December 11, 1998

CHESTER FERGUSON
MABEL LAI
BOB MERRYMAN
XUAN MY HO

Re: Release: 1223
Service Request: 14812
Error Reports: 1600
Programs: PPTAXW2R, PPTAXW2T, PPTAXUI, PPTAXUIR
DB2 Programs: PPTAXEDB, PPTAXW2, PPTAXW2F, PPP610
CICS Programs: None
Copymembers: CPWSTXTP, CPWSTXUI, CPWSTXW2, CPFDTXW2
Include Members: None
DDL Members: None
Bind Members: None
CICS Maps: None
Forms: UPAY731, W-2 Laser Form
Table Updates: System Messages Table
Urgency: Date-Mandated (See Timing of Installation)

This release addresses the following Service Request and Error Report:

**Service Request 14812**

Service Request 14812 and an addendum dated December 11, 1998 ask that modifications be made to the 1998 W-2 Reporting Process.

It is asked that the following changes be made to the W-2 process:

- **W-2 Laser Form:**

  The year displayed on the W-2 Laser Form should be changed to the reporting year of 1998. In addition, the YTD Domestic Partner Imputed Income (DPI) (EDB 5550) should be added to the total (YTD Non-cash Fringe Benefits) reported in box 12.

  Copy C of the W-2 Laser Form should include the following notice; the notice should be printed in the blank area below ‘Department of the Treasury – Internal Revenue Service.’.

  This information is being furnished to the Internal Revenue Service. If you are required to file a tax return, a negligence penalty or other sanction may be imposed on you if this income is taxable and you fail to report it.
The capitalization of all letters in the word ‘State’ on Copy 2 of the W-2 Laser Form should be changed to capitalize only the first letter in the word ‘State’.

- Magnetic Tape File:

  **Record Type ‘E’** (Employer record)

  The Limitation of Liability Indicator field defined for the value in position 255 should be removed, and a blank should be placed in the same position.

  The Establishment Number field defined for the value in positions 163 through 166 should be added to the record format. An initial value of blank should be moved to positions 163 through 166.

  **Record Type ‘W’** (Employee Data record)

  There are no changes to the record format.

  It is noted that the YTD DPI Gross is added to the total in positions 174 through 182 of this record. In addition, the total in positions 174 through 182 of this record is added to the total in positions 104 through 113 of the Intermediate Total record (Record Type ‘I’). Lastly, the total in positions 104 through 113 of this record (Record Type ‘I’) is added to the total in positions 122 through 133 of the Total record (Record Type ‘T’).

- Extract Files:

  **W-2 Extract File**

  The YTD DPI Gross (Domestic Partner Imputed Income, EDB 5550) from the PPPPCM table should be captured for W-2 reporting.

  **UI Extract File**

  The YTD DPI Gross (Domestic Partner Imputed Income, EDB 5550) from the PPPPCM table should be captured for quarterly UI reporting.

- W-2 Extract Edit Changes:

  The edit on the Earned Income Credit Amount should be modified to check for a maximum Earned Income Credit Amount of 1363.00. If the employee’s Earned Income Credit Amount exceeds the maximum Earned Income Credit Amount of 1363.00, the Earned Income Credit Amount should be reduced to the maximum Earned Income Credit Amount.

  If an employee’s Domestic Partner Imputed Income is negative, existing error message 60-110 should be issued. Thus, a W-2 form should not be written for this employee.

  If an employee is an alien employee with a Citizenship Code of ‘X’ and has a non-zero YTD DPI Gross, existing error message 60-125 (TAX EXTRACT: X-CODED ALIEN HAS ONE OR MORE REPORTABLE AMOUNTS) should be issued.

  If an employee is an alien employee with a Citizenship Code of ‘E’ or ‘F’ and has a non-zero YTD DPI Gross, error message 60-123 (TAX EXTRACT: E/F-ALIEN HAS FWT/NON-CASH FRINGE/DPI AMOUNTS) should be issued.

- W-2 Report Changes:

  The footnote at the bottom of the page on reports PPP6011 and PPP6002 should be changed to ‘YTD EXEC INS, YTD OTHER INCOME, AND YTD NON-CASH FRINGE BENEFITS ARE ADDED TO CA SWT GROSS IN FOURTH QUARTER REPORTING ONLY. THE PORTION OF THE YTD NON-CASH FRINGE BENEFITS TOTAL
CONTAINING THE YTD DOMESTIC PARTNER IMPUTED INCOME IS ALREADY INCLUDED IN THE CA SWT GROSS.'.

The footnote displayed at the bottom of the page on report PPP6014 regarding the State tape to the EDD should be removed.

**Error Report 1600**

Error Report 1600 states that program PPTAXW2R does not print the legend at the bottom of the page for report PPP6009. Currently, after the last detail line is printed for the last employee on the page, PPTAXW2R calculates the number of lines left to print on the page.

When the calculated lines-left-to-print is greater than zero, the legend is printed at the bottom of the page. However, when the lines-left-to-print is equal to zero, the legend is not printed at the bottom of the page.

This release corrects the problem addressed in Error Report 1600.

**Programs**

**PPTAXW2R**

This program has been modified to add the employee’s YTD DPI Gross (Domestic Partner Imputed Income, EDB 5550) to the YTD Non-cash Fringe Benefit displayed on the appropriate reports. Thus, the report totals associated with the YTD Non-cash Fringe Benefits also include the YTD DPI Grosses.

An edit has been added to check for a non-zero YTD DPI Gross for an alien employee with a Citizenship Code of ‘E’ or ‘F’.

In addition, when the calculated lines-left-to-print is equal to zero, the legend is printed at the bottom of the page of report PPP6009. This corrects the problem addressed in Error Report 1600.

**PPTAXW2T**

The YTD DPI Gross has been added to the total designated for the YTD Non-cash Fringe Benefit in positions 174 through 182 of the Employee record identified as Record Type ‘W’.

**PPTAXUIIR**

Each employee’s YTD DPI Gross has been added to the UI Report Total Accumulator.

**PPTAXUI**

The record length associated with the UI Extract record has been changed from a length of 80 bytes to 85 bytes.

The footnote containing an explanation of the YTD Executive Life Income (EDB 5518), YTD Other Income (EDB 5519), and the YTD Non-cash Fringe Benefit (EDB 5535) on report PPP6002 has been changed.

**DB2 Programs**

**PPTAXEDB**

The YTD DPI Gross has been added to the totals designated for YTD Non-cash Fringe Benefits.

The record length associated with the UI Extract record has been changed from a length of 80 bytes to 85 bytes.

The edit on the Earned Income Credit Amount has been changed to check for a maximum Earned Income Credit Amount of $1363.00.
An edit has been added to prevent a negative YTD DPI Gross from being processed. The employee is rejected, and no W-2 form is produced for the employee.

An edit has been added to check for a non-zero YTD DPI Gross for an alien employee with a Citizenship Code of ‘X’.

An edit has been added to check for a non-zero YTD DPI Gross for an alien employee with a Citizenship Code of ‘E’ or ‘F’.

The footnote containing an explanation of the YTD Executive Life Income (EDB 5518), YTD Other Income (EDB 5519), and the YTD Non-cash Fringe Benefit (EDB 5535) on report PPP6011 has been changed.

The YTD DPI Gross has been included on the W-2 Extract File and UI Extract File.

The YTD DPI Gross has been added to the report totals designated for the YTD Non-cash Fringe benefits.

PPTAXWF

The YTD DPI Gross has been added to the total in box 12. Thus, the total in box 12 contains the YTD Non-cash Fringe Benefit and YTD DPI Gross.

PPTAXW2

The length of the sort record designated for the W-2 Extract record has been changed from a length of 380 to 385.

The footnote displayed at the bottom of the page on report PPP6014 regarding the State Tape to the EDD has been removed.

PPP610

The YTD DPI Gross has been added to the report totals designated for YTD Non-cash Fringe Benefits.

Copymembers

CPFDTXW2

The length defined for W-2 Extract record has been changed from 380 to 385.

CPWSTXTP

The Limitation of Liability Indicator field defined for the value in position 255 has been removed; a filler field has replaced the Limitation of Liability Indicator field.

The Establishment Number field defined for the value in positions 163 through 166 has been added.

CPWSTXUI

The YTD DPI Gross (EDB 5550) has been added to the record format of the UI Extract record.

CPWSTXW2

The YTD DPI Gross has been added to the record format of the W-2 Extract record.

Form Changes

The format of the W-2 Laser form has not changed. However, the year displayed on the W-2 Laser form has been changed to 1998. In addition, a notice has been printed on the ‘Copy C For Employee’s Records’ of the W-2 form.
The UPAY 731 form has been modified. The text referring to the production of the State tape has been removed.

**Table Updates**

**System Messages Table**

Existing text for message 60-128 has been changed in the System Messages Table. Message 60-123 with a severity level of ‘3’ (Warning) has been added to the System Messages Table.

The update transactions in PAYDIST.R1223.CARDLIB(MSGPROD), and the completed facsimile form UPAY554 sent with this release, are supplied for both Test and Production.

**Test Plan**

A complete test plan is provided with this release.

Campuses are encouraged to use the base system test materials, as well as performing any other desired local tests.

**JCL Changes**

The JCL have been changed for PPP600 and PPP610. Refer to the Installation Instructions document provided with this release.

**Installation Instructions**

Installation instructions are included with this release as a separate document. Campuses are encouraged to read through the entire set of installation instructions prior to beginning installation of the release.

**Timing of Installation**

The installation of this release is date-mandated.

Installation of this release is urgent in that it must be tested and ready to meet prescribed tax reporting deadlines.

As usual, campuses are encouraged to install this release in as timely a fashion as possible, and in the normal numeric sequence of releases.

If there are any questions, please send electronic mail to Jackson.Quan@ucop.edu, or call at (510) 987-0464.

Jackson Quan

c: Jim Dolgonas
   Jerry Wilcox