



Office of the State Comptroller
PAYROLL BULLETIN

Subject NEW TRANSACTION CODE - SEVERANCE	Bulletin No. P-868
	Date October 30, 1995

A severance pay option has been provided for under the terms of Article 22 of the 1995-99 Collective Bargaining Agreements for the CSEA, PS& T and RRS units.

Effective immediately a new transaction code - **SEVERANCE** - has been established to report the lump sum payment for employees who choose this option.

The PR-75 requirements for **SEVERANCE** are:

Group 3
Class B

Block Requirements: 01 through 06
07 Transaction Code - **SEVERANCE**
23 Gross (Add)
24 Normal (Deduct) - if applicable
49 Misc. Block A - total amount of severance to be paid (to be included in Block 23)

REMARKS: Please provide a full explanation of the calculation of severance.

NOTE: A signed copy of the severance agreement must be attached to the PR-75.

DEDUCTIONS

When **SEVERANCE** is reported with any other payment, all deductions will be taken. When **SEVERANCE** is the only payment, deductions will be taken for Federal, State, and City taxes, Social Security, Medicare, Social Security and Medicare adjustments and deficiencies, involuntary deductions, fines, Special Annuities, and Deferred Compensation. You should contact each employee to determine if the employee wishes to cancel or change any of the existing deductions. Remember Deferred Compensation is a percentage; it will be applied against the entire payment. If an employee wants to cancel Deferred Compensation, you should contact the Payroll Control Unit (518-474-8990) and they will do it for you.

Taxes on **SEVERANCE** will be computed using the annualized tax method. The payment is not reported for Retirement purposes and no retirement deductions will be taken.

IDENTIFICATION ON THE SALARY REGISTER AND CHECK STUB

SEV will print on the Salary Register directly beneath retirement service credit with the corresponding amount appearing on the same line beneath the annual salary rate. The grand total amount will print on the last page of the register as **SEVERANCE**.

On the pay stub the amount will appear on the check or direct deposit stub in the column '**ADDTL SAL INFO**' identified as **SEV**.

NEED HELP ?

For questions on calculations, contact the Salary Determination Unit at (518) 474-0036.