health Coverage withheld for W2 reporting purposes.

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Employer Sponsored Health Care Cost on W2 (continued)

- Must **report the cost of employer-sponsored Health Coverage** in Box 12 using Code DD if the district filed 250 or more W2's for the preceding calendar year
- **Life, Dental and Vision** are not required to be included in the total if they are separate plans and not included as part of the medical plan
<http://www.irs.gov/uac/Form-W-2-Reporting-of-Employer-Sponsored-Health-Coverage>
- ****Note-**The contribution amount by Employee and Employer for **Health Saving Account (HSA)** is **NOT** to be included as employer-sponsored health coverage. This is reported in Box 12 using (Code W).



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Employer Sponsored Health Care Cost on W2 (continued)

- The box “**Employer Health Coverage**” on the Regular and Annuity **Payroll Item Configuration** plus any **Core-Adjustments-Health Insurance** entries are used to calculate the Employer Sponsored Health Care Cost.
- If this **Employer Health Coverage** box is checked the YTD **Payroll Item** totals will be included in the total moved to the employees W2 for Employer Health Coverage.

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Employer Sponsored Health Care Cost on W2 (continued)

Payroll Item Configuration

Save Cancel

Type	Code	Name
Annuity	501	Crawfordville Software
abbreviation	W2 abbreviation	Payment Cycle
Annuity	Annuity	Monthly
Annuity Type		
403B		
Object Codes		
Certified Object	Classified Object	Other Object
vkly	xrfq	hwkf
Options		
<input type="checkbox"/> Suppress SSN ID	<input checked="" type="checkbox"/> Employer Health Coverage	<input type="checkbox"/> Print Employer Amount
<input checked="" type="checkbox"/> Voluntary	<input type="checkbox"/> Request	<input type="checkbox"/> Show On Create Wizard
Payee Information		
Payee		
Hiram Cafe (Number: 52066557) (Address: 979 Langan Court, Weston, OH, 26811)		

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Employer Sponsored Health Care Cost on W2 (continued)

- If the district only tracks the **employee** portion of health care costs in the USPS system, the district will need to create a spreadsheet using the appropriate header information (See <https://wiki.ssd-ohio.org/display/uspsrdoc/Mass+Load>)
- with the Board YTD costs for Employee Health Insurance and use the Mass Load program to load the data the Payroll Item.

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Employer Sponsored Health Care Cost on W2 (continued)

- **UTILITIES/MASS LOAD/ADJUSTMENTS** can be used to load a spreadsheet with any data not tracked in the payroll system into the **Core-Adjustments** record for Medical Insurance coverage.

USPS Load File No file chosen

Importable Entities:

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Employer Sponsored Health Care Cost (continued)

- Note-If you are not currently processing the board portion of paid medical insurance through USPS you can just track Employer Sponsored Health Care portion through USPS
- If not wanting to use **Employer Distributions Submission**, leave **Object Codes** fields in Payroll Item Configuration record blank.



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HEALTH REIMBURSEMENT ARRANGEMENT

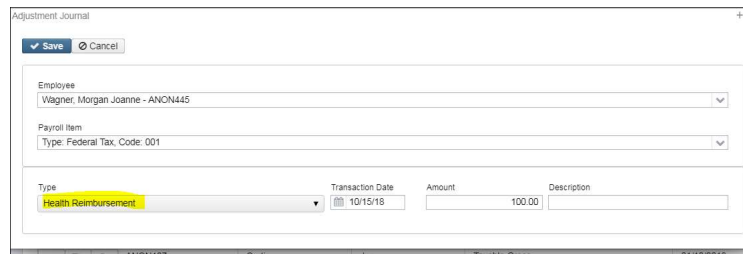
- The IRS has added a new Code FF for Box 12. It will report the total amount of permitted benefits under a qualified small employer health reimbursement arrangement. This will allow eligible employers to pay or reimburse medical care expenses of eligible employees after the employees provide proof of coverage. Use this code to report the total amount of permitted benefits under a Qualified Small Employer Health Reimbursement Arrangement QSEHRA. The maximum reimbursement for an eligible employee under a QSEHRA is \$5,150 (\$10,450 if it also provides reimbursements for family members), before indexing for inflation.
- Eligible employers are those small employers with less than 50 Full-Time Equivalent employees (those who work 130 hours a month or 30 or more hours a week for 120 consecutive days). Another eligibility is that the employer does NOT offer a group health plan to any of their employees.
- You will need to add a value in **Core-Adjustments** for Hth Reimburse. Then this value will appear on the W2Tape file and W2FORM.DAT as a code FF with the amount in Box 12. The Health Reimbursement amount will also appear on the W2CITY.DAT file. The Health Reimbursement amount (HLTH REIMBURSE) will appear on the W2 Report under the employee's Federal heading, if there is an amount to report. The HLTH REIMBURSE amount will also total and appear in the Grand Totals and Report Totals, if there are any.

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Health Reimbursement Arrangement on W2 (continued)



- Go to Core-Adjustments/Create



The screenshot shows a software interface titled "Adjustment Journal". At the top left, there are "Save" and "Cancel" buttons. Below this, there are two dropdown menus: "Employee" with the value "Wagner, Morgan Joanne - ANCN445" and "Payroll Item" with the value "Type: Federal Tax, Code: 001". Below these is a table with four columns: "Type", "Transaction Date", "Amount", and "Description". The "Type" column has a dropdown menu with "Health Reimbursement" selected and highlighted in yellow. The "Transaction Date" column has a date picker set to "10/15/16". The "Amount" column has a text input field containing "100.00". The "Description" column has an empty text input field. At the bottom of the window, there is a status bar with the text "ANCN4457", "Cur", "Jan", "Taxable Gross", and "01/15/2018".

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W2 Report and Submission Features

- Program used to generate
 - W2 Report.XXX use as a Balancing report
 - W2 Form Data.XML files for laser printing
 - W2Tape.Seq Submission file for reporting



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Pre-W2 Reporting



- Go to **Reports/W2 Report and Submission** before last pay of 2019 has been completed. Can be ran as many times as necessary.
- **Output Type-Report**
 - **Format**-Choose format type desired from drop down
 - **Report Title**-Default is W2 Report. Can be changed if desired
 - **Federal ID Number**-Defaults from **Core/Organization**
 - **State ID Number**-Defaults from **Core/Organization**

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Pre W2 Reporting

- **Kind of Employer**-S-State and Local Government Employer (non501c) automatically populates. Can be changed by using drop down
- **Sort Options**-Choose from drop down
- **Report for Year**-Current year defaults. Choose from drop down if change needed.
- Click 
 - Balance to-date data
 - Review and correct warnings and errors

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2019 W2 Reporting- W2 Submission Files



- Go to **Reports/W2 Report and Submission**
- Output Type-**Submission**
 - **Federal ID Number**-Defaults from **Core/Organization**
 - **Additional Federal ID Number**-Can be added if needed
 - **State ID Number**-Defaults from **Core/Organization**
 - **Kind of Employer**-S-State and Local Government Employer (non501c) automatically populates. Can be changed by using drop down.- **See Kind of Employer document**
 - **Sort Options**-Choose from drop down
 - **Report for Year**-Current year defaults. Choose from drop down if change needed
 - **Employer Name**-Defaults from **Core/Organization**

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Kind of Employer



- Your districts will need to specify what type of employer they are:
 - The Kind of Employer can be one of the following:
 - F = Federal Government
 - S = State and Local Governmental Employer (non 501c)
 - T = Tax Exempt Employer
 - Y = State and Local Tax Exempt Employer (501c)
 - N = None Apply

If the school district is part of a local government and has NOT applied for 501C status, they will check the box for State/local non 501c (S) .

If the school has applied for 501C status and was granted that non profit status they would check State/local 501c. (Y)

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2019 W2 Reporting- Submission Files(continued)

- **Employer Address first line**-Defaults from **Core/Organization**
- **Employer Address second line**-Defaults from **Core/Organization**
- **Employer City**- Defaults from **Core/Organization**
- **Employer State**-Defaults from **Core/Organization**
- **Employer Zip Code**-Defaults from **Core/Organization**
- **Contact Name**-**Required**
- **Contact Phone Number**-**Required**
- **Contact Phone Extension**-Optional
- **Contact Fax Number**-Optional
- **Contact Email Address**-**Required**

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2019 W2 Reporting- Submission Files(continued)

To create SSA submission file click [Generate SSA W2 Submission File](#)

To create CCA submission file click [Generate CCA W2 Submission File](#)

To create RITA submission file click [Generate RITA W2 Submission File](#)

To create city tape file click the W2 City Options tab and then click [Generate City W2 Submission File](#)

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W2 Files and Submission

- W2CITY.SEQ file used for special city submissions
- W2 TAPE.SEQ submission file is used to report
 - Federal
 - State
 - Cities (W2RITA.SEQ/W2CCA.SEQ)



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Creation of W2 XML File

- Go to **Reports/W2 Report and Submission**
- **Output Type-Choose XML**
 - XML-W2 Form Data is default. Title-Can be changed if desired
 - **Federal ID Number**-Defaults from **Core/Organization**
 - **State ID Number**-Defaults from **Core/Organization**
 - **Kind of Employer**-S-State and Local Government Employer (non501c) automatically populates. Can be changed by using drop down. **See Kind of Employer Document**



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Creation of W2 XML File (continued)

- **Report for Year**-Current year defaults. Choose from drop down if change needed.
- **Employer Name**-Defaults to district name from **Core/Organization**.
- **Employer Address First Line**-Defaults to first line address from **Core/Organization**
- **Employer Address Second Line**-Defaults to second line address from **Core/Organization**



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Creation of W2 XML File (continued)

- **Employer City**-Defaults to City from **Core/Organization**.
- **Employer State**-Defaults to State from **Core/Organization**.
- **Employer Zip Code**-Defaults to Zip Code from **Core/Organization**
- **Click** 



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Creation of W2 XML File (continued)

- This XML file will be used to print out the W2's for the district from the EDGE printing software.



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W2 Processing



- Additional deduction codes
 - Allows districts to print additional information in box 14, “Other”
 - Six can be entered
 - Leased vehicle value is always included
 - Other user values are secondary
 - Prints the first 3 for each employee in the order entered

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W2 Balancing

- Information on W2Report should balance to:
 - 941 totals as reported
 - Run **Reports/Employee Earnings Register**
 - Payroll Items represents amounts withheld from employees for the calendar year
 - Run **Reports-Quarter Report**
 - Represents amounts as current in the YTD figures
 - Balance Federal, Ohio, and City taxes and gross amounts

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W2 Balancing



941 data
.....

Federal tax w/h
 1st qtr _____
 2nd qtr _____
 3rd qtr _____
 4th qtr _____
 YTD _____
 W2REPT Total _____

These 2 totals
 should equal except
 for special payments



W2 Balancing Earnings Register

Total Gross		Payment Totals			Total Net		
\$3,053,866.89		(\$4,329.14)			\$2,035,161.24		
Code	Abbreviation	Employee Amt	Employer Amt	Position	FND-FUNC-ORG-SPCC-SUBJECT-OPU-IL-JOB	Chg Amt	%
001	plyxyiwifpldscribb	284,329.02		1	001-1100-111-0000-000000-100-01-000	99,565.95	100.00
002	rmeackabtdognakxwx	64,181.47		1	001-2310-171-0000-000000-300-00-000	1,530.00	100.00
003	gybaillrotaytqflthfn	44,026.00		1	001-4590-113-0000-000000-200-00-000	26,628.86	100.00
006	vvcrvoarwdylydysfkp	631.71		1	001-2510-149-0000-000000-300-00-000	31,698.54	100.00
008	ulhcldfbytpqkqwpvped	266.56		1	001-2510-141-0000-000000-300-00-000	66,573.19	0.00
009	nuewvutcurvafvqjcb	2,460.29		1	001-2510-152-0000-000000-300-00-000	270.00	0.00
400	qjwzaffpolsahlgchwi		81,886.26	1	001-2822-142-0000-000000-000-00-000	2,425.22	100.00
450	yehgrzragnozlztzrim		344,151.26	1	001-1100-111-0000-000000-100-14-000	131,142.49	100.00
508	rotqpsqsbeknzqjtsbb	21,100.00		1	001-2700-142-0000-000000-000-00-000	3,250.60	100.00
514	brvzpdzagsuqjwutzyi	2,400.00		1	001-4530-113-0000-000000-200-00-000	13,393.34	100.00
550	cmnjzpzfoejmwwonann	600.72	39,415.50	1	001-1100-111-0000-060000-200-00-000	42,126.20	100.00
563	wxyjzjcwbpqojelbtd	1,111.29		1	001-1100-111-0000-000000-100-03-000	90,693.32	100.00
564	dpprjbmjczjucjfyrag	284.44		1	001-4550-143-0000-000000-200-00-000	3,569.72	100.00
565	girazzvovibxayhitdme	1,170.81		1	001-1280-111-0000-000000-100-15-000	65,744.42	100.00
566	sbtncddevcdyfwgappz	4,709.52		1	439-1280-111-9017-000000-000-00-000	36,095.36	0.00
569	kwahabhdvqjz	76,660.54		1	300-4540-143-9500-000000-200-00-000	1,674.58	0.00
		38,350.00	125,272.24	1	300-4520-143-9500-000000-200-00-000	1,529.79	0.00
		47,417.17		1	300-4530-143-9500-000000-200-00-000	4,958.04	0.00

Amounts in this column on
 Earnings Register should be
 used for balancing

W2 Balancing Quarter Report



Deduction Items Summary

Deduction Name	DED	QTD Total	YTD Total	FTD Total	QTD Taxable	YTD Taxable
Federal Tax	001	\$0.00	\$11,757.08	\$0.00	\$0.00	\$101,391.60
Ohio State Tax	002	\$0.00	\$2,671.65	\$0.00	\$0.00	\$101,391.60
City Tax	003	\$0.00	\$1,754.83	\$0.00	\$0.00	\$116,987.30
City Tax	006	\$0.00	\$25.15	\$0.00	\$0.00	\$5,028.60
State Tax	009	\$0.00	\$73.52	\$0.00	\$0.00	\$1,729.79
Annuity	508	\$0.00	\$1,060.00	\$0.00	\$0.00	\$0.00
Annuity	514	\$0.00	\$100.00	\$0.00	\$0.00	\$0.00
Health Savings Account	550	\$0.00	\$10.48	\$0.00	\$0.00	\$0.00
Annuity	563	\$0.00	\$46.00	\$0.00	\$0.00	\$0.00
Annuity	564	\$0.00	\$12.24	\$0.00	\$0.00	\$0.00
Annuity	565	\$0.00	\$50.08	\$0.00	\$0.00	\$0.00
Annuity	566	\$0.00	\$198.72	\$0.00	\$0.00	\$0.00
Annuity	569	\$0.00	\$3,393.63	\$0.00	\$0.00	\$0.00
Health Savings Account	570	\$0.00	\$1,646.00	\$0.00	\$0.00	\$0.00
SERS Annuity	590	\$0.00	\$1,846.94	\$0.00	\$0.00	\$0.00
STRS Annuity	591	\$0.00	\$12,396.68	\$0.00	\$0.00	\$0.00
Regular	600	\$0.00	\$27.95	\$0.00	\$0.00	\$0.00
Regular	603	\$0.00	\$1,380.47	\$0.00	\$0.00	\$0.00
Regular	604	\$0.00	\$311.31	\$0.00	\$0.00	\$0.00
Regular	612	\$0.00	\$10.00	\$0.00	\$0.00	\$0.00
Child Support			\$946.97	\$0.00	\$0.00	\$0.00
Regular			\$210.12	\$0.00	\$0.00	\$0.00
Regular			\$42.45	\$0.00	\$0.00	\$0.00
Regular			\$333.79	\$0.00	\$0.00	\$0.00
Regular			\$199.37	\$0.00	\$0.00	\$0.00
Employer SERS			\$455.31	\$0.00	\$0.00	\$0.00
Employer STRS	691	\$0.00	\$1,461.00	\$0.00	\$0.00	\$0.00

Amounts in this column on
Quarter Report should be used
for balancing

W2 Balancing W2 Report



Report Summary

Code	Description	Count	Tax Withheld	Taxable Gross	Total Gross	Annuities
001	Federal Tax	75	\$11,420.39	\$101,583.68	\$122,197.73	\$20,614.05
	Medicare Pickup		\$192.08			
	Emplr Hlth Coverage		\$26,061.61			
	HSA		\$124,855.51			
	457		\$1,160.00			
	Section 125		\$5,210.43			
002	Ohio State Tax	75	\$2,598.16	\$101,583.68	\$122,197.73	\$20,614.05
003	City Tax	75	\$1,754.83	\$116,987.30	\$122,197.73	\$5,210.43
006	City Tax	3	\$25.15	\$5,028.60	\$6,360.54	\$1,331.94
			\$73.52	\$1,729.79	\$2,238.13	\$508.34
			\$1,696.37	\$116,987.30	\$122,005.65	\$0.00
			\$144.91	\$7,272.67	\$8,952.93	\$1,680.26

Amounts in this column on W2 Report
should be used for balancing



W2 Balancing

- Items that affect balancing between W2 Report and Quarter (See Specific Affects documentation)
 - Dependent care benefits over limit (5000.00)
 - Fringe Benefits
 - Medicare pickup amounts
 - Taxable third party sick pay
 - Use of company vehicle
 - Employee expense reimbursements paid through warrant

53



W2 Balancing

- Dependent care benefits
 - Amounts over limit (\$5,000.00) are added to total and taxable gross amounts on Federal, Ohio and City total and taxable gross fields on the W2REPT
 - Ex-If \$1000.00 is added to Adjustments/Dependent Care on the 001 record \$1000.00 will be added to total and taxable gross fields as stated above.
 - This will cause gross amounts on W2 Report to be higher.

54

Adjustments/ Dependent Care



Adjustment Journal

Save Cancel

Employee
Nieves, Brooklyn Pete - ANON781

Payroll Item
Type: Federal Tax Code: 001

Type	Transaction Date	Amount	Description
Dependent Care		6,000.00	

55



W2 Balancing

- Fringe Benefits
 - An Adjustments/Fringe Benefits entry on the 001 record adds all fringe benefit amounts to total and taxable gross amounts on Federal and Ohio records
 - Will cause gross amounts on W2 Report to be higher

56



Fringe Benefits

Adjustment Journal

Save Cancel

Employee
Nieves, Brooklyn Pete - ANON781

Payroll Item
Type: Federal Tax, Code: 001

Type	Transaction Date	Amount	Description
Fringe Benefits		200.00	

57

W2 Balancing



- Medicare Pickup
 - Amount added to total and taxable gross amounts on Federal, Ohio and OSDI records
 - Will cause gross amounts on W2 Report to be higher.

58

W2 Balancing

- If **'Tax Employer Amounts'** option is not used on the city tax record on the Payroll Item Configuration record -(Tax Employer Amounts box **unchecked** on Payroll Item Configuration)
 - The Medicare Pickup box should be checked if the city taxes the Medicare pickup
 - The Medicare pickup is added to the city total and taxable gross amounts on the W2 Report.
 - Employee pays tax after the fact



59

W2 Balancing



Payroll Item Configuration

Type City Tax	Code 003	Name Riverside Motors
abbreviation City Tax	W2 abbreviation City Tax	Payment Cycle Quarterly
Tax Entity Code zprothybg		
CCA []	CCA Description []	Report To CCA <input type="checkbox"/>
City Tax Annuity Options		
<input type="checkbox"/> Annuity 401 a	<input type="checkbox"/> Annuity 401 k	<input type="checkbox"/> Annuity 403 b
<input type="checkbox"/> Annuity 408 k	<input type="checkbox"/> Annuity 457	<input type="checkbox"/> Annuity 501 c
<input checked="" type="checkbox"/> Non Wages 125	<input type="checkbox"/> Other	<input type="checkbox"/> Wages 125
Options		
<input type="checkbox"/> Suppress SSN ID	<input type="checkbox"/> Employer Health Coverage	<input type="checkbox"/> Job Level
<input checked="" type="checkbox"/> Medicare Pickup	<input type="checkbox"/> Tax Employer Amounts	<input checked="" type="checkbox"/> Tax Non Cash Earn
<input type="checkbox"/> Voluntary	<input type="checkbox"/> Required	<input checked="" type="checkbox"/> Show On Create Wizard
Payee Information		
Payee Nicholls Signs (Number:) (Address: 909 Moore Drive, Savannah, OH, 42606)		
RITA		
RITA ezh	RITA Description sbxcnorp	

60

W2 Balancing



- If the 'Tax Employer Amount' is used on the city tax record-(Tax Employer Amounts box **checked** on Payroll Item Configuration)
- The tax is withheld during the payroll

Taxable Third Party Sick pay



- Taxable Third Party Sick Pay
 - Users need to add the Third Party Sick pay amount using **Adjustments/Total Gross and Adjustments/Taxable Gross** on the Federal (001), Ohio (002) and OSDI (8XX) records as needed
 - Will cause gross amount on W2 Report to be higher
 - See Third Party Sick Pay Instructions Document
 - See Third Party Sick Payment Notification Example Document

W2 Balancing Third Party Sick Pay

Adjustment Journal

✓ Save ✕ Cancel

Employee
Branch, Ryan Pam - ANON564

Payroll Item
Type: Federal Tax, Code: 001

Type	Transaction Date	Amount	Description
Total Gross	10/5/16	500.00	

Adjustment Journal

✓ Save ✕ Cancel

Employee
Branch, Ryan Pam - ANON564

Payroll Item
Type: Federal Tax, Code: 001

Type	Transaction Date	Amount	Description
Taxable Gross	10/5/16	500.00	

63

Non-Taxable Third Party Sick Pay

- Non-taxable third party sick pay
 - Does not affect balancing
 - Does not affect taxes
 - Add amount using **Adjustments/Third Party Pay** to the Federal Tax (001) record.
 - District is notified how much to enter by third party
 - This amount will print in Box 12 with a code 'J'



64



Non-Taxable Third Party Sick Pay

Adjustment Journal

Save Cancel

Employee
Branch, Ryan Pam - ANON564

Payroll Item
Type: Federal Tax Code: 001

Type	Transaction Date	Amount	Description
Third Party Pay	10/6/18	1,500.00	

65

W2 Balancing- Company Vehicle



- Use of Company Vehicle Field
- Add amount using **Core/Adjustments/Vehicle Lease** to the Federal Tax (001) record.
 - This adds the Vehicle Lease amount from the 001 federal record to the total and taxable gross fields on the Federal (001), and Ohio (002) total and taxable gross fields on the W2 Report.
 - Will cause the gross amounts on W2 Report to be higher

66

Use of Company Vehicle

Adjustment Journal

Save Cancel

Employee
Branch, Ryan Pam - ANON564

Payroll Item
Type: Federal Tax, Code: 001

Type	Transaction Date	Amount	Description
Vehicle Lease	10/5/18	2,000.00	



67

Employee Expense Reimbursements



- If district wants employee reimbursements originally paid through warrant to appear on the W2 as wages and adjustments are made, this will create a balancing difference between Quarter Report and W2 Report
- May cause W2 Report to show higher gross amounts than actually paid through USPS
- See 'Expense Reimburse' document for more details

68

Balancing Problems



- Voided checks from prior calendar year
 - Go to **Payments/Check Register** on the grid use the Issued Date (Pay Date) -enter the beginning date to ending date. 01/01/2019..12/31/2019 and Status enter in a V. This will pull in all voided checked dated between 01/01/19 and 12/31/19.
 - The report option can then be used to create a report of all voided checks.
- To pull all Refund of annuity withheld in prior calendar year
 - Go to **Payments/Refund Checks** Show Issued Date on grid and then filter 01/01/2019..12/21/2019 click on
 - Do the Same option on the **Refund ACH** Tab

69

Balancing Problems (continued)

- Manual Updates
 - Go to **Reports/Report Manager/SSDT Audit Trail**
 - Set **Start Date** as **Y** and **End Date** as **R** to get the calendar year data.
 - Search for YTD changes
 - When VIEWING the AUDRPT.TXT, hit the Cntrl key and the 'F' key and enter in YTD. The search box will list how many occurrences of YTD are in the file. Then from here, you can click on the to go to next line with 'YTD' in it.

70



W2 Report

Report Summary						
Code	Description	Count	Tax Withheld	Taxable Gross	Total Gross	Annuities
001	Federal Tax	75	\$11,420.39	\$101,583.68	\$122,197.73	\$20,614.05
	Medicare Pickup		\$192.08			
	Emplr Hlth Coverage		\$26,061.61			
	HSA		\$124,855.51			
	457		\$1,160.00			
	Section 125		\$5,210.43			
002	Ohio State Tax	75	\$2,598.16	\$101,583.68	\$122,197.73	\$20,614.05
003	City Tax	75	\$1,754.83	\$116,987.30	\$122,197.73	\$5,210.43
006	City Tax	3	\$25.15	\$5,028.60	\$6,360.54	\$1,331.94
009	State Tax	1	\$73.52	\$1,729.79	\$2,238.13	\$508.34
692	Medicare Tax	71	\$1,696.37	\$116,987.30	\$122,005.65	\$0.00
800	OSDI Tax	6	\$144.81	\$7,272.67	\$8,952.93	\$1,680.26

Special amounts for W2s

From Payroll Items

Calculated gross minus taxable gross

Common W2 Error Messages

- **Warning:** Calculated annuity amount exceeds the total annuities
 - Indicates the total gross minus applicable gross is greater than total annuities from the YTD deduction amounts
 - Indicates possible problem with annuity amounts, gross or applicable gross
 - Verify manual adjustment updates
 - Verify error adjustments



72

Common W2 Processing Messages

- **Error: Invalid SSN**
 - SSA defines series of SSNs as invalid
 - Verify SSN with employee's SS card
 - Go to Core/Employees-Using the grid locate the employee. Click and update the SSN with the correct SSN. Click



73

Common W2 Processing Messages

- **Error: Medicare amount does not equal 1.45% of Medicare gross**
 - Medicare tax may be incorrect
 - Verify amounts
 - SSA/IRS may not accept with incorrect amounts



74

Common W2 Processing Messages

- Verify manual adjustment updates
- Check medicare pickup records
 - Must have 692 or 693 with Employer amount 2.9%



75

Common W2 Processing Messages

- **Warning:** Negative annuity on file for this employee. Assuming zero
 - A total negative annuity indicates a check was voided from a prior calendar year in the current calendar year. Run the REPORTS/PAYMENT TRANSACTION STATUS REPORT option to attempt to isolate the problem. If this is the case, you will need to zero the negative amount of the annuity and file a W2-C form for the previous calendar year
- OR
- If desire to report it as if withheld and refunded in current calendar year
 - Use **Core/Adjustment** and zero annuity amount by entering a positive figure that coincides with that negative figure.
 - Use **Core/Adjustments** and increase total gross amounts on federal, Ohio, OSDI and city, if the city honored the annuity initially



76

Common W2 Processing Messages

- **Info-Pension Plan flag on federal record is overriding W2PROC calculations**
 - If the Federal Payroll Item has the Pension Plan marked “No, never check the pension plan box”, but finds an active retirement record
 - If Federal Payroll Item has the Pension Plan marked to “Automatically check the pension plan box based on retirement” or “Yes, check the pension plan box” but does not find an active retirement record
 - Common to receive this informational for students who do not participate in SERS
 - No action is needed



77

Common W2 Processing Messages

- **Info:Payroll Item XXX:Possible error in OSDI gross or tax**
 - Indicates taxable OSDI wages but no tax was withheld
 - Common informational for employees who have smaller wage amounts per payroll
 - Verify amounts
 - Usually no action is needed



78

Common W2 Processing Messages

- **Warning:** Federal Total annuities \$xxxx.xx does not equal total gross less applicable gross
 - Calculated annuity amount (total gross less applicable) does not match the YTD annuity amounts from Payroll Item
 - Program compares total annuities from Payroll Items to total gross less applicable gross calculation uses federal tax record
 - Possible problem with annuity total
 - Possible problem with total gross
 - Possible problem with applicable gross



79

Common W2 Processing Messages

- Federal Total annuities \$xxxx.xx do not equal total gross less applicable gross (continued)
 - Verify manual adjustment updates
 - Verify refund of deductions
 - If refund from prior calendar year and district wants it to appear as if amounts were withheld and refunded in current calendar year
 - » Increase total gross on Federal, Ohio, OSDI and city if they initially honored the annuity by using **Core/Adjustments**



80

Common W2 Processing Messages

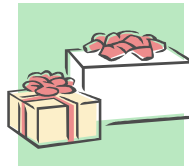
- **Error:** This employee's Medicare wages are less than their Social Security wages
 - The Medicare gross wages amount is incorrect or the FICA (Social Security) gross wages amount is incorrect. Please update the gross amount on the Medicare or FICA **Payroll Item** that has the incorrect amount, by using Core/Adjustments. This error should be corrected before creating a tape. The Social Security Administration will contact the district if this error is not fixed.



81

W2 Instructions Reviewed

- Specific details on W2 form reporting requirements
 - Found at
 - <http://www.irs.gov/pub/irs-pdf/iw2w3.pdf>



82

W2 Instructions Reviewed

- Corrections (Page 25- 2019 Instructions for Forms W-2 and W-3)
 - Use W2-C form
 - A W3-C form must accompany a W2-C form
 - W3-C form corrects totals submitted on tape file by ITC
 - Incorrect address
 - W2-C form not required



83

W2 Instructions Reviewed

- Deceased employee's wages (Page 8 -2019 Instructions for Forms W-2 and W-3)
 - If payment is made in year employee died
 - W2 reporting required
 - 1099 reporting required
 - If payment is made in year after the death of employee
 - 1099 reporting required



84

W2 Instructions Reviewed

- Designated Roth IRA amounts (Page 8 - 2019 Instructions for Forms W-2 and W-3)
- Educational Assistance (pages 8)
 - Verify taxability with legal advisor
- Employee business expense reimbursements
- (Page 9)
 - Verify taxability with legal advisor



85

W2 Instructions Reviewed

- Employee taxes paid by employer (Page 9 and 16 -2019 Instructions for Forms W-2 and W-3)
 - Medicare pickup
- Fringe benefits (Page 9)
 - Verify taxability with legal advisor
- Group-term life insurance (Page 10)
 - Over \$50,000 provided
 - Must use Publication 15-B table and calculate taxable value of premium, page 13-15
 - NOTE: Print 15-B now – IRS updates this early for new tax year



86

W2 Instructions Reviewed

- Health Savings Account (HSA) (Page 10- 2019 Instructions for Forms W-2 and W-3)
- Lost W2 form (Page 11)
 - Hand type new form
 - Enter “REISSUED STATEMENT” on new copy



87

W2 Instructions Reviewed

- Moving Expenses (Page 11 -2019 Instructions for Forms W-2 and W-3)
 - Only for members of the US Armed Forces
- Third Party (Sick Pay) (Page 22-23)
 - Verify taxability using information received from annuity company
 - Pages 15 -21 in Publication 15-A includes specific instructions

<http://www.irs.gov/pub/irs-pdf/p15a.pdf>

88



W2 Instructions Reviewed



- Box a (Page 15 -2019 Instructions for Forms W-2 and W-3)
 - Employee SSN as entered in BIOSCN
- Box b (Page 15 -2019 Instructions for Forms W-2 and W-3)
 - Federal EIN
- Box c (Page 15 -2019 Instructions for Forms W-2 and W-3)
 - Employer information as entered in W2PROC

89

W2 Instructions Reviewed

- Boxes e and f (Page 15 - 2019 Instructions for Forms W-2 and W-3)
 - Employee's name and address
 - Data from BIOSCN
 - Uses legal name if non-blank
 - Uses name field if legal name is blank
- Box 1 (Page 16)
 - Wages from federal taxable gross amount



90



W2 Instructions Reviewed

- Box 2 (Page 16 - 2019 Instructions for Forms W-2 and W-3)
 - Tax withheld for YTD on federal tax record
- Box 3 (Page 16)
 - Social security wages from 692/693 records flagged as a Payroll Item-Social Security Tax

91



W2 Instructions Reviewed

- Box 4 (Page 17 -2019 Instructions for Forms W-2 and W-3)
 - Social security taxes withheld from the 692/693 and 692/693 records flagged as Payeroll Item-Social Security Tax
- Box 5 (Page 17)
 - Medicare wages from 692/693 records flagged with a Payroll Item-Medicare

92



W2 Instructions Reviewed

- Box 6 (Page 17 - 2019 Instructions for Forms W-2 and W-3)
 - Medicare taxes withheld on the 692/693 records flagged as Payroll Item-Medicare
- Box 10 (Page 17)
 - Dependent care benefits as entered through Adjustments on Federal 001 record

93

W2 Instructions Reviewed

- Box 12-Codes (Pages 18-21 -2019 Instructions for Forms W-2 and W-3)
 - Code C
 - Group-term life over \$50,000 cost
 - Code D
 - 401(k) amounts
 - Code E
 - 403(b)



94

W2 Instructions Reviewed

- Code F
 - 408(k)(6)
- Code G
 - 457(b) 457(f)
- Code H
 - 501 c(18)(D)
- Code J
 - Non taxable sick pay



95



W2 Instructions Reviewed

- Code P
 - Excludable moving expenses (US Armed Forces only)
- Code T
 - Adoption benefits
- Code W
 - Employer contributions to Health Savings accounts
 - Employer contributions include section 125 annuity amounts the employee contributes
- Code AA
 - Designated Roth contributions under a section 401(k)

96

W2 Instructions Reviewed

- Code BB
 - Designated Roth contributions under a 403(b)
- Code DD
 - Cost of employer-sponsored health coverage
- Code EE
 - Designated Roth contributions under a governmental section 457 (b) plan
- Code FF
 - Permitted benefits under a qualified small employer health reimbursement arrangement
 - Max reimbursement amount for single \$5150.00 and family \$10,450.00



97

W2 Instructions Reviewed

- Box 13 – (Page 21-2019 Instructions for Forms W-2 and W-3)
 - Retirement plan
 - 401(a)
 - 401(k)
 - 403(b)
 - 408(k)
 - 501c(18)
 - Notice 87-16 defines “active participant”



98

W2 Instructions Reviewed

- Box 14 - Other (Page 22 2019 Instructions for Forms W-2 and W-3)
 - Value of vehicle lease from federal tax record
 - Other deductions entered in W2PROC
 - Optional possibilities include
 - Union dues
 - Retirement



99

W3 Instructions Reviewed

- W3 form
 - Not required unless filing on paper
 - Totals on W2 submission file created by W2Report is the substitute for the W3 form



100

Post W2 Processing

- Corrections before files have been submitted to SSA
 - If file submission has not occurred the district can make corrections and regenerate a W2 submission file.



101

Post W2 Processing

- Corrections after submission of files by ITC
 - In this scenario a W2C and W3C will have to be submitted by the district
 - This can be completed on the SSA/Business Services Online website.



102

Preparing for 2020



- Enter changes in tax withholding rates effective January 1, 2020
 - **City rates**
 - <https://thefinder.taxohio.gov/StreamlineSalesTaxWeb/Download/MuniRateTableInstructions.aspx>
Click on [Municipal Income Tax Rate Database Table](#)
 - **OSDI rates**
 - https://thefinder.tax.ohio.gov/StreamlineSalesTaxWeb/default_schooldistrict.aspx
Click on [School District Income Tax Rate Database Table](#)

103

Preparing for 2020 (continued)

-CCA City Rates-

- <http://ccatax.ci.cleveland.oh.us/?p=taxrates>

-RITA City Rates-

- <https://www.ritaohio.com/TaxRatesTable>

104

Preparing for 2020 (continued)

– Unsure if employee should be taxed

- https://thefinder.tax.ohio.gov/StreamlineSalesTaxWeb/default_schooldistrict.aspx

Lookup Tax Rate

- Address
- Zip Code 5 digit or 9 digit
- Latitude/Longitude



105

Mass Changing Payroll Item Rates

Use the Mass Load option or the Mass Change definition option on Payroll Items-

Mass Load

- Go to Reports/Custom report Creator
- Select the correct Object (Annuity Item, Regular Item, City Tax Item, etc)
- Choose the fields you want included on your file
- Configure filters as needed (Ex. Display name-Code Operation-Equals Filter Value-param("specificConfigurationCode"))
- Click Generate Report
- Format-Choose Excel-FieldNames
- Specify the Payroll Item Code you wish to make the changes to
- Click Generate Report
- Make any necessary changes to the rate, etc on your file and then click Save As and choose CSV (Comma Delimited)
- You can then use Utilities/Mass Load and select your csv file and the appropriate Importable Entity. Click on Load and the changes from the csv file will be made to the appropriate payroll item records.



106

Mass Changing Payroll Item Rates (continued)

Mass Change option

- Go to Core/Payroll Items screen
- Filter the Code you are wishing to change by using the grid and entering in the code number you may wish to filter on the rate as your second filter option. So if you enter a specific code and specific rate only records that meet that criteria will appear on the screen.
- Click the Mass Change button
- In Maintenance Mode-Under Script Definition choose "rate"
- In the New Value field enter in the new rate
- Under Definition Name give the change a name Ex. Rate Change
- Click Save
- Now select Execution Mode
- Under Load Definition select the definition that you created-Rate Change
- Click Submit Mass Change
- All filtered records now should display the updated rate change

Note-We suggest that the ITC's perform Mass Change operations until districts become more familiarized with this feature

107

W4

- ❖ IRS is releasing an updated version of the W4
- ❖ The new W4 does NOT have to be submitted by employees who already have a W4 on file
- ❖ All NEW employees as of 01/01/2020 will need to have the updated W4
- ❖ CALCPAY will now use the new tax tables starting in 01/01/2020
- ❖ New fields have been added to the 001 Federal record

108

001 Federal Tax New Fields Added

```

Deduction type - Federal Tax      Name: HENRY COUNTY BANK
Calculate option: E      # exemptions: 1      Fringe benefits: _____
Tax percent      : _____ Pension plan: A      Life Ins. cost : _____
Add'l withhold : _____ Hth Reimb: _____ Adopt. assist. : _____
Error adjustment: _____ Emplr Hth: _____ Dependent care : _____
                                           Move Exp : _____ Third party pay: _____
Marital/filing stat: 2 _      Tax. Ben : _____ Vehicle lease : _____
Use new W4 : N      -----Accum--QTD Totals--FYTD Totals--YTD Totals
2 like jobs: _      Deduct : _____ 352.28      1429.16      3899.81
Depend: _____ Gross pay: _____ 5682.92      61235.15
Income: _____ Tax gross: _____ 4415.30      48034.78
Deduct: _____ Add withhold: _____
DEUSCN - Deduction record data maintenance program
  
```

109

Normal status of Filing is 'N'

- The 'Use new W4' field will be initialized to 'N' for all employees. If the employee is using a new W4 as of 01/01/2020, then this MUST be changed to 'Y'

```

Marital/filing stat: 2 _ T
Use new W4 : N      -----
  
```

110

Employees NOT using W4 as of 01/01/2020

- Employees who are NOT using the new W4 form as of 01/01/2020, the Marital Status and Number of Exemptions will be used to calculate the employee Federal withholding amount. They must also have "N" for the value of the USE NEW W4

```

Deduction type - Federal Tax      Name: HENRY COUNTY BANK
Calculate option: E      # exemptions: 1      Fringe benefits: _____
Tax percent : _____ Pension plan: 0      Life Ins. cost : _____
Add'l withhold : _____ Hth Reimb: _____ Adopt. assist. : _____
Error adjustment: _____ Emplr Hth: _____ Dependent care : _____
                               Move Exp : _____ Third party pay: _____
Marital/filing stat: 2      Tax. Ben : _____ Vehicle lease : _____
Use new W4 : N      -----Accum--QTD Totals--FYTD Totals--YTD Totals
2 like jobs: _ Deduct : _____ 352.28  1429.16  3899.81
Depend: _____ Gross pay: _____ 5682.92  61235.15
Income: _____ Tax gross: _____ 4415.30  48034.78
Deduct: _____ Add withhold: _____
DEDCSN - Deduction record data maintenance program
    
```

111

Using New W4 as of 01/01/2020

- Employees using the new W4, must have the field 'Use new W4' marked as 'Y'

```

Deduction type - Federal Tax      Name: HENRY COUNTY BANK
Calculate option: E      # exemptions: 1      Fringe benefits: _____
Tax percent : _____ Pension plan: 0      Life Ins. cost : _____
Add'l withhold : _____ Hth Reimb: _____ Adopt. assist. : _____
Error adjustment: _____ Emplr Hth: _____ Dependent care : _____
                               Move Exp : _____ Third party pay: _____
Marital/filing stat: 2      Tax. Ben : _____ Vehicle lease : _____
Use new W4 : Y      -----Accum--QTD Totals--FYTD Totals--YTD Totals
2 like jobs: _ Deduct : _____ 352.28  1429.16  3899.81
Depend: _____ Gross pay: _____ 5682.92  61235.15
Income: _____ Tax gross: _____ 4415.30  48034.78
Deduct: _____ Add withhold: _____

Did this employee fill out a new W4 as of 1/1/2020? If so, answer Y. If not,
answer N.
    
```

112

Filing Status

❖ **Filing Status** is required only if the employee has a new W4 form as of 01/01/2020

- 1 - Single/Married Filing Separately
- 2 - Married Filing Jointly/Qualified Widow
- 3 - Head of Household

Step 1: Enter Personal Information	(a) First name and middle initial	Last name	(b) Social security number
	Address		▶ Does your name match the name on your social security card? If not, to ensure you get credit for your earnings, contact SSA at 800-772-1213 or go to www.ssa.gov.
	City or town, state, and ZIP code		
	(c) <input type="checkbox"/> Single or Married filing separately <input type="checkbox"/> Married filing jointly (or Qualifying widow(er)) <input type="checkbox"/> Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)		

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'Filing Status' Field

Deduction type - Federal Tax		Name: HENRY COUNTY BANK	
Calculate option: E	# exemptions: 1	Fringe benefits: _____	
Tax percent : _____	Pension plan: A	Life Ins. cost : _____	
Add'l withhold : _____	Hth Reimb: _____	Adopt. assist. : _____	
Error adjustment: _____	Explr Hth: _____	Dependent care : _____	
	Move Exp : _____	Third party pay: _____	
Marital/filing stat: 2	Tax. Ben : _____	Vehicle lease : _____	
Use new W4 : Y	-----Accun--QTD Totals--FYTD Totals--YTD Totals		
2 like jobs: -	Deduct : _____	352.28	1429.16
			3899.81
Depend: _____	Gross pay: _____	5682.92	61235.15
Income: _____	Tax gross: _____	4415.30	48034.78
Deduct: _____	Add withhold: _____		

Required if using new W4 form as of 1/1/20. This is the Federal filing status
1-Single/Married filing Sep 2-Married Joint/Qualified Widow 3-Head of Household

114

‘Depend’ Field

- ❖ **Depend** – this should only contain an amount (W4 line 3 value) if the employee has a new W4 as of 01/01/2020
 - This is an annual Dependent amount when claiming dependents

Marital/filing stat:	2	-
Use new W4:	Y	-----
2 like jobs:		Deduct
Depend:		Gross pay
Income:		Tax gross
Deduct:		Add withhold

Step 3: If your income will be \$200,000 or less (\$400,000 or less if married filing jointly):		
Claim Dependents	Multiply the number of qualifying children under age 17 by \$2,000 ▶	\$
	Multiply the number of other dependents by \$500 ▶	\$
	Add the amounts above and enter the total here	3 \$

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‘Income’ Field

- **Income** – should only contain an amount (W4 line 4a value) if the employee has a new W4 as of 01/01/2020
 - This is an annual Other Income Amount when adding in any other income the employee wants to include

Marital/filing stat:	2	-
Use new W4:	Y	-----
2 like jobs:		Deduct
Depend:		Gross pay
Income:		Tax gross
Deduct:		Add withhold

Step 4 (optional): Other Adjustments	(a) Other income. If you want tax withheld for other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, dividends, and retirement income. You should not include income from any jobs	4(a) \$
	(b) Deductions. If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here	4(b) \$
	(c) Extra withholding. Enter any additional tax you want withheld each pay period	4(c) \$

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‘Deduct’ Field

- ❖ **Deduct** – should only contain an amount (W4 line 4b value) if the employee has a new W4 as of 01/01/2020
 - This is the annual deductions amount an employee wants to reduce their Federal withholding amount

Marital/filing stat: <input type="checkbox"/> M <input type="checkbox"/> J <input type="checkbox"/> S <input type="checkbox"/> T
Use new W4: <input type="checkbox"/> Y <input type="checkbox"/> N
2 like jobs: <input type="checkbox"/> Deduct: _____
Depend: _____ Gross pay: _____
Income: _____ Tax gross: _____
Deduct: _____ Add withhold: _____

Step 4 (optional): Other Adjustments	<p>(a) Other income. If you want tax withheld for other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, dividends, and retirement income. You should not include income from any jobs . . .</p> <p>(b) Deductions. If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here . . .</p> <p>(c) Extra withholding. Enter any additional tax you want withheld each pay period . . .</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: right;">4(a)</td> <td style="width: 50%; text-align: left;">\$</td> </tr> <tr> <td style="width: 50%; text-align: right;">4(b)</td> <td style="width: 50%; text-align: left;">\$</td> </tr> <tr> <td style="width: 50%; text-align: right;">4(c)</td> <td style="width: 50%; text-align: left;">\$</td> </tr> </table>	4(a)	\$	4(b)	\$	4(c)	\$
4(a)	\$							
4(b)	\$							
4(c)	\$							

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‘2 Like Jobs’ Field

- ❖ This field should be a ‘Y’ or ‘N’ if the new W4 for 2020 is being used
- ❖ This is based on whether the (W4 Step 2c) has a check mark

Step 2: Multiple Jobs or Spouse Works	<p>Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs.</p> <p>Do only one of the following.</p> <p>(a) Use the estimator at www.irs.gov/W4App for most accurate withholding; or</p> <p>(b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; or</p> <p>(c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld. <input type="checkbox"/></p> <p>CAUTION: If you have privacy concerns, choose (a) or (b). If you and/or your spouse have income from self-employment, including as an independent contractor, choose (a).</p>
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- ❖ If it has a check mark, then answer it with ‘Y’.
- ❖ If it does NOT have a check mark, then answer it with ‘N’

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‘Addt’l Withhold’ Field

- **Addt’l withhold** – no changes
 - Is for the older and newer W4 (Step 4C)
 - Should contain an amount if the employee wants any additional Federal money withheld from their paycheck

Deduction type - Federal Tax		Name: HENRY COUNTY BANK	
Calculate option: E	# exemptions: 1	Fringe benefits: _____	
Tax percent : _____	Pension plan: 0	Life Ins. cost : _____	
Addt'l withhold : _____	Hth Reimb: _____	Adopt. assist. : _____	
Error adjustment: _____	Empl'r Hth: _____	Dependent care : _____	
	Home Exp : _____	Third party pay: _____	
Marital/filing stat: 2	Tax. Ben : _____	Vehicle lease : _____	
Use new #4 : Y	-----Accum--QTD Totals--FYTD Totals--YTD Totals		
2 like jobs: 1	Deduct : _____	352.28	1429.16 3899.81
Depend: _____	Gross pay: _____	5682.92	61235.15
Income: _____	Tax gross: _____	4415.30	48034.78
Deduct: _____	Add withhold: _____		

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Additional Withholdings

Step 4 (optional):	(a) Other income. If you want tax withheld for other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, dividends, and retirement income. You should not include income from any jobs . . .	4(a) \$ _____
Other Adjustments	(b) Deductions. If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here	4(b) \$ _____
	(c) Extra withholding. Enter any additional tax you want withheld each pay period . . .	4(c) \$ _____

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Federal Taxes updates

- ❖ Updates were made to the IRS Federal Tax tables for 01/01/2020. These new tables will be used for all payroll pay dates starting on 01/01/2020 and later.
- ❖ There are two different tables for 01/01/2020:
 - **Standard Withholding Rate Table** – this table is for the W4 form before 01/01/2020 or if the W4 is from 01/01/2020 or later and the box in Step 2 of the W4 is NOT checked

Step 2: Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs.

Multiple Jobs or Spouse Works Do only one of the following.

(a) Use the estimator at www.irs.gov/W4App for most accurate withholding; or

(b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; or

(c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld.

CAUTION: If you have privacy concerns, choose (a) or (b). If you and/or your spouse have income from self-employment, including as an independent contractor, choose (a).

Complete Steps 3 through 4(b) on Form W-4 for only one of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3 through 4(b) on the Form W-4 for the highest paying job.)

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Federal Tax Updates

- **Non-standard Withholding Rate Table** – is for the W4 from 01/01/2020 or later AND the box in Step 2 of the W4 IS checked

Step 2: Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs.

Multiple Jobs or Spouse Works Do only one of the following.

(a) Use the estimator at www.irs.gov/W4App for most accurate withholding; or

(b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; or

(c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld.

CAUTION: If you have privacy concerns, choose (a) or (b). If you and/or your spouse have income from self-employment, including as an independent contractor, choose (a).

Complete Steps 3 through 4(b) on Form W-4 for only one of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3 through 4(b) on the Form W-4 for the highest paying job.)

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Federal Tax Tables Updated

- ❖ Both tables have 3 types of filing status groups:
 - Married Filing jointly or Qualifying Widow(er)
 - Single or Married Filing Separately
 - Head of Household

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Tax Tables Update TAXMNT/TAXSCN

- ❖ The ID is “FED” and the following is the TYPE for each filing status:
 - The Standard table for Married Filing Jointly is YM.
 - The Standard table for Single is YS.
 - The Standard table for Head of Household is YH.
 - The Non-Standard table for Married Filing Jointly is ZM.
 - The Non-Standard table for Single is ZS.
 - The Non-Standard table for Head of Household is ZH.

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W-4 2020

- ❖ Link below is the new W-4 for 2020
 - <https://www.irs.gov/pub/irs-pdf/fw4.pdf>
- ❖ Link for draft of Publication 15-T – 2020 Federal Income Tax Withholding Methods
 - Eff 12/10/19 only draft available.
 - <https://www.irs.gov/pub/irs-dft/p15t--dft.pdf>
- ❖ FAQs on the draft 2020 Form W-4
 - <https://www.irs.gov/newsroom/faqs-on-the-draft-2020-form-w-4>

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Tax Change For 2020

- Due to updated OHIO tax table for 2020, the OHIO taxes will be less in 2020

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