



Office of the State Comptroller
PAYROLL BULLETIN

Subject Social Security Deductions for Labor class Employees	Bulletin No. P-569
	Date April 27, 1988

Social Security coverage is mandatory for employees in Labor Class positions (Jurisdictional Class 3).

Effective Administration Period 2-LAG and 3-Current (checks dated May 11, 1988) and Institution Period 2-LAG and 3-Current (checks dated May 18, 1988), the following changes in deduction processing will be made.

1. Social Security will automatically be started when an employee is appointed to a Labor class position.
2. Social Security will automatically be cancelled when an employee in a Labor class position who is not a member of a Retirement System is appointed to a non-Labor class position unless an AC-1040 reporting Social Security or retirement membership is submitted.

If an employee moving from a Labor class to a non-Labor class position is an optional member of the Retirement System and chooses not to join, and was hired after March 31, 1986, you must submit an AC-1040 to start Medicare coverage in the new position.

In these payroll periods, we will also automatically start Social Security deductions for all employees currently on your payroll in Labor class positions who now have only Medicare deductions or no coverage. Agencies who have Labor class employees who are currently not paying Social Security, or who are paying Medicare in error, will receive a separate listing identifying these employees with instructions concerning the required adjustments and/or prior year deficiencies.

Questions concerning this bulletin should be directed to the Betty Williams at 474-6006.