



Office of the State Comptroller
PAYROLL BULLETIN

Subject Reporting of Exemption From Medicare and Social Security Coverage	Bulletin No. P-615
	Date May 15, 1989

New codes for reporting employees exempt from Social Security and Medicare have been added effective immediately to insure Social Security and Medicare will not be taken in error from these employees.

When an employee is appointed to your payroll you must submit a AC-1040 in the following manner.

1. If an employee has an F or J visa, enter 'V' in Block 513.
2. If an employee is a student attending and working at the same university during the regular school year, enter 'E' in Block 513.

If an employee's status changes to other than Exempt, submit an AC-1040 and enter an 'S' or 'M' in Block 513 for the appropriate deduction to begin.

Retention

The exempt codes will remain in the employee's record as long as the employee remains active or on LWOP on the payroll. Social Security will not start automatically when you report retirement benefits if 'V' or 'E' is in the record.

If an employee is permanently separated, these codes will be retained until the end of the calendar year.

Employees in Labor Class positions (Jurisdictional Class 3 or 8) are mandatory for Social Security and are invalid for the exempt codes.

If you have any questions, contact the Payroll Deduction Section at (518) 473-1989.