

Department of Accounts

Payroll Bulletin

Calendar Year 2006

Wednesday, January 31, 2007

Volume 2006-14

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The Payroll Bulletin is published periodically to provide CIPPS agencies guidance regarding Commonwealth payroll operations. If you have any questions about the bulletin, please call Cathy McGill at (804) 371-7800 or Email at cathy.mcgill@doa.virginia.gov

State Payroll Operations

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SSN for Employees without a SSN

Dummy Social Security Number

The Virginia Retirement System provides guidance to employers when completing a New Member Enrollment Form (VRS-1500A) for an employee without a social security number. This guidance states that employers may use a “dummy” social security using the following guidelines:

- First two digits of the dummy number must be 80
- Next five are your VRS employer code
- Last two digits are a sequentially assigned number within your agency
- **Example:** 80-30151-01

As VRS contributions are passed using the SSN, this same nomenclature should be used when establishing records in CIPPS for such employees.

LWOP and Eligibility for VSDP

How does LWOP affect VSDP Eligibility

A clarification was obtained from VRS as to how eligibility for VSDP benefits is affected by LWOP conditions. Essentially, the determination is based on the date the claim is filed. If the LWOP status occurs prior to the date the claim is filed, the employee loses eligibility for disability benefits. If the LWOP condition occurs after the claim is filed but within the 7 calendar waiting period, the employee is eligible for benefits.

Elimination of Employer W-2 Print

No More Printed Employer W-2s

With the availability of W-2 data on Payline each employee can obtain a copy of their W-2 whether the original was misplaced or damaged. Therefore, the initial purpose of printed copies of W-2s for the employer has been eliminated. Additionally, should an agency be approached for a copy, the functionality of Payline masking provides quick and easy access to the requestors W-2.

Given these two advancements, the need for hard copy printed employer W-2s is eliminated. Effective this year, calendar year 2006, employer W-2s will no longer be printed; however, we will continue to provide an employer copy for reporting taxes withheld for states other than Virginia. Additional information regarding 2006 calendar year end will be distributed in November.

Finalized Supplemental Withholding Regulations

How to Tax Overtime Pay

The IRS finalized the regulations for supplemental withholding regarding both overtime pay and tips. The final regulations permit employers to treat tips and overtime pay as regular wages taxed according to the tax tables instead of “supplemental pay” taxed at the supplemental rate.

EFTPS Email Scam

IRS Notification

The IRS has been the recent target of several email scams in which the email requests personal information. The latest references the EFTPS. The IRS has asked that we remind our employees that the IRS does not ask for personal information via email. A message will be printed on the 10/16 earnings notices and pay stubs to that effect.

Updated FBMC Contacts

Contact Information

Payroll Officers or Benefit Administrators should send questions to:

Pre-tax programs: acctspec-271-pre@fbmc-benefits.com

Post-tax programs: acctspec-271-post@fbmc-benefits.com

Consolidated Billing may be reached at 1- 800-872-0345:

Pre-Tax – Sherrye McCullough, ext 2256

Post-Tax – Tina Weir, ext. 2259 or Barbara Reed, ext 2717.
