Service Request 14818:

Modifications to the Expanded Surepay Statement
Release 1179 addressed modifications to the Surepay Statement that included additional information, such as year-to-date (YTD) amounts for all deduction amounts and calculation of taxable gross earnings. Campuses reported the following issues:

1. The Surepay Statement displays the following tax amounts:
   - Federal Tax YTD amount that includes Federal Tax (GTN014Y) and Additional Federal Tax (GTN010Y) amounts
   - California State Tax YTD amount that includes California State Tax (GTN012Y) and Additional California State Tax (GTN011Y) amounts
   - Additional Federal Tax YTD amount
   - Additional California State Tax YTD amount

   The Payroll Computation process adds the YTD Additional Federal Tax and California State Tax amounts to the Federal Tax and California State Tax YTD amounts. Therefore, the Federal Tax and California State Tax YTD amounts displayed on the Expanded Surepay Statement (ESS) reflect the combined total of taxes withheld. The Surepay Statement also displays the YTD amounts of the Additional Federal and California State Taxes as defined by the Gross-to-Net (GTN) Table. Consequently, the Surepay statement reflects two YTD balances for Federal and California State taxes. Attachment A is an example of the combining of the Federal and California State taxes with the Additional Federal and California State Taxes.

   The payroll compute process also includes the Non-resident Alien Federal taxes (GTN301) in the YTD Federal Tax amounts. Thus, the ESS reflects two YTD balances for the Non-resident Alien Federal taxes. Attachment B is an example of the combining of Federal and Non-resident Alien Federal taxes.

2. The “Calculation of the Taxable Gross Earnings” does not include the Domestic Partner Imputed Income (DPI). Attachment C is an example of DPI detail not included in the Calculation of Taxable Gross Earnings.

3. The label “Calculation of Taxable Gross Earnings” should include “Federal” as the calculation pertains to the Federal Taxable Gross Earnings.

4. Campuses noted that the Payroll/Personnel System maintains YTD balances for the Graduate Student Health Insurance Program (GSHIP), Fee Remission (GSFR), and Tuition Remission (GSTR) GTN numbers. These graduate program GTNs look like deductions when, in fact, the GTNs are contributions.
Modifications Requested

1. The YTD amounts for Federal tax and California State tax displayed on the ESS should not include the YTD Additional Federal Tax and Additional California State Tax YTD tax amounts. Therefore, the amount displayed in the YTD column for Federal taxes should reflect the value of GTN014Y minus GTN010Y; and, the amount displayed in the YTD column of California State Taxes should reflect the value of GTN012Y minus GTN011Y.

This modification to reduce the Additional Federal and Additional California State taxes from the YTD Federal and California State taxes should only affect the ESS. The modification to separate the taxes should not affect the display of tax information on the paper check and other versions of Surepay statement.

Additionally, the YTD amounts for Federal tax should not include the Non-resident Alien Federal Taxes. Therefore, the amount displayed in the YTD column for Federal taxes should reflect the value of GTN014Y minus GTN301Y.

2. Although the ESS reflects DPI entries in the contribution column, the Statement does not reflect the DPI detail in the Calculation of Taxable Gross Earnings field. Modifications to the ESS should include the display of DPI detail in the Calculation of Taxable Gross Earnings field.

3. Modify the label “Calculation of Taxable Gross Earnings” to “Calculation of Federal Taxable Gross Earnings.”

4. Modify the base GTN Table so that PPS does not maintain YTD balances for GTN numbers pertaining to the GSHIP, GSFR, and GSTR. These GTN numbers are not unique; thus, campuses should identify the affected GTNs. This one-time program should select all employees who have balances associated with the GSHIP, GSFR, and GSTR GTNs and should reset the GSHIP, GSFR, and GSTR YTD balances to zero. The one-time program should issue Dollar Adjustments (DA) for all affected employees. The one-time program does not require any special reporting process.

Statement

Examples of the proposed changes are in Attachments D and E.