

ACCOUNTING
AND CONTROL
MANUAL

BULLETIN

NEW YORK STATE
OFFICE OF THE STATE COMPTROLLER

DIVISION OF AUDITS AND ACCOUNTS

BULLETIN NO. P-291

December 4, 1981

ATTENTION: Payroll Officers - All Departments and Agencies

SUBJECT: 1981 Wage and Tax Statements

I WAGE AND TAX STATEMENTS PREPARED BY THE OFFICE OF THE STATE COMPTROLLER

(a) Machine Payrolls

For the tax year 1981 the State of New York will report wage and tax information for all employees paid on machine-prepared payrolls, to the Federal Government, Social Security Administration, 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 Office of the State Comptroller and mailed to agency payroll units for distribution, before January 31, 1982.

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 2) with a check sort code. The Office of the State Comptroller 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-2's. Description of data requirements for each box of the 1981 W-2 Form are included in Part VIII of this Bulletin.

W-2's generated from machine payrolls during the calendar year 1981 will include earnings paid during the following periods:

1. Institutions - Period #20 (12/25/80) to (1/7/81)
through #19 (12/10/81) to (12/23/81)
2. Administrative - Period #21 (1/1/81) to (1/14/81)
through Period #20 (12/17/81) to (12/30/81)

(b) Typewritten Payrolls

The Office of the State Comptroller 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 Office of the State Comptroller will include these earnings and withholdings in the W-2 Form Forwarded to the payroll agency.

The payroll agency must replace the Office of the State Comptroller's 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 \$1,975.05 the Payroll Deduction Unit of the Office of the State Comptroller 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 in that agency.

(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 (PDL -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, Social Security wages 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 (Institution) and Period 20 (Administrative) payrolls are paid but before the W-2's are printed. The W-2's produced by the Office of the State Comptroller 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 an Office of the State Comptroller 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 5 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 Office of the State Comptroller as per instructions found in Part V of this Bulletin. Agencies should return all copies of the original W-2 to the Office of the State Comptroller.

(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 Office of the State Comptroller 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 1981 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 19 - Submit not later than two weeks following the close of the payroll period covered by the check.

Period 20 - (12/17 - 12/30/81) - Submit so that they will be received in the Office of the State Comptroller no later than January 4, 1982.

(b) Institutions

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

Period 19 - (12/10 - 12/23/81) - Submit so that they will be received in the Office of the State Comptroller no later than December 31, 1981

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 Office of the State Comptroller 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 amounts deposited with governmental units by the Revenue Unit. The Revenue Unit will send you 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 1981 typewritten payrolls which should have appeared on the Office of the State Comptroller's machine payrolls.
2. Deduct salary refunds applying to 1981 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 1981 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 THE OFFICE OF THE STATE COMPTROLLER'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 (2). Use the 5-part set consisting of copies A, 1, B, C and 2 supplied by the Office of the State Comptroller. 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) Office of the State Comptroller's Machine Prepared W-2's

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

12/4/81

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

When it is necessary for an agency to prepare an employee's original W-2, they must be batched separately (do not include CORRECTED or REISSUED COPIES WITH THIS BATCH). This batch must be supported by adding machine tapes of the amounts in Box 7 - Advance EIC Payments, and amounts in Box 9 - Federal Income Tax Withheld. The final W-2 should have the totals of Box 7, Box 9 and the total number of forms (see Box 5, sub-total on page 7). Do not cut or separate Copy A, they must be submitted by the page (3 to a page). Submit so that they will be received in the Office of the State Comptroller no later than February 9, 1982.

2. Copy 1 - The Department of Taxation and Finance Copy

Original W-2's prepared by the agency must be batched separately (do not include CORRECTED OR REISSUED COPIES WITH THIS BATCH). This batch must be supported by adding machine tapes of the amounts in Box 20 - State Tax Withheld and amounts in Box 22 - Local (City - NYC) Tax Withheld. The final W-2 should have the totals of Box 20, Box 22 and the total number of forms (see Box 5, sub-total on page 7). Submit so they will be received in the Office of the State Comptroller no later than February 9, 1982.

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

Batched CORRECTED W-2 copies A (Do not cut or separate Forms on this page) 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 and all copies of original W-2's so that they will be received in the Office of the State Comptroller as soon as possible

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

Batch REISSUED copies A (Do not cut or separate Forms on this page) and 1 separately with supporting adding machine tapes as to the amounts noted on '1' and '2' above and the total number of forms. Mark batches "REISSUED". Submit so they will be received in the Office of the State Comptroller no later than June 1, 1982.

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
Office of the State Comptroller
AESOB 4th Floor
Albany, New York 12236

NOTE: If you void an Office of the State Comptroller 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 the Office of State Comptroller issued W-2 Forms that are undeliverable or voided, must be sent back to the Revenue Unit of the Office of the State Comptroller. The forms must be received in the Office of the State Comptroller by June 1, 1982.
- (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

TO: Revenue Unit, Bureau of Accounts
Office of the State Comptroller
AESOB 4th Floor
Albany, New York 12236

(518-474-8329)

2. Federal, State or New York City Withholdings

TO: Revenue Unit, Bureau of Accounts
Office of the State Comptroller
AESOB 4th Floor
Albany, New York 12236

(518-474-8329)

3. Social Security Withholdings

TO: Deduction Section-Bureau of Payroll Audit
Office of the State Comptroller
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 Office of the State Comptroller does not maintain sick leave records.

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

Not used

Form Identifying Numbers - 22222

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

BOX 2 Employer's Name and Address and Zip Code

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

BOX 3 Not used

BOX 5 Deceased - Shows "X" if employee is deceased.

Pension Plan - Shows "X" if employee is covered by State Pension Plan.

Sub-total - Shows "X" after ever 41st W-2 within an agency, the sub-total W-2 should be printed with the following cumulative money fields for only the preceding 41 forms:

Advance EIC payment, Federal Income Tax Withheld, Net Wages, FICA Tax Withheld, FICA Wages. The final W-2 printed within an agency should be a sub-total W-2 regardless of the fact that the agency may have fewer than 41 employees.

Corrections - Used by agencies when it is necessary to correct an Office of the State Comptroller issued W-2 or an agency issued W-2. See Corrected Statements on Pages 3 and 5.

Void - Used by agencies when a W-2 is in error. All voided W-2's must be returned to the Office of the State Comptroller as per instructions found in Part V of this Bulletin.

BOX 6 Not used

BOX 7 Advance EIC Payments

Total Earned Income Credit paid to employee.

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 the calendar year 1981 for the following periods:

Institutions - 12/25/80 (Period #20) through
12/23/81 (period #19)

Administrative - 1/1/81 (Period #21) through
12/30/81 (Period #20)

b) In Lieu of Expense and Travel Payments

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 listed in Block A and Block B on the W-2.

BOX 11 FICA Tax Withheld

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

BOX 12 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 15.

BOX 13 FICA Wages

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

BOX 14 FICA Tips

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

BOX 15 Employee's Address

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

BOX 19 Name of State

Shows New York (preprinted).

BOX 20 State Tax Withheld

Shows total New York State Income Tax withheld from employee.

BOX 21 Name of Locality

Shows name of locality if local income tax was withheld.

BOX 22 Local Tax Withheld

Shows total local tax withheld, if applicable.

BLOCK A & B

A - MAINTENANCE FOR CONVENIENCE OF EMPLOYER consists of:

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

B - ANNUITY SECTION 403-b IRS CODE consists of:

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

