

NEW YORK STATE  
OFFICE OF THE STATE COMPTROLLER

DIVISION OF AUDITS AND ACCOUNTS

December 7, 1979

BULLETIN NO. P- 214

ATTENTION: Payroll Officers - All Departments and Agencies

SUBJECT : 1979 Wage and Tax Statements

I WAGE AND TAX STATEMENTS PREPARED BY THE DEPARTMENT OF AUDIT AND CONTROL

(a) Machine Payrolls

For the tax year 1979 the State of New York will report wage and tax information for all employees paid on machine-prepared payrolls, to the Federal Government, New York State and New York City on magnetic tape under Employer Identification Number 14-6013200. Employee copies of W-2 Forms processed on tape will be prepared by the Department of Audit and Control and mailed to agency payroll units for distribution, before January 31, 1980.

Tax statements will show the agency code, but not the agency name, and the employee's line number to the right of the Federal ID number in the Employer's Name and Address (Box 3) with a check sort code. The Department of Audit and Control uses a 3-part W-2 form consisting of copies B, C and 2. A 5-part form is used for corrected, reissued, and agency prepared W-2s. Description of data requirements for each box of the 1979 W-2 Form are included in Part VIII of this Bulletin.

W-2's generated from machine payrolls during the calendar year 1979 will include earnings paid during the following periods:

1. Institutions - Period #20 (12/28/78 to 1/10/79) through  
Period #19 (12/13/79 to 12/26/79).
2. Administrative - Period #20 (12/21/78 to 1/3/79) through  
Period #19 (12/6/79 to 12/19/79)

(b) Typewritten Payrolls

The Department of Audit and Control will issue tax statements for all employees who are paid through the submission of the payroll and personnel transactions form, PR-75. In addition, if this department

prepares a typewritten payroll (AC-39) for an employee who is normally paid on a machine payroll, the Department of Audit and Control will include these earnings and withholdings in the W-2 Form forwarded to the payroll agency.

In other instances in which wages or back pay awards are not paid via form PR-75 processing, it will be necessary for the payroll agency to issue, or replace form W-2. In addition, the payroll agency must replace the Audit and Control prepared W-2 if form AC-230 is processed after the refund cutoff date.

When replacing a W-2 the agency should not increase social security beyond the maximum amount. In cases where an employee's deductions for social security exceed the maximum of \$1,403.77 the Payroll Deduction Unit of the Department of Audit and Control should be contacted (518-473-1989) so that a refund can be generated.

(c) Transferred Employees

An employee who has worked for more than one State agency during the year will receive a tax statement from each agency. Each tax statement will show the total social security deductions made during his/her employment.

(d) Listings - Alphabetical Listings and W-2 Summary Listings

In addition to the employee's tax statements agencies will receive:

1. An alphabetical listing of all employees (POL-23) providing line number, name, address, social security number and activity status (A-Active, I-Inactive).
2. A W-2 Payroll Summary Listing (PRG-16) providing salary and tax information as reported on the tax statements. The listing classifies employees first into active and inactive categories, and secondly into a missing address category. It will be necessary for the payroll agency to add the address on the tax form. Missing addresses for active employees should be reported on an AC-1040 and submitted in the usual manner with your payroll forms for the next period.
3. A W-2 Adjustment Listing (PDL-27) reporting all AC-230 salary refunds and miscellaneous adjustments which are processed after the Period 19 payroll is paid but before the W-2's are printed. The W-2's produced by the Department of Audit and Control are adjusted by the amounts shown on the W-2 Adjustment Listing. It is not necessary to prepare a corrected W-2 for AC-230's and other adjustments reported on this listing.

(e) Corrected Statements - Machine and Typewritten

When it is necessary for an agency to correct a Department of Audit and Control W-2, a corrected W-2 must replace the filed W-2 and the corrected W-2 must be issued to the employee. Corrected W-2's must have an X placed in Box 4 under "CORRECTION". Corrected W-2 forms copies B, C and 2 are given to the employee and corrected copies A and 1 are batched and transmitted to the Department of Audit and Control as per instructions found in Part V of this bulletin.

(f) Reissued Statements - Machine and Typewritten

When a W-2 form is lost or destroyed a substitute W-2 must be issued to the employee by the agency clearly marked "REISSUED STATEMENT". Copies B, C and 2 are given to the employee. Copies A and 1 are batched and sent to the Department of Audit and Control as per instructions in Part V of this bulletin.

II REFUND DEADLINE

Refund amounts processed on Form AC-230 are credited automatically to the appropriations which were charged for the payroll expense.

In order that the refunds pertaining to 1979 wages be properly reflected in the W-2 issued each employee, and reported to Federal, State and City taxing authorities, the following deadline must be adhered to:

(a) Administrative Agencies

Through Period 18 - Submit not later than two weeks following the close of the payroll period covered by the check.

Period 19 - (12/6 - 12/19/79) - Submit so that they will be received in the Department of Audit and Control no later than December 31, 1979.

(b) Institutions

Through Period 18 - Submit not later than two weeks following the close of the payroll period covered by the check.

Period 19 - (12/13 - 12/26/79) - Submit so that they will be received in the Department of Audit and Control no later than January 4, 1980.

If refunds are not received by these deadlines, the agency payroll unit will be responsible for replacing the machine-prepared tax statement with new W-2 forms, showing the correct information. These corrected W-2's must be submitted to the Department of Audit and Control as soon as possible. (See Part V-Batching and Mailing Instructions.)

III RECONCILIATION

First, individual machine prepared W-2 Forms should be matched line by line to the data appearing on the PRG-16, Payroll Summary of W-2's. Secondly, agencies should reconcile the total amounts withheld from machine and typewritten payrolls to the total amounts deposited with governmental units by the Revenue Unit. The Revenue Unit will send you a Withholding Tax Transmittal and a final machine prepared PR-7, Withholding Tax Report which should be used in the reconciliation process.

In order to reconcile the year-to-date totals on the PRG-16, Payroll Summary of W-2's to the PR-7 Withholding Tax Report (deposits) the following adjustments may be necessary:

1. Add deduction data for all 1979 typewritten payrolls which should have appeared on Audit and Control's machine payrolls.
2. Deduct salary refunds applying to 1979 earnings submitted after the refund deadline dates.
3. Add or deduct Special Charge Voucher data or W-2 adjustments processed after the refund deadline dates.
4. Deduct Earned Income Credit amounts shown on the PRG-16. The Federal withholding amounts on the PR-7 are not reduced by the Income Credit.

These adjustments including amounts from additional W-2's you have prepared (do not count replacement items) should be entered on the 1979 Withholding Tax Transmittal Form; the form should be signed and returned to the Revenue Unit.

IV WAGE AND TAX STATEMENTS PREPARED BY AGENCIES NOT ON AUDIT AND CONTROL'S MACHINE PAYROLL

Tax Statements prepared by agencies must show the agency's code, but not the name, and the employee's line number to the right of the Federal ID Number in the Employer's Name and Address Box (3). Use the 5-part set consisting of copies A, 1, B, C and 2 supplied by the Department of Audit and Control. Agencies should ensure that blank W-2 Forms are stored in a secure place and available only to authorized personnel.

V DISTRIBUTION OF W-2's - BATCHING AND MAILING INSTRUCTIONS(a) Audit and Control Machine Prepared W-2's

All the copies B, C and 2 of machine prepared (three-part) W-2's are to be distributed to the employee only after the form has been completed in full.

(b) Agency Prepared W-2's1. Copy A - The Social Security Administration Copy

Batch separately (do not include CORRECTED OR REISSUED COPIES) with supporting adding machine tape of the amounts in Box 6 - Advance EIC Payments, and amounts in Box 9 - Federal Income Tax Withheld. Also include the total number of forms. Submit so that they will be received in the Department of Audit and Control no later than February 9, 1980.

2. Copy 1 - The State Tax Department Copy

Batch separately (do not include CORRECTED OR REISSUED COPIES) with supporting adding machine tapes of the amounts in Box 18 - State Tax Withheld and amounts in Box 21 - Local (City-NYC) Tax Withheld. Also include the total number of forms. Submit so they will be received in the Department of Audit and Control no later than February 9, 1980.

3. Corrected W-2's Copies A and 1

Batch CORRECTED W-2 copies A and 1 separately with a covering memo as to what was corrected "From-to" and with supporting adding machine tape as amounts noted in '1' and '2' above and the total number of forms. Submit correct W-2's so that they will be received in the Department of Audit and Control as soon as possible.

4. Reissued W-2's Copies A and 1

Batch REISSUED copies A and 1 separately with supporting adding machine tapes as to the amounts noted in '1' and '2' above and the total number of forms. Mark batches "REISSUED". Submit so they will be received in the Department of Audit and Control no later than June 1, 1980.

MAILING INSTRUCTIONS

Mail all the different batches of copies A and 1 as described in 1, 2, 3, and 4 above to:

Revenue Unit  
Bureau of Accounts  
Department of Audit and Control  
AESOB 4th Floor  
Albany, New York 12236

## NOTE:

If you void an Audit and Control machine prepared W-2, clearly mark the form with the words void and return the void copies with the corrected copies A and 1, respectively.

VI UNDELIVERABLE, VOIDED AND UNUSED W-2 FORMS

- (a) All copies of Audit and Control issued W-2 Forms that are undeliverable or voided, must be sent back to the Revenue Unit of the Department of Audit and Control. The forms must be received in Audit and Control by June 1, 1980.
- (b) All blank 5-part W-2's may be retained by the agency for future use. The forms should be stored in a secure location and should not be reissued without the authorization of the agency payroll officer.

VII INQUIRIES

- (a) Agency inquiries pertaining to:

1. Reissued or amended W-2's
2. Federal, State or NY City Withholdings

TO: Revenue Unit  
Bureau of Accounts  
Department of Audit and Control  
AESOB 4th Floor  
Albany, New York 12236

(518-474-8329)

3. Social Security Withholdings

TO: Deduction Section  
Bureau of Payroll Audit  
Department of Audit and Control  
AESOB 8th Floor  
Albany, New York 12236

(518-473-1989)

- (b) Employee inquiries pertaining to:

1. W-2's
2. Sick leave

should be directed to the employee's Personnel Office. The Department of Audit and Control does not maintain sick leave records.

VIII GENERAL DESCRIPTION OF DATA REQUIREMENTS FOR THE W-2BOX 1 - Control Number

Not Used.

Form Identifying Numbers - 222

This box appears only on Copy A and Copy 1 of the 5-part set. This number tells the scan equipment used by SSA which information document it is scanning.

BOX 3 - Employer's Name, Address, and Zip Code

Employer's name, address, and zip code including the State's Federal ID and SSA numbers. This data is preprinted on the form.

BOX 4

Sub-Total - Appears only on Copy A and Copy 1 of the 5-part set.

Correction

Used by agencies when it is necessary to correct an Audit and Control issued W-2 or an agency issued W-2. See CORRECTION STATEMENTS ON PAGES 3 and 5.

Void

Used by agencies when an error is a W-2. All voided W-2's must be returned to the Department of Audit and Control as per instructions found in Part V of this bulletin.

BOX 5 - Employer's Identification Number

Shows the preprinted IRS number assigned to the State of New York by the IRS.

BOX 6 - Advance EIC Payments

Total Earned Income Credit paid to employee.

BOX 7

Not Used.

BOX 8 - Employee's Social Security Number

Employee's social security number.

BOX 9 - Federal Income Tax Withheld

Total Federal income taxes withheld from employee's wages and earnings.

BOX 10 - Wages, Tips and Other Compensation

Included in this box is the total of:

- a) Salary reported on machine payrolls paid in calendar year 1979 for the following periods:

Institutions - 12/28/78 (Period #20) through 12/26/79 (Period #19)

Administrative - 12/21/78 (Period #20) through 12/19/79 (Period #19)

- b) In Lieu of Expense and Travel Payments

Expense and travel payments are also listed as a separate item in the space provided on the bottom of the W-2.

Excluded from the amount in this box are:

- c) Maintenance for convenience of employer payments.  
d) Annuity payments per section 403-b of the IRS code.

Note: Both maintenance for convenience of employer and annuity payments per IRS code are also listed in the appropriate 'A' and 'B' boxes on the W-2.

BOX 11 - FICA Tax Withheld

Shows the total employee FICA (Social Security) tax deducted.

BOX 12 - Total FICA Wages

Shows the total wages subject to FICA (Social Security) taxes.

BOX 13 - Employee's Name (First, Middle, Last), and Address

Employee's first, middle and last name, and address, if any.

Note: On Copy A of 5-part set only, employee's address appears in BOX 17.

BOX 14 - Pension Plan Coverage ? yes/no

Shows 'yes' if employee was covered by a State retirement plan; otherwise Box 14 shows 'no'.



BOX 15

Not Used.

BOX 16 - FICA Tips

Shows the amount an employee reported as tips, if applicable.

BOX 17 - Employee's Address

This box appears only on Copy A of 5-part set.

BOX 18 - State Tax Withheld

Shows total New York State income tax withheld from employee.

BOX 20 - Name of State

Shows New York. (preprinted)

BOX 21 - Local Tax Withheld

Shows total local tax withheld, where applicable.

BOX 23 - Name of Locality

Shows the name of the locality if local income tax was withheld.

BLOCK A & B

A - Maintenance for Convenience of Employer consists of:

All tax-exempt maintenance applicable in the calendar year excluded from Box 10.

B - Annuity-Section 403b IRS Code consists of:

All exempt annuity (per Section 403b, IRS Code Payments) in the calendar year excluded from BOX 10.

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