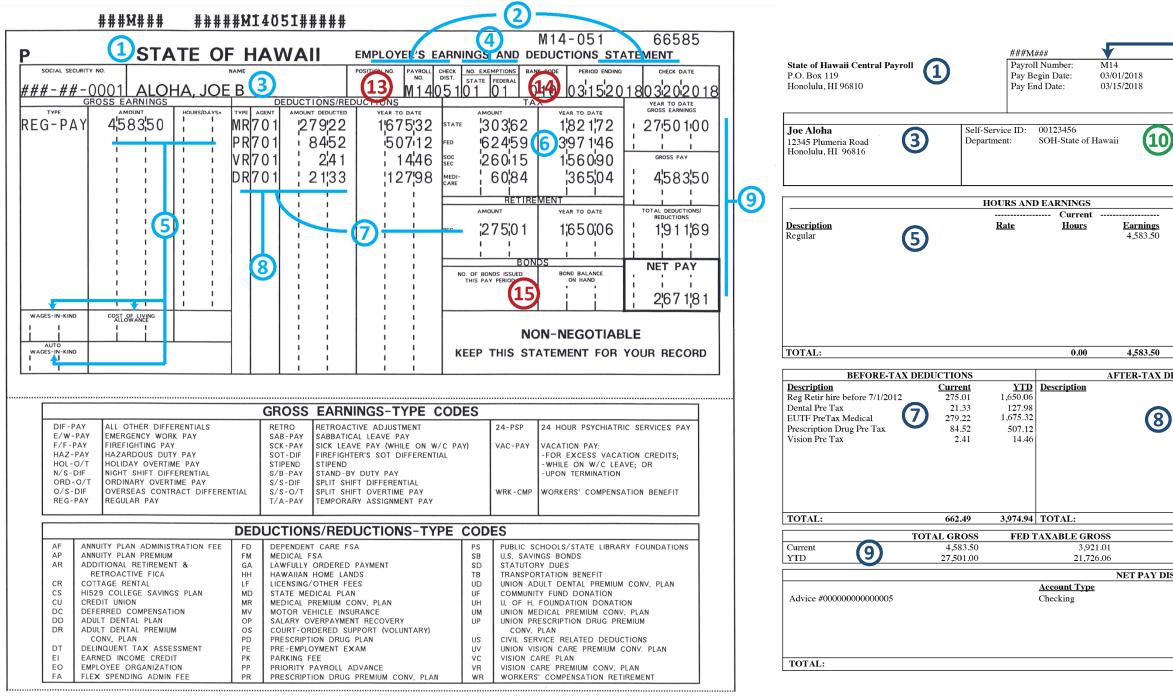




**Old System Pay Statement New System Pay Statement** 



Q			
###M14051###			
### M14031###	Warrant Dist:         051           Advice #:         0000000000000           Advice Date:         03/20/2018	5	
	TAX DATA: Feder	-al	HI State
	Marital Status: Sing		Single
)	Allowances: 4	1	1
	TAXES		
YTD			
Hours Earnings 27,501.00	Description Fed OASDI/EE Fed MED/EE Fed Withholdng HI Withholdng	<u>Current</u> 260.15 60.84 624.59 303.62	<b>YTD</b> 1,560.90 365.04 3,747.54 1,821.72
0.00 27,501.00	TOTAL:	1,249.20	7,495.20
DEDUCTIONS	EMPLOYER PAID	BENEFITS	
<u>Current</u> <u>YTD</u>	Description Retiree Health Insurance ER ER Prescription Drug ER State Vision Care ER State Dental Plan ER State Medical	Current 430.39 0.00 0.00 0.00 0.00	<b>YTD</b> 1,291.17 182.87 5.40 47.97 591.93
0.00 0.00	*TAXABLE		
TOTAL TAXES	TOTAL DEDUCTIONS		NET PAY
1,249.20 7,495.44	662.49 3,974.94		2,671.81 16,030.86
STRIBUTION			
Account Number XXXXXX4507	2	Depo	<u>ssit Amount</u> 2,671.81
			2.671.81

This document is intended for use by State of Hawaii employees only.

## **Comparison of Pay Statements from the Old and New Systems**

Area	Description	Fields on New System Pay Statement	Differences Between Old and New Statements, Additional Information
1	Employer Name and Business Address	Employer name and business address	<ul> <li>Old Statement: Only listed the name of the employer – State of Have</li> <li>New Statement: Lists both the name and the address of the employed</li> </ul>
2	<b>Payroll Information</b> <i>Consists of payroll information.</i>	<ul> <li>Payroll Number: The payroll number indicates the division.</li> <li>Pay Begin Date: The start date of the current payroll cycle</li> <li>Pay End Date: The end date of the current payroll cycle</li> <li>Warrant Dist: The warrant distribution code defines the branch</li> <li>Advice #: The number assigned to the employee's pay</li> <li>Advice Date: The date the funds are available</li> </ul>	<ul> <li>Items Renamed from the Old Statement to the New Statement</li> <li>Check Dist. became Warrant Dist.</li> <li>Period Ending became Pay End Date</li> <li>Check Date became Advice Date</li> <li>New Statement: Added categories for Pay Begin Date and advict</li> <li>Note: the pay period dates on pay statements from the old pays</li> </ul>
3	<b>Employee Name and Payroll</b> <b>Address</b> <i>Displays employee information.</i>	<ul> <li>Employee Name: The name of the employee</li> <li>Employee Payroll Address: The address of the employee</li> </ul>	<ul> <li>Old Statement: Only listed the name of the employee</li> <li>New Statement: Lists both the name and the address of the employee</li> <li>Hawaii Information Portal (HIP) will have a feature for employees to paper paycheck, pay statement and W2 generation purposes. HIP wit exists in the old system or they will be defaulted to their agencies employee desires. For our employees' personal security, the feature with computers connected to the State's network.</li> </ul>
4	<b>Tax Data</b> Shows what the employee has designated for federal and state taxes, which determines how much Federal and Hawaii State taxes are withheld from a paycheck.	<ul> <li>Marital Status: Marital status of the employee for tax withholding purposes</li> <li>Allowances: Withholding allowances selected for Federal and State</li> <li>Addl. Percentage: Additional percent withholding</li> <li>Addl. Amount: Additional amount withholding</li> </ul>	<ul> <li>Old Statement: Only listed number of exemption based on marital in New Statement: Social Security deductions are now labeled as Fed formal name of the program. Medicare deductions are now labeled information if the employee chooses additional tax deductions.</li> <li>There are two ways in which tax withholding choices will differ in H         <ol> <li>In HIP employees will have the flexibility to make different tax whereas employees currently must select the same tax maril limitations. For instance, HIP will allow them to use "Married rate" on their HW-4, or vice versa. This will give employees a needs. Employees who have multiple jobs with the State of I all positions they have with the different departments or jur State of Hawaii. This will continue to ensure that an employee under the state as a single employer.</li> <li>HIP will allow employees to make their tax withholding choic the year. For our employees' personal security, the feature i computers connected to the State's network.</li> <li>*Important: For tax year 2019, OASDI is taxable up to limit of \$132,9 \$200,000, the tax rate is .0145 and for income above \$200,000, the</li> </ol> </li> </ul>
5	Hours and Earnings Reports the employee's regular monthly salary and/or how many hours worked in the pay period, including over time, holiday hours, and vacation hours.	<ul> <li>Regular: Includes base pay – current earnings and year to date (YTD) earnings</li> <li>Additional Pays: Advance, Differential Pay, etc. – current earnings and year to date (YTD) earnings</li> </ul>	<ul> <li>New Statement: Adds category for rate if hourly and YTD calculatio additional lines for other categories of additional pays such as Wage</li> <li>Changes in gross pay due to earnings calculation differences. The ol decimal places for the hours and the rate, which are multiplied to p provide a similar calculation with up to two decimal places for the hours and the amount of pay at two decimal places.</li> </ul>

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#### vice number. ayroll system may not have displayed accurately.

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to update their payroll address. This address will be used for 9 will be pre-loaded with employees' current payroll addresses if ies address. This information can be updated at any time the ure in HIP for viewing/updating a payroll address is limited to use

#### al status.

ed OASDI/EE (Old-Age, Survivors and Disability Insurance) – ed as Fed MED/EE. Reminder: Additional lines will provide

### HIP.

t tax choices for Federal (W4) and State (HW-4) tax withholdings, arital status for both W4 and HW-4 withholdings due to system ied" on their W4 and "Married but withhold at higher Single is greater control over their taxes, to meet their own financial of Hawaii will make the same tax withholding choices in HIP for jurisdictions. Taxes withheld will be under a single employer, the byee does not exceed annual federal tax contribution limits

noices online, as opposed to completing hard copy forms later in re in HIP for making tax withholding choices is limited to

# 2,900. For tax year 2019, Fed MED/EE, for income under ne tax rate is 2.35%.

tions for Hours and Earnings. The new statement will include ages-In-Kind, etc.

old system allows for hourly pay to be entered with up to three o produce the amount of pay at two decimal places. HIP will e hours and up to six decimal places for the rate, which will also s. This will provide for more accurate calculations.

6	<b>Taxes</b> Shows taxes deducted.	• This is your taxes withheld from your current pay.	<ul> <li>Items Renamed from the Old Statement to the New Statement: So</li> <li>There are three ways in which tax calculations and routines will occ</li> <li>1. HIP will calculate the Social Security and Medicare (a.k.a, FICA by reviewing each employee's pay and combining it with the to be withheld. This "true up" process or annualized method as a whole for the year, rather than on an individual payched there may be rounding changes for employees on an individ by the tax rate. In addition to rounding differences, this mea assigned to a check and no earnings were paid to withhold the subsequent check the correct annual tax amount required for today would not have an opportunity to withhold the tax an balance adjustment to recategorize taxes was done, or only Furthermore, employees with multiple jobs may be FICA-elig system which doesn't currently account for their total wages</li> </ul>
Area	Description	Fields on New System Pay Statement	Differences Between Old and New Statements, Additional Information
			<ul> <li>recorded as being under the same employer. This manner of accurate at year end and complies with IRS regulations.</li> <li>2. HIP annualizes Federal and State withholding taxes. What the balances from the beginning of the calendar year, adds curred has been withheld in previous checks, and withholds the differance in method is to withhold as accurately as possible, whe pay between pay periods. In comparison, the old system cal semi-monthly pay period only.</li> <li>3. The third tax type difference is the way HIP handles multiple separate checks within the same pay period are calculated at that the employee's withholdings are accurate by year-end licalculates withholdings for the current pay period only and that a smaller check may have had more withheld.</li> </ul>
7	Before-Tax Deductions	• Before-Tax Deductions: Items listed in this box are taken from the employee's gross wages before taxes. These deductions reduce the Federal taxable wages and therefore the employee's tax withholding. Current and year to date (YTD) are listed.	<ul> <li>Old Statement: Mixed together pre-tax and after-tax deductions in Section. Additionally, it used two letter codes to indicate the type o</li> <li>New Statement: Before-tax deductions are separated out from after code.</li> <li>Calculated on a per pay period basis, taken out twice per month.</li> </ul>
8	After-Tax Deductions	• After-Tax Deductions: Items listed in this box are deducted from the employee's gross wages and have no effect on the taxable wages. Current and year to date (YTD) are listed.	<ul> <li>Old Statement: Mixed together pre-tax and after-tax deductions in Section. Additionally, it used two letter codes to indicate the type o</li> <li>New Statement: After-tax deductions are separated out from before code.</li> <li>Garnishment of wages. Garnishment orders are required payments as a matter of law. In the old system, garnishment calculations are repayments are taken out of employees checks according to a flat am calculations in HIP will be adjusted accordingly with pay changes an State. Therefore, if a garnishment order requires a percentage of pa according to the stated percent. *Note: Garnishment and student routines to ensure that disposable income is maximized.</li> <li>Statutory dues calculation differences. If any collective bargaining a flat-amount basis, or on a both percentage and a flat-amount basis, cannot be split exactly in half for a given month, the odd amount w pertain to collective bargaining agreements where it's impossible for Calculated on a per pay period basis, taken out twice per month.</li> </ul>
9	Pay Statement Summary	<ul> <li>Total Gross: The gross pay received.</li> <li>Fed Taxable Gross: The federal taxable gross.</li> <li>Total Taxes: The total of Federal and State withholdings.</li> <li>Total Deductions: The total of the before tax and after-tax deductions.</li> <li>Net Pay: The gross pay less deductions and tax withholdings paid to the employee.</li> </ul>	<ul> <li>Old statement: Only showed YTD for Gross Earnings, Gross Pay for pay statement which combined taxes and deductions/reductions, a</li> <li>New statement: the summary now shows more information with Y deductions, and the federal taxable gross.</li> </ul>

Soc Sec became Fed OASDI/EE

ccur differently in HIP than in the old system.

CA) taxes each time the system processes a semi-monthly payroll heir overall calendar year pay to determine the correct amount od ensures that the taxes withheld are correct for the employee neck basis. As a result of this type of accuracy and compliance, ridual paycheck basis when the annualized wages are multiplied eans that if wages-in-kind (WIK) or other taxable wages were d the related tax, HIP will true up the tax and withhold from a for the calendar year. In this same situation, the old system and would therefore remain out of balance unless a manual ly at final, year-end processing of annual W-2 statements. eligible with one job and not FICA eligible in another in the old ges, whereas HIP will true up FICA as multiple jobs are

#### ion

of calculation in HIP keeps the employee's withholdings

this means is that the check looks back at the employee's tax rrent taxable wages, determines annual taxes due, reduces what lifference for the current check. The advantage of this type of which is especially important for people who have variances in calculates federal and state withholding taxes for the current

ble checks for an employee in the same pay period. Two d autonomously in HIP using an annualization method to ensure d based on their tax withholding forms. The old system d combines multiple checks into one calculation which means

in the Deductions/Reductions Section and the Retirement of deductions with a key.

fter-tax deductions and a descriptive label is used in place of the

in the Deductions/Reductions Section and the Retirement of deductions with a key.

fore-tax deductions and a descriptive label is used in place of the

its (flat, percentage-based, or a combination of both) to an entity e not updated automatically with pay changes and garnishment amount only for student loan garnishments. Garnishment and will accurately comply with the legal order received by the pay for example, HIP will garnish wages of an employee int loan processing will follow federal standards and calculation

g agreement in effect with the State of Hawaii is calculated on a is, such that an employee's paycheck deduction for union dues will be rounded up for deduction purposes. This shall only for monthly statutory dues to mathematically be split in half.

or the current pay statement, total deductions/reductions for the , and the net pay.

YTD calculations for all categories, splitting the taxes and other

10	Other Employee Information	• Self Service ID: The employee issued self-service identification number	• The Self Service ID is used as the User ID when logging into HIP.hawa
New	Displays employee information.	Department: The employee's primary department	employee self-service features in the Hawaii Information Portal.
11 New	<b>Employer Paid Benefits</b> Shows employer paid benefits.	• If any amounts are included as taxable income, they will be indicated with an asterisk. Current and year to date (YTD) are listed.	<ul> <li>This new section details the contributions of the State of Hawaii or</li> <li>Calculated on a per month basis, added to once per month.</li> </ul>
12 New	<b>Net Pay Distribution</b> <i>Shows net earnings for the pay</i> <i>period.</i>	• This information notes how the earnings for this pay period were paid to the employee.	<ul> <li>Lists all of the direct deposit distributions based on how they were</li> <li>If you have more than one account set up for direct deposit, each a deposit will be shown.</li> </ul>
13	Position Number	Field discontinued on New System Pay Statement	
14	Bank Code	Field discontinued on New System Pay Statement	• The Bank Code is no longer valid as the employee can set up direct de the Net Pay Distribution Section of the New Statement.
15	Bonds Number of Bonds Issued Bond Balance	Field discontinued on New System Pay Statement	• The bond savings program was discontinued in 2011 by the State of H

Reminder: Your pay statements are also available online through a personal computer/mobile device and a State-networked computer.

You can log in at <u>https://hip.hawaii.gov</u> using your HIP User ID and Password.

(If you are a UH employee log in at <u>https://myuh.hawaii.edu</u>) using your UH single-sign on.)

Need help?

http://ags.hawaii.gov/hawaiipay |(808) 201-SERV [7378] | HIP@hawaii.gov

vaii.gov to manage the employee's information using the

on behalf of the employee to various benefit programs.

re set-up using the employee self-service features in HIP. h account, account type (checking/savings) and the amount of

deposits to banks/credit unions and the details will be shown in

f Hawaii. This field was removed from the new statements.