



OFFICE OF THE SENIOR VICE PRESIDENT –  
BUSINESS AND FINANCE

OFFICE OF THE PRESIDENT  
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December 13, 2016

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Re:           Release:                           2252  
          Service Request:               101544,101588, 101604  
          Programs:                       None  
          Copy Members:               None  
          Include Members:           None  
          DDL Members:               None  
          Bind Members:               None  
          CICS Maps:                   None  
          CICS Help:                   None  
          Forms:                       None  
          Table Updates:               Federal Tax Table (Control Table 03)  
  System Parameter Table (Control Table 01)  
  State Tax Table (Control Table 12)  
          Urgency:                      Date Mandated (see Timing of Installation below)

This release addresses the following Service Requests:

**Service Request 101544**

Service Request 101544 provides the following background information:

“Social Security’s Old-Age, Survivors, and Disability Insurance (OASDI) program limits the amount of earnings subject to taxation for a given year. This limit changes with changes in the national average wage index. For earnings in 2017, this base is \$127,200.”

Service Request 101544 asks to increase the OASDI taxable wage base for 2017 from \$118,500 to \$127,200.

**Service Request 101604**

Service Request 101604 provides the following background information:

“The Franchise Tax Board (FTB) and the California EDD recently released the 2017 California Tax Withholding Schedules.”

Service Request 101604 asks PPS to update the PPS California State Tax Table with the 2017 tax rate schedules.

## **Service Request 101588**

Service Request 101588 provides the following background information:

“On December 5, 2016, the Internal Revenue Service published Notice 1036. This Notice updates the Percentage Method Tables for Federal Income Tax Withholding for tax year 2017.

This includes an increase in the flat dollar amount that will be added to a Non-Resident Alien’s wages to calculate their federal tax withholding. This amount is added to the tax withheld at the Single with 1 exemption amount.”

Service Request 101588 asks PPS to update PPS Federal Tax Tables with the 2017 withholding schedules.

## **Table Updates**

### Federal Tax Table

SR101588 has provided the Federal Tax Table update transactions (for Married, Single and Nonresident Aliens) effective for wages paid as of January 1, 2017 for the Monthly, Semi-Monthly and Bi-Weekly pay periods. Locations will update the Federal Tax Table by using these new tax year federal withholding tax transactions.

### System Parameter Table

SR101588 has provided 2017 NRA Flat Dollar amounts.

SR101544 has provided the OASDI Max Gross Rate.

### State Tax Table

SR101604 has provided the 2017 tax increases from the Franchise Tax Board (FTB).

## **Installation Instructions**

Execute PPP004 to update the following DB2 CTL table with release transactions.

- Federal Tax Table (03) – Use the transactions in CARDLIB (FEDPROD)
- System Parameter Table (01) – Use the transactions in CARDLIB (PRMPROD) and (PRMPROD1)
- State Tax Table (12) – Use the transactions in CARDLIB (STTPROD)

Note: PRMPROD contains the 2017 NRA Flat Dollar amounts from SR101588 and PRMPROD1 contains the OASDI Max Gross Rate from SR101544.

Please review the transactions carefully. Table entries for Parameter numbers 1 -299 are reserved for Base.

Table entries for Parameter numbers 300 – 369 are reserved for the campus.

## **Timing of Installation**

The timing of this release is **date mandated**. These rates are effective for wages paid on and after January 1, 2017. The updates must be applied to the control tables after the last compute for December 2016 earnings and before the first compute for January 2017 earnings. Also, on the [2016 Year-End Processing Sequence](#) document, these updates are the "CTL Update: Apply Year-End updates" step.

As always, this update should be applied to production data only as approved by your campus Payroll Manager.

Functional questions should be addressed to Marcia Johnson at (510) 987-0944 or [Marcia.Johnson@ucop.edu](mailto:Marcia.Johnson@ucop.edu).

For technical questions, please send electronic mail to [Sreelekha.Sen@ucop.edu](mailto:Sreelekha.Sen@ucop.edu), or call (510) 987-9814.

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