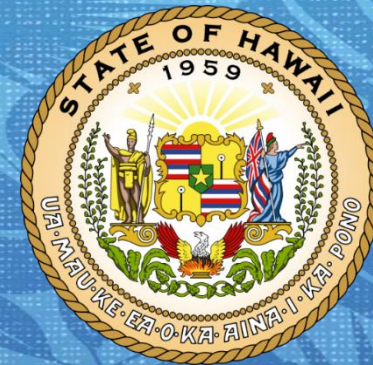




# Payroll SME Meeting

January 21, 2020



**Department of Accounting and General Services**  
in coordination with the  
**Office of Enterprise Technology Services**

# TALK STORY TOPICS

1. Year End and W-2 Issuance
2. W-2 Consent Query
3. 2020 W-4 Tax Changes
4. Upcoming Activities

# Year End and W-2 Issuance

- W-2's are available for 2019
  - Last day for departments to pick up printed W-2's is Friday 1/24/2020
- W-2 Consent will not be reset. Only the employee will be able to remove consent.
  - For terminated employee's, the consent will be reset automatically so that the hardcopy W-2 will print.

# Year End and W-2 Issuance

## Box E and F - Employee Names

- Please note that how your name is displayed on your W-2 will not cause issues for you during the tax filing process.
- IRS regulations for W-2s are as follows: “Boxes e and f—Employee's name and address. Enter the name as shown on your employee's social security card (first name, middle initial, last name). If the name does not fit in the space allowed on the form, you may show the first and middle name initials and the full last name.” [IRS regulations are found at <https://www.irs.gov/pub/irs-pdf/iw2w3.pdf>. See page 15, General Instructions for Employers.]
- HIP’s name logic complies with the required regulations. It evaluates an employee’s name to determine what’s needed on the W-2 form for legal purposes.
- Refer to this link for more information <http://ags.hawaii.gov/hip/files//2019/02/Names-and-Addresses-On-W2s.pdf>

# Year End and W-2 Issuance

## Box 12DD

- Per IRS requirements, the amount reported in this box includes both the portion paid by the employer and the portion paid by the employee. See <https://www.irs.gov/affordable-care-act/form-w-2-reporting-of-employer-sponsored-health-coverage>
- Example 2019 W2 and Pay Statement from the 12/20/2019 Pay Day

<b>12a</b> See instructions for box 12	
<b>DD</b>	23649.08
<b>12b</b>	
<b>12c</b>	
<b>12d</b>	

BEFORE-TAX DEDUCTIONS			AFTER-TAX DEDUCTIONS			EMPLOYER PAID BENEFITS		
Description	Current	YTD	Description	Current	YTD	Description	Current	YTD
Reg Retir hire before 7/1/2012	253.35	6,701.63	Employee Organization HGEA	18.56	445.44	ER Prescription Drug	148.88	3,381.37
Dental Pre Tax	13.86	353.90	Statutory Does HGEA BU 13	37.42	915.74	ER State Vision Care	3.27	83.00
EUTF PreTax Medical	292.98	6,622.93				ER State Dental Plan	20.78	530.50
Prescription Drug Pre Tax	99.18	2,141.51				ER State Medical	439.80	10,480.45
DAGS Automotive Pre Tax Prkg	25.00	600.00				Retiree Health Insurance ER	428.15	11,325.75
Vision Pre Tax	2.18	55.33						
FSA Admin Fee	0.00	30.00						
FSA Medical	0.00	600.00						
<b>TOTAL:</b>	<b>686.55</b>	<b>17,105.30</b>	<b>TOTAL:</b>	<b>55.98</b>	<b>1,361.18</b>	<b>*TAXABLE</b>		
	<b>TOTAL GROSS</b>	<b>FED TAXABLE GROSS</b>	<b>TOTAL TAXES</b>	<b>TOTAL DEDUCTIONS</b>	<b>NET PAY</b>			
Current	4,222.43	3,535.88	791.09	742.53	2,688.81			
YTD	111,693.78	94,600.01	21,833.09	18,466.48	71,394.21			

# W2 Consent Query

- Reminder you can run the M\_W2\_CONSENTS query and the results will tell you what status your employees are at.
- Below table explains what the values mean from the query.

<b>Values</b>	<a href="#">Personalize</a>   <a href="#">Find</a>
Field Value	Translate Long Name
C	Consent received.
N	No consent received.
R	Consent reset by employer.
W	Consent Withdrawn

# 2020 W-4 Tax Changes

- Effective January 1, 2020 the format of the Federal W-4 has changed. All employees must use the new form going forward if they want to make changes to their withholding.
- The HIP system has been updated to accommodate the new form format. Instructions for changes on ESS have been uploaded on the website: [Step-by-Step Instructions for Making Tax Withholding Changes with the IRS' new 2020 W-4 and State HW-4](#)
- Employees are not required to update their existing Federal allowances using the new format. If they do not update their allowances, taxes will calculate based on existing elections until a change is made by them.

# 2020 W-4 Tax Changes

- If the employee cannot make changes in ESS and provides a hardcopy form, please ensure it is the correct form. For inputting, please chose the "2020 or Later" option. Instructions for payroll users have been uploaded on the website: [How to enter withholding information on behalf of an employee](#)
- Important note: When inputting on an employee's behalf, the system will auto default the "2020 or Later" option when you add a row. If employees submit a State HW-4 hardcopy for input but not a Federal form, please ensure you change back the federal allowances to mirror the existing entry.



# 2020 W-4 Tax Changes

## 2019 or Earlier

Federal Tax Data | State Tax Data | Local Tax Data

**Sponge Bob** Person ID [REDACTED]

Tax Data ? Find | View All First 1 of 1 Last

Company SOH State of Hawaii

\*Effective Date 12/01/2019

Updated By Hire Prcss Date Last Updated 01/09/2020

**Federal Form W-4 Version** ?

2020 or Later  2019 or Earlier

**Federal Withholding Elements** ?

\*Special Withholding Tax Status None

\*Tax Status Single Single

Check here and select Single status if married but withholding at single rate.

Withholding Allowances 4

Additional Amount \$0.00

Additional Percentage 0.000

▶ Federal Unemployment Tax ?

▶ W-4 Processing Status ?

▶ Lock-In Letter Details ?

▶ State Tax Options ?

▶ Tax Treaty/Non-Resident Data ?

Save Return to Search Notify Refresh Update/Display Include History Correct History

Federal Tax Data | State Tax Data | Local Tax Data

## 2020 or Later

Federal Tax Data | State Tax Data | Local Tax Data

**Sponge Bob** Person ID [REDACTED]

Tax Data ? Find | View All First 1 of 2 Last

Company SOH State of Hawaii

\*Effective Date 01/17/2020

Updated By Hire Prcss Date Last Updated 01/09/2020

**Federal Form W-4 Version** ?

2020 or Later  2019 or Earlier

**Federal Withholding Elements** ?

\*Special Withholding Tax Status None

\*Tax Status Single Single

Multiple Jobs or Spouse Works

Dependent Amount \$0.00

Other Income \$0.00

Deductions \$0.00

Extra Withholding \$0.00

▶ Federal Unemployment Tax ?

▶ W-4 Processing Status ?

▶ Lock-In Letter Details ?

▶ State Tax Options ?

▶ Tax Treaty/Non-Resident Data ?

Save Return to Search Notify Refresh Update/Display Include History Correct History

Federal Tax Data | State Tax Data | Local Tax Data

# Upcoming Activities

- System Upgrade Testing
  - January 21 – 31, 2020
- Time and Leave Group 1
  - Validation Testing February 3 – 14, 2020
- Time and Leave Group 2 - 4
  - Readiness items checklist due dates have been updated. Please review the items and discuss with your project mentor about any questions or concerns



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**MAHALO FOR YOUR TIME!**

# Prior SME Topic Index

- [Episode 1 - 11/09/18](#): Introduction of Payroll SME's , ACH Rejections , Leave Without Pay And Payroll , UAC Validation , Hour Limitation on the PCS , Off-Cycle Pay Checks , Transfers Into Another Department/Jurisdiction
- [Episode 2 - 12/12/18](#): Group 3 Implementation Update, Countdown to Year End, ACH Rejections – New Update! , New Earn Codes and Online PCS Updates, WIK Code Reminders, Deduction Subsets, Deferred Vacation Payouts, Upcoming Deadlines
- [Episode 3 - 02/14/19](#): Cancelling Checks and the Reversal Process , Cancelling a Payment with a Prudential Deduction , Statutory Dues Processing and Refunds Update , Central Payroll Processing Schedule , What are the Special Accumulators? , Tax Exemption for Military Spouse , Helping your employees with their W-2 Forms , Payroll SME Poll for Future Topics
- [Episode 4 - 03/18/19](#): SSA Verification Process , Distributing Paper Checks to Employees , ACH/Pre-Note Returned Notifications , Online PCS Review After Payroll, TDR Comments , Selecting the correct Empl Record on PCS , Timing of OPR Entries , Priority Pay

# Prior SME Topic Index

- [Episode 5 - 04/15/19](#): EUTF Team , Non-Cash WIK (WF code) , Garnishment Inquiries , Federal and State Tax Calculations, New HIP Ticket System , Post Death Payments , Employment Verification , Earnings Dates , W2 Reprints and Corrections , Password Resets
- [Episode 6 - 05/20/19](#): Guest Speaker: Seina Rahim, American Payroll Association Hawaii Chapter , The Power of our Super SME's , State Tax Calculations-Clarification , Priority Pay-Lock out days , Reversal Requests/Priority Pay Timing, Query Inactive Employees being paid , Salary Overpayment Process , Earning Code Updates , ERS Related Updates , Direct Deposit and Transferring Employees , HIP Service Center
- [Episode 7 - 06/17/19](#): Delete/Reversal Requests – Reminder!, Cancelled Check Forms (C-53) , Employees Transferring Departments with OPR , OPR entries on Additional Pay, Union Dues Refunds , Post Death Payment to Beneficiaries , Terminated Employees Who are Receiving Pay , Earnings Begin and End Dates , Workers Comp Reclass , Fiscal Year Update to UAC, Mass Pay Increase Update
- [Episode 8 - 07/15/19](#): Overpayment Reminders, Earnings Period (Begin/End Date), Post Death Payment Reminders, Transferring Department – Changes in BU, Terminated Employee – Query Timing, ETS-303: Hawaii Information Portal Security Access Request Form, HIP System - User Responsibilities Reminder, Level 3 Approval – Timing for Requesting Denials, Employee Self Service Reminders, New Earnings Codes, Prior SME Topic Index

# Prior SME Topic Index

- [Episode 9 – 08/19/19](#): National Payroll Week, Accessing our Website, Overpayment reminders – Personal Checks, Submitting Overpayment Adjustments (Worksheet), Garnishment Notices, Void Payroll Check Procedures, Off-Cycle Checks – Deduction Subsets, Reissuing Checks on the Off-Cycle, W-4/HW-4 Update, Social Security Verification, Early Distribution of Payroll Checks, ACH Delete/Reversal Bank Recall, EUTF Health Refunds
- [Episode 10 – 09/16/19](#): Employee’s Designation of Beneficiary, ERS Repayment Types, ERS Payroll Adjustments, Retro Payments after ERS Group/FICA Code changes, Union Dues Deduction Processing Update – HGEA, Adjustments to Online PCS Transactions, 2019 Year End Deadlines and W-2 Issuance, Access to our site, Phase 2 Time and Leave Activities.
- [Episode 11 – 10/21/19](#): ACH Option for Off-Cycle Payments, Priority Pay Deadlines & Lock Out Period, Child Support Disbursement Changes, Payroll Queries and Reports, Payroll Employees Designation of Beneficiary, Post-Death Payment Worksheet, US Dept of Labor – Final Rule: Overtime Update, Pay Statement View, Understanding your Pay Statement for Transferring Employees, 2019 Year End Deadlines and W-2 Issuance, W-2 Electronic Consent, Phase 2 Time and Leave Activities: “Y” Differential and Forms Audit.
- [Episode 12 – 11/18/19](#): Payroll Beneficiary Query & Update, Pay Statement View, ERS Reporting & Adjustments, How to tell if a check is reversed, Time frame for transferred employees, Child Support New Hire Reporting, HIP New Hire Letter, Year End Updates, HIP Service Center.