



Office of the State Comptroller
PAYROLL BULLETIN

Subject Reporting Social Security and Medicare Adjustments for 1991	Bulletin No. P-687
	Date February 28, 1991

As a result of the separation of Social Security and Medicare taxes which was implemented January 1, 1991 (Payroll Bulletin P-676), the reporting of Social Security adjustments for taxes owed on salary paid in the current calendar year also has changed. The amounts of the Social Security and Medicare taxes must be calculated and reported separately.

The Social Security tax adjustment is calculated at 6.2% of the salary paid which should have been subject to the tax (not to exceed \$53,400). The Medicare tax adjustment is calculated at 1.45% of the salary (not to exceed \$125,000).

Calculate the separate amounts and report each amount on an AC-1040 with the appropriate codes listed below:

- Code 514 - Social Security Adjustment Amount
- 515 - Social Security Number of Periods

- 546 - Medicare Adjustment Amount
- 547 - Medicare Number of Periods

If you have any questions regarding this procedure, please contact the Deduction Section, Social Security Unit at (518) 473-1989.