Detailed Design
RELEASE 1267

SERVICE REQUEST 14833
1999 W2 Reporting Changes

December 29, 1999

Information Systems & Computing
Office of the President
University of California
Introduction

Service Request 14833 asks that modifications be made to the 1999 W-2 Reporting Process.

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

- **Extract Process:**

  The employee’s Other State Tax Deductions associated with a Set Indicator value of ‘4’ or ‘5’ on the Gross-to-Net (GTN) Table should be a selection criterion for floating the employee’s W-2 form toward the top of the printed W-2 forms.

  If the Special Handling Override option is selected for a Citizenship Code (EDB 0109) of ‘E’, the W-2 forms for employees whose Citizenship Code is ‘E’ should be floated toward the top of the W-2 forms so that users may match the W-2 forms with the employees’ 1042-S forms. However, some employees’ tax treaties may have expired during the year and their Citizenship Codes are no longer a value of ‘E’. Thus, these employees’ W-2 forms are not included with the special handling of W-2 forms for the group of employees whose Citizenship Code is ‘E’. It is requested that the selection criterion be changed to select employees whose Employee Year-to-Date Tax Treaty Gross (EDB 5539) is greater than zero.

  An existing edit checks an employee’s Year-to-Date Earned Income Credit (EDB 6099Y). If the employees Year-to-Date Earned Income Credit (EIC) is greater than the maximum EIC allowed, message 60-128 is displayed, and the maximum EIC amount is written to the employee’s W-2 record. For the reporting year of 1999, the maximum amount of EIC allowed is 1387.00. Therefore, the edit should be changed to compare the employee’s Year-to-Date EIC amount to the maximum EIC amount of 1387.00.

- **W-2 Laser Form:**

  The year displayed on the W-2 Laser Form should be changed to the reporting year of 1999.

  The letters identifying the information within particular boxes should be changed. The old letter of ‘b’ (Employee’s social security number) should be changed to ‘d’, the old letter of ‘d’ (Employee’s name, address, and Zip Code) should be changed to ‘e’, and the old letter of ‘e’ (Employer’s identification number) should be changed to ‘b’.
• **UPAY731 Form:**

It is asked that a W-2 Sort option of ‘H’ and ‘M’ be included on this form.

If the W-2 Sort option of ‘H’ is selected, the Home Department Code should be printed in the employee’s address box on the same line as the employee’s Employee ID. If the W-2 Sort option of ‘M’ is selected, the Mail Code should be printed in the employee’s address box on the same line as the employee’s Employee ID.

The W-2 Sort options of ‘H’ and ‘M’ should be included on the form as follows:

**H** – Print Home Department Code after the Employee ID in box ‘e’ (Employee’s address) of the W-2 forms

**M** – Print Mail Code after the Employee ID in box ‘e’ of the W-2 forms

The particular requirements above have changed. Refer to the paragraph in this document related to the Addendum dated December 15, 1999 for further information.

• **UPAY732 Form:**

This form should be changed to include the selection of out-of-state employees for special handling of their W-2 forms.

• **Separator Sheets**

**Home Department Separator Sheet**

It is requested that the Home Department separator sheet that indicates a break between Home Department Codes be modified.

Several lines of unique characters should be printed above and below the Home Department Address on each of the Home Department separator sheets, so that the separator sheets can be more easily identified.

**Mail Code Separator Sheet**

Similar to the single separator sheet containing the text of ‘W-2 FORMS FOR CAMPUS MAIL on each W-2 form for W-2 Sort option of ‘C’ or ‘D’, a single separator sheet should also be printed for W-2 Sort option of ‘E’ or ‘F’. Similar to the changes requested to the existing Home Department separator sheet, each Mail Code separator sheet should be highlighted with special characters.
Several lines of unique characters should be printed above and below the Mail Code/Home Department address on each of the Mail Code separator sheets, so that the separator sheets can be more easily identified.

- Magnetic Tape File:

  **Record Codes ‘A’, ‘B’, and ‘E’**

  It is asked that the Payment Year in columns 2 through 5 contain the year of ‘1999’.

  *No changes are required in the W-2 Process*; the payment year is taken from the W-2 Specification record.

  **Record Type ‘S’** (Supplemental record)

  The Supplemental record (type S) must be modified for year 2000 compliance. The Reporting Period field defined in the format of MMYY should be modified to include the century in the year.

  In addition, it is asked that the Hire Date and the Separation Date defined in the format of MMYY be modified to include the century in the year. Note that the addition of the 2-digit century requested on the Supplemental Type ‘S’ record does not change the total record length; there are adequate fillers in the record to accommodate the centuries in the year fields.

- W-2 for Active Employees Report (PPP6016)

  If the W-2 Sort option is ‘E’ or ‘F’, the heading line containing the Home Department Code and Home Department Name should include the Mail Code. If the selected W-2 Sort Option is ‘C’ or ‘D’, no changes are necessary to the printing of the heading line containing the Home Department Code and Home Department Name.

  *An addendum, dated December 15, 1999, concerns changes from the requirements stated in Service Request 14833. The changes are as follows:*

  - Extract Process:

    Since the employee’s Other State Tax Deduction-1, Other State Tax Deduction-2, and Other State Tax Deduction-3’ are on the W-2 Extract file, it is not necessary to get the employee’s Other State Tax Deductions associated with a Set Indicator value of ‘4’ or ‘5’ from the Deduction Table.
- **UPAY731 Form:**

  The service request originally asked that the W-2 Sort options of ‘H’ (Home Department Sort) and ‘M’ (Mail Code Sort) be included on this form.

  However, it has been determined that the Home Department Code already prints in the employee’s address box of the W-2 form. That is, if the option of printing the Employee ID in the employee’s address box is selected and the W-2 Sort option of ‘C’ or ‘D’ is selected, the Home Department Code prints in the employee’s address box on the same line after the printed Employee ID. Thus, it is not necessary to add W-2 Sort option of ‘H’ to the form.

  Instead of adding the W-2 Sort option of ‘M’ per Service Request 14833, the addendum asks that the W-2 Sort options of ‘E’ and ‘F’ be included on the form as follows:

  **E** – Active Employees by Mail Code/Name within Home Department Code, Inactives by Name within Zip Code

  **F** – Active Employees by Mail Code/Name within Home Department Code, Inactives by Employee ID No.

- **Magnetic Tape File:**

  **Record Type ‘S’** (Supplemental record)

  Since the University of California does not report the employee’s Hire Date and the Date of Separation, the existing fillers should be adjusted so that the positions of the existing reported fields are consistent with the magnetic media requirements.
Overview

The following modifications will be made to the Payroll/Personnel System (PPS) per Service Request 14833, and the addendum:

- **W-2 Extract Phase**

  An existing edit compares the employee’s YTD EIC (EDB 6099) amount to the EIC Maximum of $1363.00.

  The above edit will be changed to compare the employee’s YTD EIC (EDB 6099) amount to the EIC Maximum of $1387.00.

- **W-2 Reports Phase**

  Currently, Report PPP6016 reports active employees receiving W-2 forms. The heading line containing the Home Department Code and Home Department Name will be changed to include the Mail Code.

- **Magnetic Tape File:**

  Record Type ‘S’ (Supplemental record)

  The 2-digit century will be included with the Reporting Period date field defined in the format of MMCCYY.

- **Form Changes**

  **UPAY731**

  Two additional sort options will be added to the existing W-2 Sort Options in column 44. Similar to the existing W-2 Sort Options of ‘C’ and ‘D’ for the Home Department sort, W-2 Sort Options of ‘E’ and ‘F’ will be added for the Mail Code sort.

  **UPAY732**

  The option of selecting out-of-state employees for W-2 Special Handling of their W-2 forms will be added to the form in column 44.

- **W-2 Laser Form (See Attachment 1)**

  1) The tax-reporting year will be changed to ‘1999’.
2) Three different letters identifying the information within the particular boxes will be changed.

- Separator Sheets

**Home Department Separator Sheet**

Several lines of unique characters should be printed above the Home Department Name and below the Home Department Address line on each of the Home Department separator sheets, so that the separator sheets can be more easily identified. Eight lines of special characters containing ‘#’ and ‘&’ will be printed above the Home Department Name and below the Home Department Address line.

**Mail Code Separator Sheet**

Similar to the single separator sheet containing the text of ‘W-2 FORMS FOR CAMPUS MAIL on each W-2 form for W-2 Sort option of ‘C’ or ‘D’, a single separator sheet should also be printed for W-2 Sort option of ‘E’ or ‘F’. Similar to the changes requested to the existing Home Department separator sheet, each Mail Code separator sheet should be highlighted with special characters.

Several lines of unique characters should be printed above the Mail Code/Home Department Name and below the Home Department Address line on each of the Mail Code separator sheets, so that the separator sheets can be more easily identified.

- **Control Table Updates**

**System Messages Table**

The maximum Earned Income Credit amount referenced in the text of message 60-128 (TAX EXTRACT: EIC OVER MAXIMUM OF $1387, REDUCED TO $1387) will be changed to $1387.00.

Message 60-021 (W2: OPER: INVALID OUT OF STATE OVERRIDE SPECIFICATION) will be added to the table with a severity level of ‘8’ (See Operations).
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- **Copy Members Changes**

**CPLNKTXU**

The century field will be added to this copymember for the linkage between calling program and PPTAXUI.

**CPLNKTXW**

The options of ‘E’ and ‘F’ for sorting the W-2 forms by Mail Code order will be added to the list of existing W-2 Sort Options.

**CPLNKW2F**

W-2 Group Number of ‘5’ will be assigned to the selection of the out-of-state employees for special handling.

**CPLNKUIT**

The 2-digit century will be added to the UI (Unemployment Insurance) Reporting Year field for linkage between the calling program and PPTAXUIT.

**CPWSTXTTP**

The 2-digit century will be added to the Reporting Period field (format of MMCCYY) on the data structure for the ‘S’ (supplemental) type record.
**Program Modifications**

1) PPTAXEDB

**W-2 Extract Edit:**

Currently, an existing edit compares an employee’s YTD EIC amount (EDB 6099) to the EIC Maximum of $1363.00. If the YTD EIC amount exceeds the allowable EIC maximum of $1363.00, message 60-128 (*TAX EXTRACT: EIC OVER MAXIMUM OF $1363.00, REDUCED TO $1363.00*) is issued on the PPP6010 report.

The above edit will be changed to compare an employee’s YTD EIC amount to the EIC Maximum of $1387.00. If the YTD EIC amount exceeds the allowable EIC maximum of $1387.00, message 60-128 (*TAX EXTRACT: EIC OVER MAXIMUM OF $1387.00, REDUCED TO $1387.00*) will be issued.

2) PPTAXW2

Report PPP6016 (W-2 forms for Active Employees) will be modified to include the Mail Code in the heading line that contains the existing Home Department Code and Home Department Name for W-2 Sort option ‘E’ or ‘F’ only. Note that when the existing W-2 Sort option of ‘C’ or ‘D’ is selected, only the Home Department Code and Home Department Name are printed on the report.

If sort option ‘E’ or ‘F’ is selected, it is requested that the W-2 forms be sorted in Mail Code order, within Mail Code order Home Department order, and within Home Department order Employee Name order.

In addition, code will be added to allow for the W-2 forms associated with out-of-state employees to float toward the top of the printed W-2 forms. If a value of ‘Y’ is entered in column 44 of the W-2 Special Handling Overrides record (PPP600-A Specification record), the W-2 forms of those employees will be selected for special handling if any of the employees’ Other State Withholding Gross-1 (EDB 5512), Other State Withholding Gross-2 (EDB 5540), Other State Withholding Gross-3 (EDB 5541), Other State Tax Deduction-1, Other State Tax Deduction-2, or Other State Tax Deduction-3 is greater than zero.
3) PPTAXW2F

Similar to the single Campus Mail separator sheet and the Home Department separator sheets, code will be added to print a single Campus Mail separator sheet and the Mail Code separator sheets.

In addition, if the W-2 Sort option is ‘C’ or ‘D’, the existing Home Department separator sheets will be printed with special characters above the printing of the Home Department Name and Home Department Address and below the printing of the Home Department Name and Home Department Address on each of the Home Department separator sheets.

If the W-2 Sort option is ‘E’ or ‘F’, the same special characters will be printed above and below the Mail Code/Home Department Name/Home Department Address on each of the Mail Code separator sheets.

4) PPTAXUI

The century value will be moved to the century-field in the linkage for calling PPTAXUIT.

5) PPTAXUIT

The standard date routine will return the appropriate End-of-Month Date for the current reporting quarter for displaying on the various reports.

6) PPP600

The existing century value will be moved to the century-field in the linkage for calling PPTAXUI. In addition, the new sort options of ‘E’ and ‘F’ will be added to the list of W-2 Forms Sort values in working storage.

7) PPP610

PPP610 will be changed to initialize each of the 28 print lines prior to printing the total amounts and the Employee Count on the PPP6102 Report (MATCH TO PPP6011/PPTAXEDB TOTALS).
• **Form Changes**

**UPAY 731**

The W-2 Sort option of ‘E’ and ‘F’ will be included on the form as follows:

- **E** – Active Employees by Mail Code/Name within Home Department Code, Inactives by Name within Zip Code

- **F** – Active Employees by Mail Code/Name within Home Department Code, Inactives by Employee ID No.

**UPAY 732**

This form will be changed to include the selection of out-of-state employees for special handling of their W-2 forms.
Overlay Generation Language (OGL)

W-2 Laser Form

The year displayed on the W-2 Laser Form will be changed to ‘1999’.

The letters identifying the information within the particular boxes will be changed. The old letter of ‘b’ (Employee’s social security number) will be changed to ‘d’, the old letter of ‘d’ (Employee’s name, address, and Zip Code) will be changed to ‘e’, and the old letter of ‘e’ (Employer’s identification number) will be changed to ‘b’.
Control Table Updates

System Messages Table

- The maximum Earned Income Credit amount referenced in the text of message 60-128 will be changed as follows:

  TAX EXTRACT: EIC OVER MAXIMUM OF $1387, REDUCED TO $1387

- The text for message 60-210 which is associated with the editing of the Out-of-State special handling overrides will be added to the System Messages Table as follows:

  W2: OPER: INVALID OUT OF STATE OVERRIDE SPECIFICATION
List of Attachments

Attachment 1 - W-2 Laser Form